



GREATER BANK

The Greater Bombay Co-operative Bank Limited (Scheduled Bank)

GREATER BANK TODAY

NEWS BULLETIN

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Dear Members & Shareholders,

Welcome to this issue of GB-Today in which we provide updates in banking that directly impacts your Bank as well as the banking industry. In this edition, you will find information on various topics, industry news and happenings within your Bank.

During the Financial Year 2014-15, Your Bank's business increased by ₹ 212 cr to ₹ 2786 cr from ₹ 2574 cr at a growth rate of 8.2%. Deposits increased by ₹ 101 cr to ₹ 1652 cr from ₹ 1552 cr. Advances also increased by ₹ 111 cr to ₹ 1133 cr as

against ₹ 1022 cr in the preceding financial year. Your Bank maintained a healthy CD Ratio of 65% throughout the year.

The Statutory Audit of the Bank is concluded and Annual Accounts have been certified by the auditors. I am pleased to inform you that we could recover substantially from the Net Loss of preceding Financial Year (FY 2013-14) though the entire loss has not been wiped out. There was a Net Profit of ₹ 10.07 cr in 2014-15 as against a Net Loss of ₹ 24.86 cr. During Financial Year 2014-15, there was thrust on NPA recovery, control on fresh slippage and control on cost. There was close monitoring of NPA accounts and recovery was stressed upon. As a result, Gross NPA and Net NPA decreased substantially to 6.91% and 4.62% as of 31st March 2015 from 9.54% and 7.65% as of 31st March 2014 respectively. Your Bank also maintained a sound CRAR of 13.25%.

While credit quality and recovery processes remained strong in the last quarter, key banking parameters like CASA and growth in Advances remained moderate, reflecting temperate economic activity. However, your Bank remains positive about increased consumer spending and business borrowings in future and look forward to good banking business. A modest growth of 10.85 % is seen in your Bank's total lending business in last fiscal. Your Bank has taken steps to lend selectively to corporate entities and individuals with good ratings and backed by collaterals, to contain the risk of loans turning bad.

As you are aware, Greater Bank has always been in the forefront in social sector banking. As an extension of the Finance Minister's Union Budget Announcement, your Bank is reaching out to its entire customer base, to increase the penetration of low cost Life and Accident insurance schemes, namely Pradhan Mantri Jeevan Jyoti Bima Yojana (life) and Pradhan Mantri Bima Suraksha Yojana (accident cover) so that our customers are benefitted by these Union Government Social Security initiatives. Your Bank stands committed to work towards bringing in maximum number of account holders under the citizen welfare schemes of the Government.

With this, I once again welcome you to this edition of Greater Bank Today and hope you enjoy going through it.

With Warm Regards,

Narendrakumar A. Baldota

Chairman's Message



Appointment of New Chief Executive Officer

Greater Bank is pleased to announce the appointment of Ms. Manisha Raodeo as the new Chief Executive Officer of the Bank w.e.f 1st July 2015.

With 24 years of work experience, Ms. Raodeo brings with her rich and varied banking knowledge. Prior to this assignment, Ms. Raodeo has worked with various Private & Co-operative banks across different verticals.

We welcome Ms. Raodeo into the Greater Bank family and are sure that her range of experience and



Ms. Manisha Raodeo
Chief Executive Officer

depth of insight will be an enormous help to steer the Bank forward in future.

At the same time as Greater Bank welcomes Ms. Raodeo, it bids farewell to Mr. Narendra D. Behere, ex-CEO, who has been an integral part of the Greater Bank family, in the past 3 years. Mr. Behere retired from Bank's services on 30th June 2015. We thank him for his contribution and guidance over the years and wish him the very best for future.



Mr. Narendra D. Behere
Ex-Chief Executive Officer

Technology Promotion Campaign

Technology is the backbone of modern banking. And with every advancement in technology, the ease of doing business and the level of customer satisfaction increases. With a view to optimally utilize the available technology in the Bank, a Technology Promotion Campaign was held at branches from 21st May 2015 till 5th June 2015 to create customer awareness and facilitate the ease of banking.

