

# Info Capsule

## **CABINET APPROVES EXTENSION OF TIME PERIOD OF THE SCHEME "SPECIAL INDUSTRY INITIATIVE FOR J&K" (SII J&K) - UDAAN<sup>1</sup>**

The Cabinet Committee on Economic Affairs chaired by the Prime Minister Shri Narendra Modi, has approved the proposal of the Ministry of Home Affairs for extension of time period of the Scheme "Special Industry Initiative for J&K" (SII J&K) - Udaan till December 31, 2018 without any modification and cost escalation. Initially the time period of Udaan was upto 2016-17.

Udaan provides exposure to the youth of J&K to the best of corporate India and corporate India to the rich talent pool available in the State. So far, 109 leading Corporate have partnered with National Skill Development Corporation (NSDC) under UDAAN with a commitment to train youth from the State covering Organized Retail, Banking, Financial Services, IT, ITES, Infrastructure, Hospitality etc. So far, 34,587 candidates have been selected of whom 31,903 candidates have joined, 22,237 candidates have completed the training, 7,649 are undergoing training and 14,694 have been offered jobs.

In spite of four months of unrest, the scheme has gained a good momentum and pace of implementation has been the best during FY 2016-17 since its inception. More than 12,000 candidates had joined training and nearly 10,000 candidates were offered jobs. 140 mega selection drives were held so far covering all districts of the State.

Udaan is a national integration scheme with the goal to mainstream J&K youth with rest of the country. The scheme not only provides skill enhancement and job opportunity but also connects these bright youths from the J&K with the vibrant corporate sector of India.

## **CABINET APPROVES RATIONALIZATION/MERGER OF THE GOVERNMENT OF INDIA PRESS (GIPS) AND THEIR MODERNIZATION<sup>2</sup>**

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has given its approval for rationalization/merger and modernization of 17 Government of India Presses (GIPs)/Units into 5 Government of India Presses (GIPs) at Rashtrapati Bhavan, Minto Road and Mayapuri, New Delhi; Nashik, Maharashtra and Temple Street, Kolkata, West Bengal.

These 5 Presses will be redeveloped and modernised by monetisation of their surplus land.

Land measuring 468.08 acres of the other merged Presses will be given to Land & Development Office, Ministry of Urban Development. Land measuring 56.67 acres of the Government of India Text Books Presses (GITBPs) at Chandigarh, Bhubaneswar and Mysore will be returned to the respective State Governments.

Modernisation of the Presses will enable them to undertake important confidential, urgent and multi-colour printing work of the Central Government Offices all over the country.

This will be carried out at zero cost to the exchequer and without any retrenchment.

<sup>1</sup> Available at: <http://pib.gov.in/newsite/erelease.aspx>

<sup>2</sup> Available at: <http://pib.gov.in/newsite/erelease.aspx>

## RESERVE BANK OF INDIA CANCELS THE LICENCE OF THE LOKSEVA SAHAKARI BANK LTD., PUNE, MAHARASHTRA<sup>3</sup>

The Reserve Bank of India (RBI) has, vide order dated September 14, 2017 cancelled the licence of Lokseva Sahakari Bank Ltd., Pune, Maharashtra to carry on banking business, with effect from the close of business on September 18, 2017. The Registrar of Co-operative Societies, Maharashtra has also been requested to issue an order for winding up the bank and appointing a liquidator for the bank.

The Reserve Bank cancelled the licence of the bank as:

- i. The bank does not have adequate capital structure and earning prospects. As such it does not comply with the provisions of section 11(1) and section 22(3)(d) read with section 56 of the Banking Regulation Act, 1949.
- ii. The bank is not in a position to pay its present and future depositors in full, as and when their claims accrue and thus does not comply with condition mentioned in section 22(3)(a) read with section 56 of the Banking Regulation Act, 1949.
- iii. The affairs of the bank are being conducted in a manner detrimental to the interest of the present and future depositors and thus the bank does not comply with condition mentioned in section 22(3)(b) read with section 56 of the Banking Regulation Act, 1949.
- iv. The financial position of the bank leaves no scope for its revival though the bank has been given ample time and opportunity for turnaround.
- v. The bank has not taken any positive steps for capital augmentation and financial restructuring and there is no concrete / viable revival plan. The bank has also not submitted any concrete proposal for merger with any other sound bank. Thus, despite being given reasonable time and opportunity, the bank has not made any serious efforts to improve its financial position which has continued to deteriorate as revealed during inspections conducted with reference to its financial position as on March 31, 2013, March 31, 2014 and March 31, 2015. As such, the general character of the management of the bank is prejudicial to the public interest or the interest of its depositors.
- vi. No useful purpose would be served by allowing the bank to continue as envisaged in section 22(3)(e) of the Banking Regulation Act, 1949. Rather, public interest would be adversely affected if the bank is allowed to carry on its banking business any further.

2. Consequent to the cancellation of its licence, Lokseva Sahakari Bank Ltd., Pune, Maharashtra, is prohibited from conducting the business of 'banking' which includes acceptance of deposits and repayment of deposits as defined in Section 5(b) read with Section 56 of the Banking Regulation Act, 1949 with immediate effect.

3. With the cancellation of licence and commencement of liquidation proceedings, the process of paying the depositors of Lokseva Sahakari Bank Ltd., Pune, Maharashtra, as per the DICGC Act, 1961 will be set in motion. On liquidation, every depositor is entitled to repayment of his/her deposits up to a monetary ceiling of Rs. 1,00,000/- (Rupees One lakh only) from the Deposit Insurance and Credit Guarantee Corporation (DICGC) as per usual terms and conditions.

### **Team ICSI**

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