



Bombay Mercantile Co-operative Bank Ltd.

(Scheduled Bank)

NEWSLETTER

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FROM THE EDITOR'S DESK

Welcome to the **February 2024** edition of the Newsletter. The Newsletter, as you all know, is a trusted and reliable source to enhance and keep you abreast with the latest developments. The Newsletter is completed 9 nine years of imparting skill, knowledge to the staff members and continue to serve the staff in the coming years.

I am pleased to inform the launch of much awaited Insurance business in partnership with FUTURE GENERALI for Life, CARE HEALTH INSURANCE for Health and SHRIRAM GENERAL INSURANCE for general (stock movable and immovable properties) In this direction the bank organized two days seminar for Branch Managers and Area Heads for Insurance business. All Branch Managers and Area Heads have given assurance to work with renewed zeal and strive to achieve organizational goals.

A separate vertical team will be created and headed by senior and seasoned Executives to provide our bank customers an Insurance product that caters to their needs and financial goals. The bank is imparting training to our Probationary Officers and has conducted various training programmes to uplift their skills and knowledge and as part of the ongoing process. A training programme conducted by BQ Global from 1st February 2024 to 3rd February 2024 at Hotel Godwin, Colaba, Mumbai.

I am also pleased to announce that Junior Executive Assistants would soon be joining our organization and for them a robust training programme is prepared. As per the succession plan young and energetic talent would be inducted to provide better customer service and that will help the bank achieve the growth path as envisaged by the management.



ZEESHAN MEHDI

BMC BANK – PHOTO GALLERY



**MANY HAPPY RETURNS
OF THE DAY AND BEST WISHED
TO OUR MANAGING DIRECTOR
DR. M SHAH ALAM KHAN
ON HIS BIRTHDAY ON
1ST FEBRUARY 2024**



GLIMPSE OF TRAINING PROGRAMME FOR P.O AT HOTEL GODWIN, COLABA, MUMBAI FROM 1ST FEB 2024 TO 3RD FEB 2024.



NATIONAL NEWS

Key highlights of Interim Budget for FY 2024-2025

Union finance minister has presented **Interim Budget** for the financial year **2024-25**. The full fledged budget is not presented due to the upcoming general elections. The key highlights of the **interim budget** presented for **FY 2024-25** are,

(a) The focus of the budget is upliftment of four major segments, that is, “**Garib**” (**Poor**), “**Mahilayen**” (**Women**), “**Yuva**” (**Youth**) and “**Annadata**” (**Farmer**). The budget contains a number of announcements and strategies indicating directions and development approach for making India “Viksit Bharat” by **2047**.

(b) **Priority to Solar Power:** 1 crore households to obtain 300 units free electricity every month through rooftop solarization. Each household is expected to save Rs.15000 to Rs.18000 annually.

(c) Healthcare cover under **Ayushman Bharat scheme** to be extended to all ASHA workers, Anganwadi Workers and Helpers.

(d) **Research and Innovation for catalyzing growth, employment and development-** To give greater focus for this, a corpus of **Rs.1 lakh crore** will be established with **fifty-year interest free loan** to provide long-term financing or refinancing with long tenors and low or nil interest rates. A new scheme will be launched for strengthening deep-tech technologies for defence purposes and expediting “atmanirbharta”.

(e) Capital expenditure outlay for **Infrastructure development** and **employment generation** to be increased by **11.1 per cent to Rs.11,11,111 crore**, that will be **3.4 per cent** of the GDP.

(f) Major economic railway corridor programmes identified under the **PM Gati Shakti** to be implemented to improve logistics efficiency and reduce cost. **40,000** normal rail bogies to be converted to **Vande Bharat** standards.

(g) Under **Green energy initiative** Coal gasification and liquefaction capacity of **100 MT** to be set up by **2030**. Phased mandatory blending of **compressed biogas (CBG)** in compressed natural gas (CNG) for transport and **pipelined natural gas (PNG)** for domestic purposes to be mandated.

(h) Central government has proposed to extend **Long-term interest free loans** to the States for financing development of **Tourism sector** on matching basis.

Budget Estimates 2024-25:

i. Total receipts other than borrowings and the total expenditure are estimated at **Rs.30.80 lakh crore** and **Rs.47.66 lakh crore** respectively.

ii. Tax receipts are estimated at **Rs.26.02 lakh crore**.

iii. Scheme of fifty-year interest free loan for capital expenditure to states to be continued this year with total outlay of **Rs.1.3 lakh crore**.

iv. **Fiscal deficit** in 2024-25 is estimated to be **5.1 per cent** of GDP.

Gross and net market borrowings through dated securities during 2024-25 are estimated at **Rs.14.13 lakh crore** and **Rs.11.75 lakh crore** respectively.

REGULATORY UPDATES

Change in limit- Bulk Deposits for Urban Co-operative Banks

As per RBI guidelines "**Bulk Deposit**" means single Rupee term deposits of **Rupees fifteen lakh** and above in case of UCBs. (In commercial banks it is Rs. 2 crore and RRBs it is Rs. 1 crore).

