

RBI Initiatives

Source: RBI website

1. An International Conference on “**Cyber Security Exercise for Banking Sector**” held on on June 5, 2023.

Under India’s G20 Presidency was jointly conducted by the Reserve Bank of India (RBI) and the Indian Computer Emergency Response Team (CERT-In), Ministry of Electronics and Information Technology (MeitY), Government of India (GOI) in Mumbai

2. **Financial Inclusion Dashboard**, named, अंतर्दृष्टि (ANTARDRISHTI):

Shri Shaktikanta Das, Governor launched a **Financial Inclusion Dashboard**, named, अंतर्दृष्टि (ANTARDRISHTI).

Aim: The dashboard will provide the required insight to assess and monitor the progress of financial inclusion by capturing relevant parameters. This facility will also enable to gauge the extent of financial exclusion at granular levels across the country so that such areas can be addressed. The dashboard, presently intended for internal use in the RBI, will further facilitate greater financial inclusion through a multi-stakeholder approach.

3. **‘100 Days 100 Pays’ :**

The Reserve Bank of India today announced a ‘100 Days 100 Pays’ campaign for banks to trace and settle the top 100 unclaimed deposits of every bank in every district of the country within 100 days. This measure will complement the ongoing efforts and initiatives by the Reserve Bank to reduce the quantum of unclaimed deposits in the banking system and return such deposits to their rightful owners/ claimants.

The banks commenced the campaign from June 01, 2023.

What are Unclaimed Deposits?

Balances in savings / current accounts which are not operated for 10 years, or term deposits not claimed within 10 years from date of maturity are classified as “Unclaimed Deposits”. These amounts are transferred by banks to “Depositor Education and Awareness” (DEA) Fund maintained by the Reserve Bank of India. The Reserve Bank, from time to time, through its public awareness initiatives, has been encouraging members of public to identify and approach the bank concerned for claiming such deposits. Recently, the Reserve Bank has also announced the setting up of a Centralised Web portal for public to search unclaimed deposits across multiple banks.

4. **FI-Index :**

The FI-Index has been conceptualised as a comprehensive index incorporating details of banking, investments, insurance, postal as well as the pension sector in consultation with Government and respective sectoral regulators. The index captures information on various aspects of financial inclusion in a single value ranging between 0 and 100, where 0 represents complete financial exclusion and 100 indicates full financial inclusion.

The FI-Index comprises of three broad parameters (weights indicated in brackets) viz., Access (35%), Usage (45%), and Quality (20%) with each of these consisting of various dimensions, which are computed based on a number of indicators.

The Index is responsive to ease of access, availability and usage of services, and quality of services, comprising in all 97 indicators. A unique feature of the Index is the Quality parameter which captures the quality aspect of financial inclusion as reflected by financial literacy, consumer protection, and inequalities and deficiencies in services.

The FI-Index has been constructed without any 'base year' and as such it reflects cumulative efforts of all stakeholders over the years towards financial inclusion. The annual FI-Index for the period ending March 2021 is 53.9 as against 43.4 for the period ending March 2017. The FI-Index will be published annually in July every year.

5. Reserve Bank of India (RBI) laid the foundation stone for establishment of a **"Greenfield Data Centre' and 'Enterprise Computing & Cybersecurity Training Institute'** in Bhubaneswar, Odisha.

6. **Har Payment Digital'**

The Governor, Reserve Bank of India (RBI) launched the Mission **'Har Payment Digital'** on the occasion of the **Digital Payments Awareness Week (DPAW) 2023**. This is part of RBI's endeavour to make every person in India a user of digital payments. DPAW 2023 will be observed from March 6 to 12, 2023. The campaign theme is **"Digital Payment Apnao, Auro ko bhi Sikhao"** (Adopt digital payments and Also teach others).

During the DPAW 2023, Regional Offices of the RBI conducted awareness and outreach programmes which will also form part of 'Jan Bhagidari' events under the Indian G20 presidency. Similar initiatives will be undertaken by the bank and non-bank payment system operators.

7. **75 Digital Villages' :**

The Reserve Bank will also initiate a '75 Digital Villages' programme in observance of 75 years of Independence. Under this programme, Payment System Operators (PSOs) will adopt 75 villages across the country and convert them into digital payment enabled villages.

