

## **Business Update:**

### **People & Infrastructure:**

The XLRI a premier Management Institute has been engaged by the Bank as a consultant of drafting of comprehensive HR Policy document. At present the Bank has 3 Staff Training Colleges (including one for technology) and 3 Staff Training centers for imparting training and up-gradation of knowledge base of human resources. Competency Based Training (CBT) will be implemented for creating an ideal environment for learning, unlearning and re-learning on an ongoing basis.

### **Key Initiatives taken during the Quarter:**

#### **Risk Management:**

The Bank has established a structured, dynamic, proactive and integrated Credit Risk Management System to proper identification & quantification of the credit risk associated with the credit proposals.

The Bank has developed various risk rating module for credit risk rating. The Bank has also devised risk rating module exclusively for SSI & SME sector.

In regard to Operational Risk, the Bank has framed policy and procedural guidelines for implementation as per the extant guidelines of Reserve Bank of India.

#### **Technology:**

The Bank has taken massive initiative to implement technology in improving the customer service as well as systems of the Bank. Some of the initiatives are as under:

- CBS of 900 branches would ensure more than 70% business coverage,
- Technology plan would ensure interface of CBS & non-CBS Branches, enabling the Bank to present Statement of Accounts in one day,
- The Bank will achieve 100% computerisation by March-end 2006.
- A dedicated team of 140 specialists (Engineers) have been earmarked for the purpose,
- ATM switch – ELECTRA-OPUS in operation and established Data Centre at Navi Mumbai. Joined National Financial (NFS) switch with coverage additional 5,000 ATMs,
- VSAT networking 97 branches, 44 ZO's,
- Adopted IT Security Policy, Disaster Recovery Policy
- Established Institute for Research & Technology at Panchkula, Chandigarh, India

## **New Products and Services**

### Twelve Hour Banking

In order to fulfill Bank's professed commitment of extended hour of banking amidst growing expectation of the customers, the twelve hour banking services (8 AM to 8 PM banking) have been introduced from 14th December 2005 initially in 33 selected branches across the country.

### AllBank No Frill SB Account

In consonance with the Annual Policy Statement of the Reserve Bank of India and with a view to giving greater access to banking services to the larger section of people, the Bank has launched a new SB scheme named "AllBank No Frill SB Account". This SB account can be opened with an initial deposit of Rs.5 only and no incidental charges on fall of minimum balance and inoperative accounts will be levied.

### Special Drive for Current Deposit Mobilization

In order to make Current Accounts more attractive to our customers, various add on facilities like free remittance, free ATM Card, free cheque book, waiver of locker rent etc are being extended.

### Thrust on Cross Selling of products, CMS & DP Business

Cross selling of insurance & mutual fund products through tie-up arrangement with various insurance and mutual fund companies has given good dividend to the coffer of Bank's fee-based income. With a well-thought-out programme and supported by a pool of trained & IRDA/AMFI certified Officers, the Bank has generated a fee-based income of Rs.12.02 crores so far this year up to 31.12.2005 from cross selling as well as from CMS & DP business.