



ABHYUTTHANA FINANCIAL LEARNING CENTRE

(An institution to Promote Financial Literacy)

News Letter : Issue No 8

Bhubaneswar

Nov-2018- Feb 2019

AFLC FLASH

FIN LIT LIGHT

(A special Issue on Financial Literacy and Financial Inclusion)



On 8 February 2019, in the Conference on Financial Inclusion and Emerging Challenges : Focus MSMEs organized by AFLC a special issue **"FIN LIT LIGHT"** was released by the Chief Guest Smt Shyamala Gopinath, former Deputy Governor, Reserve Bank of India and present Chairperson , HDFC Bank Ltd. The book contains nine useful articles on financial inclusion and financial literacy, 'AFLC Flashback' , and book review on **THE LAST MILE** authored by : R N Dash, Former Regional Director, Reserve Bank of India, Hyderabad. The foreword of the special issue was written by Shri R N Dash.

E-Mail : abhyutthana@gmail.com

Web: www.aflcfinlit.org

Twitter : [@abhyutthana1](https://twitter.com/abhyutthana1) / [@DMish](https://twitter.com/DMish)

A FEW WEE STEPS INTO FUTURE...



Dear Patrons & Readers

“Investments have market risks. Read the Investment Documents carefully.” We often hear and read such warnings from the Market Regulator as also the Issuers for the benefit of the public. But the terms and conditions, that the Issuer inserts in the Investment document are pitifully in such microscopic prints that they are more shunned than seen, far less read by most investors. Further, the gullible public are enticed so much by the lollipop of quick and coquettishly promised returns that they do not see the smoke screen obfuscating the future. With the result, many investors are driven to distress in their chase after “golden goose” for quick returns.

Investments are fraught with huge risks. This is not to say that this domain is a strict ‘no’ ‘no’ to the general populace. The firsttime investor is like an entrepreneur. His passion has more to be driven by caution than by blind assumptions and unfounded enthusiasm. Investment for the first time is like taking a dive into waters. Those who do not know swimming must not jump into high seas. They will instantly drown. There is a vast difference between water in a small pond, water in a slow flowing rivulet, water in a fast flowing river having gorges and rapids and huge breakers in the ocean. One has to learn swimming, starting from placid village pond to slowly migrate to deep waters. It takes time, requires experience, aptitude, reasoned anticipation and all that.

Investment waters are turbid, vastly unfathomable and fraught with unpredictability. The Investors Awareness Forum, Odisha under the canopy of Abhyutthan Financial Literacy Forum (AFLC) has been doing a great service in bringing awareness among the existing and prospective investors in the State by organising many theme-based learning programmes that are contextual. So far, about five Workshops have been organised, wherein the expert speakers and practitioners have interacted and shared their practical experience, basic rules of business, do’s and don’ts, prospects and pitfalls among the audience. More such experiential learning events will dot the Forum’s calendar in coming days.

AFLC celebrates in a modest way, its progress by organising Annual Conclave/Conference which is, besides being a morale booster, helps in setting the direction, purpose and short and medium term goals of the Centre.

AFLC in collaboration with Indian Chamber of Commerce (ICC), Bhubaneswar organized a day -long Conference on Financial Inclusion and Emerging Challenges – Focusing MSMEs” on 8 February 2019 (Friday) at The New Marrion , Bhubaneswar. Details are given in the following pages.

Editorially

PURCHASE/SALE OF IMMOVABLE PROPERTIES IN INDIA BY NRI/OCI ETC.– PROVISIONS UNDER FOREIGN EXCHANGE MANAGEMENT ACT (FEMA)



S.Choudhury, Editorial Desk

Normally information with general public is somewhat unclear regarding purchase/sale of immovable properties in India by the Non Resident Indians (NRI)/Overseas Citizens of India (OCI). Attempt made here to explain related FEMA provision for layman understanding.

(A) ELIGIBILITY

- (i) NRI / OCI : can acquire immovable property in India by way of gift/ inheritance.
- (ii) Foreigner whose spouse is a NRI/OCI : eligible to acquire jointly with his/her spouse (provided he/she-the spouse is not otherwise not eligible) and the marital status existing for 2 years prior to acquisition of just one immovable property.
- (iii) Non residents residing outside India : for the purpose of establishing branch, office (but not liaison office) for business activities. He has to submit a declaration in IP form to RBI within 90 days of acquiring the property.
- (iv) Citizen of Afghanistan, Bangladesh, Pakistan who are in 'minority' in these countries (belonging to Hindu, Sikh, Buddhist, Jain, Parsi, Christian) and are residing in India with LTV from Govt. of India can acquire immovable properties – ONE for residential dwelling and ONE for carrying out business activities in India.
- (v) Foreign embassy, diplomats / consulate General : requires prior permission from Ministry of External Affairs, Gol

(B) INELIGIBLE PROPERTY : Immovable property in the nature of agricultural land, farm house, plantation properties are kept out of the purview.

