



**Download Your E-Copy of NEWSLETTER Vol. IX Issue 8 dated 10<sup>th</sup> September, 2024 from branch /department webmail or write to us at [newsletter@bmcbank.co.in](mailto:newsletter@bmcbank.co.in)**

Welcome to September 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. All the staff members are advised to contribute to the Newsletter by sending articles and news pertaining to banking industry in general and Urban co-operative banks (UCB) in particular to published the same in our Newsletter. We are encouraging staff members to participate in Newsletter Quiz Competition wherein winner is given Cash prize of Rs.1000/-. The **banking profession** have converted to **Sales job** as the market trend suggest. Many are having the feeling that banks doesn't recognize their banking skills and only give priority to those who **sell banking products** more particularly **3<sup>rd</sup> party products**.



The present day banking scenario and expectation from the job is changing. Banks are also behind short term business performances and profits. Now the banks are sales oriented and offer jobs to sell loans and 3<sup>rd</sup> party products. Therefore the bank should nurture more banking professionals rather than running behind sales for **short term performances and profits**.

The members are aware that our bank's Annual General Meeting is proposed to be held on 30<sup>th</sup> September 2024 at Hajj House, Palton Road, Mumbai. The branch officials are advised to contact and encourage the share holders to participate in the Annual General meeting and make it a memorable event and a grand success.

Further the half yearly closing is approaching fast and the bank has to achieve the allotted targets in terms of business performance i.e. deposit mobilization, advances, recovery of NPA and credit overdue monitoring, fee based income to be increased etc. The festive seasons like Eid e Milad, Ganesh Chaturthi and Dassera are also approaching and we wish all the staff and their family a blessed festivals filled with health and wealth.

**ZEESHAN MEHDI**

## PHOTO GALLERY



**INDEPENDENCE DAY FLAG HOISTING AT HEAD OFFICE ON 15<sup>th</sup> August 2024**

## Entering your 40s? Here's how to strategize your investments

As you move through life, your responsibilities tend to change every few years. These responsibilities necessitate changes to financial planning as well. Speaking of different life stages, your 40s are often marked by a significant shift in financial responsibilities. At this age, you are more likely to be well-established in your career earning a higher income, and may have increased family commitments, such as children's education, supporting ageing parents, and planning for your retirement. Strategic investment planning at this stage should be aimed at reducing debt, increasing focus asset building, and maximizing savings wherever possible. Let's find out how you can go about doing that.



### Evaluate Financial Goals and Obligations

The first step should be to evaluate your financial status and understand your responsibilities. Next, you need to ensure your investment strategy aligns with your current financial situation and goals. Review what you own versus what you owe. Understand your cash flow by reviewing your income and expenses, and identify areas where you can save or invest more.

### Diversify Your Investment Portfolio

Once you know the estimated costs of your goals, choose investments that align with your risk appetite. Assess your current finances to find out your risk tolerance. Diversification is key to reduce risk and maximise returns. A diversified portfolio comprises a balanced mix of debt and equity instruments.

### Try to Clear Off Your Debts

Reducing your debt burden is crucial at every life stage. If necessary, explore a debt consolidation loan that will allow you to manage and repay all your debts in one go.

### Maximise Retirement Savings

Ideally, retirement planning should begin as soon as you start earning. If you haven't started yet, start now. Count the number of years you have to create your fund. Account for inflation and calculate the amount you'll need to maintain your current lifestyle post retiring.

### Buy Insurance to Protect Your Family

Having adequate insurance ensures your family is financially protected, and your investments are not disrupted due to an unexpected event. Health insurance and Life insurance provides security to your loved ones if something were to happen to you.

### Plan for Children's Education

Children's education is a major expense in today's times that requires robust financial planning. The key is to start early – invest in education savings plans or set up a dedicated investment account for this expense.

### Regularly Review and Adjust Your Plan

As mentioned, your goals, responsibilities, and financial situation can change with time. You can also seek professional advice from a financial planner to ensure you're on the right path, financially.