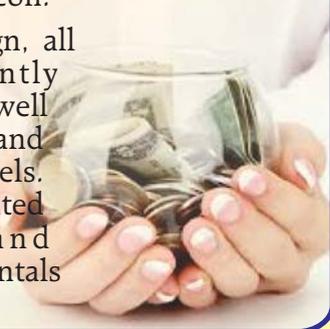
It is an established fact that customers can be easily reached and communicated through use of E-Mails and SMSes. Hence, in the technology campaign, thrust was given to increase the customer reach through E-Mails and IMPS registrations, through increased use and conversions in ATMs, E-Lobby usage and RuPay debit cards.



Cash Management Campaign

Cash Management campaign (20th June 2015 to 30th June 2015): In a continuous endeavour to improve the qualitative and quantitative growth of your Bank's business, an effective cash management campaign was held at branches to create awareness on liquidity management and to deploy available excess cash at branches at optimum yields and earn interest thereon.

At the end of the campaign, all branches could efficiently manage their cash position well within branches' set goals and maintain optimum cash levels. All branches are complimented for understanding and implementing the fundamentals of the campaign properly.



Good News!!! Good News !!! Good News!!!

Mobile Banking Limit enhanced

To facilitate mobile phone based payment system as a convenient mode of payment, your Bank has enhanced the Mobile Banking Daily Transaction limit from ₹ 50,000/- to ₹ 1,00,000/- w.e.f. 12th June 2015.

As the number of cell phone users is many times more than the number of accounts, mobile banking would thus enhance the reach of your Bank to larger sections of the society.



Subscription to Share Capital - Revision in Minimum Limit

The minimum Share Subscription Limit has been revised from ₹ 25,000/- to ₹ 10,000/- for investors. Membership forms have been made available at all Greater Bank branches. Interested investors can visit nearest Greater Bank branch or can get in touch with Shares Department, Corporate Office at 61285911



Waiver of Gold Loan Processing fee continues....

Greater Bank has been offering a total processing fee waiver on Gold Loan / OD accounts since the year 2011. This waiver is now extended upto 30th September 2015 for the benefit of our customers.

Greater Bank has always maintained that customers are our priority and all initiatives undertaken by us one way or other benefits the customer.



Reduction in Rates-Grihalakshmi Housing Loan & Greater Vyapar Scheme

With a view to increase the retail portfolio of your Bank, housing loan Interest rates have been reduced to 10.50% p.a. for amounts up to ₹ 30 Lakhs and 11.75% p.a. for amounts above ₹ 30 lakh and upto ₹ 70 lakh. More information on this can be had at any Greater Bank branch or from Retail Loan Department, Bandra.



Due to the success and popular demand of the Greater Vyapar Scheme (Loan to Small Traders, Businessmen, Manufacturers, Companies etc.), the existing norms of Greater Vyapar Scheme have been revisited. Interest rate has been revised/reduced to fixed 14% p.a. for new borrowers and 13.5% p.a. for existing customers.

Pradhan Mantri Suraksha Bima Yojana and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMSBY & PMJJBY)



Your Bank has started accepting consent forms for the Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) at all branches.

A few differences and similarities between PMSBY and PMJJBY are displayed in the table below (source internet):

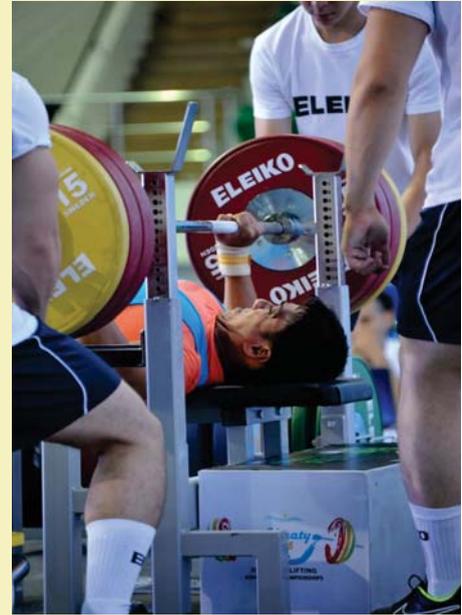
PMSBY offers a renewable one year accidental death cum disability cover of Rupees Two Lakh (Rupees One Lakh for partial permanent disability) to all savings bank account holders in the age group of 18 to 70 years for a premium of ₹ 12/- per annum per subscriber. At Greater Bank, the scheme is offered / administered through the Oriental Insurance Company Ltd.