(C) PROCEDURES FOR ACQUISITION AND SALE : of immovable property and repatriation of the sale proceeds outside India : in both the cases, it is allowed only if the original purchase made by funds received in India for the purpose through inward remittances (of permitted foreign exchange) and funds held in India in NR account.

No person resident outside India shall transfer immovable property in India without prior approval from RBI

Repatriation of sale proceeds is restricted to two residential immovable property.

Immovable property transactions shall be conducted in India through banking channel by ADs (Indian banks) subject to payment of applicable taxes/duties levied in India.

If a property was acquired with External Commercial Borrowing (ECB) loan and the foreign has the Charge over the same property, then said bank is eligible to sale the property to resident Indian and repatriate the outstanding ECB loan

Source : RBI circular of March 26, 2018 with ref. to Notification No. FEMA 21(R)/2018-RB.

CONFERENCE ON FINANCIAL INCLUSION AND EMERGING CHALLENGES – FOCUSING MSMES : ON 8 FEBRUARY 2019

AFLC in collaboration with Indian Chamber of Commerce (ICC), Bhubaneswar organized a day -long Conference on Financial Inclusion and Emerging Challenges – Focusing MSMEs” on 8 February 2019 (Friday) at The New Marriion , Bhubaneswar.

Smt Shyamala Gopinath, former Deputy Governor, Reserve Bank of India and present Chairperson, HDFC Bank inaugurated and delivered the Key Note address. The inaugural session was graced by Salim Gangadharan , Chairman , South Indian Bank, and P Krishnamurthy, former CGM, RBI and M K Mall, Regional Director, RBI, Bhubaneswar. D Mishra, Founder and Managing Partner, AFLC introduced the dignitaries and briefly mentioned the objective of the Conference.

A special Issue: “FIN LIT LIGHT “ was released by the guests.

A Panel discussion on “Dynamics of evolving financial landscape- policy Ecosystem Banking and NBFCs” with Smt Gopinath as Chairperson was held. Salim Gangadharan, P Krishnamurthy addressed on banking and NBFC sector.

A Technical Session on “Emerging Challenges and Opportunities for MSME sector- FINANCE” was addressed by experts : Smt Bhama Krishnamurthy, former CGM, SIDBI, N C Das, former GM, Indian Overseas Bank, and Divyajyoti Pattanaik., Director, Annapurna Finance.

Technical session on “Emerging Challenges and Opportunities for MSME Sector- INSURANCE” was handled by Insurance Sector expert Manoj Satapathy, Head, Government and Rural Business, Royal Sundaram GIC Ltd. A Technical Session on “Hedging Risk of Forex Exposure for SME Exporters” was handled by S. Gangadharan and P Krishnamurthy. With their long experience in forex derivative and forex management , they explained the intricacies in forex risk management in a lucid manner for benefit of MSME entrepreneurs.

S Choudhury, Advisory Board, former GM, RBI summarized the proceedings of the Conference. In all 110 bankers, financial professionals, academicians and students participated in the event.

A K Sabat , eminent Chartered Accountant proposed vote of thanks.



WORKSHOP ON FINANCIAL LITERACY FOR SENIOR CITIZENS

On 11th January 2019, AFLC, in collaboration with Office of Banking Ombudsman, RBI , Bhubaneswar organised a workshop on Financial Literacy, for Senior Citizens , in the Community centre , RBI Staff Quarters Bidyut Marg, Bhubaneswar. In all, 60 senior citizens participated.

At the outset, D Mishra, Managing Partner, AFLC welcomed the guests and participants and highlighted the targeted approach for financial education. Senior citizens are important segments of society; they must deal with banking and finance system confidently.

M.K. Mall, Regional Director, RBI inaugurated the program. He said that financial education is need of the hour for all to deal with the financial system. He expressed happiness for the efforts made by AFLC for conducting such programs.

