

Sublink



Next Generation

Corporate Family Magazine of The South Indian Bank Ltd.

TOGETHER

We have done it !



**SOUTH
INDIAN Bank**

Experience Next Generation Banking



Inauguration of Irinjalakuda RO by H.E. Mar Pauly Kannoorkadan, Bishop of Irinjalakuda Diocese: Seen from Left to Right : Mr. Cheryan Varkey, ED, Dr. John Joseph, Director, SIB, Mr. M C Paul, CMD, KSE Ltd., Dr. V A Joseph, MD & CEO, Sri. Innocent, Dr. C K Revi, Director, Lal Memorial Hospital, Fr. John Paliakara, CMI, Manager, Christ Educational Institutions, Mr. Abraham Thariyan, ED and Mr. Jose Paul P, AGM, Irinjalakuda Region.



Corporate Family Magazine of
South Indian Bank

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Mr. Jeethu Ashish
Ms. Ramya K.
Ms. Deepa Ann Jacob

Cover:
Sibians jubilant on total business having
crossed the Rs.75,000 crore milestone

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Objectives:

- To instil in the bank staff a sense of belonging and involvement in the bank's affairs
- To appreciate and applaud the individual achievements of our members of staff
- To act as a communication medium between management and the staff
- To increase the professional competence of our bank staff

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Artificial Intelligence

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Naren V.
M.Saravanan
Kripesh C K
Radhika R.B.
Subramanian V.
Raj Mohan R.
Siddharth Nayan Sharma
Viswaraj
Saran S Nair
P. Arun Gopalan

Regular Features

Publisher:
Mr. Abraham Thariyan, Executive Director

Editor:
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Sibians Translate Vision into Reality

Total Business 76276 Cr.



Profit 502 Cr.

Dividend 70%

Branches 750

ATMs 800

Staff 6400

SOUTH INDIAN Bank



Our Chairman Mr. Amitabha Guha and MD & CEO Dr. V.A. Joseph addressing the Press in connection with the announcement of the results for the Financial Year 2012 - 2013 at Hotel Oberoi, Bangalore.



Our Chairman Mr. Amitabha Guha inaugurating a two day seminar on 'Going the Extra Mile' for the newly promoted AGM's at our Staff Training College Thrissur. Also seen in the picture are Mr. Abraham Thariyan, ED and Mr. Krishnadas P.B., AGM & Principal, SIBSTC.

MD & CEO Speaks

Dear SIBians,

We have completed a fabulous financial year wherein your unflinching and loyal efforts to bring laurels to our beloved organization bore fruit. We crossed the magical figure of Rs. 75,000 Crore, 750 branches and 750 ATMs in a flourishing style. Targets are like magnets. We had set our targets neither too close nor too far, so that the pull would be optimal. As a result, our bank has reached the milestone mark that we set 5 years ago exactly as planned.

And now, we plan to leap high, really high! We have already chalked out the first year target, for the future. **Even though we have set ourselves a yearly target of Rs 92,000 Cr , the real goal that I look forward to is the SOG of Rs. 1 Lakh Crore.** I am sure your Regional Head would have conveyed the strategies conceived for achieving all the targets. This year, we place a strong focus on retail credit. A customer, who opens a housing loan account or a vehicle loan with us, would invariably prefer to maintain his main savings account also with us, as we can provide exquisite customer service, which is our forte. This gives us an opportunity to introduce new products/services to our patrons.

By augmenting our retail loan portfolio, we not only diversify our risk, but also stand to gain on our Net Interest Margin. Our loan book should grow significantly in order to help us reach our goals. We should not hesitate to venture into new areas and greenfield opportunities. Our existing credit-worthy customers can be good reference points for identifying potential loanees. Today, the consumers are willing to spend on improving their lifestyles. This is very evident from the house-hold spending trends in the past few years. Their current income may not give them the luxury of a dispensable surplus. Hence, they need a financial intermediary who can help bridge this gap of cash flow, while not charging usurious fees. This is where we have a role to play.

We need to improve the quality and quantity of current and savings accounts that we have.



Some of the best banks in the country have CASA percentages hovering around 40%. **We have to forge new relations in order to bring new current account customers and savings account holders.** Sometimes banks offer very high interest rates on savings accounts, to attract new customers. However, this is only a short lived phenomenon as these banks are forced to compensate by charging the customers from various other avenues. We as a bank, do not believe in any hidden charges. Relations are built on trust, and we respect that sentiment.

As I had mentioned in the last edition of SIBLINK, **we have various schemes and tie-ups exclusively tailor made for our customers. But, we should have the necessary knowledge to sell these products and services to gain mastery.** Grab every training opportunity you get. We live in a world wherein the quantity of information doubles in two years! Can we survive if we

become apprehensive of new information? Alvin Toffler, a futurist, said almost 50 years ago.

"The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn and relearn".

Let us take a vow that we shall seek to learn and deliver results, day in and day out.

Wishing you all the best!

Dr. V.A. Joseph,
MD & CEO

SIB's Wall of Fame - All Rounder Talent Hunt



Pan India 1st
Mr. Jose Paul P. ,
Assistant General
Manager & Team,
Thrissur Main Br.



Pan India 2nd
Mr Sreejil Mukund ,
Senior Manager & Team,
Bangalore Sarjapur Br.



Pan India 3rd
Mr Premkumar S.,
Senior Manager & Team
Coimbatore Big Bazar Br.

Message from the Executive Director

Dear Sibians

We have proven our mettle again as a team, with our Vision 2013 achieved. We have made an impressive and consistent growth during the last 5 years. Our business has grown from Rs. 23000 cr in 2008 to Rs.76000 cr in 2013. Our next goal is to reach a business target of Rs. 92000 cr and an SOG of Rs. 1 lakh crore by Mar 2014. I am sure you will reach this goal well in advance.

There is no time to rest on our laurels as the competition is getting thicker by the day. Even today, with more than 40% of adult population not having access to banking services, there is a plethora of opportunities out there for us to capture.

However, with the slowdown in the economic growth, rising NPA levels, stifling competition, with banking licenses opening up to new players and an eye of the regulator on the banking industry for strict regulatory compliance, it is not going to be easy. But as the saying goes "When the going gets tough, the tough get going". So it is time again for us to pull up the socks and roll up our sleeves, to show that 'We can'.

In this Financial Year we have our spotlight on 'Retail Banking'. Just as we know that 'little drops make the mighty ocean', we would expand our retail portfolio, thereby contributing to our Corporate Goal. When we talk about retail, it relates to individuals and today the Government of India is leaving no stone unturned to bring this colossal population into the ambit of availing financial services, wherein 'Mission Aadhar' was the first step taken towards it. The recently launched Direct Benefit Transfer for LPG scheme has touched 1.25 million people, reporting 2,50,000 household transactions worth almost Rs. 10 crore. Under the scheme, the subsidy on LPG cylinders would be provided directly to consumers through their Aadhaar linked bank account. All such domestic LPG consumers get an advance in their bank accounts as soon as they book the first subsidized cylinder before delivery. We should be able to make use of such golden opportunities to enhance our CASA portfolio.



The very fact that we have one more issue of siblink on "financial inclusion" speaks volumes of our bank's commitment towards this noble cause. This year our campaign focuses on making our existing and new SB a/cs "Aadhar enabled". To achieve this radio announcements were given, so that our customers could avail the benefit of subsidies and scholarships directly through those accounts. It also enabled to make our accounts KYC compliant.

Our campaign has been a big success. Within 3 weeks our branches have been successful in making 78000 SB A/cs Aadhar enabled. Congratulations!! Let us double this by 30th June 2013.

We shall together march towards our mission of providing banking for all, and in the process reach our ambitious Corporate goal for 2014, and hoist the flag of our achievement.

Wish you all the best

Abraham Thariyan

Winners of KCC and CCAL Campaign



Team Mangalore Main
headed by
Mr. Shelly Joseph, DGM



Team Mundakkayam
headed by
Mr. Abraham M.M.
Senior Manager



Team Thodupuzha
headed by
Mr. Anish K.
Manager

Message from the Executive Director

Dear readers,

Have we at last found the elusive answers for the economy's woes? Have the measures taken (or, not taken) by the authorities started bearing fruit? Or, the light at the end of the tunnel is the headlight of an oncoming train? We shall wait a few months for the final confirmation. Apparently, latest signs suggest that things are, though slowly, taking a turn for the good. The indicators herald in a likely reversal in economic mood. But dark clouds of inflation have not fully disappeared from the economy's sky. And the bulging current account deficit puts the rupee in a very shaky position.

Our bank's performance continues to be notable amongst slide in the profits of many major banks. The ballooning non-performing assets put a heavy pressure on the profitability in the banking system. Although we were able to contain such slips to a manageable level, which is a comforting fact indeed, we are not fully insulated if the slide continues further. **The year ahead will not be an easy ride for banking. The economic growth is still projected to be around 6% for the current year. If investment activities do not pick up, deploying funds to corporates will be difficult and we have to find other avenues for credit off-take.**

Service industries face a peculiar situation in service-product delivery. Unlike for a manufacturing product, the product differentiation of service product is very difficult. As Alan Greenspan had observed many years back, "manufactured goods often can be evaluated before the completion of a transaction while service providers, on the other hand, usually can offer only their reputations." In the light of the recent sting operations on many banks that unearthed holes in their business ethics, the issue of compliance has come to forefront again. We cannot damage, for any reason, the reputation that we have built over years. Business development, without upholding the spirit of compliance of regulatory guidelines, will not be tolerated. **We must understand that business ethics and corporate governance will decide who will stay in the race in future and there won't be any compromise on these.**

The major development during the last few months is the price pressure on gold. After many years of bull-run, gold snapped its upward movement and started taking a downward course. Unpredictable as the direction of its further movement, we must take guard against any steep fall in its value.

Crossing the business and profit targets in a tough year as the one that has already gone by is no mean achievement. The efforts every one of us put in, enhanced by suitable strategies, took us to this level. Definitely, we have proved our mettle again.



As the current year started its stroll, we are left with lots of anxieties and some hopes in between. This is the time we ought to fill ourselves with more vigour and determination. Despite the silver linings that we are seeing, be ready for a year that is going to be extremely difficult.

Podiums are for those who are not intimidated by extreme challenges. We should prove ourselves to be capable of beating the direst of situations to achieve what we have already committed to ourselves.

Wishing everyone a successful year,

Cheryan Varkey

Congratulations to the Newly Promoted Executives



Joseph George Kavalam
Chief General Manager



Varughese A. G.
Chief General Manager



Abraham K. George
General Manager



Benoy Varghese
General Manager



Manjiyil S.K.
Deputy Gen. Manager



Nandakumar G.
Deputy Gen. Manager



Mohanan K.
Deputy Gen. Manager



George Paul
Deputy Gen. Manager



Shibu K. Thomas
Deputy Gen. Manager



Shelly Joseph
Deputy Gen. Manager



Davies M.J.
Deputy Gen. Manager



Sivaraman K.
Deputy Gen. Manager



Ajith Chacko Jacob
Deputy Gen. Manager

Newly Promoted AGMs with our Chairman

Row 1(L to R) Joshy C.G, Shashidhar Y., Lakshmi Prabha T.M., Minu Moonjely, Amitabha Guha, Krishna Das P.B., (Principal, SIBSTC) Biji S.S., John C. Lazar. **Row 2(L to R)** Roy Domenic, Joby M. C., Jose K.L., Baboo Anto, Joy Mookken, Purushothaman K.S., John C.A., P.C. Jose Row **3(L to R)** Joly Sebastian, P. Ravindran, Jacob M.P., Vijith S., Ram Mohan V., Rajesh I.R., Capt. Arvind Kamboj, Davis Thettayil, George Newman



Financial Inclusion - A Profitable Venture

"Fortune lies at the bottom of the pyramid"

- LATE C.K PRAHALAD

No country can make progress unless its masses develop. This is a universal truth. And India's life blood lies in the rural masses. More than seventy percent of India is based in the villages where even the basic necessities like water, electricity, schools and hospitals are missing. In such a backdrop, banks have adopted the responsibility of financial inclusion.

What do we actually mean by financial inclusion? Merely opening branches in non-banked areas is not financial inclusion. It is about making banking a daily habit for all sorts of people, irrespective of their background. It is about introducing the entire gamut of banking services, tailor made to suit the needs of each sector, age group and region. Be it the convenience of usage of debit cards or the safety of loaning funds from banks, financial inclusion is about spreading the benefits of organised banking and related services among all.

Banks, however, argue that while the benefits of financial inclusion can be easily understood, the costs of serving the poor can be significant in the short-term, thereby, impacting profitability. Banks, therefore, need to take bold decisions and reach out to rural India with strategies and business models which are beyond the realm of conventional thinking. They need to identify the emerging opportunities in rural India and innovate with low-cost platforms, lean branch models, low-cost subsidiaries, cost effective technologies, leverage on Aadhaar, share infrastructure and build collaborative business models to significantly reduce their cost to serve in rural India. This would bring vast sections of our population into the fold of the formal



Sandeep Singh

On deputation to
Hadi Express Exchange

financial sector, extend the banking habit among less privileged in rural India and wean them away from usurious moneylenders.

The current business model of a commercial bank has a cost structure that is not economically viable for rural banking. According to consulting firm, Boston Consulting Group (BCG), the average distribution cost of banks, at Rs. 5.50 lac per employee is prohibitive. Further, in the traditional model for financial inclusion, the cost income ratio is about 1000 percent, ie the cost of rendering service (at about Rs. 600) per account exceeds income earned from the account (Rs. 60). Ideally, this ratio should be around 50 percent. Therefore, innovative low-cost business models and delivery platforms are the need of the hour.

