

Union Bank ties up with Emkay Share for online trading

The state-run Union Bank of India (UBI) announced Monday that it has signed a partnership agreement with online trading company Emkay Share to provide online trading platform to its customers.

This is the bank's third partnership with online trading companies. Earlier, UBI formed tie-ups with Sharekhan and IDBI Capital.

'The tie-up with Emkay Share is expected to cater to our southern customers. We will soon sign a similar agreement with Religare,' UBI general manager P.Y. Nagar told reporters here.

He expressed the hope that the bank would add another 50,000 customers to its internet banking platform which in turn would enable it to enroll more members for the online share trading service.

'Currently around 220,000 of our customers have internet banking facility and this is expected to further go up this year,' Nagar added.

He said customers who have enrolled for Emkay Share's online trading account need not pay upfront to the broker at the time of buying shares.

'The online trading account is linked to the customer's savings account with the bank. At the time of purchase, the customer has to mark a lien on a sum equivalent to the share purchase price. As and when the shares are credited to the customer the money will move to Emkay Share,' said deputy general manager Pravin K. Bansal.

Declining to comment on the revenue sharing between his company and UBI, Emkay Share managing director Krishna Kumar Karwa said: 'The bank has over 2,500 branches and the potential for business is good.'

According to him, less than 15 percent of the share transactions are done through e-broking accounts reflecting the business potential available for tapping.

Speaking about the bank's ATM network, Bansal said 8,000 more ATMs will be added to the banks existing 12,000 units.

(© IANS / India eNews)