



NEWSLETTER

Email : [newsletter@bmcbank.co.in](mailto:newsletter@bmcbank.co.in)

# Bombay Mercantile Co-operative Bank Ltd.

(Scheduled Bank)

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10<sup>th</sup> July 2024

**Download Your E-Copy of NEWSLETTER Vol. IX Issue 6 dated 10<sup>th</sup> July, 2024 from branch /department webmail or write to us at [newsletter@bmcbank.co.in](mailto:newsletter@bmcbank.co.in)**

Welcome to July 2024 edition of Newsletter. The Newsletter, as you all know, is a trusted and reliable source to enhance your knowledge and keep you abreast with the latest developments. The month of July has begun with a remembrance of our founder Marhoom Padmashree Zain G. Rangoonwala sahib's birthday and we pray to All Mighty to bless his soul and exalt his status. The June quarter has ended and all the officials are ready with their performance figures. The Bank's audited financial statement as on 31<sup>st</sup> March 2024 has been signed wherein our bank has made net profit of Rs. 6.36 crores after duly making all the provisions. The bank has achieved this milestone due to efforts of all the staff members. The target for June quarter some has achieved while some have missed. We have to collectively achieve the target and the growth of the bank should be reflected in the financials.



The Haj Committee of India did not float the tender for distribution of Saudi Riyals but our bank through our Foreign Exchange department has arranged the cash SAR and USD and distributed among the pilgrims and Hajj tour operators through various branches. I am pleased to note that the Hajj pilgrims have appreciated the services offered to them and our Bank has quoted competitive rate. I congratulate each and every staff for rendering the noble services to Hajjis.

Our Executives have visited Gujarat region and motivated the staffs and they have committed to work with new zeal and assured to perform their best to achieve the targets allotted. The insurance business has to be focused on, though the quarter figures will be out soon, we have to work hard to achieve the allotted targets. Our insurance sales team has been activated and conducting various programs and seminars towards the awareness of our insurance products at various branches. The coming quarter is crucial as we have to achieve our deposit, advances, recovery and regulatory compliance and bank would be conducting its Annual General Meeting before 30<sup>th</sup> September 2024. I look forward to great period ahead and wish all the staff best for achieving their targets and wellbeing for them and their families.

**ZEESHAN MEHDI**

## PHOTO GALLERY

**We congratulate our Chairman Mr. Avan Kumar Singh for being awarded the Best President Award 2023-24 from Lions Club International District 321 C-2 Aligarh on 1<sup>st</sup> July 2024.**



## KNOWLEDGE BASE



### Reserve Bank of India



Did you know?

**Soiled Banknote**

A 'soiled note' means a note which has become dirty due to normal wear and tear and also includes a two piece note pasted together wherein both the pieces presented belong to the same note and form the entire note with no essential feature missing.

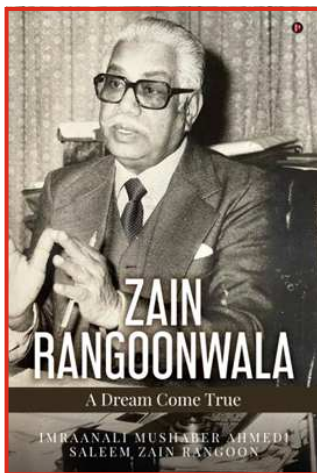
**Mutilated Banknote**

'Mutilated banknote' is a banknote, of which a portion is missing or which is composed of more than two pieces.

**Imperfect Banknote**

'Imperfect banknote' means any banknote, which is wholly or partially, obliterated, shrunk, washed, altered or indecipherable but does not include a mutilated banknote.





## Zain Rangoonwala - A Dream Come True - Book has been launched

Author Name: [Imraanali Mushaber Ahmedi, Saleem Zain Rangoon](#)

Coming from a modest background in Burma, orphaned at a young age and sent away from his brothers to live with family in India, Zain Rangoonwala benefited from growing up in a busy and loving extended family. He was well educated and soon took an interest in banking; an interest that would lead to a revolution of the banking world in India.

This is the life story of a visionary man, whose mission to establish a Co-operative banking institution for the benefit of under-represented sections of secular society, ultimately enabled tens of thousands of ordinary citizens to flourish and prosper.



Biography on our late founder Marhoom Padmashree Zain G Rangoonwala is written by his son Mr. Saleem Zain Rangoon co authored with Mr. Imraanali Mushaber Ahmedi, is now available online at [www.notionpress.com](http://www.notionpress.com).

[https://notionpress.com/read/zain-rangoonwala-a-dream-come-true?utm\\_source=share\\_publish\\_email](https://notionpress.com/read/zain-rangoonwala-a-dream-come-true?utm_source=share_publish_email)

The book is also available on [amazon.com](http://amazon.com). The staff members desiring to order the book can buy it from this two sites. The book is worth reading about our founder



## RBI NEWS

### Indian economy moving towards 8% growth on sustained basis: RBI governor Das.

The Indian economy is at the threshold of a major structural shift, moving towards an 8% growth rate on a sustained basis, warning that any wrong monetary policy move could hurt growth.

The RBI governor defended the monetary policy committee's decision to keep the 4% inflation target and reasoned why the MPC cannot afford to make any policy error with respect to inflation. The MPC earlier this month kept the policy interest rate unchanged at 6.5% for the eighth consecutive time, citing inflationary concerns.

"We have to navigate the path of inflation with a clear and unambiguous focus and commitment to bring down inflation. There cannot be any distraction at this stage. Any distraction will impact growth. In the game of chess, if you make one wrong move, you can lose the game. In the battle against inflation, one single wrong move can just throw you off track, and coming back to track will be costly."