For this purpose, banks need to address the following questions: What are the challenges in addressing this segment? What kind of operating model is required to profitably serve this market, especially by leveraging low-cost technology? What are the various sub-segments within this opportunity? What is the nature of products required to address the unique needs of these sub-segments? Therefore, keeping all these aspects in mind, a variety of innovative and low cost platforms, lean branch models, are discussed below:

a) Low-cost Automated Teller Machines (ATMs)

ATMs are emerging as a popular banking channel in India and as such there is a

requirement of 160000-190000 additional ATMs in this decade alone and most of it in rural areas. Since setting up several thousand ATMs in rural areas is an expensive proposition for banks, very low-cost ATMs developed by a Chennai-based company in collaboration with IIT-Chennai provide a cost-effective solution to reach out profitably to the unbanked and under-banked regions. Apart from being low cost, these are highly reliable, easy to use, eco-friendly and would help banks significantly ramp up their presence in rural areas. They are also locally manufactured, run without air-conditioning, consume lesser power than conventional ATMs and can be economically operated using various options such as solar power, inverter, battery and regular power so that these could be deployed even in the remotest parts of rural India.

b) Mobile banking

With 700 million and growing active mobile connections in the country, the mobile phone is a potent tool to facilitate financial services, especially in rural areas. For banks, the BC model would help complement mobile banking as customers would need to approach the BCs/low-cost ATMs only for hard currency requirements and conduct other banking transactions from anywhere through their mobile phones. What further increases the appeal of mobile phones is that it costs one-tenth of what a bank spends for a similar transaction through a branch.

Mobile phones and internet access would also provide the basis for faster and lower cost communication, especially in geographically remote areas with limited infrastructure. Customers would also no longer need to make long journeys, often on foot, to distant branches for simple transactions.

c) Use technology to increase efficiency of transaction processing

Several MFIs have piloted the use of Personal Digital Assistants (PDAs) to reduce the time spent in manually recording and transferring data from the field to the home office. Success with PDAs depends on several factors: a business model that relies on such substantial input of client data to realise efficiency, a well-functioning MIS with high speed access and reliable technical support, relatively stable and proven products and processes that will not change often, and strong support from top management.

d) Building collaborative business models

Several Indian Corporates, especially FMCG companies and mobile service operators have built a wide distribution network specifically in rural India. Banks could collaborate with them to bring financial inclusion to rural India and profitably capture the rural opportunity. A good example of this is Project Shakti, a unique win-win initiative between FMCG giant Hindustan Unilever Limited (HUL) and banking behemoth State Bank of India, which has created income generating opportunities for 45,000 rural impoverished women (Shakti Ammas) and has also helped to increase the rural distribution of the company. Shakti Ammas are also acting as banking agents and providing basic financial services in several villages in Maharashtra and Karnataka where bank branches do not exist. This way, 'for profit' corporate BCs who already have a viable distribution network in rural areas could help create a very low-cost BC network at only a marginal cost for banks.

Conclusion

Traditional and conventional banking solutions are not the answer for profitably capturing the rural opportunity. We are at the cusp of the evolution of viable business models for 'the next billion' customers in the banking industry. The Reserve Bank's broad approach to financial inclusion aims at integrating the financial inclusion plans of banks with their business plans and its ultimate aim is to make financial inclusion a business opportunity rather than an obligation.

Financial inclusion is a win-win opportunity for the poor, for the banks and for the nation. Because of growing incomes and improving awareness levels, aspirations of the poor are on the rise. We will not be forgiven if we do not rise up to meet these aspirations only because of impoverished imagination. It is for the banks to convert what they see as a dead-weight obligation into an exciting opportunity and move on aggressively towards financial inclusion.

Reference:

1. "Profitable Models for Financial Inclusion" by Sandeep Singh, Bancon 2011
2. "Profitably Capturing the Rural Opportunity" by Brij Raj, Bancon 2012

Financial Inclusion - The buzz word



Financial inclusion or inclusive financing is the delivery of financial services, at affordable costs, to sections of disadvantaged and low income segments of society in order to aid them in financial development there by ensuring economic growth of the country.

Conceptual framework of financial inclusion.

The foundation for promoting greater financial access in India can be traced to the findings of the all India Rural credit Survey in the early 1950's. Similarly the origins of the current approach to financial inclusion can be traced to United Nations' initiatives which broadly underlined the main goals as also the board framework and parameters of inclusive finance, as access to a range of financial services including savings, credit, insurance, remittance and other banking/payment services to all "bankable" households and enterprises at a reasonable cost. International conventions such as the G-20 Toronto Summit (The G-20 Toronto Summit Declaration, June 26-27, 2010) had also outlined the 'Principles for Innovative Financial inclusion', which serves as a guide for policy and regulatory approaches aimed at fostering safe and sound adoption of innovative, adequate, low-cost financial delivery models, helping provide conditions for fair competition and a framework of incentives for various bank and insurance involved in the delivery of a full-range of affordable and quality financial services. The G-20's highest priority, as declaration goes, is to safeguard and strengthen the recovery and lay the foundation for strong, sustainable and balanced growth and strengthen our financial systems against risks.

The history of financial inclusion in India is actually much older than the formal adoption



Naren V.
Manager
Myladuthurai Br.

of the objective as outlined above. The nationalisation of banks, Lead bank scheme, Incorporation of Regional Rural banks, formation of Self Help Groups – all these were major initiatives taken by the Government of India that aimed at taking banking service to the masses. A more focused and structured approach towards financial inclusion has been, in effect, followed since the year 2005, when the RBI decided to implement policies to promote financial inclusion and urged the banking system to focus on this goal. The 11th Five Year Plan (2007-12) of the Government of India has further emphasised the initiatives on financial inclusion with its greater focus on 'inclusive growth'. Recent policy initiatives to drive financial inclusion, including formulation of a board approved Financial Inclusion Policy (FIP) by the banks, also attempt to strike a balance between the requirements of financial inclusion and that of soundness of financial institutions and stability of the financial system.

Process of financial inclusion in India – RBI initiatives to stimulate financial inclusions

In India, RBI has initiated several measures to achieve greater financial inclusion, such as facilitating no-frills accounts and GCCs for small deposits and credit. Some of the measures are :

Opening of no-frills accounts: Basic banking no-frill accounts with nil or very low minimum balance has been made to open in banks so as to bring more people into the financial inclusion basket.

Relaxation of KYC norms: KYC norms for opening banks accounts were relaxed for small accounts in August 2005. The introduction which was mandatory during earlier period has been diluted so as to provide banking services to the persons who have valid identity.

Engaging Business Correspondants (BCs)

: RBI has permitted banks to engage BCs as intermediaries for providing financial and banking services. The BC model allows banks to provide doorstep delivery of services, especially cash in and cash out transactions, thus addressing the last mile problem.

Introduction of GCC: With a view to provide banking access to poor and rural community, RBI has asked banks to introduce ' General Purpose Credit Card (GCC) facility upto INR 25000 at their rural and semi-urban branches.

Opening of branches in unbanked areas:

RBI has advised banks to open new branches in unbanked areas so as to penetrate financial inclusion. In its monetary policy, it has stated that the banks should allocate 25% of new branches being opened in unbanked rural areas.

Controversy relating to financial inclusion

Financial inclusion in India is often closely connected to the aggressive micro credit policies that were introduced without the appropriate regulations oversight or consumer education policies. The result was consumers becoming quickly over-indebted to the point of committing suicide, lending institutions seeing repayment rates collapse after politicians in one of the country's largest states called on borrowers to stop paying back their loans, threatening the existence of the entire 4 billion a year Indian microcredit industry. This crisis has often been compared to the mortgage lending crisis in the US.

The challenge for those working in the financial inclusion field has been to separate micro-credit as only one aspect of the larger financial inclusion efforts and use the Indian crisis as an example of the importance of having the appropriate regulatory and educational policy framework in place.

Summing it up, it is understood that financial inclusion is one of the most important areas to be given thrust since it reaches the grass root of the economy.



The Power of Technology in your Palm



M. Saravanan

Asst. Gen. Manager
Mumbai Nariman Point Br.

Have you heard of Facebook? What about Twitter? Do you laugh at e – mail forwards based on jokes about husbands and wives sending cute and funny messages to each other? About four years back, my friend's 12 year old daughter asked me if she could "add" me on Face Book. I did not have an account at the time, and didn't quite know much about it. Fast-forward to present day, and I am now in constant touch with a host of friends, acquaintances, and relatives on Face book. Albert Einstein said -"Any sufficiently advanced technology is indistinguishable from magic." The wonder of the world wide web and all it has made possible is indeed nothing short of magic.

I recall a time when relationships and communications were mostly informal. We knocked on the doors of our neighbors' homes to invite them for a conversation or a game, or to share in an activity. Times, norms, and technology has changed the way we do things. Everything is now done virtually via E – invites, Face Book, Twitter, and other social networking sites.

The mobile phone which was initially invented to make and receive calls when you are on the go, has evolved into the all-in-one smart phone that is practically a PC in the palm of your hand. The countless ways in which a smart phone can be personalized to perform exactly what the owner requires of it- has become an extension of the very identity of the owner.

The galloping advancements in technology has enabled subscribers of the internet (both mobile and otherwise), to upload, download, experience faster and better data quality, delivering crisp pictures at amazing speeds. In the last decade or so - "social networking" has been on the rise, but there has been a boom with the popularization of the smart phones with their internet capabilities at 3G and 4G speeds. At any given point in time, people are chatting online, viewing content

online, shopping, paying their bills, blogging, micro blogging and banking. The mobile internet has changed the media landscape altogether. People are reading their newspapers and magazines on their tablets, phones and PCs without having to wait for a hard-copy of the newspaper to hit their front door. The news is being fed and viewed in real time, keeping you in-the-know every moment of every day.

The Internet users in our country is estimated to be around 120 Million and is growing at a faster rate than that of any other country. India will be adding more Internet connections than any other country and is poised to cross 350 Million by the year 2015. A major chunk of this segment will be through the mobiles. With the rapidly declining costs of mobile access and device, this growth is not only a statistical possibility but a very strong probability. Going forward, mobile devices will perhaps be the best way for large population/ customers from the rural areas to connect with the organizations they want to do business with.

Think about this -

- 40% of people around the world have their phone online 24 hours a day, 7 days a week.
- 43% of people have customized their phones to reflect their personal identity.
- 50% of people state that their social life would be worse-off without a mobile phone.
- 80% of people sleep with their phone at their bedside.

Since the mobile internet has become such an integral part of our lives, it opens the door to several opportunities to reach people instantly irrespective of time and location. Organizations and corporations now have the ability to reach their clients, customers, and their consumers when they are on the go, while they are commuting, when they are

shopping, at work, at school, at a cricket match – all through their mobile internet. Technology has evolved to great extents. Today a consumer's movement, shopping habits, product preferences, payment patterns all can be mapped and this data can be used to deliver a very targeted marketing campaign to them based on the data collected. I wonder if you will be surprised to know that India currently has an approximate 62 million Facebook Users. This is the third largest FaceBook user country in the world !

The typical mobile applications available would be

- IMPS – Internet Mobile Banking Services
- SMS - Short Messaging Services
- Access to loan statements
- Access to card statements
- Mutual funds / equity statements
- Insurance policy management
- Pension plan management
- Status on cheque, stop payment on cheque
- Ordering cheque books
- Checking of balance in the account
- Recent transactions
- Due date of payment (functionality for stop, change and deleting of payments)
- PIN provision, Change of PIN and reminder over the Internet
- Blocking of (lost, stolen) cards
- Locating nearest bank branch, ATMs

IMPS: Internet Mobile Banking Services (IMPS) is an instant intra bank / interbank electronic fund transfer service through mobile phone. The Customer has the convenience of making fund transfers from one account of the bank to any other account with any bank through his mobile phone and

this is possible 24x7x365. The customer need not visit the branch that is transferring money. The customer can effect the transfer sitting at his office or at home.

Apart from the transfer of funds between the banking accounts, the customers can use this platform to make payment for services including but not limited to: -

- Recharging mobile minutes
- Train Ticket Booking
- Air Ticket Booking
- DTH Recharge.

SMS: (Short Messaging Services) SMS service helps the registered customers to receive transactions / non transactions based SMS alerts to his/her registered mobile. The transactions in the registered accounts are reflected to the customer on a real time basis through SMS, to the registered mobile of the customers.

Take for instance, the example of a trader who had an account with us. This customer usually sent his staff to remit the required amount of cash in the account. On this particular day the customer called the Manager and informed him that he had received an SMS alert for a credit of Rs.10000.00 in his account, where as he had remitted Rs.20000.00. He further informed us that the staff who remitted the cash also confirmed that he had remitted Rs.20000.00. Our cash challan was checked and confirmed that the cash remitted was only Rs.10000.00. Upon hearing this, the customer rushed to our branch and showed the counterfoil of the cash challan which showed the amount as Rs.20000.00. On closer scrutiny it was found that the counterfoil was not stamped with the Cash Received stamp and was written in an ink different to that of the

challan. This discrepancy was brought to the notice of the customer. In the evening the customer came to the bank and informed the Manager that his staff had tried to misappropriate Rs.10000.00 but was fortunately exposed immediately thanks to the SMS service. This is a prime example of how the SMS technology helps the customer to immediately recognize that something has gone awry, and bring it to the attention of the bank. Investigating in a timely manner, and quickly pin pointing the error helped the customer prevent further probable misappropriation of his money, and saved the bank from a possibly unpleasant situation.

With the explosive growth of the Mobile phone users and the facilities coupled with the reliable and robust internet infrastructure, we see a sustained growth in the use of the mobile phones in Banking applications. The greatest advantage in the mobile banking applications is the time-saving element. The customer can make the transactions at his/her own convenience without visiting the bank. The next big advantage is the speed of the transaction. The transactions are effected on real time basis. These two elements are the most attractive features that enhance the growth of mobile banking especially with the youth. Banks should equip themselves to accommodate the steep rise in the demand for Mobile applications , else they will be left out in the race for the customer base.

As an organization we have the ability to reach out to our customers and our clients in a unique and personalized way. Technology has afforded us the luxury of constantly touching our existing clients, and potential clients in unique and innovative ways and offering them streamlined and personalized ways to bank with us. Entrepreneur Pierre Omidyar said - "We have finally technology , that for the first time in human history allows people to maintain rich connections with much larger numbers of people." Are we nurturing and striving to maintain rich connections? Are we as an organization utilizing every avenue available to reach out to our clients and potential customers? Are we maximizing the potential of the tools that are in the palm of our hands? If not, the day to start is today, and the moment to begin is right now, before we are left behind.

