



# IBOA CONNECT



## All India Indian Bank Officers' Association

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## BUSINESS WITH CARE & COMPLIANCE

Dear Comrade

In recent times our Association has come across many incidents of compromising systems and procedures in the day-to-day banking due to more seasonal pressure on the branches from the various front. Due to inadequate manpower and other reasons, there should not be any accommodation in following the Bank guidelines. Following guidelines will help us identify the deficiencies initially and render a scope for course correction. It will also help us disengage the unscrupulous elements and protect the Bank's rights over the assets hypothecated/mortgaged /pledged in favor of the Bank. In general, Branch Managers/Officers are not used to strictly following the Bank guidelines on the below-mentioned matters.

- Dual custodian systems while lodging and taking delivery of the jewels from the Jewel Safe.
- Timely auction of jewels of overdue accounts and undelivered jewels etc.,
- Restriction of a number of jewel loans up to a maximum of five per customer at any time.
- ATM officer has to be accompanied by a clerk while loading the cash in the ATMs.
- Not allowing the colleagues to operate other officer's nodes.
- Before creating EM/MOD, visiting the property and making an independent inquiry are mandatory.
- Creation of EM/MOD.
- Creation of charge over securities – CERSAI, ROC registration.
- Confirming the Branch Manager's discretionary powers while sanctioning the loans and ensuring whether they have the power to sanction, renew, deviate, etc.,
- Genuinity of the Lease agreement entered by the borrower and verification of the KYC of the Lessor

- Renewal of Time barred DPNs.
- Ensuring End-use, Pre/Post sanction visits of units/ Mortgaged properties.
- Weaknesses in internal controls in the branch.
- Keeping documents filled without blank.
- Compliance with KYC, due diligence
- Recovery of Revenue leakages identified
- Submission of stock statements etc.,
- Monitoring of Transactions in staff accounts with special attention on cash transactions of Rs. 1 lakh and & above and transfer transactions of Rs. 2 lakh & above.
- Monitoring of e-VVR checking etc

The above-prescribed guidelines are only illustrative. These guidelines are checks and balances for the banking system. Concerned Branch Managers and Officers are accountable if the Bank could not recover the dues due to lapses in creating the charges favoring the Bank. Hence we advise our members, irrespective of seasonal pressures from various fronts meticulously follow the laid down system and procedures to safeguard themselves from landing in vigilance issues. Following systems and procedures should become a habit. Once we get habituated, we are safe from all the misleading.

**Yours Comradely**

**R Sekaran**  
**Secretary General**

# DIGITAL BANKING UNITS (DBU)

**Context:** Finance Minister has reiterated her Budget announcement on setting up 75 digital banking units in 75 districts of the country this year.

## What was the announcement?

- ❑ In the Budget for 2022-23, the Finance Minister had noted that in recent years, digital banking, digital payments and **fintech innovations have grown at a rapid pace** in the country.
- ❑ As result, government is continuously encouraging these sectors to ensure that the **benefits of digital banking reach every nook and corner** of the country in a consumer-friendly manner.
- ❑ Taking forward this agenda, and to mark 75 years of our independence, government proposed to set up **75 Digital Banking Units (DBUs) in 75 districts** of the country by Scheduled Commercial Banks.

## What are these DBUs?

- ❑ DBU is a specialised fixed point business unit housing a certain minimum digital infrastructure for delivering digital banking products and services.
- ❑ It will be a fixed business unit operating under the retail banking division of the bank and will deliver new digital products and services and service existing financial products digitally, in a cost-effective, efficient, paperless and secure manner with 24X7 availability in both self-service and assisted mode.

## Who will set up these DBUs?

- ❑ Commercial banks (other than regional rural banks, payment banks and local area banks) with past digital banking experience are permitted to open DBUs in tier 1 to tier 6 centres, unless otherwise specifically restricted, without having the need to take permission from the RBI in each case.

## What are the minimum Products and Services to be offered by DBUs?

- ❑ **Liability Products and services:** (i) Account Opening: Saving Bank account under various schemes, Current account, Fixed deposit and Recurring deposit account; (ii) Digital Kit for customers: Mobile Banking, Internet Banking, Debit Card, Credit card and mass transit system cards;

(iii) Digital Kit for Merchants: UPI QR code, BHIM Aadhaar, POS, etc.

