Newsletter

ABHYUTTHANA FINANCIAL LEARNING CENTRE

ABHYUTTHANA FOUNDATION CHARITABLE TRUST

(Institutions to Promote Financial Education)

News Letter : Issue No 19 Bhubaneswar Jan-April- 2023

ABHYUTHANA FLASH

WHY SHOULD YOUNG PEOPLE CARE ABOUT FINANCE AND TAXATION?

Annamaria Lusardi

Professor, The George Washington University Founder and Academic Director, GFLEC Director, Italian Financial Education European Parliaments' Committee on Economic and Monetary Affairs 26 October 2022

Highlights

"Younger generations face far more challenging financial choices than the generations that preceded them. Globalization and digital technologies have made financial services and products more accessible, but these services and products are also more complex. Young people already face immediate financial decisions—they have bank accounts, pay bills online, and are consumers of financial services. Moreover, they shoulder greater responsibility for retirement planning and other financial responsibilities than their parents or grandparents did. Over the course of their adulthood, today's youth will be exposed to financial risks spawned by longer life expectancy, a decrease in welfare and occupational benefits, and uncertain economic and job prospects. It is crucial that young people be financially literate in order to manage the complex financial decisions that will affect the rest of their lives."

"Those with higher financial literacy are better able to navigate unexpected expenses, to respond with resilience to financial challenges. Financial literacy is a shield that can protect people from being hit by shocks. Even more, financial literacy helps people secure their well-being in the future. Those who have higher financial literacy are also more likely to participate in financial markets. For example, they are more likely to hold stocks or other investment instruments. This is critically important for growing wealth."

Put concisely: Financial literacy today is as important as reading and writing. It is an essential skill to thrive in the 21st century

Annual Meet of Advisory Board and Resource Persons

On 17 March 2023, Abhyutthana Foundation Charitable Trust (Investor Association) had an Annual Meet of Advisory Board and Resource Persons in Hotel Subham Grand, Patia.

At the outset, Shri D Mishra, Chairman & Managing Trustee gave a brief overview of the activities of the Association. Shri S Choudhury who attended the Annual Conference of IAS , convened by SEBI on 22 February 2023 explained the regulatory expectations and suggested to fine tune future programs of the IA accordingly.

Shri P K Jena former RD, RBI, Bhubaneswar, Shri Abanindra Udgata, former CGM, RBI expressed their views and put forth their suggestions. Members viz. S/Shri AN Das, (Formerly Syndicate Bank), Bhuban Mohan Patnaik(Ex NABARD), Dhaneswar Sahoo, former CGM, PNB, Ramesh Das (Ex CGM , RBI) Suresh Sarangi, Tejeswar Patnaik(Formerly Bank of India) , Debaraj Mishra, P K Swain (Formerly SBI) Rajya Bardhan Dhal Mahapatra, Former Regional Manager, Utkal Grameen Bank, SwapnaSaritMohanty made valuable suggestions to improve the quality and coverage of the financial literacy camps.

Shri Jena suggested for interacting with Odisha Skill Development Authority to conduct IAPs in such training institutes. Shri B M Patnaik spoke on training the trainer. Shri Siladitya Choudhury summed up the discussion points. Shri Debaraj Mishra proposed a Vote of Thanks

EDITORIAL

With the onset of the new year 2023, Abhyuthaana has geared up with renewed interest and initiative to further spread the net of financial literacy. Literacy is needed for all segments of the financial market comprising country's banking and securities market , mutual fund, insurance and pension.

In the front article of this issue, the distinguished writer Prof. Annamaria Lusandi emphatically asserts that financial literacy is indispensable for the youth of today to handle their current needs as well as their superannuation needs right from now, and how to grow wealth in order to meet both the requirements.. She aptly summed up stating, for the youth of today, financial tool is an 'essential skill to thrive in the 21st century'.

The need for financial literacy one can gauge against the rapid spread of IT in transforming financial products, processes and procedures on digital platform. In the wake of massive IT wave, the Regulators, in various segments of fin markets, have started putting in place systems to encourage and facilitate the changes and have laid down required safeguards.

FIN Tech is one such initiative by the RBI, well articulated in the book ,'Transformation' authored by founder of the Abhyuthaana Centre. Fin Tech stands for technology enabled innovations that help improve financial markets, institution and services. A committee ie. FSDC & C, set up to review the progress of Fin-Tech as on 2017 had stated, it has helped making payment system faster and more efficient, resulted in extensive spread of digital payments through Mobile using existing infrastructure of different technology companies and banks have adopted new technology in all lines of their business in order to survive the competition. The regulator{s} went further introducing Regulatory SANDBOX, which is Offline medium for testing fintech products for On-Line application later, on the approval by the Regulator. In recognition of the changing environment, a dedicated Fin-Tech department came up within RBI a year ago in 2022. Similar steps was seen by SEBI; encouraging SAND BOX initiatives by BSE, NSE and CSDL. One only hope and pray against any misfortune hitting our banking system and we stand to lose our lifes savings. Latest data shows less than 50% of total bank deposits of Rs.165.5 lakh crore (ie.5 lakh per person) is secured by DICGC.

While the above constituted Supply side, the Demand side for financial product will not be forthcoming in the absence of financial literacy. In that direction this time we focused on the youth in academic institutions. Camp were held in their respective academic venue for Journalist course enrolled students of IIMC, spoken to them on subject ranging from kyc to digital transactions and onto grievance redersal while PG Commerce students of Vani Vihar were told of productive and wonderful outcome of SHG initiative – a success story in financial inclusion. A total of 19 workshops were held during the FY 2022-23 covering different segment of the society, spread across several districts of the state of Odisha.