SIBians have won again..!!! For the 4th successive time..!!!

Overall Champions of the Inter Bank Sports Meet - Bankers' Club, Thrissur





FINANCIAL INCLUSION

However the BC or its retail outlet or sub-agent at the point of customer interface would continue to represent the bank, which has appointed the BC.



Kripesh C K
Asst. Manager
Gandhidham Br.

A financial inclusion survey was conducted by World Bank team in India between April-June, 2011 which included face to face interviews of 3,518 respondents. The sample excluded the north-eastern states and remote islands representing approximately 10 per cent of the total adult population. The results of the survey suggest that India lags behind developing countries in opening bank accounts, but is much closer to the global average when it comes to borrowing from formal institutions. In India, 35 per cent of people had formal accounts versus the global average of 50 per cent and the average of 41 per cent in developing economies. The survey also points to the 'slow growth of mobile money in India, where only 4 per cent of adults in the Global Findex sample report having used a mobile phone in the past 12 months to pay bills or send or receive money'. Keeping in view the goal of bringing banking services to identified 74,414 villages with population above 2,000 by March 2012, and thereafter progressively to all villages over a period of time, the Reserve Bank advised commercial banks that while preparing their Annual Branch Expansion Plan (ABEP), they should allocate at least 25 per cent of the total number of branches proposed to be opened during the year in unbanked rural centres (unbanked rural centres are Tier 5 and Tier 6 centres that do not have a brick and mortar structure of any SCB for customer based banking transaction).

To provide enhanced banking services in Tier 2 centres, the general permission available to domestic SCBs, for opening of branches in Tier 3 to Tier 6 centres, has been extended to Tier 2 centres (with population 50,000 to 99,999 as per Census 2001).

In order to further facilitate financial inclusion, interoperability was permitted at the retail outlets or sub-agents of BCs (i.e. at the point of customer interface), subject to certain conditions, provided the technology available with the bank, which has appointed the BC, supported interoperability.

Based on the announcement made in the Budget Speech of the Finance Minister for 2013-14 as well as the Annual Monetary Policy of the Reserve Bank for the year 2013-14, banks have been advised that they may set up intermediate brick and mortar structures (in rural centres) between the present base branch and BC locations. Such branches should have minimum infrastructure, such as a Core Banking Solution (CBS) terminal linked to a pass book printer and a safe for cash retention for operating large customer transactions and would have to be managed full time by bank's own officers/ employees. It is expected that such an arrangement would lead to efficiency in cash management, documentation, redressal of customer grievances and close supervision of BC operations.

Financial Inclusion Plan of banks

The Reserve Bank had first advised all public and private sector banks to prepare and submit their board approved financial inclusion plans (FIPs) to be rolled out in 3 years from April 2010 to March 2013.

These FIPs contained self-set targets in respect of opening of rural brick and mortar branches, deployment of business correspondents (BCs), coverage of unbanked villages through various modes, opening of no-frills accounts, Kisan Credit Cards (KCCs) and General Credit Cards (GCCs) to be issued etc. The progress by commercial banks (excluding RRBs) since the launch of FIPs clearly indicate that banks are progressing in areas like deploying BCs, opening of banking outlets, opening of no-frills accounts, grant of credit through KCCs and GCC. The penetration of banks in rural areas has increased sharply in two years of the FIP implementation. With a view to encourage transactions in no-frill accounts, banks were advised to provide small overdrafts (ODs) in such accounts, which helped in a strong growth of such accounts. The impact of Information and Communication Technology (ICT) based BC model in facilitating door step delivery of services can be seen from the ascending trends of transactions.

Financial Inclusion Plan Progress - December 2012

Sl No	Particulars	Year ended			Prog. Upto Dec 2012
		Mar '10	Mar '11	Mar '12	
1	Total No of Branches	85457	91145	99242	103359
2	No. of Rural Branches	33433	34811	37471	39127
3	No. of branches in unbanked villages	0	0	3381	4323
4	Total number of CSPs deployed	34532	60993	116548	152328
5	Banking Outlets >2000 -Total	37791	66447	112130	118718
6	Banking Outlets <2000-Total	29903	49761	69623	92516
7	Banking Outlets - Branches	33378	34811	37471	39127
8	Banking Outlets - BCs	34174	80802	141136	168380
9	Banking Outlets - Other Modes	142	595	3146	3727
10	Banking Outlets - Total	67694	116208	181753	211234
11	Urban Locations covered through BCs	447	3771	5891	17950
12	BSBDA Total (No. in lakh)	734.53	1047.59	1385.04	1714.27
13	BSBDA Total Amt. (Amt. in ₹ crores)	5501.71	7612.00	12040.62	17008.35
14	OD facility availed in Basic Savings Bank Deposit A/c (No. in lakh)	1.83	6.06	27.05	32.82
15	OD facility availed in Basic Savings Bank Deposit A/c (Amt. in crores)	9.98	26.48	108.41	135.17
16	KCCs - Total-No. in Lakh	243.07	271.12	302.35	317.33
17	KCCs - Total-Amt In Crores	124007.06	160005.04	206839.03	249139.78
18	GCC Total-No.in Lakh	13.87	16.99	21.08	31.14
19	GCC Total-Amt. in Crores	3510.87	3507.06	4184.41	7660.35
20	ICT A/Cs-BC-Total Transaction - No. in lakhs	265.15	841.64	1410.93	1837.55
21	ICT A/Cs-BC-Total Transactions - Amt. in cr.	692.07	5800.42	9285.93	16533.34

Banks have been asked to finalise their next three-year Financial Inclusion Plan for the 2013-16 period. Broadly, the plan includes self-set targets for opening rural brick and mortar branches, employing Business Correspondents, covering unbanked villages through branches, Business Correspondents and other modes; and opening no-frills accounts to cater to the financially excluded segments. Banks engage the services of Business Correspondents (such as non-government organisations / micro finance institutions, registered NBFCs not accepting public deposits and Post Offices) to ensure greater financial inclusion and increase the outreach of the banking sector. Up to December 31, 2012, banking connectivity has been extended to 2,11,234 villages from 67,694 villages as at March-end 2010. Further, 5,694 rural branches have been opened during the period. The number of Business Correspondents has increased from 34,532 (in March 2010) to 1,52,328 (December-end 2012). The number of basic savings bank deposit accounts have increased from 7.34 crore (with total deposit amount of Rs.5,502 crore) to 17.14 crore (with total deposit amount of Rs.17,008 crore). The number of Kisan Credit Cards (KCCs) increased from 2.43 crore (with outstanding loans of Rs.1,24,007 crore) as at March-end 2010 to 3.17 crore (Rs.2,49,140 crore) as at December-end 2012.

Banking connectivity has been extended to 2,11,234 villages up to December 31, 2012 from 67,694 villages in March 2010. 5694 rural branches have been opened. Numbers of Business Correspondents have increased from 34,532 to 1,52,328. 1714.27 lakh Basic Savings Bank Deposit Accounts, 317.33 lakh Kisan Credit Cards and 31.14 lakh General Credit Cards remain outstanding as on December 31, 2012. Share of ICT based accounts have increased substantially - Percentage of ICT accounts to BSBDAs has increased from 25% to 45%.

The number of transactions through ICT based BC outlets, though encouraging, are still very low as compared to the manifold increase in the number of banking outlets. The focus of monitoring is now more on the number and value of transactions in no-frills accounts and also on the credit disbursed through ICT based BC outlets. In this direction, banks have been advised that FIPs prepared by their head offices may be disaggregated at the respective controlling

offices and further at branch level and its progress may be monitored periodically. The Electronic Benefit Transfer (EBT) had been implemented on a pilot basis in select districts under the "One District – One Bank" Model. The experience gained suggested that the "One District – One Bank" Model had not been able to achieve the objective of financial inclusion. This issue was raised in various fora by the state governments and banks. As part of the financial inclusion initiative, the penetration of banks in rural areas has increased manifold. Hence a need was felt to scale up EBT implementation throughout the country by ensuring convergence of EBT implementation with the financial inclusion plan of banks. For clearer conceptual understanding and based on detailed consultative meetings and interface with stake holders, "Operational guidelines on implementation of Electronic Benefit Transfer and its convergence with Financial Inclusion Plan" has been formulated. Under these guidelines 'one district-many banks – One leader bank model' has been recommended so as to give a fillip to financial inclusion efforts.

FIP Challenges

- Infrastructure issues - Digital and physical connectivity.
- Technology issues - availability of handheld devices, cards, technology partners, operational glitches, Turnaround time.
- Engaging BCs - Associated risks - Lack of professionalism of BCs.
- Less transactions-Non-operational accounts- Low volume small value transactions - High Cost -Viability issues-In adequate remuneration- BC attrition-non payment of commission.
- Scaling Financial inclusion - Appropriate Business Model yet to evolve - need to move from cost centric model to a revenue generation Model by offering a bouquet of deposit, credit and other services.

Financial Inclusion through Financial Literacy

Financial Inclusion and Financial Literacy are twin pillars wherein Financial Literacy stimulates the demand side - making people aware of what they can demand and Financial Inclusion acts from supply side providing the financial market / services what people demand.

Financial Literacy Initiatives

Financial Literacy is considered an important adjunct for promoting financial inclusion, consumer protection and ultimately financial stability. Financial inclusion and financial literacy need to go hand in hand to enable the common man to understand the need and benefits of the products and services offered by formal financial institutions. In India, the need for financial literacy is even greater considering the low levels of literacy and the large section of the population that are still out of the formal financial set-up. Financial literacy has assumed greater importance in recent years as financial markets have become increasingly complex and the common man finds it very difficult to make informed decisions. Further, in view of higher percentage of household savings in our country, financial literacy can play a significant role in the efficient allocation of household savings and the ability of individuals to meet their financial goals. The outreach programmes by the Reserve Bank has helped in spreading awareness and improving financial literacy in recent years

Financial literacy is being promoted by various stakeholders as an important demand side input towards achieving the goal of financial inclusion. In order to ensure effective coordination of the efforts made by all the financial regulators and other stakeholders, a Technical Group on Financial Inclusion and Financial Literacy has been constituted under the aegis of Financial Stability and Development Council, having representations from the Reserve Bank, SEBI, PFRDA, IRDA, Government of India, State Governments and Central Education Board etc. The group meets at quarterly interval with the first meeting held in November 2011, followed by two more meetings in February and May 2012. The group is in dialogue with NCERT, CBSE and state education boards for inclusion of financial literacy in school curriculum.

Issues in Financial Literacy in India

- A large population of alphabetically illiterate population - requiring basic financial knowledge.
- A large section of financially excluded population- need to be told of benefits of financial inclusion and also to be provided.
- A large growing segment of educated middle class-requiring financial education. A growing capital market with increasing retail participation requiring financial

FLCs - Progress

Particulars	June 12	Sept 12	Dec 12	Progress - Apr -Dec 12
No. of FLCs	483	575	656	173
No. of camps conducted	5,682	7,290	15,289	28,261
Persons educated in camps	2,30,808	4,19,143	5,03,272	11,53,223
Persons educated - Indoor service	74,525	1,26,367	1,40,119	3,41,011
Total Persons educated by FLCs	3,05,333	5,45,510	6,43,391	14,94,234

education and consumer protection.

- A growing insurance market with participation of private players - need consumer protection and financial education.
- A large section of workers having no pension.
- A move from Defined Benefit Pension Schemes to Defined Contribution Pension Schemes.
- Hence, a large workforce need to be told about riskiness of various investment portfolios

Outreach Programme of the Reserve Bank

The outreach programme of the Reserve Bank involves top management - Governor, Deputy Governors and Executive Directors who visit villages across the country. They encourage banks, financial institutions and local government to boost economic activities by involving rural masses in particular. They interact with the villagers to understand their problems and expectations, at the same time they also tell them about Reserve Bank's policy initiatives and what they can expect of the Reserve Bank. During the outreach visits, messages on advantages of being linked to formal banking sector and functions and working of Reserve Bank are disseminated through lectures, skits, posters, short films, pamphlets, distribution of comic books on financial literacy (Raju and the Money Tree, Money Kumar etc.), quiz competitions and essay competitions for school children, kiosk at the venue where besides providing information, notes and coins are exchanged. The target groups included students, Self-Help Group (SHG) members, villagers, farmers, NGOs, bankers, government employees, senior citizens, housewives, panchayat members, daily wage earners and defense personnel.

During last 3 years, outreach visits have been undertaken by Reserve Bank's top executives in 115 villages spread throughout the

country. An analysis of the progress of financial inclusion in these villages indicates 73 per cent of the villages are getting banking services through ICT based BC model whereas remaining villages are covered through brick and mortar branches. The number of accounts, especially no-frill accounts has increased manifold. The transactions are being done through business correspondent in user friendly way by using smart cards on hand held devices. The social benefits are getting credited directly to their bank accounts. The outreach programmes of the Reserve Bank have thus helped in improving the overall welfare in many small villages.

Financial Literacy Centres (FLC)

Reserve Bank had advised banks in February 2009 to set up Financial Literacy and Credit Counseling Centres (FLCCs) to provide free financial literacy, education and credit counseling. Under the scheme, up to March 2012, 429 FLCCs were set up. Since the scheme had been in operation for about 3 years, it was decided to evaluate the efficacy of this scheme and its impact on the spread of financial literacy in the country. Accordingly, a study on the functioning of the FLCC was conducted through a nationwide sample survey. The study covering 30 FLCCs spread over 16 states revealed various shortcomings

and limitations in the FLCC scheme like concentration of these centres in urban and semi urban areas rather than rural areas, serving only walk-in clients instead of outdoor literacy drives, FLCCs effectively functioning at the behest of sponsor banks instead of maintaining arms-length relationship etc. Based on the findings of the study and with the objective of scaling up financial literacy efforts manifold, the existing scheme has been revised and banks have been advised to set up Financial Literacy Centres (FLCs) in more than 630 offices of the lead district managers (LDMs). Further, 35,000 plus rural branches of SCBs including RRBs would also undertake financial literacy activities. The FLCs, including all existing FLCCs will now be termed as financial literacy centres. Banks are also advised to set up FLCs in other location as per requirement. The FLCs are expected to impart financial literacy in the form of simple messages like why save with banks, why borrow from banks, why borrow as far as possible for income generating activities, why repay in time, why insure yourself, why save for your retirement etc. The FLCs and rural branches of the banks are also required to conduct outdoor financial literacy camps with focus on financially excluded people at least once a month. As the focus of the FLCs is on simple messages of financial literacy, no risks of mis-selling are expected.