On a review, RBI has decided to enhance the bulk deposit limit for Scheduled Primary (Urban) Co-operative Banks, in **Tier 3** and **4**, to Rupees **one crore** and above. For **other UCBs**, the previous limit of **Rs. 15 lakhs** remains the same.

Second Schedule to the RBI Act, 1934 – Norms for inclusion

Scheduled banks are those banks which are listed under **Schedule II** of **RBI Act, 1934**. RBI has recently released eligibility norms for inclusion of **Urban Co-operative banks** in the **Second Schedule to the RBI Act, 1934**. Licensed **Tier 3** (UCBs with deposits more than 1000 crore and up to 10,000 crore) and **Tier 4** (UCBs with deposits more than 10,000 crore) **Primary (Urban) Co-operative Banks**, fulfilling the criteria stipulated for **Financially Sound and Well Managed Urban Co-operative Banks** by RBI, subject to maintenance of minimum deposits required for categorization as a **Tier 3 Urban Co-operative Bank** for **two consecutive years**, would be the eligible financial institutions for the purpose of such categorization.

Such UCBs with the following criteria's shall be eligible for inclusion,

- a) **CRAR** of at least **3 per cent** more than the **minimum CRAR requirement applicable to the UCB**; and
- b) No major regulatory and supervisory concerns.

Eligible UCBs may submit their application for inclusion in the Second Schedule to the RBI Act, 1934 to the concerned **Regional Office of Department of Supervision** with specified documents.

Amendment to the Master Direction (MD) on KYC

As per RBI's master directions on **KYC AML norms**, **Regulated Entities (REs)** have to undertake **Customer Due Diligence (CDD)**, as per the process laid out therein, for their customers.

As per these guidelines, REs shall have the option of establishing a relationship with **Politically Exposed Persons** (whether as customer or beneficial owner) provided that, apart from performing normal customer due diligence.

For this purpose, as per the amended definition, "**Politically exposed persons (PEPs)** are individuals who are or have been entrusted with prominent public functions by a foreign country, including the Heads of States/Governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials."



Messaging System in IMPS transactions

NPCI has issued instructions to member banks under **IMPS** system to migrate from **ISO 8583** messaging system to **API based XML format** before **31st March 2022**. The time limit was further extended till **31st January 2024**. In this regard, NPCI has advised all banks to complete migration before **31st January 2024** and post which no IMPS transactions will be allowed with **ISO 8583** messaging system.

Memorandum of Understanding between NPCI and Google Pay

Google India Digital Services (P) Limited (Google Pay) and NPCI International Payments Ltd (NIPL), a wholly-owned subsidiary of the National Payments Corporation of India (NPCI) have signed a Memorandum of Understanding to expand the transformative impact of UPI to countries beyond India.

The MoU has three key objectives.

It seeks to broaden the use of UPI payments for travelers outside of India, enabling them to conveniently make transactions abroad.

The MoU intends to assist in establishing UPI-like digital payment systems in other countries, providing a model for seamless financial transactions.

It focuses on easing the process of remittances between countries by utilizing the UPI infrastructure, thereby simplifying cross-border financial exchanges.

The outlined objectives will help accelerate UPI's global acceptance, providing foreign merchants access to Indian customers who will no longer have to rely only on foreign currency and/or, credit or forex cards for making digital payments and will have the option using UPI powered Apps from India including Google Pay. A Deep Dive into the significance of Digital Banking Digital products are financial services and offerings that can be accessed through the internet and other digital mediums. These include digital accounts, internet banking, mobile banking apps, financial advice, electronic transactions, and other online financial services. The adoptability to digital banking is mainly attributed to "convenience" for the users. The major initiatives from the banks to make the digital products popular among the public are,

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, 2nd Floor, 78 Mohammedali Road, Mumbai – 400 003.**

QUESTIONNAIRES

Q.1 Interim budget has been presented by

- (a) Finance Secretary (b) RBI Governor (c) Finance Minister

Q.2 The Monetary Policy of RBI is presented

- (a) Monthly (b) Bi monthly

Q.3 Bulk deposit for Tier III and Tier IV UCBs is Rs.....

- (a) Rs. 15.00 Lakhs (b) Rs. 1.00 crores

Q.4 PEP stands for

Q.5. The training programme for Probationary Officers was conducted by

- (a) BQ Consultants (b) Zain Rangoonwala Bankers Training College

**Your reply should reach
us on or before
28.02.2024**

Quiz result of Issue 11 VOL VIII

Quiz Answer :

1. (Mr. Amiruddin Mohiuddin Panhalkar)
2. (b) 3. (a) 4. (a) 5. (b)



WINNER's NAME:

**Mr. Vajir Ali G. Vijapura, Code No. 4293
Branch Manager, Vadodara branch.**

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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