- ❑ **Asset Products and services:** (i) Making applications for and onboarding of customer for identified retail, MSME or schematic loans. This may also include end to end digital processing of such loans, starting from online application to disbursal; (ii) Identified Government sponsored schemes which are covered under the National Portal.
- ❑ **Digital Services:** (i) Cash withdrawal and Cash Deposit only through ATM and Cash Deposit Machines respectively; (ii) Passbook printing / Statement Generation; (iii) Internet Banking Kiosk which may also include facilities like Cheque Book request, receipt and online processing of various standing instructions of clients;(iv) transfer of funds (NEFT/IMPS support); (v) Digital onboarding of customers for schemes such as Atal Pension Yojana (APY); Insurance onboarding for Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY). Etc.

## What are the other key guidelines by RBI on DBUs?

- ❑ **Digital Banking Customer Education:** In addition to onboarding of customers in a fully digital environment, various tools and methods shall be used by DBUs to offer hands-on customer education on safe digital banking products and practices for inducing customers to self-service digital banking.
- ❑ **Customer Grievances:** There should be adequate digital mechanism to offer real time assistance and redress customer grievances arising from business and services offered by the DBUs directly or through Business Facilitators / Correspondents.
- ❑ **Reporting Requirements:** Performance update with respect to DBU shall be furnished in a RBI pre-defined reporting format. Banks shall furnish information relating to opening, closure, merger or shifting of DBUs to RBI.
- ❑ **Cyber Security:** In addition to ensuring physical security of the infrastructure of the DBU, adequate safeguards for cyber security of the DBUs will have to be ensured by the banks

## What are the benefits of DBUs?

- ❑ **Digital India:** It will prompt the banks, including the traditional ones to adopt a Digital Strategy and thereby moving a step closer in realising the objectives of Digital India mission.
- ❑ **Cost Effective Banking:** DBUs will help banks themselves which are now looking to reduce physical footprint with fewer brick & mortar branches, with a 'light' banking approach.
- ❑ **Increases Rural Penetration:** The move will open up rural market for service providers besides providing a boost to credit flow.
- ❑ **Personalised products for new age customers:** The units can also be branded as new-age banks than can help provide personalised finance management tools to new customers.
- ❑ **Financial Literacy:** More such units will encourage more financial literacy and a favourable outlook towards digital banking – which is the need of the hour.
- ❑ **Fosters Innovation:** This will also prompt the launch of new products or services or transition of

the existing ones to become holistically digitized, particularly for the Retail and SME segments, fostering innovation.

- ❑ **Better Consumer Experience:** Such units will be cheaper to establish than a new branch and can provide better customer experience aided by technology.

## How will these DBUs compete with fintechs?

- ❑ Currently, fintechs operating as neobanks offer digital banking services but they do so in partnership with non-banking financial companies (NBFCs). Some of the neobanks offering services in India are Jupiter, Fi Money, Niyo, Razorpay X.
- ❑ Compared to conventional banks with online and mobile banking facilities, neobanks or digital banks excel at product innovation and offer far better digital solutions.
- ❑ However, given the arrangement they have currently with NBFCs or scheduled banks to conduct the actual banking part, some have pegged these digital banks as “glorified digital distribution companies”.

# WEDDING BELLS

Selvi **J Yazhini, B. Tech.**, Asst Manager, Canara Bank  
(D/o. Com. P Jayaraman, CM, Indian Bank)

**Married to**

Selvan **P Sureshkumar, B.E.**, Asst Manager, Canara Bank  
**At Salem on 14 04 22**

Selvi **Sudarshana Kalyanaraman**

(D/o Com. Kalyanaraman, Retd, Manager, Indian Bank)

**Married to**

Selvan **Dr. Kripalsinh Narendrasinh Rana**  
**At Chennai on 15 04 22**

Selvi **C. Divya,**

Asst Manager, Indian Bank

**Married to**

Selvan **Logisetti Prasad**  
Asst Manager, Indian Bank  
**At Chennai on 15 04 22**

Selvan **S R Pranav Sai**

(S/o. Com. S P Ramakrishnan, Manager, Indian Bank)

**Married to**

Selvi **Kanchana**  
**At Chennai on 18 04 22**

***AIBOA Wishes a Very Happy Married Life to the Newly Wedded Couple.***



# Cardless Cash withdrawals at ATMs

**Context:** India's Central bank announced cardless cash withdrawals at ATMs across the country.

- ❑ The feature will let consumers use Unified Payment Interface (UPI) on their smartphones to withdraw cash from ATMs.
- ❑ RBI stated that all ATMs across the country must enable this feature in their cash-dispensing machines.