The Reserve Bank has taken several steps to promote financial inclusion with a view to extending the benefits of banking to those who do not have access to these services. However, the task is gigantic and the progress lags behind necessity. As such upscaling and mainstreaming this programme would be needed.

GKSF-season 6 winner Ms.Hairunneesa receiving Half KG gold from Sri.Mohanana, AGM & Regional Head ,Palakkad Region and Ms. Sheela Davis, Senior Manager, Kunnamkulam Main.



Performance par excellence...

The top two regions who have achieved the maximum growth in quantum of total business during the year 2012 -2013



1. Ernakulam headed by Mr. Abraham K. George, GM



2. Kolkotta headed by Mr. Jose P. Varghese, DGM

The top two regions who have achieved the maximum percentage of growth in business during the year 2012 -2013



1. Kolkotta headed by Mr. Jose P. Varghese, DGM



2. Kannur headed by Mr. K.S. Satheeshkumar, AGM

The top three branches with maximum growth in amount of CASA during the Financial year 2012-2013



1. Kottayam Main Branch headed by Mr. Jose Manuel, AGM

2. Thrissur Main Branch headed by Mr. Jose Paul, AGM

3. Bangalore Sarjapur Road Branch headed by Mr. Sreejil Munkund, Senior Manager



Holi: A Social Network One of its Kind

On March 27, Holi is celebrated in its wide flair and tradition. It is more or less celebrated in all the states of India with one or other name having various ideologies behind it; more over it is the prime festival of the Northern, Eastern and Central part of India.



Amitanshu Kumar
Manager
Bilaspur Br.

On the day of Holi, looking at the children of my locality I experience a feeling of relief and joy. In this era of gadgets and internet; kids engaging themselves in video and other indoor games or television and youth spending time on Facebook and Twitter, it was a real pleasure on the day of Holi to watch people running, shouting spreading colors. Holi has a special significance in bringing our society together and strengthening our existing social network. Holi brings a unique vibrant boldness with its flair, people tend to forget about feeling of hardship and even the enemies turn friends. Besides, on this day people do not differentiate between rich and poor, young and old or white and black, all look alike with their faces being painted with different colors.

Bura Na Mano Holi Hai!

A slogan which every one's lips utter on the day is "Bura Na Mano Holi Hai!" teaches us great lessons and wisdom. In day to day life we brood on even the smallest of small events that are not favourable and we find even a

slight deviation from our expectations very offending. Over all material and mental boundaries; on the day of Holi people coat you in their own colors and request you not to mind it. The festival gives us a chunk of lessons on tolerance, patience, adjustment and acceptance. On the evening of the day of Holi, people visit the neighborhood, friends and relatives, which help in refreshing relationships and strengthening emotional bonds between people.

It Helps Our Health Too...

There are many studies regarding scientific significance of festivals like Holi on our environment and human body. Our forefathers have designed the festivals in such a scientific manner which helps people in incorporating with changing seasons (from the cold to the heat), fighting bacteria and insects in environment (by burning Holika) and rejuvenating the system of our human body and fulfilling an enthusiasm to continue our day to day work and life, that too with lots of fun and happiness.



Today we need to understand, join and promote such a platform to build a true and strong social network. These are meaningful and thoughtful gifts given by our ancestors to keep a country of 1000 million lives socially intact and secularly bound.

In my opinion, rather than just creating a virtual platform for friends and acquaintances and spending most of our time in posting statuses on Face Book, scrapping and twittering, our socially built various such festivals and celebrations are much more a meaningful way to make our country proud and unique among all.

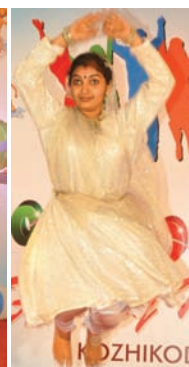
Many may disagree on this school of thought, for the saying goes "Bura Na Mano Holi Hai!".

The curtain comes down at GKSF Season 6 in the presence of Mr. Nandakumar G, DGM and Mr. N.J. Reddy, DGM.





Delhi Region



Kozhikode Region

Thrissur Region





Thiruvananthapuram Region



Palakkad Region

Chennai Region



Revelation

Arun and Ameya were twins. Actually their parents were more than happy when they were blessed with a boy and a girl in a single go. Both were dissimilar from day one. Ameya smiled at everyone while Arun was grumpy all the time. She never fussed on whatever food she was offered, but Arun used to yell when milk given to him was a little less sweetened! As they grew older the differences became more vivid.

Schooldays were hell-days for Arun. He was the mischievous toddler of the class, always making a mess out of anything and everything. Ameya always cleared the mess created by her brother very dutifully. Naturally comparisons started surfacing from teachers too:

"Arun, why don't you learn from your sister? She keeps everything neat and is systematic in all that she does. You are just throwing all the toys around you".

Ameya would smile triumphantly hearing this.

The rainy season used to be Arun's favourite time of the year. Every day since advent of the rains he used to drench himself and playing in the mud was his favourite pass time. Back home he used to get a thrashing from his mother. She used to scream, "Look at your sister, both of you go to the same school, same class through the same route. See how neatly she comes back and see how dirty you have made yourself. Can't you learn from your sister and behave yourself?"

Ameya would giggle at Arun which would infuriate him.

Next day both would be drenched in mud – the only difference was that Ameya would be crying out loud how her brother had pushed her down in a pool of mud and Arun



Radhika R.B.
Senior Manager
Mumbai RO

would be laughing victoriously. At home the severity of the thrashing would be more. To add fuel to the fire, his mother would console Ameya by offering her a sweet and in turn ignoring Arun.

Arun would be challenged by the triumphant smile of his sister.

As they grew up, problems started turning grave for Arun. As he was not systematic, he never studied his lessons on time. Ameya was a very orderly child. She finished all her lessons on time and always stood first in the class, contrary to her brother who was always ranked first from the last. The day of receipt of Progress Report Card always turned out to be a nightmare for Arun. He had to hear 'n' number of times the "Look at your sister" saga.

Arun started hating his sister's triumphant smile.

On entering the fifth standard, Arun took a breather. He was put into a class different from that of his sister. The day of receiving the progress reports never coincided for the two. Arun also used to bluff that the report cards were not given in his class. He would bring his card only after Ameya's card was given back and its ripples of appreciation had subsided.

Their father always had a strange fear seeing Arun's bizarre lifestyle. In order to bring a discipline to his life, father tried several methods of punishment. What Arun hated most was when he was made to stand in a corner of the study room while his sister would be sitting or lying cozily on the bed reading a story book or studying. All the punishments

had the same common last sentence –

"Why don't you learn good things from your sister?"

Those were the moments Arun hated most. While he stood in the corner, Ameya purposefully used to munch chips, chocolates and other snacks in front of him and smile sarcastically and gleefully at him in between.

Slowly Arun learnt to ignore the comments of comparison. Also he started drifting away from his sister. He grew quieter and withdrawn. He felt that his sister was acting goody-goody in front of others just to make him feel miserable. Ameya was not aware of the changes in her brother and continued to be herself.

Another rainy season arrived. Arun and Ameya were returning from school along with a group of friends. Suddenly they saw a baby water-snake in a canal in front of them. It hardly knew to swim. The group of children yelled and started harming it.

Arun felt pity for the baby snake. He knew that it was not poisonous and was not going to harm anybody. He wanted to prevent his friends from harming it. But fearing the wrath of his group he remained silent and did not contribute anything to annoy the poor little snake.

Finally the group succeeded in killing the snake. One of the boys took the snake on a stick and started walking jubilantly leading a procession carrying the stick in hand.

Suddenly Arun heard a loud yell and cry from behind:

"Why did you ruthless people kill that poor creature? What harm did it cause to you?"

Arun was surprised to hear the words that his heart spoke. He was even surprised to know that those words came from his sister. She was crying inconsolably. She left the group and ran to her house.

For the first time in his life Arun started understanding his sister. He was amazed to find that both their emotional levels were similar. He too ran as fast as he could, caught hold of his sister and hugged her wholeheartedly. Ameya could not believe what was happening. She looked at her brother with a surprised expression. She could see beyond the tears that welled up in his eyes. They smiled at each other.

Congratulations !!



JIMMY MATHEW
our Company Secretary completed ICWA, flagship course of "The Institute of Cost Accountants of India" (ICAI).



VISHAL T. GEORGE,
Asst. Manager, IRMD completed ICWA

A Harthal day I would never forget

"So are we opening the branch tomorrow?" I asked my colleague with a gleaming face.

"See! Irinjalakuda is a nice place. Harthal doesn't affect the working here. We can't keep the branch closed. We will open as usual, and if any party adherents ask us to close, we'll then!" The senior staff member, who was quite friendly with me, replied.

The gleam on my face, faded by degrees... "Okay! I hope, no customer would walk in tomorrow!" The malayalee inside me hoped against hope.

The next day, shutters of the branch was raised, predictably. To my joy, there was no rush of customers when compared to the usual days. We colleagues, sat there chatting for an hour till the phone bell rang. "Finally the party supporters have asked us to close the branch ". We took the day-end reports in a hurry and brought the shutter down.

"Are you happy now?" My colleague asked sarcastically.

I said nothing, but controlled my smile.

I called over phone my room-mate who worked for the Mathilakam branch. We stayed together at Kodungallur. He too, was stuck at his branch. I promised to pick him up and go back to our room, which was quite a round-about way. I had no other choice. I cruised on my Scooty pep at 40 KMPH. (Yeah that is the average "Cruise" you could cruise on Scooty!). I was enjoying the slow breezy ride as there were no traffic congestions. I left Irinjalakuda town and headed towards Mathilakam. The route was deserted and I found the ride easy. I passed a factory which is famous for manufacture of cattle fodder and there were fields on both sides of the road. Greenery and greenery!

I saw a couple coming from the opposite direction and without any evident reasons, their bike toppled. I ran upto them and helped the husband to stand on his feet. We tried to slowly lift the bike under which the wife was struggling; but we were unable to. We realised that her purdah had got hooked to the chain and that was the reason the bike toppled. I looked around and saw a house,



Subramanian V.
Manager
Odayakulam Br

100 metres away. I ran towards the house and requested the lady of the house for a pair of scissors or knife. She gave me both, when I briefed her with a gist of the situation. I ran back and handed them over to the husband. He cut the cloth and looked at me for help. I lifted the bike and she was on her legs. On seeing her physique, my hands and legs started trembling. She was a few months pregnant. She was rubbing her back and crying. I asked that person if I should help him by looking for an auto rickshaw, so that she could be taken to a hospital. He couldn't understand my language as he was from Bengal. We both communicated in the Hindi we knew and used the language well to communicate for the time being. It being a Harthal day, I found it really tough to hire an auto rickshaw. I was able to convince a person who owned an autorickshaw and brought him to the accident spot. Meanwhile the lady who lent me a pair of scissors and knife had also reached the spot and asked me to accompany them in that vehicle. I was hesitant to go, as my friend was waiting. Before I could think twice, I was pushed inside the auto along with them. I sat inside, completely blank. The only thing I remembered was that my hands were still trembling. We reached a hospital where the couple regularly visited for check-up. The Bengali guy asked me to wait in the same vehicle which we had come. We exchanged contact numbers and I asked him to call me in case he needed help. He thanked me with tears in his eyes. I too, was touched and found it difficult to control my emotions. He held my hand in gratitude and I could feel his wet palms pulsating n times greater than mine. He promised that he will definitely call me in case need arose.

I never again heard from him, though I did look forward to a call from him. I too was hesitant to call him for the fear that I might have to hear bad news. I hope and pray that everything went well and the happy couple are playing with a 2 year old child right now....

Anthems

From South to North, East to West
SIBians rise being the Best
Reaching the flag of SIB to the rest,
bringing the mind & soul to the quest
for bringing together future & present.

SIB will remain "The First"

Where the customer is treated as king and we the subject
Where there is immense faith & trust
Where old meets the generation next
Where new ideas to be hatched are given a nest.

SIB will remain "The First"



Ponnu Peter
Br. : Powai

Working as a banker is a credit,
Relation between us & customer is that of credit -debit

Always hoping to strive for the best,
Is what makes SIB ahead of the rest

Even though I am happy to be Indian,
With utmost pride I say that I am a **SIBian**

Greater the aim ,the more we achieve success,
But it happens only when we are free from stress

Targets are always the main criteria to achieve
For which a banker has to step up and believe.

Even though I am happy to be Indian
With utmost pride I say that I am a **SIBian**.

We render better & huge service to our customer
In return our customer turns to be our own well- wisher.

I will give all efforts to my Bank as an employee,
But it would be in a manner as a huge trustee.

Even though I am happy to be Indian,
With utmost pride I say that I am a **SIBian**.



Joemon Johnson
Br. GIRGAUM

Working Capital Assessment methods (Fund Based)

Part II (Continued from previous issue)

4) MPBF Method

Under this method the working capital assessment is made based on the Working Capital Gap. Normally under this method working capital there are 3 types of assessment, they are

1st Method

2nd Method

3rd Method

The 1st method and 3rd method are not commonly used, only the 2nd method is widely used under MPBF Method hence this method is also known as TANDON'S II Method of Lending and they are assessed as follows

- A Current Assets
- B Current Liab. other than Bank Borrowings
- C Working Capital gap (A-B)
- D Minimum Stipulated NWC (25% of CA excluding export receivables)
- E Actual/projected NWC
- F C – D
- G C – E
- H MPBF (F or G whichever is less)
- I Excess borrowings/short fall in NWC (D-E)*

*Excess borrowing (short fall in NWC) shall be ensured by additional funds to be brought in by the applicant or by additional bank finance over MPBF.