Das assured that the Indian economy is not slowing down and there is clear evidence of private sector capex picking up, especially in sectors like cement, and steel. The Indian economy needs to be driven by multi-sectoral growth.

The Indian economy expanded by 8.2% in FY24, and the [RBI expects the country's GDP](#) to grow by 7.2% in the current financial year.

### RBI report on banking system: Signs of good health

The Indian banking system has continued to register a robust performance across various metrics. As per the Reserve Bank of India's latest financial stability report, not only have banks seen a sustained improvement in their asset quality, but their profitability has remained high, and their capital position also remains healthy. This improvement is being observed across both public and private sector banks. According to the report, the gross non-performing loans of the Indian banking system have declined to a 12-year low of 2.8 per cent in March, with declines observed across public, private and foreign banks.

This broad decline in bad loans has been driven by a combination of write-offs and fall in fresh bad loans — the half-yearly slippages have fallen across all bank groups. Alongside, banks have improved their provision coverage ratios, their net interest income has risen, and their capital position remains healthy. The stress tests conducted to gauge the strength of bank balance sheets do indicate that they are well placed to absorb macroeconomic shocks.

In consumer credit, in the case of personal loans below Rs 50,000, the delinquency levels are high as, a sizable section of borrowers has multiple loans.

### Anit-money laundering body gives thumbs-up to India

The Financial Action Task Force (FATF) has placed India in the 'regular follow-up' category in its latest "mutual evaluation" report released in Singapore. This signifies a higher level among peers in its anti-money laundering drive, and is a distinction shared by just four other G20 countries.

India's performance on the FATF Mutual Evaluation holds significant advantages for country's growing economy, as it demonstrates the overall stability and integrity of the financial system. Good ratings will lead to better access to global financial markets and institutions and increase investor confidence. It will also help in the global expansion of the Unified Payments Interface (UPI), India's fast payment system.

The better FATF score has been attributed to the implementation of JAM (Jan Dhan, Aadhaar, Mobile) trinity coupled with stringent regulations on cash transactions has led to a significant increase in financial inclusion and digital transactions. "These measures have made transactions more traceable thereby mitigating ML/TF risks and enhancing financial inclusion.

## REGULATORY UPDATES

### Govt leaves interest rates on small savings schemes unchanged for July-Sep 2024

The Union government on June 28 left interest rates on small savings schemes unchanged for the second quarter of FY25 starting July 1, 2024, making it the second time in seven quarters that rates on these instruments have not been increased. The finance ministry started raising small savings interest rates in October-December 2022 after leaving them unchanged for nine consecutive quarters.

"The rates of interest on various Small Savings Schemes for the second quarter of FY 2024-25 starting from 1st July, 2024 and ending on 30th September, 2024 shall remain unchanged from those notified for the first quarter (1st April, 2024 to 30th June, 2024) of FY 2024-25. Small savings interest rates, while set by the government, are linked to market yields on government securities at a spread of 0-100 basis points over the yield of these securities of comparable maturities. As such, when market yields on government securities fall, interest rates on small savings schemes should also be decreased. However, the small savings interest rates have been left unchanged for the second quarter of FY25 despite a fall in government bond yields.

## INDUSTRY NEWS

### Revision of Settlement cycles & Business day cutover timings-UPI & IMPS

Considering the growth in **volume** and **value of settlements** over a period of time, NPCI has recently decided to implement following changes in **UPI & IMPS** settlement cycles and timings.

Existing process	Revised process
Eight settlement cycles per day	Ten settlement cycles per day
Business cutover <b>23 hours to 23 hours</b>	Business cutover <b>24 hours to 24 hours</b>

These revised guidelines will be effective from **01<sup>st</sup> August 2024**. There will be no change in cut off timings for customer compensation & NPCI compliance penalty. Member banks are expected to maintain adequate funds in **RTGS settlement account** on all **365 days** to avoid short fall of funds.

Win a prize of Rs.1000/- and a certificate of appreciation from the Managing Director for the correct answer with a beautiful slogan concerning banking activity. The slogan should not be more than 30 words. **Send your reply with slogan in sealed envelope mentioning your Name, Code No. and branch to Treasury Department, 2<sup>nd</sup> Floor, 78 Mohammedali Road, Mumbai – 400 003.**

## QUESTIONNAIRES

Q.1 Bhartiya Nyaya Sanhita replaces Indian Penal Code (IPC) w.e.f. 1<sup>st</sup> June 2024.

(a) True (b) False

Q.2 Bhartiya Nagrik Suraksha Sahita replaces Code of Criminal Procedure (CrPC) w.e.f. 1<sup>st</sup> July 2024.

(a) True (b) False

Q.3 Bhartiya Sakshya Adhiniyam replaced India Evidence Act w.e.f. 1<sup>st</sup> August 2024.

(a) True (b) False

Q.4 Govt. revised / increase the rate of interest on Small Savings scheme

(a) True (b) False

Q.5. Bulk deposit would means for SCB

(a) Rs. 1.00 Cr (b) Rs. 2.00 Cr (c) Rs. 3.00 Cr

**Your reply should reach us on or before 25.07.2024**

## Quiz result of Issue 5 VOL IX

**Quiz Answer :**

**1. (d) 2. (b) 3. (b)  
4. (b) 5. (2.11 Lakhs Crores)**



**WINNER's NAME:** Ms. Pooja Akshay Jage Code No. 4247, Inspection & Audit department, Head Office.

**SLOGAN :** READY TO SERVE THE NATION

Cash prize and Quiz Competition Certificate is ready and will be delivered to winner during staff function program or seminar by the hands of Managing Director.



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