## How will this system work?

- ❑ Cardless cash withdrawals are to be authenticated via UPI.
- ❑ ATMs are expected to show an option for withdrawing cash using UPI.
- ❑ Once a user selects this option, they can input the amount to be withdrawn and a QR code will be generated on the ATM screen.
- ❑ Users will then need to scan that code via their UPI app, and enter the password to withdraw cash from the ATM.
- ❑ Until now, only fund transfers between accounts were enabled via UPI. With this option, consumers can also take cash out from ATMs without a card.

## What issues does this technology solve?

- ❑ According to the RBI Governor, cardless cash withdrawals will **enhance security of cash withdrawal transactions**.
- ❑ Besides, it would help **prevent frauds** like card skimming and card cloning.
- ❑ Currently, only existing customers of a few banks are allowed to withdraw cash without cards, and from specific bank's ATM networks. However, the RBI's move to **allow interoperability** in cardless withdrawals will enable users to take cash from any and all ATMs.
- ❑ The RBI's move will **invite more players into the payment ecosystem** in India to innovate and solve further problems of customers.

## What is card skimming?

- ❑ Criminals steal data from credit/ debit cards by tracking a card swiped at ATMs. They pick this information from using a skimming device that reads the card's magnetic strip. These devices are secretly installed on ATMs.
- ❑ These devices are difficult to identify as they appear to be a legitimate part of an existing ATM, or like a regular in-store card reader. It is skilfully fitted into the payment machines.

- ❑ Once the device picks up the data, it can be used to gain unauthorised access to the user's banking records.
- ❑ The stolen information can be coded onto a new card, a process called cloning, and be used to make payments and transact with other bank accounts.
- ❑ Problematic ATMs that function intermittently, and the ones located in isolated areas are often used to install such skimming devices.
- ❑ Fraudsters also install scanning devices on point-of-sale machines. These devices stealthily scan a card before it is swiped at the payment counter at a departmental store.

## What are the limitations and challenges of the cardless cash withdrawal feature?

- ❑ Currently, ICICI Bank, Kotak Mahindra Bank, HDFC Bank and SBI allow cardless cash withdrawals for their users. But, accessing the feature is cumbersome as it has certain **withdrawal limits**, and the **transaction is charged**.
- ❑ At the moment, it is not clear whether UPI-based cash withdrawals will have the same restrictions and service fee inclusions.
- ❑ **Scalability of this feature** might be a challenge as it has to be seen how many banks quickly roll it out to their customers.
- ❑ In cardless withdrawal, the security vulnerability of a card is minimised, but the risk will soon transfer to a mobile-enabled feature. The mobile can now become the epicentre of transactions, making it the next target for fraudsters.

## What is the future of debit cards?

- ❑ Issuing cards will not be stopped as they have several other utilities beyond cash withdrawals. They can be used at a restaurant, shop, or for payments in a foreign country.
- ❑ A debit card is a very evolved financial product and has already gone through a lot of iterations to reach its current perfection. In its further evolution, there are new use cases for debit cards like having standing instructions or EMI payments.
- ❑ Moreover, the debit card will continue to serve some segments of the economy which are not comfortable with pure digital payment solutions like UPI or who want to have higher transaction limits.

# Care work and Care Economy

**Context:** Care work and care economy — a system that consists of activities and relationships involved in meeting the physical, emotional, and psychological aspects of care — remains an integral but undervalued component of economies all over the world.

- ❑ Care work encompasses direct activities such as feeding a baby or nursing an ill partner, and indirect care activities such as cooking and cleaning.

## Why government needs to recognize care work & invest in care infrastructure?

- ❑ **Shift in mind set:** Treating care economy assets as infrastructure explicitly recognises childcare and elderly care spending as investments rather than expenditures.
- ❑ **Strengthens Right to life:** Care services will also deliver the benefits of child development, aging in dignity and emotional & psychological stability in one's life.
- ❑ **Increase female labour force:** If an additional 2 per cent of the GDP was invested in the Indian health and care sector, 11 million additional jobs could be generated, nearly a third of which would go to women thus increasing female labour force participation rate.
- ❑ **Prevents Occupational downgrading:** Women with care work responsibilities often take up flexible lower pay jobs to manage both professional work & care work. Investing in care infrastructure can thus prevent “occupational downgrading”.
- ❑ **Economic growth:** Care economy also helps in stoking gender-inclusive economic growth. Women's unpaid work is valued at 3.1% of GDP in India. Recognising AWWs, ANMs, ASHAs and domestic help (amongst others), as formal sector workers would allow their economic contribution to be counted in the GDP.
- ❑ **Involving Private Sector:** Investment in care infrastructure and services can also be in the form of public private partnerships, to develop expertise of the private sector.
- ❑ **Improved Productivity:** Workplaces that provide time, income security and space for undertaking care services such as breastfeeding, enable positive nutrition and health outcomes improving productivity of workers.