1st Method

In the early stage, in order to assess the requirement of Bank finance, a system was evolved which was named as Ist method of Lending where the components of balance sheet were well categorized into current liabilities and current assets. The method advocates that current/Demand sources along with current assets are to be identified as gross working capital, the difference between the Current Assets and Current Liabilities other than the Bank finance is called Working Capital Gap. The method suggests that 75% of the Gap is to be met out of Bank finance where 25% of the Gap to be brought in from long term source.

Illustration

Current Liabilities		Current Assets	
Trade creditors	10,000	Stock	20,000
Loan creditors	5,000	Receivable	4,500
Bank Borrowing	7,500	ther C.A.	500
	22,500		25,000
Capital	2,500		
Grand Total	25,000		25,000

$$75\% \text{ of the Working capital gap (Bank Finance)} = 25,000 - [10,000 + 5,000] \times 75\% = 7,500$$

$$25\% \text{ of the working capital gap (Margin)} = 25,000 - [10,000 + 5,000] \times 25\% = 2,500$$

$$\text{Current ratio} = \frac{25,000}{22,500} = 1.11:1$$

$$\text{The margin in percentage terms} = \frac{2,500}{25,000} \times 100 = 10\%$$

IInd method of Lending

Since the stake of the Borrower is too meager in the Ist method and too low to absorb the shock in case of a depressed situation, another method was suggested, which was the second in line, known as Second Method of lending where the stake of the borrower was increased.

Instead of 25% of the working capital gap as Capital/Long-Term source, it was suggested to have 25% of the current assets as Capital/ Long-Term source. :

Illustration

Current Liabilities		Current Assets	
Trade creditors	10,000	Stock in Trade	20,000
Loan credits	5,000	Receivable	4,500
Bank finance	3,750	Other C.A.	500
	18,750		25,000
Capital	6,250		
Grand Total	25,000		25,000

The bank finance is suggested at arriving the difference between the current assets – [current liabilities/other than bank finance + capital/ @ minimum of 25% of current assets] i.e. Rs. 25,000 – [10,000+5,000 +6,250] = 3,750

It can be seen that with higher capital contribution of Rs. 6,250, outside liability was reduced to 18,750 from 22,500 (Ist Method of lending) where in the current ratio has improved = $\frac{25,000}{18,750} = 1.33:1$

$$\text{Margin in percentage terms} = \frac{6,250}{25,000} \times 100 = 25\%$$

IIIrd method

Then came another suggestion recommending a still higher margin, the method was known as 3rd method, wherein it was suggested that the core current asset is to be created out of capital/ Long Term source of fund.

Ex: Stock in Trade which is considered as core assets is to be met out of capital. Since this is in no way practical, the method was not accepted.

Justifications of the Performance Projection under MPBF Method

Inventory/Receivable Norms – Comparison

- ✓ Intra firm Comparison
- ✓ Inter-Firm Comparison
- ✓ Comparison of estimates with previous years Actuals.
- ✓ Comparison of previous projections with Actuals
- ✓ Evidences (Orders in Hand, Orders in Pipeline)

For New Units

- ✓ Comparison of estimates with similar units in the area of operation.

- ✓ Higher projections shall be justified.
- ✓ Pure Play Technique

Important Aspects of MPBF method

- ✓ Production/Sales estimates
- ✓ Profitability estimates
- ✓ Inventory/receivables norms
- ✓ Build up of Net Working Capital

5) CASH BUDGET METHOD

Under this method the working capital assessment is made based on the forecasted cash receipts, and cash payments.

- ❖ Forecasted Cash Flow Statement showing estimates of cash receipts, cash payments and net cash balance over the project term.
- ❖ Peak deficit is financed and drawings regulated by monthly budget
- ❖ Banks & Financial Institutions supervise the end use of the funds sanctioned through actual Cash Flow.

Months->	1	2	3	4	5	6	7	8	9	10	11	12
Cash Receipts												
Cash Payments												
Surplus/deficit												
Cash credit Less												
Opening Balance												
Cash credit Less												
Closing Balance												

Advantages of Cash Budget Method

- ✓ Suitable for seasonal industries, contractors, software

Limitations:

- ✓ Will not reflect changes in various current assets and liabilities.
- ✓ Will give no clue as to a company is earning profit or not.
- ✓ Funds flow statement is required in addition to detect any diversion of funds

Bill Finance -Post Sales Finance

(For Genuine Trade & Manufacturing Transactions)

- ✓ Discounting / Purchase of Bills of Exchange accompanied with ;
 - i) Invoice and
 - ii) Documents of title of the Goods - LRS/RRS
- ✓ Export Bills : FBP/FUBD
 - i) Security – Export Documents drawn against confirmed orders / LCs
- ✓ Cheque Purchase
- ✓ Advance against delivery
- ✓ Advance against acceptance
- ✓ Packing Credit
- ✓ Book Debts Finance

B) Working Capital Assessment Methods (Non Fund Based)

1) Letter of credit

- ✓ InlandLC / ForiegnLC
- ✓ Usance/Sight LC



Raj Mohan R.
Senior Manager
Thrissur RO

LC Assessment

1	Annual purchase/import	FLC/ILC
2	Out of (1) on credit basis	
3	Out of (2) on usance LC basis	
4	Average of (3) per month	
5	Lead time (no. of months)	
6	Usance period (no. of months)	
7	Usance LC requirement (5+6) X (4)	

2) Bank Guarantee

Performance Guarantee
Financial Guarantee – Bid Bonds/Security Deposits/
Mobilisation advance/retention money

3) Deferred Payment Guarantee

4) Bills sent for Collection

Note: There are no major assessment methods for items no 2, 3 and 4

Conclusion

After proper assessment of Working Capital under any of the above mentioned methods, the Banker should also check the commercial, financial & industrial viability of the project before advancing any loan and further check the primary & collateral security cover available for recovery of such funds. ■

Topper in Vishu Fest campaign

- Ms. Annie Jaya P.J. & Team- Br. Pudukad



Reforms in Banking Sector of India

As the economy grows and becomes more sophisticated, the banking sector has to develop pari passu in a manner that supports and stimulates such growth. With increasing global integration, the Indian Banking System and Financial System has as a whole to be strengthened so as to be able competed. Commercial banking constitutes the largest segment of the Indian financial system. Despite the general approach of the financial sector process to establish regulatory convergence among institutions involved in broadly similar activities, given the large systemic implications of the commercial banks, many of the regulatory and supervisory norms were initiated first for commercial banks and were later extended to other types of financial intermediaries.

After the nationalization of major banks in two waves, starting in 1969, the Indian Banking System became predominantly Government owned by the early 1990s. Banking sector reforms essentially consisted of two-pronged approach. While nurturing the Indian banking system to better health through the introduction of international best practices in prudential regulation and supervision early in the reform cycle, the idea was to increase competition in the system gradually. The implementation period for such norms, were, however, chosen to suit the Indian situation. Special emphasis was placed on building up the risk management capabilities of Indian banks.

Unlike in other emerging market countries, many of which had the presence of Government owned banks and financial institutions, banking reforms has not involved large scale privatization of such banks in our country. The approach, instead, first involved recapitalization of such banks from Government resources to bring them appropriate capitalization standards. In the second phase, instead of privatization, increase in capitalization been done through diversification of ownership to private investors up to a limit of 49 percent, thereby keeping majority ownership and control with the Government. With such widening of ownership, most of these banks have been publicly listed; this was designed to introduce greater market discipline in bank management and greater transparency through enhanced disclosure norms. The phased introduction of new private sector banks and expansion in the number of

foreign bank branches, provided for new competition. Meanwhile, increasingly tight capital adequacy, prudential and supervision norms were applied equally to all banks regardless of ownership.

A. Prudential Measures:

- Introduction and phased implementation of International best practices and norms on risk- weighted capital adequacy requirement, accounting, income recognition, provisioning and exposure.
- Measures to strengthen risk management through recognition of different components of risks.

B. Competition Enhancing Measures:

- Granting of operation autonomy to public sector banks, reduction of public ownership in public sector banks by allowing them to raise capital from equity market up to 49% of paid up capital.
- Transparent norms for entry of Indian private sector, foreign and joint venture banks and insurance companies, permission for foreign investment in the financial sector in the form of Foreign Direct Investment (FDI) as well as portfolio investment, permission to banks to diversify product portfolio and business activities.

C. Measures Enhancing Role of Market Forces:

- Sharp reduction in pre-emption through reserve requirement, market determined pricing government securities, disbanding of administered interest rates with a few exception and enhanced transparency and disclosure norms to facilitate market discipline.
- Introduction of pure inter-bank call money market, auction based repos-reverse repos for short- term liquidity management, facilitation of improved Payments and Settlement mechanism.

D. Institutional and Legal Measures :

- Setting up of Lok Adalats, Debt Recovery Tribunals, Asset Reconstruction Companies, settlement advisory committees, Corporate Debt Restructuring mechanism etc. for quicker recovery or restructuring. Formation of SARFAESI Act and its subsequent amendments to ensure credit rights.
- Setting up of Credit Information Bureau for information sharing on defaulters as also other borrowers.
- Setting up of Clearing Corporation of India Limited (CCIL) to act as central counter party for facilitating payments and



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Dispur Br.

settlement system relating to fixed income securities and money market instruments.

E. Supervisory Measures:

- Establishment of the Board for Financial Supervision as the apex authority for commercial banks, financial institutions and non banking financial companies.
- Introduction of CAMEL supervisory rating system.
- Recasting of role of statutory auditors, increased internal control through internal audit.
- Strengthening Corporate Governance.

F. Technology Related Measures:

- Setting up of INFINET as the communication backbone for the financial sector, introduction of Negotiated Dealing System (NDS) for screen- based trading in government securities and Real Time Gross Settlement (RTGS) system.

From the beginning of financial reforms, India has resolved to attain standards of International best practices and to fine tune the process keeping in view the underlying institutional and operational consideration. Reform measures introduced across sectors as well as within each sector were planned in such a way so as to reinforce each other. Attempts were made to simultaneously strengthen commercial decision making and market forces in an increasingly competitive framework. At the same time the process didn't lose the sight of the social responsibilities of the financial sectors. However for fulfilling such objectives, rather than using administrative fiat or coercive methods, attempts were made to provide operational flexibility and incentives so that the desired ends are achieved through broad interplay of market forces. Several advisory groups were designed to benchmark Indian practices with International standards in many crucial areas of importance like monetary policy, banking supervision, data dissemination, Corporate Governance and the like. Towards this end, a Standing Committee on International Financial Standards and Codes was constituted and the recommendations contained therein have either been implemented or are in the process of implementation.

A Banker's eye – Look beyond even what you don't see.

"Are you Mr. Viswaraj?" The Policeman asked me.

I lifted my head to look at him. .

"Hope I am not mistaken. Don't worry. I understand your situation and emotions as well. If you don't mind, Can I ask you a few questions? It's just some clarifications which the police need to make clear". He pulled a chair and placed it opposite to the table.

"Hi, I am Sandeep Chauhan. Circle Inspector". He stretched his hand towards me.

"Viswaraj, Manager, South Indian Bank". I replied in a low voice and stretched out my hand feebly. "I am extremely sorry for my superior's talk with you. I mean our DCP sir. He was very frustrated. We, Policemen often freeze our emotions, heart and all other human feelings when we are into this uniform. Our profession's first demand. He actually didn't mean anything. Please be comfortable sir. Actually, we haven't got any break through so far, about the gang, apart from that guy's name." CI Chauhan told me. I looked at his eyes. It was a normal human being whom I saw....

"It's Ok. I understand". I said.

"So, we will straight away get to business. Sir, you just tell me about him. Everything you know. How did you meet him? What are the stories he has told you? His nature, His attitude, His whereabouts, I would like to gather information on all these. Who are the friends, you have seen him with? Every available info, everything u remember about him. It might help us to locate the gang. I hope you know the damage they have done. Please sir". Chauhan asked and looked at me with hope.

I looked back into his eyes. I tried to recollect the incidents associated with the person whom he was talking about. My mind took a reverse lap, going back a period of 4 months. Anand Murari, one of the smartest men I have ever met in my life.

One day, almost 4 months back:

"Idli, Sambar and coffee today. Right sir?" The Khela shop owner asked me. (Khela shop is a mobile restaurant, fixed on movable platform which mainly sells short eats like sandwiches, chats, dosas etc etc or simply "Thattukada").



Viswaraj
Manager
Nagpur Br.

"Yes. Yes". I smiled and nodded my head.

He was almost familiar with my breakfast menu - even the change of dishes on alternate days.

As a customer, I felt pampered as even my diet preferences were being attended to. Wow. Customer delight. Overwhelmed.

Instances like this might have tempted the Harvard and London School of Business students to fly down here to study about 'selling emotions' along with the renowned marketing jargons of the west. We pack, market and sell even tears... India Incredible.

"What's your name?" I asked him when he came to me with a steaming Nescafe.

"Anand Murari sir". He smiled and served me coffee.

"And you are the manager of South Indian Bank, C A Road branch. Right sir?. I have seen you there. I have an account there in your bank", he said while signaling for more sugar.

"It's Ok. Sugar is perfect. Good Murari", I said.

"Coffee or account, sir?," He asked.

"Of course the account. Coffee is also good", I said in reply

"I would like to thank your staff. Now I am able to generate statements from my Internet banking account. All the problems with my online account are fixed. It's working well", he said.

What!!! Words simply would not spill out due to the Idli inside my mouth mixed with coffee. It sounded something like, a romantic date between Prem Chopra and Hemamalini. Not at all a combination. A person selling Idli, Sambar, Dosa was a regular user of Internet banking !! Fantastic. Meanwhile, he was serving some students from Tamilnadu, laughing with them and enquiring about their exam dates, new tamil films etc. Unbelievable!

"Murari, Can I have some water please ?", I asked him.

He came to me with a glass of water.

"What's the use of Internet banking to you ?", I asked him.

"Ohh sir. This is going reverse. It is a question which, a customer should be asking you. Use of Internet banking. hahaha....Sorry sir, just joking", he said.

I stopped drinking water and looked at him. It was not funny.

"Ok sir. I own 4 shops in different parts of the city. We maintain accounts of the respective shops at the nearest bank. At the end of the day, I transfer funds from all the accounts to the master account kept at your branch for easy accounting. Simple", he replied while wiping his hands on the towel hanging out of the pocket of his apron.