In order that these seminar, camps, lecture are audience specific and wholesome, these were extensively discussed in the Annual Meeting of Abhyuthaana in March 2023 and contributed by almost all advisors and resource persons . 'One cap fits all' was never ours strategy but it requires further fine tuning, in the areas of faculty recruitment and training, special emphasis in sessions on the subject of nomination, digital banking, cyber crimes and explore new centres for worshops. There is need for faculty training on ongoing basis, in the areas for use of regional language, training of faculty,) impact study etc. The annual meeting of the SEBI, preceding the above meeting, to which we were invitee, they had desired need for actions on the above lines.

In the context of financial literacy the initiative by NCFC would draw everybody's attention. It has created an e-learning package with 20 modules for a 5 hr duration covering banking and rest of the financial market segments. The course is entirely free and available whosoever interested with intention to join through prior registration.

Financial illiteracy is present in all of us, in varying degree, and lets not have the comforts believing its restricted to folks in villages and small town. This is clearly evidend in the article, inside, "claim the unclaimed money" since massive amount of cash deposits, assets, shares and dividends, running into thousands of crore, are not only lying unclaimed (over 10 years) but provided scope for carrying out frauds in accounts which remains inoperative (over 2 year). How far '100 days, 100 pays' initiative by RBI, through banks is effective in bringing down the unclaimed accounts remains to be seen.

Under the massive incursion of digital medium for payment, hitherto paper based manual system is shrinking. Yes, we are talking about the Cheque system of making payment. The author appropriately titled his piece as 'Sunset for cheque' in which he beautifully unfolds the journey of cheque which was born some 350 years ago and served very well now in dying stage.

S.Choudhury

May 29,2023.

Claim the Unclaimed Money

Subash Ch. Mishra

Economic Diary

My friend received an e-mail from London stating that somebody has left a fortune worth £ 1 million for him in a bank in London. The authorities need his bank details to pay the money. He provided the details. The next mail asked him to deposit tax on the amount to an account given by them. He paid for that. Then there was silence from the other end. He was trapped and sought police help.

There are millions of unclaimed accounts in banks of every country which are fertile sources of fraud. We have about Rs.35000 crore unclaimed deposits with banks in India and unclaimed assets worth Rs. 21500 crore with the LIC of India. Shares worth Rs.50000 crore and dividends worth Rs.5685 crore are unclaimed as per a report. The situation is similar all over the globe. In the USA there are about 33 million personal assets worth USD 70 bn lying unclaimed. The UK has reportedly unclaimed assets worth £ 50 bn in almost 10 million forgotten bank accounts, 2.5 million life insurance policies, and 1.6 million missing pensions. One report also estimates that about £ 19 bn of government support goes unclaimed every year. In Germany, the unclaimed deposits with banks are about $ 2.2 bn and in Switzerland, the official figure shows SFr 420 mn as unclaimed though unofficial figures take it to billions. The assets held by foreigners in Swiss banks are about SFr 6.5 trillion. Since a big chunk of it could be illegal money belonging to despotic rulers from Africa or corrupt politicians from Asia, the funds in their secret accounts end up unclaimed after their demise. Why is so much money lying unclaimed?

If somebody does not operate his bank account for a period of two years, the account is treated as "inoperative or dormant" in India. However if the interest on his fixed deposits or dividends on shares held by him are credited to his bank account from time to time, such transactions are treated as customer-induced transactions and the account does not become inoperative. A customer can activate an inoperative account by writing to the bank and submitting his KYC documents like identity proof and address proof. If an account is not operated for 10 years or more the balance lying in the account is treated as unclaimed and transferred to the Depositors Education and Awareness Fund (DEAF) of RBI. The balance in the fund is used for promoting depositors' interests, education,

and awareness. Even after the balance is transferred to the DEAF, a customer can claim the amount by submitting an application through his bank along with KYC documents. The bank in turn will submit an application to RBI and RBI will return the amount in respect of that depositor with interest. The interest rate payable by RBI is notified from time to time. At present any money claimed by a bank from the DEAF will get interest at 4% up to June 30, 2018, at 3.5%.,from July 1, 2018, up to May 10, 2021, and at 3% from May 11, 2021, till the date of payment to the depositor. Like unclaimed amounts from banks, there are unclaimed dividends in respect of shares. In terms of Sec 125 of the Companies Act, 2013 companies are required to transfer the dividends which are unclaimed or unpaid for 7 years to the Investor Education and Protection Fund (IEPF) managed by the IEPF Authority under the control of the Central Government. Similarly, in the insurance sector, the unclaimed amounts are transferred to the Senior Citizens Welfare Fund managed by the Government of India. The unclaimed funds in respect of the Small Savings schemes of the Government of India, EPFO, and PPF are also transferred to this fund.

