



RSS affiliate BMS slams Modi govt for 'misguided reforms', poor jobs growth



Bharatiya Mazdoor Sangh (BMS), the labour union affiliated with the Rashtriya Swayamsevak Sangh (RSS), on Wednesday sharply criticized the Union government for poor jobs growth and "misguided reforms", among others.

"The present slowdown is the result of the wrong direction of the economy and jobdisplacing reforms followed as a continuation of UPA (United Progressive Alliance) policies. PM's good intentions and efforts are neutralized by lack of proper experts, lack of communication and (lack of) feedback from social sector (which includes labour, farmer, BPL, tribal, backward people, micro industries etc.), dependence on faulty advisers and misguided reforms," a BMS statement said.

RSS is the ideological parent of the ruling Bharatiya Janata Party (BJP). The statement assumes significance as BMS for over last two years stayed away from organized strikes or protests called by other central trade unions, giving cushion to the government to ignore the protests.

BMS's links with BJP and RSS was seen as the reason why it stayed away from other central unions' combined action in the last couple of years. With a claimed membership of over 20 million including staff from dozens of industrial sectors and unorganized sector workers, BMS is also seen as a political support base for the party.

Missing jobs remain the bane of the economy three years after the National Democratic Alliance (NDA) came to power in May 2014. At least 12 million people are entering the workforce every year, but the number

of jobs created has lagged far behind; between 2011-12 and 2015-16, India created 3.65 million jobs a year, according to the lobby group Confederation of Indian Industry. BMS national president Saji Narayanan said the government needs to announce a stimulus package for the labour-intensive sector and its implementation should not be handed over to the "corporate sector".

It said the stimulus package should benefit key employment-generating sectors like agriculture, small scale industries and construction sector, among others. The agriculture sector should be revived by providing more subsidies, loan waivers and other measures, it suggested. The trade union body also demanded that the government increase work days of rural job guarantee scheme from the present 100 to 200 days per year and link it to agricultural works.

"Purchasing power of workers especially in the unorganized sector which constitutes 93.7% of total workers should be strengthened by assuring minimum wages on time. This will radically stimulate the growth trajectory," the central trade union demanded.

A government spokesperson could not be reached immediately for comment despite attempts to reach over phone.

Coalition govts produce better economic growth: Ex-RBI Governor

[PTI](#) WASHINGTON, SEPTEMBER 28, 2017

THE  HINDU

The world economic crisis of 2008 is still not over, Y.V. Reddy says.

Coalition governments in India have produced better economic growth rates in the last three decades than a strong majority government, former RBI governor Yaga Venugopal Reddy has said.

“Interestingly, the highest growth in India from 1990 to 2014 was really during coalition governments... So, in a way it’s consensus based... in Indian situation, a coalition probably produces better economic results than a strong government,” Mr. Reddy told a Washington audience on September 27.

Referring to the 1991 balance of payments crisis, Mr. Reddy said, “The remarkable thing was that despite an unstable political situation, they managed a political consensus for whatever need to be taken to manage it successfully.”

Speaking at the Hudson Institute, a top American think-tank, Mr. Reddy, who was the RBI Governor from 2003 to 2008, said the world economic crisis of 2008 is still not over.

“In short term definitely things are better, but in medium term there is a question mark,” he said.

“I think significant changes I see in the next 10 years in the geo-political situation. Now, in the process of globalisation of capital what has happened is many governments feel that their capacity in policy space to meet the expectations of the people is constrained by globalisation,” he said.

“Now, we are searching for a new balance between global and national, state and market, new balance between finance and non-finance. That is the search that is going on,” he said, adding that in the next 10-15 years there would be a transformative demographic and technological shift over a fear of environmental issues.

“So, these three will be the biggest challenge for global economy,” Mr. Reddy said.

In response to a question, Mr. Reddy said everybody agrees that the Bankruptcy Code is a good development.

“There is a large non-performing assets. Something has to be done,” he said.

“We must make a distinction between banking crisis and public-sector banking crisis. In this case the problem is public sector which accounts 55% of them,” he said.