"Smart". I patted his shoulders while returning the coffee cup.

"It is the need of the day. Thanks", he said.

Another Day.....

"Sir, I would suggest you try this Upma mixed with paneer masala". Anand Murari, the master roadside chef told me.

"Ok. As you wish. But I must be careful. I cant afford to take leave as I don't have any more to avail this year." I reminded him while he handed over the plate to me.

"No problem sir. It's guaranteed." He said

The new Upma was simply delicious. Needless to say.

"How can you sell these South Indian dishes in all your shops? I mean South Indian dishes to north Indians. It is OK to try a different menu, once in a while But..." I asked him.

"It is not like that sir. Each of my shop serves a menu customized to the population. Like, here I serve South Indian dishes, as there are many south Indian families living here, bachelors, students from South India etc. Likewise a shop near the Bengali Society, a Punjabi dhaba type shop near Gurudwara, a Gujju specialized centre at the Patel Samaj. That's it. Also I am planning to open an Arabic style food centre near the railway station. Will work out well because there are lot of Bars near by." He almost disclosed his business execution plans.

He continued. "Also I practice the same strategy with my staff too. I ensure they know the language well. A humble effort to win customer confidence", he said.

God !! Not again. This roadside food seller was quoting practical Philip Kotler examples. It's actually happening. I was of the opinion till then that the examples cited

below the respective theorems in management books could never be looked at from a practical angle though we do study many real life stories as illustration in management. MTV can do country wise or culture wise customization of its programmes. They are multinational. But can you do that? Can you think on those lines?

"Murari, who is it that suggested to you these brilliant ideas, execution of these plans, customizing menu and handpicking staff? Who is the person behind it?" I asked him curiously.

"It's just common sense sir. Nothing else", he said to me and retreated, as one tamil anna was screaming for Idlis.

Damn... So MBA students simply pay lakhs, to learn this entire common sense thing, which is otherwise too being successfully executed already in different sections of the economy. I can't believe, I too paid for that. I told myself.

"You are simply bewildering me Murari. Great. Carry on". I paid him for the food.

"Thank you, sir". He touched his heart and bowed his head.

Another day.....

"Anand, Why don't you turn this khela shop to a good restaurant in a new premises, a permanent one? This is a mobile joint which any time could be ordered to be removed by the authorities. You said you have a good income, earning more than a bank manager. It will add reputation to your name also. Right", I asked him putting a piece of puttu along with kadala curry in my mouth. Good, I must say.

"Thank you for your suggestion sir. As you told me this, I do have a few concerns. I think you can help me in that." He replied.

He continued. "For opening a permanent restaurant, I have to take a room on rent first. For that, I have to pay advance money, a few lakhs. Then I have to furnish it to make it look attractive - again a few lakhs. Then I have to buy furniture, fixtures, electrical systems, new utensils etc - again a few lakhs. I then have to appoint staff to look after that. In short, the income generated from it will go straight to the repayment of the capital expenses incurred, at least for a couple of years. The funniest thing is, I would be doing this to earn an intangible emotional asset called reputation and esteem in the society. Isn't it? I am happy now sir. Happy indeed.

"hhahh.. Good analysis." I said.

"Here I am running tax free, no rent, no electricity charges, no additional expenses connected with the govt. time to time, no maintenance charges. After deduction of my purchase inwards and staff salary, every penny contributes to my profit." He said.

He continued. "Ohh. I have an other idea sir. Would you help me by granting a loan for this sir?. I have proved myself in this business. You might be sure that I can carry out a successful establishment. I have ideas, knowledge about the business. I am making good income. All these would be enough for a loan. Right sir?" He winked at me. Good question!

It's always easy to be lavish with your advice when you are seated in the gallery of a cricket stadium watching a match. You will voice out at least 5 different suggestions as to how a 150 KMPH missed delivery of Bret Lee to Sachin Tendulkar could have been handled. But, not once do we reflect on the risk taken by that short man at the centre. Now, by this question Anand was inviting me to bat and put in action what I have told. I should find a way to escape.

"Taking a loan from a bank is not a cake walk Anand. Lot of formalities is involved in that". I started with the usual sentence which a bank manager tells to a customer who doesn't have visible financial back up.

I continued. "You have to prove your income by furnishing 3 year's income tax return statements, which of course you don't possess. Balance sheet for last three years and other financials of your business, which you don't have. Other sales tax related papers which pertain to previous years. Business projection for 5 years. Collateral Security for mortgage. Guarantor with good net worth to sign the document and a lot more." I looked at him to check if there was a trace of shock on his face.

He smiled. "If I had all these things mentioned by you with me, why should I take a loan then? I would have been running a three-star hotel by this time... Hahhaah.. So basically all banks would be happy to lend to a person or firm who actually doesn't need money or in other words a banker would be happy if the borrower is Ambani or Mittal. Right sir."

Bull's-eye !! You hit the mark dear. But being a banker who embraces professional ethics and also being a loyal employee of the industry, I would never accept it at any cost. Whatever you said was wrong.

"It's not like that Anand. There are lots of rules and regulations. We are bound to follow that. It's not your fault, nor mine. Our system is like that. What should I do?" I asked.

"At last, like everyone does, blame the system and escape". He said

I finished my food, paid for that and left the place.

Present Day.....

"I have put forth everything I knew about Anand Murari, every instance, story, people that he had mentioned to me, during different occasions."

Circle Inspector Mr. Chauhan explained to me the whole script of the massive bank robbery executed by Anand Murari's gang at the District Co-operative Bank which is just opposite to our bank. Banks, as we all know, are the most tempting ramp for all bandits for decades. For them, banks are like how a grocery shop is to a mouse.

As per Mr. Chauhan's words, it was a well planned and executed looting. The gang had invested almost 5 Lakhs rupees for this plan!!!. They hired a shop room exactly under the bank premises which was on the first floor and made the premises owner believe that, they were going to open a hardware shop. Obviously, it would require some structural alteration, modifications and such work, to make it fit for their purpose. They started the renovation work and continued it day and night for faster completion. And on one auspicious holiday, they drilled the floor of the bank and looted the entire money and gold.

The master brain or the "Daniel Ocean" or the "Italian Job" look alike to the scripting of this operation done by the "Khela Shop owner" opposite to the bank building, Mr. Anand Murari. He was studying the entire surroundings and happenings around over there for months before this. Moreover, it was like an arena where he performed his role well and all others' as well. Now the game is over to the side of Police. The end of the show depends upon the effectiveness of antidotes available with the Police.

Note: Mind your KYC — A person, who is handsome, wearing a tuxedo suit and bow, driving Aston Martin and drinking Martini, is not always James Bond. Verification of Authenticity of a person's KYC documents is your responsibility. Be cautious.



FAQ on Testamentary Succession, Gift & Settlement

How often do we ponder on aspects relating to Banking Law and Practice? Here is the platform to voice your doubts and seek clarifications straight from the Legal Dept. Your queries are welcome to ho2010@sib.co.in.

1. What is the difference between Gift and Settlement of immovable property?

A gift is transfer of immovable property, made voluntarily and without monetary consideration made by one person (Donor) to another person (Donee). To complete the transaction of 'Gift' the donee must accept the same. The consideration for 'Gift' is love and affection.

A 'Settlement' is a non-testamentary disposition of immovable property, made in writing, by one person (Settlor) in favour of another person (Settlee) in consideration of marriage of settlee or for the purpose of distributing property of Settlor among family members or for any religious or charitable purpose.

Both 'Gift Deed' and 'Settlement Deed' of immovable property having value of more than Rs.100/- shall be executed on requisite stamp paper and registered before the jurisdictional Sub Registrar's Office. The stamp duty and registration fees for 'Gift Deed' and 'Settlement Deed' vary from State to State. In most of the States, 'Gift' attracts higher stamp duty and in some States there is no difference between 'Gift' and 'Sale'. Whereas in the case of 'Settlement Deeds', most States provide for lesser stamp duty if the transaction is among family members.

2. What is the difference between 'Will' and 'Gift/Settlement'?

A 'Will' is a declaration known as 'Testamentary Disposition' by which a person provides for distribution of his assets after his death. Any person who is capable to enter into valid contract with a sound mind can make a 'Will'.

The 'Will' takes effect only after the death of the testator (executant). In the case of Gift/Settlement, the property vests in the name of transferee immediately. Once the Gift Deed/Settlement Deed is executed and in the case of 'Gift' is accepted by the donee, it cannot be cancelled or revoked without the consent of donee/settlee. In the case of 'Will', the testator can revoke/cancel/modify the 'Will' any number of times during his life time and only the last 'Will' executed by the Testator is valid. No stamp duty is payable for a 'Will'.

3. Whether 'Will' require compulsory registration?

'Will' is included in the category of documents mentioned in Section 18 of Indian Registration Act, 1908 the registration of which is purely optional. A registered 'Will' can be cancelled or revoked by an unregistered 'Will' executed subsequently since the registration is not compulsory and moreover, destruction of 'Will' by the testator or his duly authorized person in any manner with the intention to withdraw the 'Will' also will have the effect of cancelling the 'Will'.

4. Whether a 'Will' can be made by two persons like husband and wife jointly?

Yes. Joint Will can be made by two persons. This issue was considered by the Hon'ble Kerala High Court in Kesavan Anandakumar Vs. Nangali Ammal [1994 (1) KL 927] and it was held that Joint Will operates on the death of each testator as his Will disposing of his own separate property and is in effect two Wills.

5. A person by his Will bequeathed his Bank Deposits in favour of his elder son Mr. A, but while making the deposit in Bank he has made his younger son Mr. B as nominee. Whether Bank can made payment to Mr. B?

In the above case, Bank will get complete discharge by making payment to Mr.B, the nominee, provided the nomination is valid in all respects notwithstanding any claim by Mr.A the legatee of the Will. However, the position of Mr.B, the nominee is that of a trustee and Mr.A can sue Mr.B on the basis of the 'Will' if Mr.B refuses to make payment to him. As far as Bank is concerned, if there is no order of stay or injunction by the Court, Bank can make payment to nominee in due course and claim complete discharge.

6. Whether a 'Will' needs compulsory Probate?

Probate is an Order of Court by which the genuineness of the 'Will' is proved. A probate for a will is required to be obtained only under circumstances mentioned in Section 213 of Indian Succession Act, 1925, which are as under:-

- All wills of Hindus Buddhist, Sikh or Jaina made on and after 1 September 1870,



Mohan T.M.
Asst. Gen. Manager
Legal Dept. HO

within the provinces of Bengal, Bihar, Orissa and Assam and within the local limits of the ordinary original civil jurisdiction of the High Courts of Madras and Bombay.

- All wills made outside the territories mentioned in (i) above relating to immovable properties situated within the said territories must also be proved and probate thereof obtained, before any right as executor or legatee can be established.
- Wills other than those in categories (i) and (ii) above made before 1 January 1927, i.e to say, such wills made outside the territories mentioned in (i) above, relating to movable property situated inside or outside the said territories or immovable property situated outside the said territories are not required to be proved or probated.
- Where a will is not executed within the territories mentioned in para (i) or the will does not relate to property situated within the territories mentioned in para (ii), sub-s (1) of s 213 is not attracted.

7. What is meant by 'Codicils'?

As already stated above, the testator can make any number of amendments to his Will during his life time. The amendments made to 'Will' are known as 'Codicils'.

8. Whether any witnesses are required for 'Will'?

A 'Will' is required to be compulsorily attested by two witnesses. It is always better and advisable that both the testator and two witnesses are present at the time of execution of 'Will' and its attestation by witnesses to avoid any future disputes.

9. Can a Mohammedan make a 'Will'?

A Will under Mohammedan Law is called as Wasiyat. The Mohammedan Law restricts a Muslim person to bequeath his whole property in a Will and allows him to bequeath 1/3rd of his estate by writing a Will, which will take effect after his death. However, a Muslim person can exceed his limit on testamentary power in case where heirs give consent after the death of testator. In the case of Gift, a Muslim can transfer the property without any restriction.



My Journey to the Holy Land

I had been nurturing a desire to visit the Holy Land from quite some time back and it was a sudden decision to utilize my LFC for a trip spanning Jordan, Israel, Palestine and Egypt. Since I had always wished this to be a pilgrimage, my wife and I, decided to join the group arranged by the Thrissur Bible Apostolate, under the leadership of its Director, Rev. Fr. Lijo Chittilapally, through M/s. Royal Oman Tours.

The long awaited journey started in the wee hours of Saturday morning, the 10th November 2012, in a special bus arranged by the Bible Apostolate and we reached Cochin Airport by around 3 A.M. The group consisted of 49 members, including Rev. Fr. Lijo. We boarded the Kuwait Airways flight which took off at 6 A.M. and reached Kuwait at around 8.30 A.M. It was a long wait for about 6 hours at Kuwait airport, as the flight to Amman, the capital of Jordan, was at 2-30 P.M. Since it was already dark when we reached Amman, we checked into our hotel and rested for the remaining part of the day.

It was with great enthusiasm the next day morning that we visited the place called Madaba, where there is a mosaic map marking sites mentioned in the Bible, created in the 6th century. Then we reached Mount Nebo, from where we believe Moses viewed the Promised Land. The panoramic view of Israel from Mount Nebo was really fantastic.



From Madaba, we travelled to Israel and after the hectic immigration procedures, visited Nazareth, where we saw the Church of Annunciation, Mother Mary's house and the workshop of St. Joseph. After lunch, we proceeded to Cana where Jesus had performed His first miracle of changing water into wine. Near by there was a shop selling wine and we all bought a few bottles of wine, in memory of this miracle. Fr. Lijo celebrated Holy Mass in the church wherein all the married couples present in the group renewed their marriage vows. From there we left to Tiberias and stayed at a hotel named "King Solomon" which offered us a nice view of the Sea of Galilee.



