



Recall Padma Bhushan Award from Chanda Cochar, Nationalise ICICI Bank in public interest – Venkatachalam, AIBEA

At the 23rd State Conference of AIBEA – Tamilnadu Bank Employees Federation, General Secretary C H Venkatachalam demanded the recall of Padma Bhushan Award from Chanda Cochar, former MD of ICICI Bank since she has been found guilty of violating corporate governance norms by the Srikrishna Committee and an FIR has also been filed against her for serious irregularities in the loan given to Videocon. In his inaugural speech in the Conference Venkatachalam pointed out that ICICI Bank has been showcased as a role model for efficiency of Banks deliberately to undermine public sector Banks.

While many public sector banks have performed very well, particularly in social lending to needy priority sectors, none of the top executives of these public sector banks were considered for any Award. On the other hand, she was deliberately chosen for such recognition and Award. There have been many allegations against unethical practices of ICICI Bank but things were managed to be put under the carpet.

Besides withdrawing the Government's Award from Chanda Cochar, the RBI should order for a high level forensic audit of all top corporate loans of ICICI Bank and the Government should consider nationalization of ICICI Bank in public interest.

Anil Ambani's RCom files for bankruptcy in face of indecisive lenders, legal challenges

Reliance Communications said that two of its subsidiaries, Reliance Telecom and Reliance Infratel, will see to prompt implementation of the decision, whereas there will be no impact on its other arms.

Business Today



Reliance Communications has decided to file for bankruptcy before the Mumbai bench of National Company Law Tribunal. In a statement released on Friday, the embattled Anil Ambani-led telecom firm said that it has decided to implement debt resolution plans through the NCLT framework due to lack of consensus among the lenders and the several pending legal challenges impeding progress at various stages.

"The Board of Directors of RCom today reviewed the progress of the company's debt resolution plans since the invocation of SDR on June 2, 2017. The Board noted that, despite the passage of over 18 months, lenders have received zero proceeds from the proposed asset monetization plans, and the overall debt resolution process is yet to make any headway," the debt-ridden telecom operator said in the statement.

Outlining the reasons behind the decision to go to the NCLT, RCom said that there is an absence of complete approval and consensus among 40 lenders, Indian and foreign, even after 45 meetings over the course of 12

months, as well as numerous legal issues pending at high courts, TDSAT and the Supreme Court.

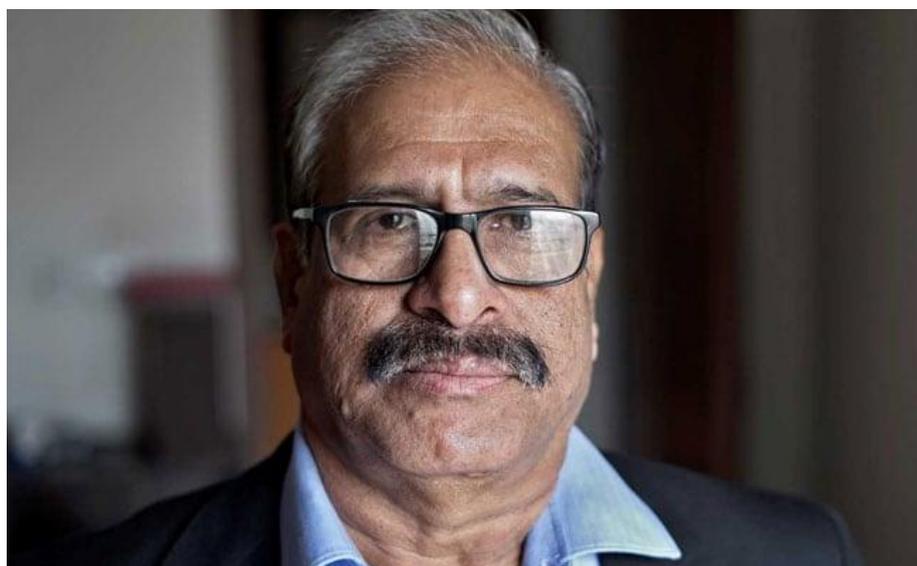
Due to these factors, RCom has decided to seek fast track resolution through the NCLT, Mumbai, as it believes this will be in the best interests of all stakeholders. This move will ensure comprehensive debt resolution in a final, transparent and time-bound manner within the prescribed 270 days, the company said.

"RCom and only two of its subsidiaries, Reliance Telecom Ltd. and Reliance Infratel Ltd., will take appropriate steps shortly to implement the Board decision. There will be no impact on the business and operations of other subsidiaries of the company, including inter alia GCX, Reliance IDC, etc," the statement further read.

No Regrets, Says Statistician Who Quit Over Damning Jobs Report

Ndtv 5 2 2019

On January 28, PC Mohanan resigned as acting chairman of the National Statistical Commission (NSC)



PC Mohanan said he felt it was important that he stood up for the integrity of the

New Delhi:

Highlights

PC Mohanan resigned as acting chairman of top statistical body

Mr Mohanan says NSC approved the report on December 5

He said important to stand up for integrity of the NSSO

PC Mohanan grew up in a village without electricity, studied statistics at a public university, and then spent more than three decades crunching numbers for the government. But in the past week, the mild-mannered official has been caught up in a political storm that has threatened to undermine Prime Minister Narendra Modi's government months before the general elections.

On January 28, Mr Mohanan resigned as acting chairman of the National Statistical Commission (NSC), a government-funded advisory body that checks the quality of official data, in protest at a delay in releasing a new set of jobs statistics. Another member of the NSC, J Meenakshi, quit with him.