In the USA a bank account becomes dormant if it is not operated for a period that varies from state to state which is typically between 3 to 5 years. The unclaimed money is transferred by the financial institution to the office of the State Comptroller. This is called escheatment. Even after the amount is escheated, one can search for the list of escheated funds through the Federal Deposit Insurance Corporation and a few other state agencies and make a claim. In the UK the cut-off period for treating an account as dormant depends on the bank. Typically current accounts not operated for one year and Savings accounts not operated for 3-15 years become dormant after which the funds lying with banks and Building societies are transferred to the "Reclaim Fund" which is a part of the government. One can search for the lost account through a free service called "My Lost Account" provided by the British Bankers Association and claim money from the Reclaim Fund after submitting prescribed identity documents. As per the Swiss Federal Banking Act, 2015, if there is no contact between the bank and the customer for 10 years in respect of accounts having a balance of CHF 500 and above, the account becomes dormant. The dormant accounts list is published and a customer can apply for activating the account with documents. If the account remains dormant for 50 years which means if there is no contact for 60 years, the balance is transferred to the Federal Finance Administration. Prior to 1980 unclaimed funds were appropriated by the banks themselves and since lots of illegal money was parked in secret accounts with Swiss banks, the existence of such accounts was not known to the heirs of the account holders. As a result, huge amounts of money were appropriated by the banks making them rich.

While Governments across the nations are committed to returning the unclaimed money to the rightful owners, India has taken a very bold step in this direction. RBI recently announced a campaign titled "100 Days 100 Pays" in which banks will try to trace and settle the top 100 unclaimed deposits of every bank in every district of the country within 100 days. RBI has also announced to set up a centralized web portal for the public to search unclaimed deposits across multiple banks. With this, hopefully, the lost money will find its rightful owner.

(The author is a Retired Chief General Manager of the Reserve Bank of India, Mumbai.)

30th May

FIN TECH REVOLUTION IN INDIA

'Fin Tech is technologically enabled financial innovation that could result in new business models, applications, processes, or products with an associated material effect on financial markets and institutions and the provision of financial services.' This definition aims at encompassing the wide variety of innovations in financial services enabled by technologies, regardless of the type, size, and regulatory status of the innovative firm.

In view of the growing significance of fintech innovations and their interactions with the financial sector as well as the financial sector entities, the Financial Stability and Development Council Sub-committee (FSDC-SC), in its meeting on 26 April 2016, set up a working group to look into and report on the various aspects of fintech and its implications so as to orient the regulatory framework and respond to the dynamics of the rapidly evolving fintech scenario.

The Inter-Regulatory Working Group on Fintech and Digital Banking was appointed by RBI in July 2016. The group was chaired by Sudarsan Sen, executive director of RBI. The other members were Abhay P. Hota, CEO of NPCI; A.S. Ramasastri, director of IDRBT; Nanda Dave, CGM of RBI; and Mrutyunjaya Mahapatra, DMD of State Bank of India and fintech consultants/ companies. The committee submitted its report on 23 November 2017.

The Working Group categorised some of the most prominent fintech innovations. These include the following:

- **Payments, Clearing, and Settlement Services**

Innovations in this category are targeted at improving the speed and efficiency of payments, clearing, and settlement, reducing cost and changing the ways people access financial services and conduct financial transactions.

- **Mobile and Web-Based Payment Applications**

Most of the developments in the areas of payments are based on mobile technology by providing wrappers over existing payments infrastructure. The examples include Apple Pay, Amazon Pay, and Phone Pe, which sit on top of the existing card payment infrastructure, enabling the users' mobile devices to act as their credit/debit cards or linked to UPI. There are also mobile payments built on new payment infrastructure, for example, mobile phone money services, such as M-Pesa in Kenya and IMPS in India, which provide payment services.

- **Peer-to-Peer(P2P) Lending**

Peer-to-peer lenders connect lenders and borrowers using advanced technologies to speed up loan acceptance. These technologies are designed to increase the efficiency and reduce the time involved in access to credit. In India, the P2P platform is classified as NBFCs, subject to RBI regulation.

Banks Need to Adopt Fintech

Banks in India currently perform activities in several market segments, viz. payments services, raising deposits, lending, investments, etc. These are segments where technological innovations will result in more high-grade products at lower prices. If banks do not adopt them quickly, innovation by rivals may put their business models under pressure.

Regulatory Sandbox (RS)

Live or virtual testing of new products or services, in a (controlled) testing environment with or without any 'regulatory relief' is termed as a 'sandbox'. The testing environment could be available to regulated or unregulated firms or both. The regulator provides the appropriate regulatory support by relaxing specific legal and regulatory requirements, which the sandbox entity will otherwise be subject to, for the duration of the sandbox.

Sand boxes appear to offer several benefits. Users of a sand box can test the product's viability without the need for a larger and more expensive roll-out. If the product appears to have the potential to be successful, the product might then be authorised and brought to the broader market more quickly. Finally, if concerns are unearthed while the product is in the sand box, appropriate modifications can be made before the product is launched more broadly.

The RS is based on thematic cohorts. The themes of the various cohorts under RS are as given below:

I. Retail PaymentsII. Cross Border Payments iii . MSME LendingIV. Prevention and Mitigation of Financial Frauds

Further to ensure continuous innovation in the closed themes, the RS also accepts 'On Tap' applications for the closed themes. At present, themes of first two cohorts (viz. Retail Payments and Cross Border Payments) are open for 'On Tap' applications.

RBI's Fin Tech Department (set up in January 2022), gives dedicated focus to FinTech sector and keep pace with the dynamically changing financial landscape, promote innovation in FinTech sector, identify the challenges and opportunities associated with it and address them by devising an appropriate vision, related strategy, and guidelines.