8. **HARBINGER 2023**

Reserve Bank is organising its second global hackathon – **"HARBINGER 2023 – Innovation for Transformation"** with the theme 'Inclusive Digital Services'. The Hackathon invites participants to develop solutions that have the potential to make digital financial services accessible to the differently abled, facilitate efficient compliance, extend the reach of Central Bank Digital Currencies and enhance the scalability of blockchains.

HARBINGER 2023 invites innovative ideas for the following *problem statements*:

- a. Innovative, easy-to-use, digital banking services for differently abled (Divyaang).
- b. RegTech solutions to facilitate more efficient compliance by Regulated Entities (REs).
- c. Exploring use cases/solutions for CBDC-Retail transactions, including transactions in offline mode.
- d. Increasing Transactions Per Second (TPS)/ throughput and scalability of blockchains.

Being part of **HARBINGER 2023** gives an opportunity to the participants to get mentored by industry experts and exhibit their innovative solutions before an eminent jury and win exciting prizes in each category.

Winner: ₹40 lakh

Runner-up: ₹20 lakh

9. Retail digital Rupee (e₹-R)

The Reserve Bank launched the first pilot for retail digital Rupee (e₹-R) on December 01, 2022.

The pilot would cover select locations in closed user group (CUG) comprising participating customers and merchants. The e₹-R would be in the form of a digital token that represents legal tender. It would be issued in the same denominations that paper currency and coins are currently issued. It would be distributed through intermediaries, i.e., banks. Users will be able to transact with e₹-R through a digital wallet offered by the participating banks and stored on mobile phones / devices. Transactions can be both Person to Person (P2P) and Person to Merchant (P2M). Payments to merchants can be made using QR codes displayed at merchant locations. The e₹-R would offer features of physical cash like trust, safety and settlement finality. As in the case of cash, it will not earn any interest and can be converted to other forms of money, like deposits with banks.

The pilot will test the robustness of the entire process of digital rupee creation, distribution and retail usage in real time. Different features and applications of the e₹-R token and architecture will be tested in future pilots, based on the learnings from this pilot.

Eight banks have been identified for phase-wise participation in this pilot. The first phase will begin with four banks, viz., State Bank of India, ICICI Bank, Yes Bank and IDFC First Bank in four cities across the country. Four more banks, viz., Bank of Baroda, Union Bank of India, HDFC Bank and Kotak Mahindra Bank will join this pilot subsequently. The pilot would initially cover four cities, viz., Mumbai, New Delhi, Bengaluru and Bhubaneswar and later extend to Ahmedabad, Gangtok, Guwahati, Hyderabad, Indore, Kochi, Lucknow, Patna and Shimla. The scope of pilot may be expanded gradually to include more banks, users and locations as needed.

10. Digital Rupee - Wholesale segment (e₹-W)

RBI commenced pilot launches of Digital Rupee (e₹) for specific use cases. Accordingly, the first pilot in the Digital Rupee - Wholesale segment (e₹-W) shall commence on November 1, 2022.

The use case for this pilot is settlement of secondary market transactions in government securities. Use of e₹-W is expected to make the inter-bank market more efficient. Settlement in central bank money would reduce transaction costs by pre-empting the need for settlement guarantee infrastructure or for collateral to mitigate settlement risk. Going forward, other wholesale transactions, and cross-border payments will be the focus of future pilots, based on the learnings from this pilot.

Nine banks, viz., State Bank of India, Bank of Baroda, Union Bank of India, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Yes Bank, IDFC First Bank and HSBC have been identified for participation in the pilot.

MCQ for Practice

Q1. Consider the following statements and tell which are correct? :

1. The FI-Index comprises of three broad parameters (weights indicated in brackets) viz., Access (35%), Usage (45%), and Quality (20%)
2. There are 97 indicators
3. It was first launched in 2021

- (a) 1
- (b) 2
- (c) 3
- (d) 1,2
- (e) 1,2,3

Ans(e)

Q2. Antardrishti dashboard is used for which of the following purpose?

- (a) Internal banking compliances
- (b) Financial inclusion
- (c) Reporting complaints
- (d) Online transaction
- (e) CBDC

Ans(b)