The Insolvency and Bankruptcy Code was enacted last year, paving the way for India to have a bankruptcy law that will ensure time-bound settlement of insolvencies, and enable faster turnaround of businesses, besides creating a database of serial defaulters.

Farmers in distress: Most kharif crops ruling below minimum support price

VISHWANATH KULKARNI
BENGALURU SEPTEMBER 27
THE HINDU
BusinessLine

Price whammy!

Crops ruling below MSP in various markets on Sept 27

	Markets	Arrivals (tonnes)	Modal price (₹/Qtl)
Greengram (Moong) MSP+Bonus ₹5,575/Qtl	Akola	46	4,500
	Khammam	26	3,100
	Bidar	87	3,950
	Jodhpur	104	4,200
Blackgram (Urad) MSP+Bonus ₹5,400/Qtl	Mandsaur	48	3,725
	Kota	789	3,850
	Bidar	69	4,180
	Akola	42	4,410
Groundnut MSP+Bonus ₹4,450/Qtl	Gondal	607	3,555
	Rajkot	285	3,550
Soyabean MSP+Bonus ₹3,050/Qtl	Mandsaur	480	2,660
	Harda	103	2,800
Sunflower MSP+Bonus ₹4,100/Qtl	Raichur	39	3,030
	Gadag	28	3,001
Maize MSP ₹1,425/Qtl	Badepalli	102	1,220
	H.B.Halli	128	1,260

Source: Agmarknet, Krishimaratavahini

Hit by lack of demand and demonetisation

Throwing cold water on the festive plans of the farming community, the prices of most kharif crops currently being harvested, such as pulses, oilseeds and cereals, are ruling below minimum support price levels across markets.

Lack of demand, higher carried-forward stocks and the hangover of demonetisation are seen weighing on the prices of commodities such as green gram, black gram, groundnut and soyabean.

This is despite the Centre projecting lower output (except for black gram, output of which is expected to grow 17 per cent on higher acreage) in its first advance estimates.

Responding to States' requests, NAFED has begun procurement of pulses — mainly green gram — in Karnataka and Telangana. "We also expect to commence procurement in Maharashtra, Rajasthan and Gujarat next month," said Sanjeev K Chadha, Managing Director, NAFED.

About 30 procurement centres have been opened in Karnataka and around nine in Telangana. More centres will be opened as arrivals pick up in the days ahead. "We have already started registering farmers and have set up a payment gateway, which should help them realise their payments in 2-3 days as against a month last year," Chadha said.

"Procurement of moong has begun in Bidar and Gulbarga districts. If the procurement had started at least a month earlier, more farmers would have benefited as a large section of them have already sold their produce," said Basavaraj Ingin, President of the Pulses Growers Association of Karnataka.

The Centre recently opened up exports of pulses and has also placed curbs on import of lentils. However, the impact of the government's moves are yet to reflect in the price trends, Ingin said.

Arrival pressures seen

"Prices seemed to have broadly bottomed out as all negativities have been factored in. However, arrival pressures could keep prices under check. Demand could pick up in the days ahead as stock pipelines are almost empty," said Amit Bharadwaj, CEO of Level A Commodities, an advisory firm.

TN Prakash Kammaradi, Chairman, Karnataka Agricultural Prices Commission, said the impact of demonetisation, which has left the inventory management of traders in disarray, is also seen as a reason for depressed prices. Traders have become cautious and are resorting to need-based buying.

SBI looks to name IRPs for NPA accounts on RBI's second defaulter list

SBI is said to have sought insolvency resolution professionals (IRPs) for Coastal Projects, IVRCL, Monnet Power named in RBI's second defaulter list

Bankers, including SBI, are proceeding with insolvency proceedings against Coastal Projects, IVRCL, Monnet Power after they failed to meet investment grade ratings

Gopika Gopakumar



Mumbai: State Bank of India (SBI) is seeking to select insolvency resolution professionals for the second list of firms identified by the Reserve Bank of India (RBI) for bankruptcy proceedings, two people in the know said.

