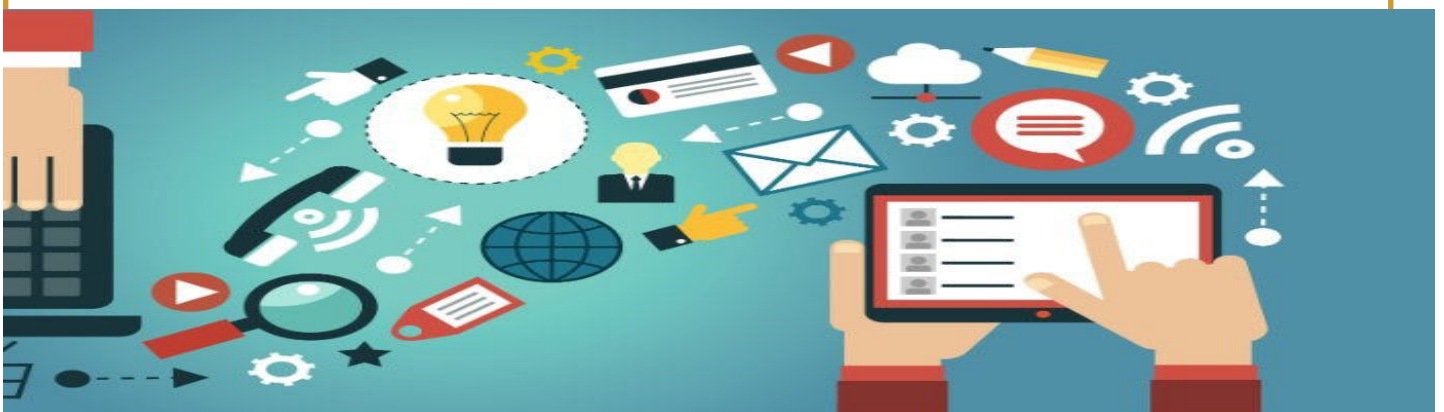


# ALAGAPPA BANKERS QUEST



## DIGITAL ERA



## ABOUT US

Banks, as financial intermediaries act as catalysts for economic growth. The success of bank no doubt, depends upon efficiency of human resources. As such, injecting professionalism into the organizational setup of banks was pronounced as one of the major objectives of the first phase of nationalization of banks in India in 1969. But the objectives could not be fulfilled in toto even after three decades of nationalization. One of the important reasons for this problem was the inability of banks to identify right persons with specialized knowledge in the field of banking for recruitment at various levels. Academic institutions, the main supplier of personnel, confined themselves to exposing learners on traditional and legal aspects of banking in their curriculum; specialized courses in banking enabling the students to acquire knowledge about contemporary banking were lacking. In this background the Department of Bank Management was established in Alagappa University, Karaikudi in 1989.

Discipline, Perfection and Dynamism are the watch words of the Department. Learners are fine-tuned to face challenges of the ever growing financial sector through hands on experience duly supported by the needed theoretical edifice. The distinguished track record of the Alumni speaks for the academic credentials of the department.

Course Offered: The Department offers a unique 4 semester MBA programme in banking and insurance. In order to enrich banking research, the Department also offers M.Phil and Ph.D programme in Bank Management through part time and full time modes. MBA (Banking and Finance) is offered through the Directorate of Distance Education (DDE), Alagappa University.

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**Dr.G.Jayabal**

Professor and Head,  
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## VOLUME I ISSUE 3

## TLAB-2017

**Two Day Training Programme on Techniques of Loan Appraisal BY banks (TLAB –2017)**

The inaugural function of a two-day training programme on Techniques of Loan Appraisal by Banks was jointly organized by the Department of Bank Management, Alagappa University, Karaikudi, and the University Business Collaboration Centre on 18th January 2017. Prof. S.Subbiah, Vice-Chancellor, Alagappa University, in his presidential address, stated that bankers have to be extremely cautious before sanctioning a loan to avoid the loan becoming a Non Performing Asset. Before sanctioning a loan amount the bank authorities should exercise great caution and scrutinize the assets and liabilities of the borrower and assess correctly the repayment capacity of the borrower. He emphasized that the viability aspects have to be scrutinized by the banker before sanctioning a loan. Stressing the need for skill improvement in credit analysis, he highlighted the importance of financial, technical, market and managerial appraisals in the process of credit appraisal. These four broad areas of appraisal are of great importance in the smooth running of banks. Mr.AL.Ramanathan, former General Manager, Pandiyan Grama Bank, in his inaugural address, said that credit is the backbone of the banking system. At the same time the depositor reposes full trust in his bank while making deposits and this has to be borne in mind by the bankers. He added that the bank trusts the borrower while granting loans. He further said that every loan should be need-based. He explained in detail the various stages of project appraisal. He emphasized that the character, capacity and creditworthiness of a borrower are to be clearly ascertained while granting loans. The selection of the right borrowers is very important for successful running of the banks and also for protecting the image, effi-

ciency and profitability.