PMJJBY on the other hand will offer a renewable one year life cover of Rupees Two Lakh to all savings bank account holders in the age group of 18 to 50 years, covering death due to any reason, for a premium of ₹ 330/- per annum per subscriber. At Greater Bank, the scheme is offered / administered through LIC.

FEATURES	PRADHAN MANTRI SURAKSHA BIMA YOJANA (PMSBY)	PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA (PMJJBY)
Insurance cover offered for	Accidental death/ disability/ accidental injury	Death due to any reason
Annual Premium	₹ 12	₹ 330
Sum Assured	1) ₹ 2,00,000 (for accidental death) 2) ₹ 1,00,000 (for partial disability)	₹ 2,00,000 for death due to any reason (natural/accidental)
Eligibility	Savings bank account is must	Savings bank account is must
Insurance period	01st June - 31st May (Every year)	01st June - 31st May (Every year)
Can one person opt for same policy more than once in same/different banks	No	No
Eligibility - Age limit	18-70 Years	18-50 Years
Till what age premium has to be paid	70 years	50 years. But you can continue till 55 years, provided premium is paid every year
Payment Mode	Auto debit from the bank account	Auto debit from the bank account
From where to buy the insurance	Public / Private /Co-operative banks wherever you hold savings bank account	Public / Private /Co-operative banks wherever you hold savings bank account
Documents required	None. You just need to fill application form once	None. You just need to fill application form once
Can anyone buy this policy	Yes. Anyone can buy irrespective of the income earned	Yes. Anyone can buy irrespective of the income earned
Is money refunded if claim is not made	No	No
Is the premium paid tax free	Yes	Yes
Who will receive the money in case of policy holder's death	Nominee	Nominee
Can you rejoin the scheme if you leave the scheme	Yes	Yes

GB Spotlight

Shri Vikramsingh Adhikari, staff of your Bank represented India at the recently held "2015 IPC Powerlifting Asian Open Championships held at Almaty, Kazakhstan in the 65kg body weight category, and has made



India and the entire Greater Bank family proud, by winning the Bronze medal in the 160 kg powerlifting event, on 28th July 2015.

It is indeed a momentous occasion and Greater Bank wishes him heartiest congratulations!



Industry News

RBI vide or recent notification RBI / 2014-15 / 650 DCM(plg) No. / G-15 /5486/10.27.00 / 2014-15 dated 26.06.2015 has further extended the date of exchange of pre - 2005 bank notes from 30.06.2015 to 31.12.2015

Customers can exchange older series bank notes issued prior to 2005, irrespective of the denomination, at Greater Bank branches.

There is no restriction of number of notes to be exchanged. However, in case of exchange of more than 10 pieces of ₹ 500/- and ₹ 1000/- denomination notes, non customers will have to submit KYC documents alongwith a request letter for exchange at the branches. The KYC documents will be verified alongwith the originals.

Note: All these notes will retain their legal tender status and members of the public can continue to use these notes for transactions/ payment.



A Tribute to Former President Dr. APJ Abdul Kalam

There is no word that can possibly praise Dr. APJ Abdul Kalam enough. A man of the highest integrity, he was revered and adored by one and all. He was someone who commanded respect with his deep knowledge. He was born on 15th October 1931. A student of physics, he was obsessed with aerospace engineering and in a career that spans from scientific excellence to political heroism, he was India's icon.

Elected as the 11th President of India in 2002, Dr. Kalam commanded respect from everybody, from across the political spectrum. He wrote extensively on his vision for India inspiring the youth of our country along the way. His demise is a great loss to our country and we have lost a flame that inspired many with his message of hope and excellence.



Late Dr.A.P.J. Abdul Kalam

(Proposed Scheme of Govt. – Draft guidelines were released on 19th May 2015 and suggestions and feedback was invited from public till 2nd June 2015)

Going by the draft guidelines, the GMS scheme is pretty much same as the gold deposit scheme that has been in existence for long. The key difference between the two is the minimum quantity of gold that can be monetized. This has been brought down to 30 grams in the proposed GMS as compared with 500 grams under the existing gold deposit scheme. Hence, this time, the government seems to target HNIs and households rather than only temples and trusts.