**SHRI. ARSHAD KHAN, DIRECTOR**

## RBI NEWS

**Unclaimed Deposit: RBI nominates 30 banks on UDGM portal for unclaimed deposits.**

**UDGM portal: The total amount of unclaimed deposits till March 2023 was Rs 42,270 crore.**

**UDGM portal:** All unclaimed deposits/accounts are part of the Depositor Education and Awareness (DEA) Fund of RBI. It has become easier to withdraw and trace unclaimed money deposited in banks. Reserve Bank of India (RBI) said that 30 banks are providing the facility to people to trace unclaimed deposits/accounts through UDGM portal. The remaining banks are also in the process of joining it. UDGM is the entry gate online portal to access information about unclaimed deposits. Through this, registered users have been given the facility to track unclaimed deposits/accounts in multiple banks at one place in a centralized manner.

The FAQ states that unclaimed deposits can be claimed only from the concerned bank. The total amount of unclaimed deposits till March 2023 was Rs 42,270 crore.





## **RBI's Advisory Committee meets after a gap; who's who of UCB sector attend**

The Reserve Bank of India organized the 37th Standing Advisory Committee meeting in Mumbai after a gap of one year, during which almost all the major issues plaguing the sector came up for discussion.

These included aligning regulatory norms for T3 and T4 UCBs with those of commercial banks, resumption of licenses for new UCBs, Priority Sector Lending (PSL) targets, and loans to directors, among other things.

The discussions covered a wide range of topics, including small ticket loans, priority sector targets, revision of the housing loan limit, entry point norms for new banks, norms for conversion of credit societies into urban cooperative banks, relaxation in branch openings.

A key demand raised during the meeting was the urgent need to revisit the Priority Sector Lending (PSL) targets and lower them to 40 percent, as applicable to commercial banks.

Discussions also focused on the increasing penalties imposed by the RBI on UCBs. Cooperators expressed concerns that no UCB might qualify as Financially Sound and Well Managed (FSWM) in the coming years if the current penalty regime continues. They requested that penalties be categorized as major or minor, with only major violations affecting FSWM status.

Among the important issues discussed was the existing mandatory norm for UCBs, which requires that at least 50% of a bank's loan portfolio comprises loans not exceeding Rs 25 lakh or 0.2% of their Tier I capital, whichever is higher, with a cap of Rs 1 crore per borrower/party.

The cooperative banking sector representatives called for this threshold to be revised, proposing that at least 50% of total advances should comprise loans up to Rs 1 crore or 0.5% of their Tier I capital, whichever is higher. They argued that this change would allow banks with a strong capital base to better serve their existing customers.

During the meeting, cooperators emphasized that instead of canceling licenses and closing down UCBs, the RBI should avoid closures in the interest of depositors.

It was also discussed that the RBI should announce the resumption of licensing for new UCBs and prescribe entry point norms to achieve the Prime Minister's "Sahakar se Samridhi" vision.

Additionally, it was suggested that UCBs with deposits between Rs 500 crore and Rs 1,000 crore be considered for inclusion in the Second Schedule of the RBI Act.

## **INDUSTRY NEWS**

### **Enhancing Transaction Limits for Tax Payments through UPI**

**Unified Payments Interface (UPI)** has become the most- preferred mode of payments, due to its seamless features. UPI has a very large user base of **424 million individuals**.

Currently, the transaction limit for **UPI** is capped at ₹ **1 lakh**. Based on the various use-cases, the RBI has periodically reviewed and enhanced the limits to **Rs. 5 lakh** for a few categories like capital markets, IPO subscriptions, loan collections, insurance, medical and educational services etc.

As **direct** and **indirect tax payments** are common, regular and high value, it has been decided to enhance the limit for **tax payments** through UPI from ₹ **1 lakh** to ₹ **5 lakh** per transaction.

### **Continuous Clearing of Cheques under Cheque Truncation System (CTS)**

**Cheque Truncation System (CTS)** currently processes cheques with a clearing cycle of up to **two working days**. To improve the efficiency of cheque clearing and reduce settlement risk for participants, RBI has recently proposed to transition CTS from the current approach of **batch processing** to **continuous clearing** with '**on-realisation-settlement**'.

Cheques will be scanned, presented, and passed in a few hours and on a **continuous basis** during business hours. The clearing cycle will reduce from the present **T+1 day** to a **few hours**.

## **The new credit card rules.**

As September 2024 approaches, several key financial changes are set to take effect, potentially impacting consumers' finances. Starting Sunday, September 1, significant adjustments will be introduced by various banks, affecting credit card reward points, payment deadlines, and minimum balances. It is crucial for consumers to be aware of these updates and take necessary action before deadlines pass, especially regarding revisions to Aadhaar, fixed deposit schemes, and changes in credit card terms.