Shreedhar Behera the Banking Ombudsman was the key speaker in the workshop. He explained the functions of of Banking Ombudsman and the grievance redressal system. G.C. Bisoyee, Manager , Office of Banking Ombudsman explained digital banking. Bhimsen Maharana, AGM, SBI and Chief Manager , CPPC, SBI clarified doubts of the pensioners.

Muralidhar Nayak, Secretary, RBI Retired Employees Association, Bhubaneswar proposed vote of thanks.

[illegible]

ଏମ୍‌ଏସ୍‌ଏମ୍‌ଇକୁ ଦରକାର ଠିକ୍ ସମୟରେ ରଖ

ଭୁବନେଶ୍ୱର, ୮/୨(ଇମିସି): ରେଶର ଅର୍ଥକ୍ଷେତ୍ର ଅଭିବୃଦ୍ଧି ଓ ନିୟୁତ ସୁଯୋଗ ସୃଷ୍ଟି ପ୍ରତି ଲକ୍ଷ୍ମୀ ସ୍ତ୍ରୀ ଓ ମଧ୍ୟମ ଧରଣର ଶିଳ୍ପ ସଂସ୍ଥା (ଏମ୍‌ଏସ୍‌ଏମ୍‌ଇ)ର ଗୁରୁତ୍ୱପୂର୍ଣ୍ଣ ଅବଦାନ ରହିଛି । ଏହି କ୍ଷେତ୍ରକୁ ବ୍ୟାଙ୍କ ଓ ଆର୍ଥିକ ହସ୍ତାଗତ୍ରିକ ଠିକ୍ ସମୟରେ ଓ ଆବଶ୍ୟକ ପରିମାଣର ରଖା ଯୋଗାଇ ଦେବାର ଆବଶ୍ୟକତା ରହିଛି ବୋଲି ଭାରତୀୟ ରିଜର୍ଭ ବ୍ୟାଙ୍କର ପୂର୍ବତନ ଚେସ୍‌ମେନ୍ ଶ୍ୟାମଳା ଗୋପାଳ ଅ କହିଛନ୍ତି । ଆଜି ହେତେକ୍ଷେ ମ୍ୟୁ ମାରିଆନ୍‌ରେ ଆଇସିସି ଚରପାରୁ ଆୟୋଜନ କରାଯାଇଥିବା ଏକ ସମ୍ମିଳନୀରେ ଅତିଥି ଭାବେ ଯୋଗ ଦେଇ ସେ କହିଛନ୍ତି ଯେ, ଏମ୍‌ଏସ୍‌ଏମ୍‌ଇଗୁଡ଼ିକୁ ରଖା ତ ମିଳୁଛି କିନ୍ତୁ ଯୋଗା



ସମୟରେ ଯେତିକି ପରିମାଣର ରଖା ଦରକାର ଗ୍ରହା ମିଳୁଛି । ସେମାନଙ୍କୁ ଠିକ୍ ସମୟରେ ରଖା ପ୍ରଦାନ କରିବାକୁ ହେବ ବୋଲି ସେ କହିଛନ୍ତି । ଆର୍ଥିକ ଅବୁର୍ଦ୍ଧାକରିଣ ବଢ଼ାଇବା ପାଇଁ ବ୍ୟାଙ୍କଗୁଡ଼ିକୁ ଗାଁ ଓ ଅର୍ଥ ସହରାଞ୍ଚଳକୁ ପିନ୍ଧାଇ ସେ ପରାମର୍ଶ ଦେଇଛନ୍ତି । ଏହି ଅବସରରେ ରିଜର୍ଭ ବ୍ୟାଙ୍କର ପୂର୍ବତନ ସିନି ଏମ୍ ପ୍ରକୃଷ୍ଟମୂର୍ତି, ରିଜର୍ଭ ବ୍ୟାଙ୍କ ଭୁବନେଶ୍ୱର କାର୍ଯ୍ୟାଳୟର ଆଞ୍ଚଳିକ ନିର୍ଦ୍ଦେଶକ ଏମ୍ କେ ମଲ୍ଲ, ସାରଥୀ ଇଣ୍ଡିଆନ୍ ବ୍ୟାଙ୍କର ଅଧ୍ୟକ୍ଷ ସଲିମ୍ ଗଙ୍ଗାଧର, ଏ କେ ସାବତ ଆଣ୍ଡ କୋର୍ ପାର୍ଟନର ଚାର୍ଚ୍ଚିତ ଆକାଉଣ୍ଟାଣ୍ଟ ଏ କେ ସାବତ ଓ ଆଇସିସି ଓଡ଼ିଶା ରାଜ୍ୟ ପରିଷଦର ସହ-ଅଧ୍ୟକ୍ଷ ଜେ ବି ପାଣି ରପସ୍ଥିତ ଥିଲେ ।

SOURCE :



Know Your Bank Notes

Currency notes reflect the nation's rich and diverse culture, her struggle for freedom and her proud achievements as a nation.

