



ALL INDIA UNION BANK PENSIONERS AND RETIREES FEDERATION
(Affiliated to All India Bank Pensioners & Retirees Confederation – AIBPARC)
163/4, Kutchery Road, Mylapore, Chennai - 600004
E mail i.d: aiubparf@gmail.com/ ubioatnng@gmail.com/ suryanarayananram@gmail.com

Com. P.B. Thomas
Chairman
Thiruvananthapuram
M: 09447177456

Com. Nitin Desai
President
Ahmedabad
M: 097277 60641

Com. S. Bagchi
Working President
Kolkata
M: 0983081586

Com. N. Govindarajulu
General Secretary
Chennai
M: 09841089111

Dear Comrades,

27th April , 2017

News of Interest 27th APR

MOTIVATIONAL QUOTES

“I DO NOT LIKE TO REPEAT SUCCESSES, I LIKE TO GO ON TO OTHER THINGS. “

WALT DISNEY

HIGHLIGHTS

- 1. LAKSHMI VILAS BANK PROFIT UP 6% IN FOURTH QUARTER**
- 2. RBI TO ISSUE NEW RS 5, 10 COINS**
- 3. RBI PENALISES TWO AUTHORISED DEALER BANKS OVER VIOLATION OF INSTRUCTIONS**
- 4. MAHARASHTRA TO GET 50,000 NEW MINI BANK BRANCHES**
- 5. RBI UNVEILS DRAFT M&A RULES**
- 6. AXIS BANK Q4 NET DOWN 43% AT RS 1,225 CR**

Business Line

1. Lakshmi Vilas Bank profit up 6% in fourth quarter

OUR BUREAU

Lakshmi Vilas Bank (LVB) has reported a 6 per cent growth in net profit to ₹52.16 crore for the quarter ended March 31, 2017, from ₹49 crore in the year-ago period.

Though higher provisions led to modest growth in the bottomline, the old private sector bank improved its asset quality during the quarter.

Total income grew 14 per cent to ₹864.99 crore (₹758.84 crore in Q4 FY16).

Operating profit rose 78 per cent to ₹178.35 crore (₹100.17 crore). Other income increased to ₹131.44 crore (₹92.51 crore).

However, provisions and contingencies were higher at ₹108.19 crore (₹27.10 crore in the year-ago period).

Gross non-performing assets (GNPAs) as a percentage of gross advances stood at 2.67 per cent as against 2.78 per cent in the preceding quarter and 1.97 per cent in Q4 of the previous fiscal.

Net NPA fell to 1.76 per cent from 1.82 per cent on sequential basis. But, it was higher than the 1.18 per cent in the year-ago quarter.

During the fourth quarter, LVB raised ₹168 crore through issuance of 1.19 crore equity shares on QIP (qualified institutional placement) basis.

FY17 performance

For the year ended March 31, 2017, net profit rose 42 per cent to ₹256 crore (₹180.24 crore in FY16). Total income grew to ₹3,349.43 crore (₹2,872.83 crore), and operating profit rose 56 per cent to ₹634 crore (₹407.12 crore).

The provision-coverage ratio stood at 59.51 per cent as on March 31, 2017.

The board has recommended a dividend of ₹2.70 per share (27 per cent) for 2016-17.

Business Standard

2. RBI to issue new Rs 5, 10 coins

RBI said the existing coins in this denomination shall also continue to be legal tender
Press Trust of India

The Reserve Bank will soon put into circulation new Rs 10 coins that have been minted to commemorate 125th year of National Archives of India.

The central bank will also put into circulation new Rs 5 coins to celebrate 150th anniversary of Allahabad High Court.

On the design of new Rs 10 coin, the RBI said that on the reverse of the coin, there will be an image of National Archives Building in the centre with inscription '125 YEARS' below the image.

It will also bear logo of 125th anniversary celebration.

The year "1891" and "2016" in English shall be written on the upper and lower periphery of the coin respectively. The year "1916" and "2016" in international numerals shall be written respectively on left and right top of the image.

The RBI said the existing coins in this denomination shall also continue to be legal tender.

On the design of new Rs 5 coin, the RBI said the coin's face will bear an image depicting centre facade of Allahabad High Court Building emerging from the book.

The year 1866-2016 in English numerals shall be written at the bottom of the image, the RBI said in a release.

Financial Express

3. RBI penalises two authorised dealer banks over violation of instructions

The Reserve Bank of India (RBI) on Wednesday imposed monetary penalty on the Hongkong and Shanghai Banking Corporation Ltd. and the Kotak Mahindra Bank for violation of instructions on reporting requirements of FEMA 1999.