As mentioned on its website, the "FinTech Department is working towards preparing a proper institutional framework and conducting proof of concept (PoC), Pilot and rollout of Central Bank Digital Currency (CBDC), promote the use of technologically driven innovative financial products/ services especially to foster financial inclusion, evaluation of technical aspects with respect to NBFC-Peer to Peer lending platform and NBFC-Account Aggregators, pursue and encourage research in financial services and explore and drive the testing and adoption of new SupTech and RegTech tools.":

(Extract from the book: TRANSFORMATION: Three Decades of India's Financial and banking Sector Reforms (1991-2021) : Author: D Mishra

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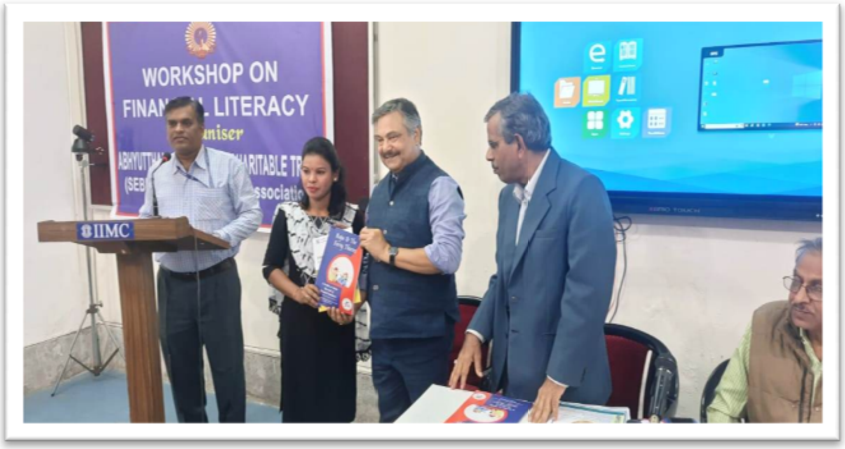
India is on the way to becoming Asia's top financial technology (FinTech) hub with 87 per cent Fin Tech adoption rate as against the global average of 64 per cent. The Reserve Bank is intensively involved in developing an eco-system, which would not only nurture the future technologies, but also stimulate the technological aspirations of the financial community.

Shri Shaktikanta Das, Governor, Reserve Bank of India

Workshop ion Financial Literacy at Indian Institute of Mass Communication (IIMC) Dhenkanal on 24 January 2023

The Trust conducted a Workshop ion Financial Literacy at Indian Institute of Mass communication (IIMC) Dhenkanal on 24 January 2023. Prof (Dr) Mrinal Chatterjee, Regional Director of the institute inaugurated. In his welcome note Dr Chatterjee mentioned the significance of the Financial Literacy for individuals and institutions and the society at large.



At the outset, Mr D Mishra, Chairman of the Trust introduced the guest speakers. He gave an overview of the financial system. He explained how financial literacy by the regulators and stake holders help in disseminating knowledge, skill, on financial transaction, Our Resource Persons viz Mr Debaraj Mishra, Former AGM, SBI, Mr P K Swain Former senior Manager, SBI discussed on KYC, Nomination facilities , basic deposit and mutual fund products and Rule of 72.

Mr Bishnu Prasad Dash, AGM, Office of RBI , Bhubaneswar explained digital banking, cyber risks and grievance redressal system for the customers of banks, NBFCs and digital service providers. A financial Quiz was conducted; ' Raju and 40 Thieves' published by RBI was distributed to the winners of the Quiz.

From IIMC., Prof Jiendea Pati coordinated. In all 70 Persons participated.

भारतीय जन संचार संस्थान, ढेंकानाल
(सूचना एवं प्रसारण मंत्रालय, भारत सरकार)
INDIAN INSTITUTE OF MASS COMMUNICATION, DHENKANAL
(MINISTRY OF INFORMATION AND BROADCASTING, GOVT. OF INDIA)

Dr. Mrinal Chatterjee
Professor & Regional Director

No.004/DK/003
Dt. 24.01.2023

Dear Sri Mishra

I want to place on record our sincere gratitude for visiting our campus and conducting a workshop on Financial Literacy on 24.1.23. It was very useful for our students, both as media students and as citizens.

Looking forward to your continued cooperation.

Sincerely yours

Mrinal Chatterjee

(Dr. Mrinal Chatterjee)

24/1/23

Sri D. Mishra
Abhyuthana
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संचार मार्ग, ढेंकानाल, ओडिशा- ७५९००१
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Seminar on Financial Inclusion- SHG Movement- Challenges and Opportunities at Utkal University, Vani Vihar, Bhubaneswar

On 24 April 2023, the Trust conducted a Seminar on Financial Inclusion focussing SHG Movement-Challenges & Opportunities in PG Department of Commerce.at Utkal University, Bhubaneswar.–

Prof (Dr) Prabodh Kumar Hota, Head of Department of the Department inaugurated the seminar. Chairman of the Investor Association, D Mishra introduced the speakers.

Shri.Bhuban Mohan Patnaik and Shri Dharani Dhar Mishra former general managers, NABARD conducted the workshop. Shri Debaraj Mishra, former GM, Utkal Grameen Bank, spoke and clarified specific issues on RRBs.

Shri S Choudhury, former GM, RBI summed up the proceedings in his concluding address. Vote of Thanks was given by Asst Professor of the department.

In all, students/ staff totalling 70 participated.