Dr.V. Manickavasagam, Dean, Faculty of Management, in his felicitation address, said that bankers should adopt a pragmatic approach in credit appraisal. He also stated that banks should rely on the financial statements submitted by the borrower along with his creditworthiness. Dr.G.Jayabal, Professor & Head, Department of Bank Management, Alagappa University, welcomed the gathering. Students and the staff members of the Faculty of Management and a large number of bankers participated in the programme. Dr.K.Alamelu, Professor, Department of Bank Management, Alagappa University, proposed a vote of thanks.



## ALUMNI MEET -2017

Department of Bank Management, Alagappa University organized the ALUMNI meet on 28.01.2017 at 10.00 AM in the department seminar hall. Twenty two Alumni from various banks and financial institution were present. The present second year student, Mr. Murugesan extended a warm and cordial welcome to the Alumni. Dr.G.Jayabal, Professor and Head Department of Bank Management in his address specified the importance of Alumni in nurturing and developing the students of the department. At the meeting Alagappa university Bank Management ALUMNI Association was created and office bearers have been selected by the Alumni and subsequently the following resolutions were passed in the meet :-

1. Resolved to form the Alagappa University Bank Management Alumni Association.
2. Resolved to transfer Rs.100000 from Alagappa University Bank Management Alumni Association Fund to Alagu Alumni Association a/c.
3. Resolved to develop infrastructural facilities of the department by using Alumni fund.
- 4 Resolved to support the department in its



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## Pongal Celebration

On 12-01-2017 Pongal celebration was organized by the Department of Bank Management in a grand manner. All the students, research scholars, staff members cheerfully participated in the celebrations. All the students came colorfully dressed with traditional costumes. The students exhibited their drawing skill through their beautiful Rangolis. Pooja was performed and the holy pongal was distributed to everyone.



## Guest Lecture

The Department has organized a Guest Lecture on Financial Inclusion on 27-01-2017. The lecture was delivered by Mr.S.Siddarthan, former Chairman, Odisha Gramya Bank. He shared his experiences on practical aspects of banking. He focused on financial inclusion and its effectiveness. Also he discussed on poverty alleviation programmes, women empowerment through Self Help Groups and the effects of demonetization. Being a banker, he narrated the global scenario on cashless banking.



## **NEWS CORNER**

### **Govt gives nod to listing of 5 state general insurers; industry approves**

The CCEA approved the listing of five state-run general insurers, agreeing to cut their stake from 100% to 75%.

The general insurance industry and analysts welcomed the government decision to take the five state-owned companies public, saying it will help unleash the value potential of the sector apart from forcing the private players to follow suit.

National Insurance, along with the other four—New India Assurance Company, United India Insurance, Oriental Insurance Company, and General Insurance Corporation of India, will be listed following the move.

### **Digitalisation push set to boost insurance sector**

The three pillars of a customer life cycle ie prospecting, onboarding and service will be put to better use through digitalisation

Be it life, general or health insurance, an individual would need protection against the vagaries of “uncertainties”. Therefore, it is important that insurance companies offer customised solutions to the populace. The growth in the insurance industry has been muted over the past few years. The potential that the

country offers is not reflecting in the insurance penetration.

Technology will play a big role in closing this gap. The enabling macro environment that the country presents today is - an ecosystem being readied which is technology enabled, payment system being integrated (UPI, debit/credit card etc), customer information being consolidated under Aadhar & most importantly internet penetration slated to reach 700 million within three years.

The three pillars of a customer life cycle ie prospecting, onboarding and service will be put to better use through digitalisation. Companies have already started coming up the curve in each of the areas mentioned. Product pitch and input of customer details have already gone digital. Customer payments is now on centrestage, given the focus on digital payments. The onboarding process is fairly evolved and the industry has done well over the past two years to refine it. Additionally, service is another area where the customer uptake has been slow and needs to be improved. This will lead to faster resolutions, enhanced service levels and cost optimisation for companies.

To summarise, industry needs to work integrating the first pillar in the customer acquisition stage (prospecting) for a seamless experience to the customer. For the second and third pillar — onboarding and service, it needs to focus on increasing “consumer awareness” on the value that is being

### **Five Associate Banks to Merge With SBI From April 1, 2017**

The assets of State Bank of Bikaner and Jaipur (SBBJ), State Bank of Mysore (SBM), State Bank of Travancore (SBT), State Bank of Patiala (SBP) and State Bank of Hyderabad (SBH) will be transferred to SBI from April 1, 2017, SBI said in a regulatory filing. With the merger, SBI is expected to become a lender with an asset base of Rs. 37 trillion.