With a view to bringing the identity closer to the cultural heritage of the country as also for showcasing her scientific advances, a new series of notes in a new design is launched. The new design bank notes are distinctly different from the current Mahatma Gandhi Series of bank notes in colour, size and theme. The theme of the new series notes is India's heritage sites.

A few new other elements added in these notes are numerals in devnagari and the logo of Swachh Bharat. The new notes also have design elements in myriad and intricate forms and shapes.

While the security features in the current series of bank notes, such as water mark, security thread, latent image of denomination numeral, denomination numeral in colour shifting ink, number panels, see through register, electro-type, bleed lines, etc., continue to remain, their relative positions have changed in the new design notes.

Rupees Two Thousand



The size of the new note is 66mm x 166mm.

Reserve Bank of India releases Annual Report of the Banking Ombudsman Scheme 2006 on 24 April 2019

Highlights

- The 21 Offices of the Banking Ombudsman received 1,63,590 complaints in the year 2017-18 marking an increase of 24.9% over previous year.
- Offices of Banking Ombudsman maintained a disposal rate of 96.5% .
 - The major grounds of complaints received during the year were non-observance of fair practices code (22.1%), ATM and debit card issues (15.1%), credit card issues (7.7%), failure to meet commitments (6.8%), mobile and electronic banking (5.2%).
- Complaints received on grounds such as problems relating to 'Pension', 'Levy of Charges without Notice', 'Loans and Advances', 'Remittance', 'DSA and Recovery Agents' and 'Mis-selling' each accounted for 5% or less of the total complaints received.
 - 65.8% of maintainable complaints were resolved by agreement i.e., through mediation. During the previous year, the figure stood at 42.4%.
- The Appellate Authority received 125 Appeals in the year 2017-18 as compared to 15 Appeals in the previous year. The rise in the number of Appeals followed expansion of the grounds on which Appeals can be filed against the decision of BOs with effect from July 1, 2017.
- Offices of Banking Ombudsman organised awareness campaigns/outreach activities, town hall events, advertisement campaigns to spread awareness about the Scheme primarily covering the rural and semi-urban areas of their respective jurisdictions.
- RBI's SMS handle 'RBISAY' was extensively used for sending text messages on topics such as fictitious offers of money, secured use of electronic banking facilities, BO Scheme, etc. An Integrated Voice Recognition Service facility (by giving a missed call on 14440) was also made available to public by RBI for getting more information on the above.

2. The Banking Ombudsman Scheme, 1995 was notified by the RBI in June 1995 under Section 35-A of the Banking Regulation Act, 1949. The aim and objective of the Scheme is to provide a quick and cost-free resolution mechanism for complaints relating to deficiency of banking services of common bank customers. The Scheme is applicable to Scheduled Commercial Banks, Scheduled Primary Urban Co-operative Banks and the Regional Rural Banks.

[Source: RBI website : www.rbi.org.in]



The World Bank Group and IMF hosted a Civil Society Organisation Policy Forum (CSPF) as part of the Spring Meeting 2019 during April 9 -13 , 2019, in Washington.

We are pleased to inform that D Mishra, Managing Partner, AFLC was invited to attend the CSPF Meetings. This accreditation provided access to all open events of the Spring Meeting 2019. Significantly, Mr Mishra attended Roundtable Conference with Executive Directors of World Bank, One-on-One with Christine Lagarde, featuring Sir David Attenborough : Balancing Nature and the Global Economy, CSO Innovation Fair and Governor talk : Global Risks and Policy Challenges for Emerging Market Economies - Shaktikanta Das, Governor, Reserve Bank of India.

Readers' Corner

Readers are encouraged to mail their comments, Feedback, views to Editor:

abhyutthana@gmail.com or d.misraa@gmail.com

**Editorial Team : T.Maharana
S.Choudhury**

Published by

ABHYUTTHANA FOUNDATION CHARITABLE TRUST

HIG 210, Kanan Vihar, Phase - I

Chandrasekharpur, Bhubaneswar - 751031

Ph : 8895554831