POLICY RATES
REPO RATE: 6.50 %
FIXED REVERSE REPO RATE: 3.35 %
Standing Deposit Facility: 6.25 %
Marginal Standing Facility: 6.75 %

RESERVE RATIOS

CRR : 4.5 % of Net Demand &Time Liabilities

SUNSET FOR THE CHEQUE

Subash Chandra Misra

We grew up in the days when Bollywood films ran in to golden jubilee and diamond jubilee. Some of the dialogues of Hindi movies were used by people in their day to day life and the scenes were hard wired in to the popular memory. One such scene was the father of the heroine throwing a blank cheque at the hero and asking him to fill up the amount and leave his daughter alone. Having a bank account with cheque facility was a status symbol before sixties. When we started our banking career, one of the most romantic thing that we saw everyday was cheque. Cheques were of different sizes, different colours written in different handwritings. A Savings Account holder will get a smaller size cheque book and a Current Account holder will get a bigger size. We had to check the numbers of the cheque leaf issued to the account holder on the ledger folio, verify whether the cheque appears in the stop payment list, ensure that the cheque is not post datedor outdated, amount written in figures and words are matching, crossing on the face and endorsement on the reverse of the cheque and finally the signature of the account holder before paying the cheque.If one has to send money to his aging parents in some village he could send a maximum of Rs.1000 by money order through post office. If there is a bank branch in the vicinity of his village, he has to buy a demand draft, from the same bank, send it by registered post to his family to avoid loss in transit. They will take the DD and go to the bank branch and deposit it in the account. If they do not have a bank account, they have to open an account. But opening an account was easier in those days. You need only an introduction from somebody to open the account. The drawee branch will check whether the DD advice has been received from the issuing branch or not. If not, one has to wait till the advice comes. Effectively it used to take a fortnight to get the money in the account to withdraw.Cheques, Demand Drafts and Banker's Cheque were the backbone of banking in those days. Today after completing a journey of about 350 years the cheque is staring at its sunset days.

Though historians mentions that some form of cheque was in use even during Mauryan empire, the first available cheque preserved in UK is a slip of handwritten paper written on 16th February 1659 with a payment instruction from a customer to his banker. In India cheque was introduced by the Bank of Hindoostan in 1770. There was rapid growth in usage of cheque after nationalisation of banks in India.Cheques are used in three ways- cash withdrawal across counter, transfer of funds within the branch/ bank and transfer of funds to a different bank through clearing. RBI data shows that number of cheques /DDs presented through clearing increased from 31.50 crores in 1980-81 to 146.10 crore in 2007-08. The value of cheques and DDs also increased from Rs. 2.43 lakh crore in 1980-81 to Rs.133.96 lakh crore in 2007-08.While this revolution was happening in banking, the mighty cheque was also undergoing change from time to time. Keeping in view the huge increase in the volume of cheques received for processing in 1980s, RBI introduced MICR (Magnetic Ink Character Recognition) technology for cheque processing. In the first decade of the present century RTGS and NEFT were introduced with IFSC code on cheques. Cheques were further stnadardised with introduction of Cheque Truncation System (CTS) between 2010-2013. A new avtar of cheque called CTS 10 was introduced to bring uniformity in the instruments. With introduction of CTS, physical movement of cheques stopped. However, physical cheque continued to be active in cash payment and transfer transaction at the branch level. A new addition to making cheques secure was Positive Pay System in 2021.

When all this was happening to make cheque processing more efficient and secure, silently and steadily the Information Technology and electronic payment were taking the country by storm. ATMs were introduced in 1987 and by the first decade of the current century, more people were going to ATM than to a branch to withdraw cash. RTGS, NEFT and debit cards pushed the cheque to the backstage for the reason that receiving funds through cheques takes longer time, cheques are fraught with fraud risk, insufficient balance risk and cheque processing is expensive. Mobile wallets and UPI based payments and e-commerce ensured that cheques move towards a retirement zone. After 350 years of glorious journey, cheques arenow staring at the sunset days.RBI data shows that number of cheques /DDs presented through clearing declined from a level of 146.10 crore in number in 2007-08 to 70 crore during 2021-22. The value of cheques and DDs also declined from Rs.133.96 lakh crore in 2007-08 to Rs.66.50 lakh crore in 2021-22.Cheques as a payment instrument comprise only 1 % of transactions in number and 3.7 % in value in India.In contrast NEFT, ECS, BHIM, UPI, NACH etc comprise 80% of number of transactions and RTGS 71% in value.

The global trend is no different.Finland abandoned personal cheques in 1993 and Poland in 2006. Germany, Sweden and Norway do not use written cheques. These countries have switched over to electronics mode of payment. UK has stopped accepting cheques/ paper based instruments from January 1, 2022 for government fee payments. They are accepting all payments through online mode.In general, people in china do not accept cheques and in Japan personal cheques are not accepted. Botswana's central bank and Bankers Association of Botswana announced on February 21,2022 that they would end cheque processing from January 1, 2024. Several countries across the globe have either stopped handling paper-based instruments or they are in the process of doing it. Almost allEuropen countries have negligible share of cheque in the payment transactions. However, cheques still have a significant share (6%) in the payment mechanism in USA but the share is declining very fast. Sooner or later they will fall in line with the global trend and the cheques will be pushed towards the retirement day.

The author is a Retired Chief General Manager of Reserve Bank of India, Mumbai.

BSE Inaugurates Investors Service Center In Bhubaneswar With SEBI And NSE

In order to cater to the needs of securities market investors in the state of Odisha, SEBI along with stock exchanges BSE and NSE has established an "Investor Service Centre" in Bhubaneswar on 24 April 2023.