## Challenges faced by Care Economy

- ❑ India spends less than one per cent of GDP on care work infrastructure and services, including pre-primary education, maternity, disability and sickness benefits, and long-term care as per the ILO.
- ❑ Also, since March 2020, the demand for care services has skyrocketed but the investment in the care economy remains standstill
- ❑ Unpaid care work is linked to labour market inequalities, yet it has yet to receive adequate attention in policy formulation.
- ❑ India offers 26 weeks of maternity leave, against the ILO's standard mandate of 14 weeks that exists in 120 countries. However, this coverage extends to only a tiny proportion of women workers in formal employment in India, where 89% of employed women are in informal sector.
- ❑ While paternity leave is recognised as an enabler for both mothers and fathers to better balance work and family responsibilities, it is not provided in India.
- ❑ The country's 2.5 million women Anganwadi workers (AWWs), auxiliary nurse-midwives (ANMs) and accredited social-health activists (ASHAs) are not recognised as workers and do not have requisite access to workers' rights and entitlements in India.
- ❑ The Maternity Act, 2017 mandates that employers must provide crèche facilities within a prescribed distance. The absence of clear implementation guidelines, penalty provisions, or monitoring makes non-compliance continue unabated.

## Way Ahead

- ❑ Care work should be viewed as a collective responsibility and public good.
- ❑ ILO proposes a 5R framework for decent care work centred around achieving gender equality. The framework urges for
- ❑ Recognition, Reduction, and Redistribution of unpaid care work
- ❑ Rewarding care workers with more and decent work
- ❑ Representation in social dialogue and collective bargaining

# Retirements

Sl.No.	NAME	DESIGNATION	BRANCH
1.	COM. MANORANJAN DAS	DY. GEN MANAGER	FGMO BHUBANESHWAR
2.	COM. NAJEEBULLAH KHAN	DY. GEN MANAGER	INSP. CENTRE, HYDERABAD
3.	COM. PRATAP CHANDRA MANGARAJ	DY. GEN MANAGER	IC CHANDIGARH
4.	COM. SRINIVASA SUBRAMANIAM G	ASST. GEN MANAGER	CORPORATE OFFICE COMPLIANCE DEPT
5.	COM. SANTHANA LAKSHMI G	ASST. GEN MANAGER	REGIONAL IC , BHOPAL
6.	COM. SARAT KUMAR PRADHAN	ASST. GEN MANAGER	ZONAL OFFICE BHUBANESWAR
7.	COM. ASHOK MAHADEO BOKDE	DY. ZONAL MANAGER	ZONAL OFFICE NAGPUR
8.	COM. VENKATESWARA RAO R	CHIEF MANAGER	ZONAL OFFICE VIJAYAWADA
9.	COM. VINOD KUMAR	CHIEF MANAGER	ZONAL OFFICE ALLAHABAD
10.	COM. CHANDRA SEKARAN S	SENIOR MANAGER	RMPC KARAIKUDI
11.	COM. NARSINGH	SENIOR MANAGER	ZONAL OFFICE PUNE
12.	COM. VARADARAJAN R	SENIOR MANAGER	ZONAL OFFICE THIRUVANANTHAPURAM
13.	COM. RENGARAJAN S	SENIOR MANAGER	ZONAL OFFICE MADURAI
14.	COM. GOURAB GOSWAMI	SENIOR MANAGER	ZONAL OFFICE MEERUT
15.	COM. SABEEHA S	SENIOR MANAGER	ATM SERVICE CENTRE, CHENNAI
16.	COM. VASUDEVAN G S	SENIOR MANAGER	ATM SERVICE CENTRE, CHENNAI
17.	COM. MANMATH KUMAR PRADHAN	SENIOR MANAGER	DAMC BHUBANESWAR
18.	COM. BRAJESH PRATAP SINGH	SENIOR MANAGER	BALAGANJ - BALRAMPUR HOSP
19.	COM. KESAVAN G	SENIOR MANAGER	MAMANDUR (TVMS)
20.	COM. RATHINAM P	SENIOR MANAGER	NAGERCOIL
21.	COM. PARIMALA R	SENIOR MANAGER	PALLIKARANAI
22.	COM. SRIDHAR T	SENIOR MANAGER	CHROMEPET
23.	COM. VIJAYASEKAR R	MANAGER	MARAIMALAI NAGAR
24.	COM. GANESAN S	MANAGER	KORANAD
25.	COM. BHARADHA CHAKRAVARTHY M	MANAGER	MAMBATTU
26.	COM. RAMACHANDRAN M	MANAGER	SENDAMANGALAM
27.	COM. ASHOK KUMAR SAH	MANAGER	BELWA
28.	COM. MANOJ KUMAR TAI	MANAGER	GOLAGHAT
29.	COM. RAGHAVENDRA MATHUR	ASST. MANAGER	CENTRAL PROCESSING HUB LU
30.	COM. PRALHAD P NALDURGKAR	ASST. MANAGER	DARGA ROAD
31.	COM. SANJAY KUMAR SINGHAL	ASST. MANAGER	RAJPUR ROAD
32.	COM. SANCHITA GHOSH ALI	ASST. MANAGER	ENTALLY
33.	COM. RAJESWARI P	ASST. MANAGER	RMPC CHENNAI SOUTH
34.	COM. SUBRAT SWAROOP PANIGRAHI	ASST. MANAGER	SAHEED NAGAR
35.	COM. SARITA GAJANAN GARUD	ASST. MANAGER	THANE
36.	COM. SANDHYA K	ASST. MANAGER	ZONAL OFFICE THIRUVANANTHAPURAM