All the five associates will merge with State Bank of India from April 1, in the largest consolidation exercise in the banking history of India.

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With the merger of all the five associates, SBI is expected to become a lender of global proportions with an asset base of Rs. 37 trillion (Rs. 37 lakh crore) or over \$555 billion, 22,500 branches and 58,000 ATMs. It will have over 50 crore customers.

### **Banks are picking up cyber security insurance as digital payments rise**

At a time when cyber threats are on the rise for banks for increasing cashless transactions and effects of demonetization, insurers are seeing a rise in the demand for cyber insurance and cyber liability insurance, in particular. This is despite the fact that the industry base for cyber insurance is currently as low as Rs 60 crore. There are various cyber insurance covers available in the country, but it is the cyber liability insurance which is in maximum demand for the banks, say insurers. Non-life insurers that provide cyber insurance cover include New India, National, ICICI Lombard, Tata AIG, HDFC Ergo and Bajaj Allianz. Country's largest lender State Bank of India (SBI), which fell victim to cyber frauds some time back, is now considering insurance to protect its 30 crore customers.



## Digitalisation push set to boost insurance sector

Be it life, general or health insurance, an individual would need protection against the vagaries of “uncertainties”. Therefore, it is important that insurance companies offer customised solutions to the populace. The growth in the insurance industry has been muted over the past few years. The potential that the country offers is not reflecting in the insurance penetration. Technology will play a big role in closing this gap. The enabling macro environment that the country presents today is - an ecosystem being readied which is technology enabled, payment system being integrated (UPI, debit/credit card etc), customer information being consolidated under Aadhar & most importantly internet penetration slated to reach 700 million within three years.

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To summarise, industry needs to work integrating the first pillar in the customer acquisition stage (prospecting) for a seamless experience to the customer. For the second and third pillar — on boarding and service, it needs to focus on increasing “consumer awareness” on the value that is being offered (through digital) so as to promote adoption. For a consumer with the adoption of technology, apart from improved service levels the cost advantage would be passed on to them, resulting in better value for the products.

*The writer is CEO, Canara HSBC OBC Life Insurance*





## Why do people prefer Personal Loans?

### Loans?

There are many factors that make Personal Loans more attractive.

**Easy to get:** Personal Loans are easier to obtain than many other types of loans.

**Flexible usage:** We can use the funds in a variety of ways. We can use it to pay for a vacation or a medical emergency. We can use it to fund a wedding, renovate a house, and more.

**Quick process:** It can take as little as three days to get approval for a Personal Loan. But we have to make sure about all the necessary documentation.

**No collateral:** Personal Loans are unsecured loans. In other words, they are not backed by any collateral. This helps reduce the documents required for our loan application or even the duration of the vetting process.

**Mr. K. Murugesan,  
II year MBA(B&I)**

## Top 10 Private Banks In India 2017 | Best Private Banks with high Interest

The Private Banks Have earned popularity amongst people and achieved a special niche in the world of banking. These banks are known for highly competitive outlook and technological superiority. Top 10 Private Banks in India:-

1. HDFC Bank
2. ICICI Bank
3. Axis Bank
4. Kotak Mahindra Bank
5. Yes Bank
6. Federal Bank
7. Indusland Bank
8. J&K Bank
9. ING VYSYA Bank
10. KARUR VYSYA Bank

**Ms. Susmitha**




**II year MBA(B&I)**

## Top 4 Most Influential Women in Indian Banking






Let's Talk Payments  
**LTP**

A portrait of Shikha Sharma, CEO and MD of Axis Bank. She is a woman with long dark hair, wearing a maroon saree with gold borders. She is looking slightly to the right of the camera with a neutral expression. The background is a plain, light-colored wall.

"You should do things that you believe in. There has to be a fine balance between listening to people and taking decisions."

- Shikha Sharma, CEO and MD, Axis Bank

Let's Talk Payments  
**LTP**

A portrait of Shanti Ekambaram, President of Consumer Banking at Kotak Mahindra Bank. She is a woman with long dark hair, wearing a blue saree with a white border and a pearl necklace. She is sitting in a room with red and white armchairs, looking towards the camera with a slight smile.

"Many people have been asking me if I have faced any glass ceilings. I have not faced it because you have to grab the opportunities that come your way."

- Shanti Ekambaram, President of Consumer Banking, Kotak Mahindra Bank