The Investors Service Center managed by BSE, was inaugurated by SEBI Whole Time Member SK Mohanty on April 24, 2023 in the presence of dignitaries Omkar Rai Executive Chairman , Make-in-Odisha, Govt. of Odisha, Dasarathi Mishra, Chairman of Abhyutthana Foundation Charitable Trust, Sarat Malik, ex-CGM SEBI, Bharat Sahu, Director Finance NALCO, Susmita Dash, Company Secretary GRIDCO, Thomas Mathew, MD of Bhubaneswar Stock Exchange, Shaktidhar Singh, OPTCL, Samir Swain, Director Finance OPTCL, Siladitya Chaudhury, Vice Chairman AFCT, Gagan Swain, Director Finance GRIDCO, Umesh Gupta CFO OPTCL, Debraj Biswal Ex – CEO Bhubaneswar Stock Exchange, and Senior officials, G Ram Mohan Rao, Regional Director, Eastern Regional Office of SEBI, Sandeep More, Head of BSE ERO and other officials from SEBI, Stock Exchanges, Stockbrokers and Mutual Fund Distributors were also present.

The Investor Service Centre will facilitate resolution of complaints of investors against listed corporate entities and other registered intermediaries in the securities market and also facilitate conducting of investor awareness programs in the state.

Investors may make use of the services of Investor Service Centre located at following address as a single window contact for investor services.

(Orissadiary.com)

Key Information for Investors

Investor Grievance Redressal Mechanism

1. SEBI Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform dated November 7, 2022. Investors can access the master circular with the below link.

SEBI | Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform

2. Investors are encouraged to Read **'Investor Charter'** at https://nsdl.co.in/publications/investor_charter.php

4. Lodge your complaint with SEBI at www.scores.gov.in/ or SEBI Mobile App - SCORES

- **SEBI Toll free helpline** - 18002667575 / 1800227575
- **NSDL helpline** - 022-48867000 / 022-24997000
- **NSDL email for grievance** - relations@nsdl.com
- **NSDL email for other information** - info@nsdl.com

Source : NSDL Site

Activity Report 2022-23
Workshop/webinar conducted by the Trust

Sr. .	Date and place of the workshop	No. of participant s	Topic of the Workshop
1	8.04.2022 Sri Sri GyanMandir Campus, Bisoi, DistMayurbhanj	108	Overview of securities market- Basics of Banking Securities Market and Investment Opportunities.
2	21.04.2022 Manatira village DtJajpur	68	Overview of Banking System and securities market- Saving and Investment process- Social Security Schemes of Government
3	25.4.2022 Bhingarpur	65	Overview of Banking System and securities market- Saving and Investment process- Social Security Schemes of Government
4	5.05.2022 Vill. Usuma , Barang block District- Cuttack	77	Basics of Securities Market- Investment and Saving Opportunities
5	24.5.2022 SVINIR Olatpur	85	Overview of Banking System and securities market- Saving and Investment process- Social Security Schemes of Government
6	31.5.2022 Suddhananda Vidyalaya , Nachhipur, District : Cuttack	85	Overview of securities market- Basics of Securities Market and Investment Opportunities."
7	30.07.2022 SailoJharpada Dt Cuttack	89	Work shop for SHG Women Members
8	22.8.2022 Kuhudi Village Marshaghai Block Dt Kendrapada	65	Saving and Investment opportunities (in Gold & Securities Market) Digital transactions.
9	30.8.2022 Gababast, Sainso GP, District	90	Overview of securities market- Savings and Investment opportunities for MSME entrepreneurs.
10	28.9.2022	93	Introduction to Securities market – Investment opportunities –Digital transactions

11	10.10.2022	71	Introduction to Securities market – Investment opportunities –Digital transactions
12	14.10.2022 SHG Members Kaji Patna Cuttack Dt	81	Introduction to Securities market – Investment opportunities –Digital transactions
13	15.10.2022 Seindha High School	115	Overview of Financial System –Basic of Securities Market, Digital Transactions
14	25.11.2022 S VM Autonomous College Jagatsinghpur	265	Overview of Financial System – Financial Inclusion, Digital Transactions Grievance Redressal
15	10.12.2022 Kalinga Nagar Bhubaneswar	88	Overview of Banking, – Financial Inclusion - saving and opportunities, deposit Products Digital Transactions
16	3.02.2023 - Shaktinagar, Cuttack	26	Workshop on Financial Awareness and Education - Youth Empowerment
17	10.01.2023 SaindhaBalisahi, Dt Cuttack	27	Workshop on Financial Awareness and Education - Women Empowerment
18	24 .01.2023 Indian Institute of Mass Communication	70	Workshop on Financial Literacy – Digital banking
19	12.2.2023	40	Union Budget-2023

₹2000 Denomination Banknotes – Withdrawal from Circulation; Will continue as Legal Tender

₹2000 denomination banknote was introduced in November 2016 under Section 24(1) of RBI Act, 1934 primarily to meet the immediate currency requirement of the economy after withdrawal of the legal tender status of all ₹500 and ₹1000 banknotes in circulation at that time. With fulfilment of the objective of introduction of ₹2000 denomination and availability of banknotes in other denominations in adequate quantity, printing of ₹2000 banknotes was stopped in 2018-19.

2. Further, majority of the ₹2000 denomination notes were issued prior to March 2017, have completed their estimated lifespan and are not observed to be commonly used for transactions anymore. Therefore, it has been decided that, in pursuance of the “Clean Note Policy” of the Reserve Bank of India, the ₹2000 denomination banknotes shall be withdrawn from circulation. **The ₹2000 banknotes will continue to be legal tender.**

www.rbi.org.in

STAY SAFE ON LINE

During India's presidency of G20, the Ministry of Electronics and Information Technology (MeitY) is running a campaign titled 'Stay Safe Online(SSO)' aimed at creating awareness among citizens to stay safe in an online world on the widespread use of social media platforms and rapid adoption of digital payments.