### **RuPay Credit cards to earn more reward points**

Starting September 1, 2024 the RuPay credit cardholders will benefit from an enhanced reward point system. The National Payments Corporation of India (NPCI) has mandated that RuPay credit cards will now earn the same reward points for UPI transactions as other payment service providers. The NPCI highlighted that this change addresses the previous disadvantage RuPay cardholders faced in earning rewards.



**BOMBAY MERCANTILE CO-OPERATIVE BANK received "Best Customer Experience Excellence Award" presented by Iconic Leaders Award 2024 at Karjat on 9<sup>th</sup> August 2024**

## KNOWLEDGE BASE

### Speak Like A Great Manager

"What do YOU think?" Ask for employees' insights frequently	"Where do you want to be in 5 years?" Invest in their career goals and success
"We'll get through this together!" Ensure they know you've got their back	"Your feedback was spot on!" Solicit feedback, act on it, and share that you did
"Here's why I made that decision!" Make the tough calls and then explain them	"Take some time off - you've earned it!" Recognize and reward extra hard work
"I love that you took a risk. What did you learn?" Normalize risk taking, learning, and growth	"Do you have enough direction to run with this?" Set clear expectations and ensure they've landed
"I won't be on email while I'm gone!" Role model balance - in talk and action	"Will you lead that for us?" Delegate and empower employees to step up, showing you trust them
"You all rocked it!" Praise the team often and leave yourself out of it	"How can I better support you?" Ask for feedback on your leadership
"I'll be quiet now!" Talk less and listen more	"Next time, try..." Give real feedback, but make it forward-looking and actionable
"Thank you!" Show gratitude often	"You doing okay?" Be kind. Recognize when things are off and listen
	"I messed up!" Role model ownership

### Components Of KYC Regulations In Banks By RBI

- ID Verification
- Customer Due Diligence
- Enhanced Due Diligence
- Ongoing Monitoring

## CONGRATULATION TO YOUNG ACHIEVERS



**Congratulations to Mr. Arshan Ayaz Hawaldar s/o Mr. Ayaz Hawaldar, Officer L1 at Head Office, for securing First class in Final Semester of Diploma in Electronics & Tele-Communication Engineering from Maharashtra State Board of Technical Education in June 2024.**

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 The total amount of Unclaimed deposit till march 2024 was Rs. 42,270 crores

(a) True (b) False

Q.2 Our banks Annual General Meeting is on 27<sup>th</sup> September 2024 at Khargar, Navi Mumbai.

(a) True (b) False

Q.3 CTS Stands for .....

Q.4 BMC Bank received Award of "BEST CUSTOMER EXPERIENCE" from.....

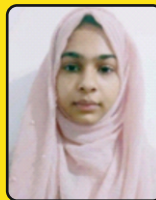
Q.5. Beneficial Owner means.....

**Your reply should reach us on or before 25.09.2024**

## Quiz result of Issue 7 VOL IX

### Quiz Answer :

1. (SUPERVISORY ACTION FRAMEWORK)
2. (a) 3. (Multi Sale Product)
4. (Special Mention Account) 5. (False)



**WINNER's NAME: Ms. Zeba Qureshi, Code No. 4325, CMD department, Head Office**

**SLOGAN : BANK HEALTHIER, LIVE HAPPIER**

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.



**Publisher :** Bombay Mercantile Co-operative Bank Ltd.  
**Chief Patron :** Mr. Syed Ajaz Haider Rizvi , Director  
**Chief Editor :** Dr. M. Shah Alam Khan – Managing Director  
**Associated Editors :** Mr. Barkat Ali - Chief General Manager, Mr. A. K. Sinha - Chief Operating Officer, Mr. Mohammed Arif Amiri - Deputy General Manager

**Disclaimer :** "The information / news items contained in this publication have appeared in various external sources / media for public use or consumption and are now meant only for members and subscribers. The views expressed and / or events narrated / stated in the said information / news items are as perceived by the respective sources. BMC Bank neither holds nor assumes any responsibility for the correctness or adequacy or otherwise of the news items/events or any information whatsoever.