Three days later, some of those jobs numbers were leaked to the Business Standard newspaper, which reported that India's unemployment rate in the year ending June 2018 rose to 6.1 per cent, its highest level in at least 45 years.

The figures are potentially crucial before the elections, due to be held by May, as PM Modi's Bharatiya Janata Party (BJP) struggles to win over voters concerned about depressed farm incomes and a lack of job creation. India needs to create more than a million jobs each month just to find employment for young people entering the workforce.

Officials from NITI Aayog, a government think tank formed by PM Modi in 2015 that is not normally involved in official releases of economic data, have rejected the job numbers. They said the report was still in "draft" form and argued that more quarterly data was required to publish a "comparable" jobs report. Finance Minister Arun Jaitley also told news agency ANI the report was a draft "which has not been approved."



The jobs figures are potentially crucial before the elections, due to be held by May

But in an interview with Reuters this weekend, Mr Mohanan, 63, says he has no regrets about walking out in protest at the delay.

He said the NSC, which was supposed to be the final authority on statistics before they were published, had been repeatedly sidelined by the government in recent months, and the delay in the jobs figures was the final straw.

"Data should be released as per the calendar, whether it is to your liking or not liking," he said. "Otherwise, where is credibility in the system?"

It is unclear where the Business Standard got the figures. Mr Mohanan stresses it wasn't from him, and declined to discuss the specifics of the jobs report with Reuters.

Mr Mohanan, who says he is not active politically, said the NSC approved the report on December 5, and expected it to be released soon after.

When it didn't happen, he reached out to top officials, including the chief statistician, Pravin Srivastava, even flying to New Delhi from Mr Mohanan's home in southern India, for a meeting with him in late January. He says he didn't get a satisfactory explanation for the delay in any of those discussions.

With the report still unreleased, Mr Mohanan and Ms Meenakshi quit a few days later.

Mr Mohanan said he felt it was important that he stood up for the integrity of the organisation, the NSSO, where he built his career. He had joined the NSC as a member in 2017, two years after retiring from India's statistics service, which includes the NSSO.

When he became the acting head in November 2018 he found the NSC's role had diminished under the Modi government. It was starved of resources and it wasn't engaged in major statistical initiatives as they should be under ministry guidelines.

There was also a controversy over the release in November of historical GDP data with a new base year, which was used by the government to attack the opposition Congress. The data showed growth was lower than previously thought during the previous Congress-led government.



The Modi government announced direct cash transfers to farmers in a scheme worth Rs. 75,000 crore

He said his concern was the way NITI Aayog was involved in releasing the numbers. The government think tank said they had been brought in to assess the numbers before that announcement, according to media reports.

As to NITI Aayog's arguments against publishing the jobs data, both Mr Mohanan and a senior former NSSO official said they are bogus.

"There is no relation between this report and the quarterly data," the former NSSO official said, requesting anonymity.

Radha Binod Barman, who chaired the NSC between 2016 and 2018, said the National Statistical Commission should have been the final authority on whether to release the jobs report.

NITI Aayog and the statistics ministry did not respond to emails seeking comment.

For Mr Mohanan, it has been a stressful past week. He realises this might be the end of his government life but is ready to settle into retirement in the village he grew up in Kerala.

Having made his point, Mr Mohanan's one big hope is that the NSC and the statistics team will now be shown more respect.

Banks need Rs 20 lakh crore deposits for credit growth: Crisil

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To meet credit growth, banks might increase interest rates, says the report

The jump in credit growth will require banks to raise over Rs 20 lakh crore in deposits by March 2020 and may also push up interest rates, a report said Wednesday.

The healthier private sector lenders will account for up to 60 per cent of the incremental deposit mobilisation, domestic ratings agency Crisil said in a report.

In the last few years, deposit growth has dropped due to lower interest rates on fixed deposits as compared to other financial avenues, it said, adding banks have been collecting an average of Rs 7 lakh crore per annum in the last few years.

The additional deposit requirements will also "put upward pressure on the interest rates bank offer on deposits", the agency said. Volatility in the equity markets, moderating flows into other investment avenues, and a hike in bank deposit rates in recent months can bring household financial savings back into bank deposits, it said. In the last few months, deposits

rates have gone up by an average of 0.40-0.60 per cent, which will increase the cost of funds for the lenders, its director Rama Patel said.

Meeting the demand

As seen in earlier cycles, banks will continue to rely on excess investments in government securities beyond the mandatory Statutory Liquidity Ratio (SLR) fuel the credit demand, but will also have to increase the deposits, it said, adding the excess SLR books of banks will halve to 4 per cent.

The agency pegged the credit growth in the system to rise 13-14 per cent for fiscal years 2018-19 and 2019-20, as against the 8 per cent observed in FY18. Consequently, the deposit growth will also have to rise to 10 per cent levels from the 6 per cent observed in FY18, the agency said, adding that even at the elevated level it will be a lot lower than the historic high of 25 per cent in FY07.

The agency's senior director Krishnan Sitaraman said the credit to deposit ratio will jump to 78 per cent by the end of FY19 from the 73 per cent levels in March 2017, and hike it up further to a decade high of 80 per cent by March 2020.

Taking lead

Private banks with strong balance sheets and robust credit growth are expected to lead the race for deposits and will account for 55-60 per cent of the incremental deposit mobilisation, the agency said, adding state-run banks outside Prompt Corrective Action framework will garner 30-35 per cent.

The share of private banks in the overall deposits has gone up to 30 per cent, an increase of 7 percentage points in the last five years, it said.

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