A pictorial representation of the GMS is given below which tries to address all aspects of this scheme.

Source : Internet

The Scheme

1. PURITY TESTING

Individuals will be first required to visit one of the- 350 hallmarking centres or purity testing centres, certified by the BIS to get their gold verified. The test will give an approximation of pure gold in the jewellery, bar or coin. After that, the customer will have to fill a bank/KYC form and give his consent for melting.



2. FIRE ASSAY TEST

The gold, cleansed of dirt and other elements, is then weighed to get the netweight of jewellery (gold only). It is then melted. The customer can watch from the gallery. In case the customer does not agree with the test result, he can take back the gold in the form of a bar but will have to pay a fee to the centre.



3. A MINIMUM FEE HAS TO BE PAID

The testing/assaying charge amounts to ₹ 300. Melting charges may range from ₹ 500 for up to 100 grams of jewellery per lot to up to 1400 for ₹ 900-1000 gms. A minimum of ₹100 is also required to be paid for stone removal.



4. DEPOSITING GOLD

Those who agree to deposit in the gold don't need to pay the fee as the bank pays it. The collection centre gives a certificate to the customer certifying the amount and purity of gold deposited. Based on the certificate, the bank will open a gold savings account and the customer's account will be credited with the quantity mentioned in the certificate. The minimum tenure of the deposit is 1 year and can be rolled over in multiples of 1 year. The interest rates will be decided by banks, If the customer deposits 100 grams and the interest payable is 2 per cent then after 1 year he will have 102 grams of gold in his account.



The customer can either seek gold or cash at the time of redemption.

Scheme Objectives:

- To mobilize gold held by households and institutions in the country.
- Make gold available on loan from banks to Jewellery business.
- To reduce dependence on imports of Gold.

Advantages to the Customers:

- Gold Monetization Scheme allows depositors of gold to earn interest on their metal accounts with banks. Once the gold is deposited in metal account,

it will start earning interest.

- The interest earned on it will be exempt from income tax as well as capital gains tax.

Conclusion:

Gold Monetization Scheme is yet to be implemented, however the draft of the scheme educates about its application. It seems like it is great step ahead and will ultimately help the government to get rid of Gold Import in the coming times. However, the deciding point will be the participation of the people.

Banking Glossary

1. Average daily balance:

The average balance in a deposit account, equals the sum of the daily account balances during an accounting period, usually a monthly or a quarterly cycle, divided by the number of days in the accounting period. Banks normally specify certain minimum average daily balance to be maintained in current and savings accounts.

2. Base Rate:

New reference rate used by banks for loan pricing w.e.f July 2010. Base rate captures cost of deposits, cost of capital and unallocable (common) overheads. Banks are not allowed to lend base rate except for certain specified category or borrowers.

3. Down Payment:

The amount, which has to be paid by the borrower upfront while taking a loan. This amount is generally 10% -15% of the total fund required. It is also called the margin amount or margin money.

4. EMI:

This refers to the Equated Monthly Instalment (EMI) to be paid to the Bank towards the loan taken by the borrowers on a monthly basis. The EMI comprises of Interest and Principal component.

5. Revolving Credit: A credit agreement that allows consumers to pay all or part of the outstanding balance on a loan or credit card. As credit is paid off, it becomes available again to use for another purchase or cash advance.

Humour

An engine of a giant ship failed. The ship's owners tried one expert after another, but none of them could figure out how to fix the engine. Then they brought in an old man who had been fixing ships since he



was young. He carried a large bag of tools with him, and when he arrived, he immediately went to work. He inspected the engine very carefully, top to bottom. Two of the ship's owners were there, watching this man, hoping he would know what to do. After looking things over, the old man reached into his bag and pulled out a small hammer. He gently tapped something. Instantly, the engine lurched into life. He carefully put his hammer away. The engine was fixed!

A week later, the owners received a bill from the old man for ten thousand rupees. "What?!" the owners exclaimed. "He hardly did anything!" So they wrote the old man a note saying, "Please send us an itemized bill." The man sent a bill that read:

=====	
Tapping with a hammer.....	₹ 2.00
Knowing where to tap.....	₹ 9,998.00
=====	

Moral of the story is... Effort is important, but knowing where to make an effort makes all the difference.



GREATER BANK

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