A visit to the Mount of Beatitude where Jesus preached the Sermon on the Mount was on the schedule for the next day, after which, we went to see Capernaum where the Synagogue in which Jesus taught, is situated. We also visited the house of St. Peter. Then we proceeded to the church of Primacy of Peter in a place called Tabgha, where Jesus had appeared for the first time to his disciples after the Resurrection and where he performed the miraculous catch of the 153 fish from the sea and conferred church authority upon Peter. Some of us picked up



Mr. V.J. Thomas,
DGM,
HO Credit Dept. Recovery.

stones from the Sea of Galilee, to cherish the memory of our visit to this place. We gathered for lunch at a hotel there, where we were served a particular dish of fish called "Peter's fish", caught from the Sea of Galilee. From there we proceeded to the much talked about traditional site of the multiplication of loaves and fish, which was followed by a boat ride on the sea of Galilee. As a sign of patriotism, the boat ride commenced with the hoisting of our National flag by Fr. Lijo, followed by our National Anthem. It was an enjoyable ride with music in the air and many of us were lured into dancing with the music. From there, we crossed the border to Palestine and stayed in a hotel there.

On Tuesday morning, we travelled to a place called Ardent, where we collected water from the River of Jordan, which was slightly muddy. Then we visited the old city of Jaffa where the church dedicated to St. Peter was located. After lunch, we visited the Mount of Olives and the church of Ascension. When we were on the Mount Olives, we were distracted by the sound of fighter planes flying overhead and we consoled ourselves with the thought that they may be in the midst of practice sessions. But, later on it was from the TV news that we came to know of the bomb shelling between Israel and Hamas of Palestine. Then we proceeded to the Garden of Gethsemane, Basilica of Agony and tomb of St. Mary and the traditional house of Caipas where Peter had denied Jesus thrice and where Jesus was kept prisoner in the dungeon. After this, we





visited the Mount of Temptation and the Sycamore tree at Jericho. Then we proceeded to Bethlehem to see the Church of Nativity at the birth place of Lord Jesus and returned to the hotel at Palestine, after a good bath in the Dead Sea the waters of which keeps one buoyant always.

On Wednesday morning, we proceeded to Jerusalem and entered the old city through St. Stephen's or Lion's Gate. We walked up to the church of Condemnation and Flagellation where we commenced the Way of the Cross, through the same pathway Jesus carried his cross to the Mount of Golgotha. Both sides of this path are occupied by Jewish and



Muslim traders. The Tomb of Jesus is located inside the church of Holy Sepulchre. Then we visited the Last Supper Room, where we commemorated the Last Supper and the descent of the Holy Spirit upon the Apostles on Pentacost and last but not the least we visited the Wailing Wall which is considered to be the holiest site for the Jews.



On Thursday morning, we set off on our journey to Egypt through the Sinai desert. On the way, we visited Bethany where the house of Martha, Mary and Lazarus, is situated. We also visited the Milky Grotto, where it is believed that as Mother Mary was breastfeeding Infant Jesus, a drop of milk fell on the rock, the part of which turned white in color. The rock powder taken from this place, is believed to have healing powers. We also visited St. Catherine Monastery, set beneath the mountain where Moses is said to have received the Ten Commandments, and where a 6th century church is situated at the exact place where Moses saw the burning bush. On the way, we saw the statue of a lady in the mountains, which is believed to be the statue of Loth's wife, who was turned to a salt pillar because she disobeyed the Word of God. Overnight, we stayed at a hotel at Tabha, located in the Sinai deserts.



On Friday morning, we arrived at Cairo and checked into a hotel. After breakfast, we visited the Pyramids, Sphinx, Old Cairo and the Christian church in Cairo. We were also taken to the place where the Holy Family stayed in Egypt. In the evening we enjoyed a boat cruise in the river Nile, where dinner was served side by side with some entertainment like belly dance, whirling dervish etc.

On Saturday morning, we visited the Egyptian Museum where the process of mummification was explained and a few mummies were displayed. It is said that Egyptians believed in rebirth and they kept their dead bodies in the mummy form, along with the requirements for the next life. In fact the mummified bodies of Pharaohs were kept inside the Pyramids. Time was allotted for shopping - textiles, perfumes, papyrus art works etc. After this, we reached Cairo Airport to catch the afternoon flight to Kuwait and from there we boarded the night flight to Kochi reaching Kochi in the early hours of Sunday, 18th November, 2012. We were taken to Thrissur by a special bus and we reached home for breakfast.



The Holy Land trip was quite a memorable one for us. Fr. Lijo did a good job by keeping us in a prayerful mood and explained the biblical significance of each and every place we visited. We felt that the caption given by M/s. Royal Omania Tours in their tour leaflet is quite true. It says "The joy you carry in your soul from the Holy Land is impossible to be expressed in words".

"Motivation"



Neenu Rose Vinu

D/o Mr. Thampikutty Mathew
Asst. Manager
Br. Pulloorampara

Fritz Heider's attribution theory, Bandura's work on self-efficiency, and Deci and Ryan's cognitive evolution theory, Victor Vroom's "expectancy theory", Incentive theory, Drive-Reduction theories Cognitive dissonance theory, Need Hierarchy theory, Herzburg's two factor theory, Alderfer's ERG theory..... Loads and loads of theories which are all about 'some drive force' which has created J R D Tata, Jack Welch, Warren Buffet, Justin Bieber, Mark Zuckerberg..... the magnificence of this driving force is that it digs out our potential like a prospector digs for oil. This 'digging out', this 'driving force' is what management connoisseurs define as "Motivation"

Mark Elliot Zuckerberg – the grey matter behind Facebook who has wired together a twelfth of humanity into a single network, who has been elected as TIME's 2010 "Person of The year" had this driving force as a spark right from his childhood which conflagrated at his 20s' to build a social networking site which has become the fabric of our society. ➔

→ The young Mark was "strong-willed and self motivated" according to his father Ed.s "For some kids, their questions could be answered with a simple yes or no," he says. "For Mark, if he asked for something, "yes" by itself would work, but "no" require much more. If you were going to say no to him, you had better be prepared with a strong argument backed by facts, experiences, logic, reasons. That was the degree of self motivation he possessed – Always at its superlative which made him to soar high, to establish the Facebook Empire.

Assimilating the example of Mark Zuckerberg, it's vivid that self motivation can do miracles. Just like riding a bike or playing the piano, self motivation is a skill that can be learned and mastered with ease.

How are we supposed to make a track of uniqueness? When my motivation starts to wane, I regain direction by creating a plan that contains two positive actions. The first one would be a small task you've been meaning to do, while the second would be a long term goal. I immediately do the smaller task. This creates positive momentum. After that I take the first step towards achieving the long term goal. Doing this periodically is great for getting out of a slump, creating positive reinforcement, and getting long – term plans moving.

There was a time ages back when people believed in extrinsic motivation. But today people are practicing the habits of Stephen Covey. As he said, motivation is a fire from within. If someone else tries to light that fire under us, chances are it will burn very briefly.

So let us be self motivated by boosting our own confidence, developing tangible focus, direction and shall always say to oneself "I know that I have abundance of potential within me and I will bring it out to fruition" & hey presto! The best in you is brought out in the most amazing manner.



You will always remain a part of the SIBian family....

Siblink appreciates the dedicated service during their tenure. Their contributions will always be remembered with gratitude



Mr. Jose Mohan C.J.,

General Manager, Marketing Department, HO retired from service on 31.03.2013

Ppc	Name	Exit Date	Branch/Office	Designation
2015	Ashok Kumar	31.1.2013	New Delhi Janakpuri	Clerk
2351	Mahadeva B.T.	31.1.2013	Bhadravathy	Daftary
1813	Mary Paul	31.1.2013	Mumbai-Borivlie(west)	Asst. Manager
2135	George C.A.	31.1.2013	Insp. & Vig. Dept	Senior Manager
4913	Elizabeth Xavier	31.1.2013	Kumbalam	1/3 Parttime Sweeper
1636	Avik Burman	31.1.2013	Kolkata Brabourne Rd	Assistant Manager
4457	Thara K.P.	31.1.2013	Ernakulam Market Rd.	1/2 Parttime Sweeper
2620	Mohammed Siddik M.V.	31.1.2013	Kalamassery	Clerk
2800	Mary Abraham	31.1.2013	Kuttapuzha	Clerk
1690	Jayarajan K.	31.1.2013	Kozhikode RO	Senior Manager
2252	Eliamma Jacob	28.2.2013	Kozhikode Mavoor Road	Assistant Manager
1914	Rosa N.P.	28.2.2013	Coimbatore R S Puram	Assistant Manager
2156	George N.K.	28.2.2013	Kathikudam	Assistant Manager
4922	Rajammal	28.2.2013	Marappara	1/3 Parttime Sweeper
1239	Shivanna N.b.	28.2.2013	Bangalore Jayanagar	Daftary
1367	Verghese C.chandy	28.2.2013	Thrissur Main	Senior Manager
1443	Antony M.a.	28.2.2013	O & M & Compliance	Assistant Manager
2922	Joseph Sebastian	28.2.2013	Changanacherry	Clerk
1408	Mercy Xavier	28.2.2013	Changanacherry	Assistant Manager
1648	Muralidhara Bhat P.	28.2.2013	Inspection And Vigilance Dept	Senior Manager
2225	Charles G.p.	28.2.2013	Madurai Regional Office	Chief Manager
1592	Thankamani Amma S.	28.2.2013	Pathanamthitta RO	Manager
2375	Nadikota Saibabu	28.2.2013	Vijayawada Nirmala Convent	Daftary
1451	Gopinathan K.	28.2.2013	Thekkemala	Clerk
1637	Ramesh Balan	28.2.2013	Bangalore Service	Assistant Manager
1613	Paul J. Pullokaren	28.2.2013	Mapranam	Clerk
2400	Jose E.p.	31.3.2013	Eravu	Daftary
1330	Jose Mohan C.j.	31.3.2013	Marketing Dept	General Manager
1035	Vasudevan Nair K.r.	31.3.2013	Nangyarkulangara	Daftary
2641	Hari Haran C.P.	31.3.2013	Thrissur North	Clerk
5500	Sherly Packia Rani A.	31.3.2013	Trichy Cantonment	Clerk
1374	Devassy P.c.	31.3.2013	Credit Department	Manager
1249	Antony K.j.	31.3.2013	Shimoga	Daftary
2102	Radhakrishnan K.K.	31.3.2013	Uzhavoor	Assistant Manager
1415	George Sebastian	31.3.2013	Insp. And Vigil. Dept.	Senior Manager

OBITUARY



Mandakini Pundolik Salkar, Asst. Manager, Mapusa- Goa expired on 26.2.2013



Kumaraswamy N., Daftary, Bangalore Malleswaram Br. expired on 2 5.1.2013

Siblink expresses heartfelt condolence to the bereaved family

Recent CAIIBians at SIB



Avinash A.
Asst. Manager
Nagpur



Ami Antony, Clerk
Kottayam
Collectorate



Anurag Manshani
Asst. Manager
Jaipur



Abhijit Kothari
Asst. Manager
Andheri East



Carol Jean I DSouza
Mangalore-Ladyhill



Chinnu Alphonsa
Sebastian,
Bangalore City



Deepthi A.R.
Manager,
Trivandrum Ser. Br.



Dimple Dixon
Asst. Manager
Saibaba Colony CBE



Divya C.
Manager
Kolkata RO



Divya K.G.
Asst. Manager
Kothamangalam



Fany Stephen A.
Asst. Manager
Edappal



Harish P
Prob. Officer
Thrissur Main



Jacques Jossy,
Prob. Officer
Nasik



Jatinkumar P.S.
Asst. Manager
Gandhidham



Jenny Joseph
Br. Mallappally



Jipin V. Jimmy
Clerk
Neyyar Dam



Karthikeyan S.
Manager
Br. Belgaum



Krishnaraj K.
Asst. Manager
Chelari



Lissikutty Michael
Asst. Manager
Manjapra



Mahesh Kumar Jaju
Asst. Manager
Bhubaneswar



Pinky Choudhary
Prob. Officer
Mumbai RO



Preetha Sara T.
Asst. Manager
Kayamkulam



Ranjith J.
Senior Manager
Ahmedabad



Rohan
Asst. Manager
Pune



Rojal Rosa James
Asst. Manager
Panachippara



Shabari Shetty
Asst. Manager
Mangalore Main



Sreekanth K. Vijai
Manager
Kaipuzha



Sudheer Gadey
Prob. Officer
Bahadurpally



Ashish C Kadam
Asst. Manager
Vasai



Aman Gandhi
Asst. Manager
Rohini, Delhi



Debjith Mukherjee
Asst. Manager
Bandra



Sreeba P.P
Manager
Nariman Point



Mr. Susheel Tiwari
Asst. Manager
Malad



Gopeekrishnan
Manager
Kattanam



Ambika P.
Prob. Officer
Thrissur High Rd.



Staff of RO Delhi realizing their dreams at 'Kingdom of Dreams' Gurgaon.



Staff of IRMD and CFM Depts at HO relaxing in the exquisite beauty of the Wynad hills.



Staff of RO Mumbai visit the historic Kashid & Murud - Jangira Fort



Staff of Thrissur Main Br. relaxing on the banks of the Kodanad lake



Staff of Kunnamkulam Thrissur Road branch enjoying the scenic beauty of Valpara

Staff of Kallara & South Kallara Brs. at Wagamon



Staff of Pandalam br. enjoy at Kanyakumari & Kovalam

Just One Signature. ..

'It' started one afternoon, a rainy afternoon. 'It' – the prelude of this story. I was all alone in my branch, waiting for nature to give a break to its torrential down pour. There was no power and the lights were out -something that I never expected to happen in a big city like this. But then again, my 28 years of life is a volley of such unexpected events.

There came a man, fully drenched. At first I thought he must have come here to take shelter for a little while. At least I would have company until the rain subsided. It took me some time to realize that his visit was planned and purposeful. A tall, lean man, aged above fifty. He wore a blanket across his half naked chest. Whatever parts of his clothes were visible under that dim light, were all covered with mud stains.

It was very hard to understand what he was trying to communicate. But somehow I guessed that he wanted to meet the manager. I tried my level best to send him back saying that it is past office time. But the person seemed determined, like he was here for a cause. All this time, he was hiding something beneath his clothes, which he then pulled out and handed over to me. It was not in its best condition and the rain water had contributed a little more to it. My understanding of the local dialect was below mark. All together I couldn't make much out of it. The documents were related to some property, so I assumed that this person was in search of financial assistance.