By: ANI

The Reserve Bank of India (RBI) on Wednesday imposed monetary penalty on the Hongkong and Shanghai Banking Corporation Ltd. and the Kotak Mahindra Bank for violation of instructions on reporting requirements of FEMA 1999. The central bank penalised The Hongkong and Shanghai Banking Corporation Ltd. for Rs. 70,000 and the Kotak Mahindra Bank for Rs. 10,000 in exercise of powers vested in the RBI.

As per the provisions under section 11(3) of FEMA 1999, the bank is required to take into account the violations of the instructions/directions/guidelines issued by the RBI. The RBI had issued a show cause notice to the banks, in response to which the banks submitted a written reply and also made oral submissions thereon.

After considering the facts of the case and the bank's reply in the matter, the RBI came to the conclusion that the violations were substantiated and warranted imposition of penalty.

Economic Times

4. Maharashtra to get 50,000 new mini bank branches

BY SALONI SHUKLA

Maharashtra may soon get more than 50,000 new mini bank branches in some of its remotest villages inhabited by tribals. The state government has mandated Axis Bank, IDFC Bank, Yes Bank and Saraswat Bank to digitise over 51,363 fair price shops in the state where these lenders would put up micro ATMs which would act as mobile banks where an individual will be able to open an account, deposit, withdraw and even transfer funds.

"Through this initiative, the government plans to establish a network of business correspondents (BCs) in each village to fulfill the vision of cashless Maharashtra," the letter, which was seen by ET, stated. "It is essential that all banks take up the process of on-boarding Fair Price Shop owners as BCs on a priority basis."

The state has mandated IDFC Bank to equip ration shops in 14 districts to go cashless while Yes Bank will convert fair price shops in 12 districts to do electronic transactions. Saraswat Bank has been given the mandate for 10 districts while Axis Bank will do it in three districts.

"Out of the 40 districts, the bank has got 14 districts and we have already on-boarded 800 shops," said an IDFC Bank official. "We have also done about 3340 ration shops as BC points in Andhra Pradesh. Our plan is to put 1 lakh points of presence where we will do full-fledged banking. Every state has the issue of banking penetration and for most, accessing DBT is a herculean task."

At the peak of the demonetization exercise last year, the government had announced that it will equip all 5.58 lakh ration shops across the country for cashless transactions.

Micro ATMs placed at kirana shops, chemists and panchayat offices enable a range of banking transactions and Direct Benefit Transfers (DBT) for customers of all banks. These devices also enable updates of Aadhaar information directly to UIDAI.

“Over 18000 ration shops have been allotted to our bank -- we have started on-boarding these shops and 2500 shops have been made completely digital,” said Ritesh Pai, Country Head, Digital Banking, Yes Bank. “The idea is that apart from people doing regular transactions, they can do transactions like domestic remittances, bill payments, DTH recharge, train & air booking.”

Business Line

5. RBI unveils draft M&A rules

OUR BUREAU

To facilitate inbound and outbound mergers, the Reserve Bank of India on Wednesday unveiled draft regulations relating to merger, demerger, amalgamation and arrangement between Indian companies and foreign companies under the Foreign Exchange Management (Cross Border Merger) Regulations, 2017.

The central bank has invited members of the public, including the stakeholders and experts in the area, to offer their views and comments on the proposed regulations latest by May 9.

6. Axis Bank Q4 net down 43% at Rs 1,225 cr

Gross bad loans as a percentage of total loans were 5.04% compared with 5.22% as of end-December

Abhijit Lele

Private sector lender Axis Bank's net profit declined 43.1% to Rs 1,225 crore for the fourth quarter ended March 2017 on flat net interest income and rise in provisions for stressed loans.

It had posted net profit of Rs 2,154 crore in January- March 2016 (Q4FY16).

The net profit for 2016-17 (FY17) dipped by 55.2% to Rs 3,679 crore from Rs 8,223 crore for 2015-16 (FY16).

Axis Bank stock closed marginally up by 0.42% at Rs 517 per share on Bombay Stock Exchange.

The board of bank has recommended dividend of Rs 5 per share for 2016-17.

The net interest income for the reporting quarter (Q4FY17) rose by 3.9% to Rs 4,729 crore from Rs 4,552 crore in Q4FY16.

The provisions and contingencies in Q4FY17 more than doubled to Rs 2,581 crore as against Rs 1,168 crore in same quarter last year.

Gross bad loans increased slightly to Rs 21,280 crore as of end-March from December, but as a percentage of total loans were 5.04% at end-March, compared with 5.22% as of end-December.

The bank sold assets with a gross outstanding of Rs 2,354 crore and a net book value of Rs 1,828 crores to ARCs against net sale consideration of Rs 1,686 crore comprising Rs 266 crore in cash and Rs 1,420 crore in Security Receipts value.

The capital adequacy ratio was 14.95% at end of March 2017.

With kind regards,

Yours Comradely,



(N. GOVINDRAJULU)
GENERAL SECRETARY