AIIBOA Wishes the above Comrades a Very Happy, Healthy and Peaceful Retired Life.

## IMPORTANT CIRCULARS DURING THE MONTH OF APRIL 2022

Date of Issue	Circular No.	Subject
02-Apr-22	ADMIN-3	STAFF ACCOUNTABILITY POLICY 2022-25
02-Apr-22	ADMIN-2	INTERNAL AUDIT POLICY 2022-25
04-Apr-22	ADV-6	Revision in Margin on Collateral Free Loans to SHGs from Rs.10 Lakhs to Rs.20 Lakhs
06-Apr-22	CRA-2	RBI Master Circular - Disbursement of Government Pension by Agency Banks
06-Apr-22	ADMIN-4	RBI MASTER CIRCULAR ON THE SCHEME OF PENALTIES FOR BANK BRANCHES
06-Apr-22	ADMIN-5	RBI MASTER CIRCULAR ON FACILITY FOR EXCHANGE OF NOTES AND COINS
06-Apr-22	ADMIN-6	RBI Master Circular – Detection and Impounding of Counterfeit Notes
07-Apr-22	ADMIN-8	Introduction of NICE platform for centralized tracking and monitoring of individual specific Compliance record
13-Apr-22	ADV-18	Guidelines on sharing/parting of documents related to LOC issued by Bureau of Immigration at the request of the Originator/Bank and discussing its contents
21-Apr-22	DEP-3	Opening of Current Accounts and CC/OD accounts by Banks - Need for Discipline RBIs Consolidated Circular dated 19.04.2022
22-Apr-22	CRA-6	Customer Due Diligence for transactions in Virtual Currencies (VC)
22-Apr-22	HRMD-7	Group Life Insurance Policy for Executives / Officers / Award Staff for the Financial Year 2022-23
25-Apr-22	ADMIN-13	Cash Transactions of Customers routed through BGL accounts viz Routing Account (98741) /Sundry Deposit (98742)
25-Apr-22	DEP-4	Policy on Deposits
25-Apr-22	CRA-7	POLICY ON BANCASSURANCE AND MUTUAL FUND - 2022-23
26-Apr-22	ADV-25	Policy on Financial Inclusion & Business Correspondent Management for 2022-23
27-Apr-22	ADV-26	IB Educational Loan Schemes - Revised Guidelines
27-Apr-22	ADV-29	IB Home Loan Plus - Revised Guidelines
28-Apr-22	ADMIN-18	IMPORTANCE OF CCTV RECORDING
30-Apr-22	ADMIN-20	OPERATIONAL CONTROL POLICY
30-Apr-22	ADMIN-21	Policy/Guidelines on Know Your Customer (KYC) norms/Anti-Money Laundering (AML) Standards/Combating Financing of Terrorism (CFT) norms for FY 2022-23

***Non Inclusion of a circular does not reflect on its importance.***



## Photo Gallery



*Our Bank has launched Pre approved Personal Loan for customers on 28 04 22*



*IBOA(TN&P) Executive Committee Meeting held in Chennai on 17 04 22*



*IBOA Eastern Zone organized defense Workshop at Kolkata on 23 & 24th April.*



*IBOA (UP & UK) conducted its Executive Committee meeting on 17 04 22.*



*AIBOC TN conducted its 11th State Conference and May Day Celebrations in Chennai on 01 05 22.*