Prima facie, this case should be rejected or more appropriately, dispelled. Incomplete set of documents, poor financial stability, insecure conditions are more than enough reasons for any bank to reject a proposal. I didn't want to entertain his presence any longer. The expressions on my face were very clear and anybody could predict what I would be saying next. I said an emphatic NO. To my utter surprise, he didn't waste a single second and simply stormed out of the office. It was still drizzling outside but that did not bother him. It made me a little confused. I wouldn't have nodded my head for him but I thought he would ask for an explanation from my part. Instead his sudden reaction thrust a spear right across my heart.

A week had passed and I had almost forgotten the pale looking man. One fine morning just as I was stepping into the office, a familiar face blocked my way. It was him again. I started to feel disgusted as I would have to repeat the whole scene again. But instead of talking to me he just signalled for a rickshaw. I stood there baffled. Then the man gently left and sat inside the rickshaw suggesting me to follow him. Some unknown forces moved me towards the vehicle and I sat beside him as if I was in a trance.

The rickshaw took us through roads which I had never seen and shortly we were at a shabby and battered place where no basic amenities were available. It was worse than any place that I have ever visited. I saw people



SARAN S NAIR
Probationary Officer
Br. Yeshwanthpur
Bangalore

who had no identity, no whereabouts, no existence. The world outside was not even aware that they existed. There were no homes or latrines. Big flex boards that political parties use during election campaigns, separated one family from the other. I turned and looked at the man but his eyes had a blank look and were glued to my face. Maybe, he was asking for help, maybe I was his last hope, mine may be the last door that he would ever knock for this purpose. All others would have rejected him just like I did a few days back.

As a part of my job, I deal with hundreds of customers daily. All of them are distinguished personalities with immense wealth that cannot be gauged by one generation. Yet they need people like us to support them financially, only to make them richer. But this desperate man was different. He was seeking from the bank a nominal amount that may improve his life. As bankers, we can make a difference to the lives of people like this gentle man. We may not get accolades or incentives for such a deed, but if it could transform the living conditions of one in a thousand or million, why not catalyze it with just our one signature? It is now or never. One signature.... that is enough to change at least one life.

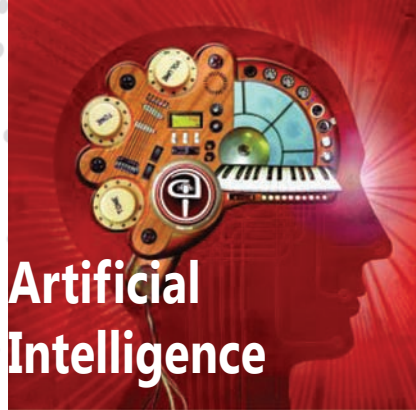
Popularising SIB Travel Card

Mr. Raphael T.J., GM, Delhi Region handing over the first 3 Travel cards to customers in the presence of Mr. Albin Thomas, Manager, Naraina Vihar and Mr. Nitin Kandpal RMO.



Mr. Joe Varghese (CM, NRI Tvm) and Mr. Paul A L (CM, Tvm Main Br.) handing over first Travel Card to Harish K., customer.





Artificial Intelligence

Introduction

Artificial Intelligence is a branch of Science which deals with helping machines find solutions to complex problems in a more human-like fashion. This generally involves borrowing characteristics from human intelligence, and applying them as algorithms in a computer friendly way.

A more or less flexible or efficient approach can be taken depending on the requirements established, which influences how artificial the intelligent behavior appears. **AI** is generally associated with Computer Science, but it has many important links with other fields such as Maths, Psychology, Cognition, Biology and Philosophy, and many others. Our ability to combine knowledge from all these fields will ultimately benefit our progress in the quest of creating an intelligent artificial being.

Smart Artificial technology

The intent was to use artificial intelligence as an early warning system to prevent fraud. The problem of frauds, specifically fraudulent use of debit cards at automated teller machines and sales counters are on the rise. Hence fighting the problem of trying to recover losses was far less effective than preventing fraud in first place. Fraud investigations, mostly conducted after the occurrence, were hampered by the cumbersome process of manually reviewing reports from several sources. So, in 1987, the



P. Arun Gopalan
Prob. Officer
FIP Cell, HO -P&D

bank's Corporate Security Department authorized its new Fraud Prevention Task Force to use an "expert system," applying Artificial Intelligence technology.

In three months, a prototype was built on a small departmental computer using the banks' and the industry's knowledge of rules weighing evidence of fraud. The prototype was successful enough that the application was moved to a larger computer and, in 1988, the on-line fraud detection system paid for itself in reduced losses in two months. Despite such dramatic results, the use of artificial intelligence in financial services is still relatively low. But enough companies have had sufficient experience with these systems to demonstrate their value. So far, expert systems have been used more widely in manufacturing, but financial services should be fertile terrain for the growth of artificial intelligence because the industry relies heavily on mental activities and the growth of knowledge. In the financial world, the quality of knowledge constitutes the basis of competition.

Notwithstanding the apparent match between the technology and typical functions in the financial services industry, this sector accounts for a very small percentage of artificial intelligence vendors' business. Computers are fundamentally well suited to performing mechanical computations, using fixed programmed rules. This allows artificial

machines to perform simple monotonous tasks efficiently and reliably, which humans are ill-suited to. For more complex problems, things get more difficult. Unlike humans, computers have trouble understanding specific situations, and adapting to new situations. Artificial Intelligence aims to improve machine behavior in tackling such complex tasks. Humans have an interesting approach to problem-solving, based on abstract thought, high-level deliberative reasoning and pattern recognition. Artificial Intelligence can help us understand this process by recreating it, then potentially enabling us to enhance it beyond our current capabilities.

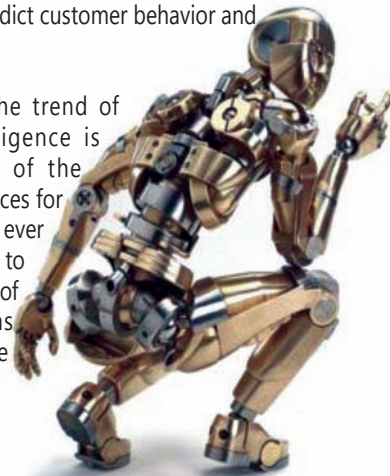
Technology.

There are many different approaches to Artificial Intelligence, none of which are either completely right or wrong. Some are obviously more suited than others in some cases, but any working alternative can be defended. Over the years, trends have emerged based on the state of mind of influential researchers, funding opportunities as well as available computer hardware.

Over the past five decades, AI research has mostly been focusing on solving specific problems. Numerous solutions have been devised and improved to do so efficiently and reliably. This explains why the field of Artificial Intelligence is split into many branches, ranging from Pattern Recognition to Artificial Life, including Evolutionary Computation and Planning.

The potential applications of Artificial Intelligence are abundant. They stretch from the military for autonomous control and target identification, to the entertainment industry for computer games and robotic pets. Let us also not forget big establishments dealing with huge amounts of information such as hospitals, banks and insurances, who can use AI to predict customer behavior and detect trends.

As expected, the trend of Artificial Intelligence is becoming one of the major driving forces for research with an ever growing market to satisfy the needs of the company as well as the individuals.



Winner of the Kerala State Level 20:20 Cricket Tournament conducted by Bankers Club, Greater Cochin. Ernakulam captained by Mr. James Mathews C., Chief Manager, Ernakulam NRI Br.



Accomplishments Galore



Ms. Jayasree A K, Prob. Officer, HO-Marketing Department, Ernakulam is the first rank holder in MBA of Kerala University 2011



Mr. Muneer P.K., Br. Uduma - Captain of Calicut Dist. Senior Softball team which won the championship in the 17th Kerala state senior softball championship and got the best player award.



Mr. Ouseph K.L., Thrissur Service Br. represented Thrissur Dist. in State Masters Athletic Tournament 2013 and won 2nd prize in 5000 meters sprint for the group 55+. He is selected for National Meet.



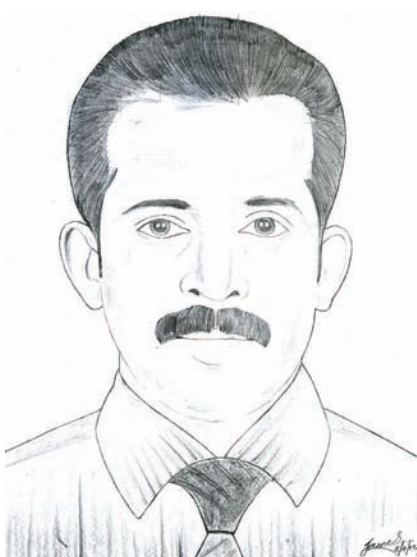
Ms. Aparna Sharma daughter of Mr. Hari Sharma N, Manager Kallara Br. secured 1st Rank in BAMS examination of Mahatma Gandhi University, Kottayam.



Mr. Skaria Gladson S/o Mr. Kuriakose, Uppatty Br. had participated in the Republic Parade 2013 in New Delhi and was one of the marching contingent in the NCC battalion.



32nd Annual Day of SIBS Arts & Sports Club celebrated.



Pencil Sketch by **James Chacko** Manager, Br. Puttur (Mangalore)



Sudoku Corner Puzzle No.7

5		1				6	4
		3		2			
		4	5	6		8	
	5					3	7
6						1	8
4	3		2	1		5	
		5	8		6		4
			3		5		
			4				

9	6	8	1	4	3	5	7	2
2	7	4	8	5	6	9	3	1
1	5	3	2	9	7	4	8	6
4	8	6	3	7	1	2	9	5
3	1	2	5	8	9	7	6	4
7	9	5	6	2	4	3	1	8
6	2	7	9	1	5	8	4	3
5	3	9	4	6	8	1	2	7
8	4	1	7	3	2	6	5	9

Solution for the previous puzzle. The lucky one to be picked out from the 108 entries with the solutions is **Mr. Alex G. Mathew**, Manager, Balaramapuram Br.



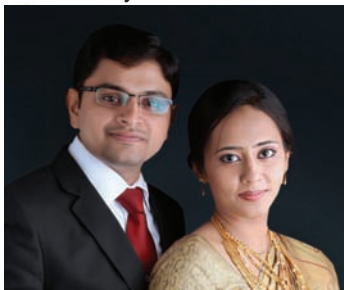
Email us the right answer on or before **30th June, 2013** and you could be the lucky one to be featured in the next issue!



Mr. David Jose S/o Mr. C.D. Jose, Manager O&M& C and **Ms. Aniya Antony**



Mr. Elwin Johny S/o Ms. Celine Johny Asst. Manager, Thrissur Service Br & **Ms. Anne Priya Alexander**



Mr. John (S/o Mrs. Mariamma C C, Asst Manager, HO Personnel Dept & Mr. M.L. Johny, Rtd. Manager, SIB) & **Ms. Hima**



Ms. Merin Johny D/o Ms. Celine Johny, Asst. Manager, Thrissur Service Br & **Mr. Jennis Jose**



Mr. Santhosh Kumar Tammana S, Manager, Chennai RO & **Ms. Saranya Kranthi**



Mr. Abhilash T John, Manager, Nileschwaram Br & **Dr. Ancy Mary Alex**



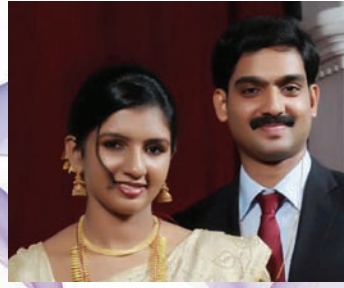
Ms. Divya Parameswaran, Asst. Manager, DICT & **Mr. Srihari**



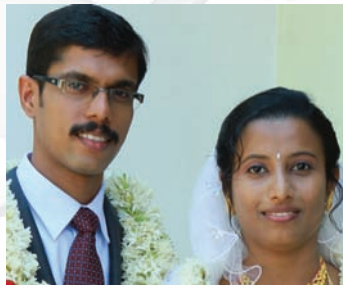
Mr. John George Asst. Manager, DICT & **Ms. Anisha**



Mr. Thomas John, Manager, DICT & **Ms. Alena Joe**



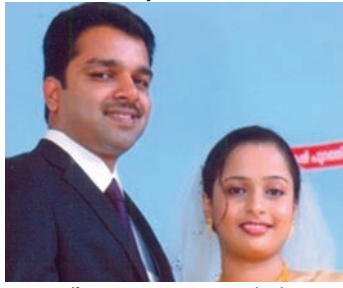
Mr. Sinu Alex, Manager, DICT & **Ms. Reenu**
Ms. Biji Jacob D/o Jancy C.M. Asst Manager Br. Karanchira & **Mr. Martin K Mathew**



Mr. James Chacko Manager, Br. Puttur & **Ms. Jinju Treasa Jose**



Mr. Nirupam Mohanty, Manager, RO Kolkata & **Dr. Ranjita Kar**



Ms. Marilyn Joe, D/o Mr. Joe Abraham, Br. Angamaly Main & **Mr. Martin Jacob**



Mr. Navin S/o Ms. Pauline Paul, Manager, Br. Kuttanellur & **Ms. Chaitra**



Mr. Abin, Manager, HO IRMD & **Ms. Glory**
Ms. Teeja Jacob, Pro. Officer, HO-Personnel Dept. & **Mr. Jom Jose**



Ms. Adapala Pavani, Asst. Manager, RO Mumbai & **Mr. Adapa Prasanth**



Mr. Jithin P J (Manager, IBD Kochi) and **Dr. Pritty B Ramesh**



Mr. Nithish Daniel, Br. Thodupuzha & **Ms. Chinchu Thomas**



Mr. Peter Shyer, Asst. Manager, DICT & **Ms. Margarita**



Mr. Shanavas, DICT & **Ms. Sajeera**



Mr. Vasudevan G., Asst. Manager, Br. Enathi & **Ms. Thaarani**



Mr. Anoop Cyriac
Clerk , Uppatty Br.



Vaibhav Murumkar
Asst. Manager
Khanapur Br.



Sherin Sebastian
Thiroor Br.

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SIBLINK VOL 21 ISSUE 4