As we are in a digitally empowered era, digital financial transactions have become the norm of the day. In the current scenario, every digital user should be aware of safe digital practices for secured financial transactions.

Users should follow safe online practices to avoid such frauds like:

Avoid using open/public Wi-Fi for any financial transactions

- Avoid using open/public Wi-Fi for any financial transactions

- Refrain from clicking any suspicious links received through instant messaging, SMS or email
- Never share any PIN or password with anybody and be suspicious of unknown callers/links seeking any financial information
- Avoid random searches for service center/help center or other contact numbers
- Always remember that a QR code is scanned for payments only

As part of the G20 Stay Safe Online Campaign, Multiple National Level Competitions and quizzes have been organized. Visit the links given below to participate in the national competitions on 'Dangers of Social engineering attacks and security measures'.

SUNDAY POST NOVEMBER 20-26, 2022 — BOOK REVIEW

Tour de force of India's economic reform

SURESH CHANDRA SARANGI

TRANSFORMATION - a book authored by DasarathiMishra, an experienced central banker and banking regulator is a beautiful narrative on three decades of Financial Sector Reforms in India. The foreword is written by Shyamala Gopinath, former illustrious deputy governor, RBI. Mishra has expressed his views with the practical experience of a central banker and in a short span the book has created intellectual brainstorming, by virtue of its dissemination of the evolution of reform, the implications for the Indian economy and the course correction tweaked from time to time.

The book is really adorable one, being a running commentary on the evolution of Indian economy which stands out as the fastest growing economy amongst peer nations, attaining the status of 3rd largest by purchasing power parity and 5th largest as per nominal GDP and aiming high to become the 3rd largest economy by 2030. It is quite discerning to know that how the metamorphosis has been possible, and therefore the book has created quite a flutter in the intelligentsia and the student community.

Transformation comprises 27 chapters on burning issue of Indian economy, encapsulated well on debatable issues like banking sector reform, external sector, payment settlement system, credit information system, reforms in NBFC space, role of micro finance, protection of small depositor, financial inclusion and financial literacy, spectre of NPA and its management, the ghost of demonetisation, transformation of Indian infrastructure sector, external debt and many other important areas. In a whole, it is a bird's eye view of the evolving Indian economy. The book is really riveting and leaves an indelible imprint in the minds of the reader. Mishra's grasp of the subject is outstanding, his style of delivery is unique and impressive and his understanding of the issues provides better guidance to the reader. Written in lucid language, ornamented with facts and figures the book is a treasure trove for the future generations on growth and development of an aspiring country. The book becomes very contemporary while delving deep into the corona pandemic and how it has changed the contours of Indian economy. The book includes the latest buzzword like fin tech revolution, there by transforming it into a powerful source on the metaphor of financial change and how the wind of change is sweeping the financial sector in general through out the world and India in particular.

"The year 1991 was the watershed year for the reform landscape in India", that set the ball rolling and went for a turn around. Through reforms, India took a quantum jump in both qualitative and quantitative parameter, which changed the perspective of the world on the Indian economy. The Narsimham Committee report was an opener for implementation of prudential norms and a beautiful panacea for the hither to ailing economy, a balanced guidance for a faltering banking sector which was struggling under the burden of both stress in asset quality and consequential mounting NPA accretion, that was eating into the vitals of our asset quality, Mishra explains in his book.

The structure, institution, processes, and execution are well articulated, and the book becomes a reader's delight. The focus is on NPA management, to ensure efficiency and stability in banking system.The prudential norms on income recognition, asset classification and provisioning is new foundation stone for asset quality, soundness of banking system, which will provide, Mishra exclaims, would bring back resilience into banking system.Deregulation of interest rates, creation of debt recovery tribunals, strong supervisory mechanism, entry of foreign banks and private players have strengthened the concept of market economy. Lot of leeway has been provided; Mishra writes, to the customer by bringing banking Ombudsman concept in to sharper focus. The reform in insurance sector has been all pervasive with entry of private players ushering in to a new type of competitiveness.

Mishra is very clear in highlighting the concept of Capital Adequacy , that improves the soundness of banking system, with consolidation and bring much required resilience to the financial sector.The introduction of liquidity management, under the bandwagon of Liquidity Adjustment Facility is a wonderful tool to manage liquidity that helps in successful transmission of monetary policy.The payment settlement mechanism is another area of reform that established speedier, easier and accurate payment system.The emergence of small finance banks and payment banks also goes a long way to strengthen financial inclusion.

After the 2008 financial crisis, risk was an important area for which the banks moved from a system of rule-based monitoring the health of the bank to risk-based monitoring, thereby establishing a more effective risk management in banks. Mishra's book is a veritable source of information, analysis and outcomes. The chapters silently explores the theme of reform in more elaborate manner in the areas like making liberalisation acceptable, integration of Indian economy with world economy through management of external sector; introduction of FEMA, exchange rate mechanism, realigning public debt system, the technology infiltration changed the landscape of banking and financial sector.

Title of the book:
TRANSFORMATION
Author:
DASARATHI MISHRA

The book elaborately dwells on the aspect of financial inclusion, financial literacy, demonetisation, modernisation of infrastructure, India's external debt and current account deficit problems that help one understand the external sector well. Fin-tech, is the next revolution, which has already made much leeway.

The up-to-date India story is not complete without COVID and its impact on economy, which finds a beautiful explanation in Mishra's book. The book is an eloquent testimony to the real transformation, focuses on accelerated transformation of Indian economy through a process of immaculate implementation by RBI and its reformative outreach. The book makes an engrossing and compelling reading where the reader turns the page automatically.The book - an actual tour de force of the Indian financial sector reform that has propelled India into perfect growth trajectory and today India is one of the fastest growing economies- is highly recommended for students, professionals and policy makers.

The reviewer is a former General Manager, Bank of India

WEBINAR ON UNION BUDGET 2023 -24

Abhyutthana Foundation Charitable Trust conducted a Webinar on Union Budget 2023 -24 and Income Tax Implications on 10 February 2023. Dr Barendra Kumar Bhoi, RBI Chair Professor, Utkal University, and Former Principal Adviser, Monetary Policy Department, RBI and Sri Adhar Lal Chand, IRS (Retd), Former Chief Commissioner of Income Tax addressed the Participants.

It was an absorbing webinar with excellent deliberations. Shri D Mishra, Chairman of the Trust welcomed the participants and introduced the speakers.

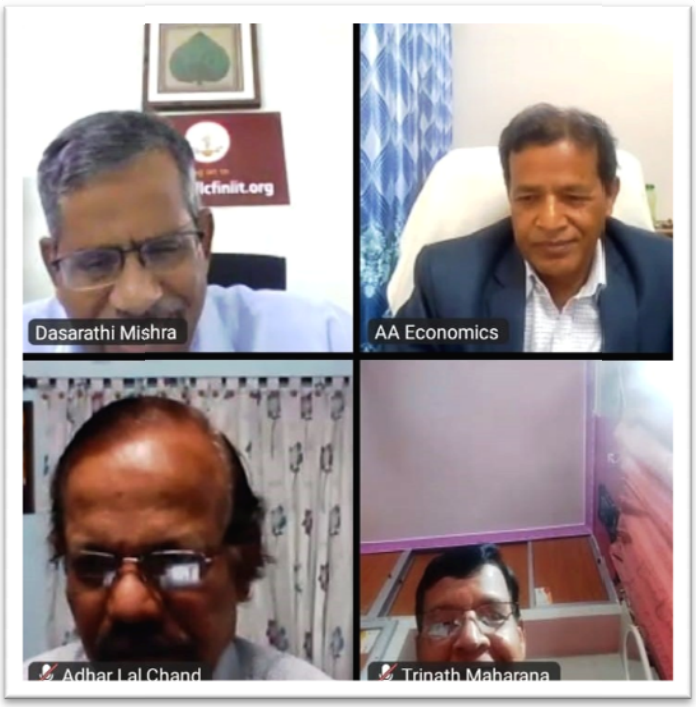


Table IV.27: Bank Group-wise Insured Deposits				
(At end-March 2022)				
				(Amount in □ crore)
Bank Group	**No. of Insured Banks**	**Total Assessable Deposits (AD)***	**Total Insured Deposits (ID)***	**ID as percentage of AD**
1	**2**	**3**	**4**	**5**
Public Sector Banks	12	92,53,975	50,05,209	54.1
Private Sector Banks**	39	49,66,447	19,20,359	38.7
Foreign Banks	45	8,00,107	86,728	10.8
Regional Rural Banks	43	4,92,966	4,08,744	82.9
Local Area Banks	2	981	750	76.4
Co-operative Banks	1,899	10,35,154	6,88,642	66.5
Total	2,040	1,65,49,630	81,10,431	49.0

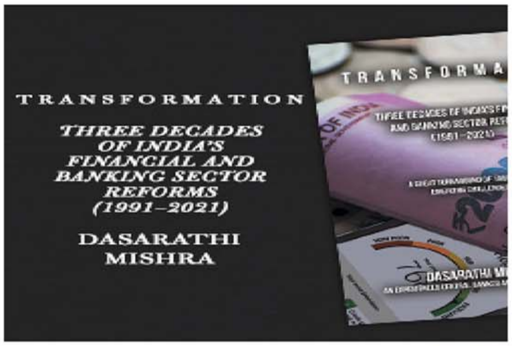
Notes: 1. *: Based on deposit base of September 2021 i.e., six months prior to the reference date.
2. **: Data on private sector banks is inclusive of small finance banks and payments banks.
Source: Deposit Insurance and Credit Guarantee Corporation

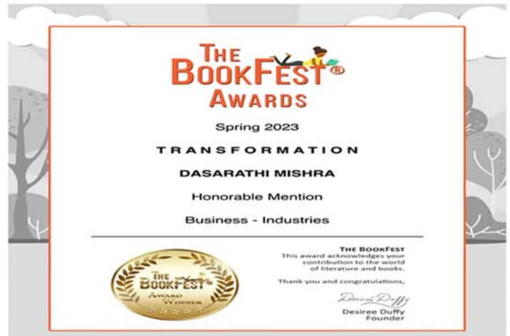
TRANSFORMATION

Selected for an award in Non Fiction Group in BookFest

Its a pleasure to inform that the book "Transformation" authored by D Mishra is selected for an award in the BookFest- Spring Meetings 2023 (in USA) in Non Fiction group as "Honourable Mention "

Link https://www.thebookfest.com/.../t-r-a-n-s-f-o-r-m-a-t-i-o-n/





UPCOMING

Readers' Corner

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

abhyutthana@gmail.com

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