As a first step, SBI has sought resolution professionals for a few firms, including Coastal Projects Ltd, IVRCL Ltd, SEL Manufacturing Co. Ltd, Shakti Bhog Foods Ltd and Monnet Power Ltd, the two said, requesting anonymity.

Bankers decided to proceed with insolvency proceedings against some of these firms after they found they failed to meet investment grade rating, according to one of the two people.

RBI had mandated that the debt resolved outside the ambit of the insolvency and bankruptcy code (IBC) be rated as investment grade by two external credit rating agencies. Among these cases, rating agencies have downgraded IVRCL to default status due to weak financial performance and inability to service debt while for others such as Monnet Power, SEL Manufacturing and Shakti Bhog, some rating companies have suspended coverage due to inadequate information.

"We have received the request for proposal seeking appointment of a resolution professional in cases from the second list," said a resolution practitioner with a consulting firm, the second of the two people cited earlier.

To be sure, while lenders can select resolution professionals, their appointment is done by the National Company Law Tribunal after it admits these cases under IBC.

Ratings apart, lenders have also failed to restructure the debt in some of these firms. In some cases such as Orchid Pharma and Unity Infra Projects, NCLT proceedings are already underway and lenders will not have to approach the tribunal separately.

“We have submitted resolution-cum-revival plan to the monitoring institution (MI) i.e., SBI. We are expecting it will be considered positively,” said T. Srinivasa Rao, director, Coastal Projects Ltd.

Sandeep Jajodia, chairman and managing director, Monnet group, said lenders were deliberating on approaching NCLT for Monnet Power. Insolvency petition against Monnet Ispat and Energy Ltd, which was part of RBI’s first list, was accepted by NCLT on 18 July.

Emails written to IVRCL, Shakti Bhog Foods, and SEL Manufacturing did not elicit any response.

SBI did not respond to queries.

Mint had reported on 15 September that lenders are likely to refer majority of stressed cases in RBI’s second list for insolvency proceedings. The report said lenders find it more comfortable taking a decision within the ambit of NCLT because of the large sacrifices they would have to make.

A July report by Crisil estimated banks have made around 40% provisioning against top 50 accounts and will require an incremental provisioning of about 20%.

According to a EY report released in August, 1,000 cases have been filed with NCLT under IBC so far, of which 220 are admitted.

“It needs to be seen if policymakers and regulators want to evolve an organized learning from this process or look at experimenting with large number of cases to come to a logical conclusion,” said Ashvin Parekh, managing partner, Ashvin Parekh Advisory Services Llp.

At the end of August, RBI had sent a list of 29 firms to banks. In a letter, RBI said these accounts should first be resolved through any of RBI’s

schemes before 13 December, failing which cases should be filed against these firms under IBC at the National Company Law Tribunal (NCLT) before 31 December.

In June, RBI had sent a list of 12 accounts to banks to start insolvency proceedings.

IDBI Bank sells 9% stake in Sidbi

IDBI Bank says it has sold 9% stake in Small Industries Development Bank of India (Sidbi) for an undisclosed amount in a bid to mobilise funds by exiting non-core business

Earlier this week, IDBI Bank sold 1% stake in Sidbi

Sneh Susmit



Mumbai: State-owned lender IDBI Bank on Wednesday sold a 9.03% stake in the Small Industries Development Bank of India (Sidbi) for an undisclosed amount, IDBI Bank said in a stock exchange filing.

IDBI Bank sold approximately 48 million shares of Sidbi, bringing down its shareholding to 3.68% from 12.71%.

Earlier on Monday, IDBI Bank sold a 1% stake in Sidbi, also for an undisclosed amount.

IDBI Bank started selling stakes in Sidbi last month when the bank mandated SBI Capital Markets to look for buyers for its entire 16.25% stake in the financial institution, *Mint* reported on 9 September. Out of the total stake put for sale, Life Insurance Corp. of India (LIC) bought 2% while Vijaya Bank picked 0.5%.

Sidbi, set up in 1990 under an Act of Indian Parliament, is the principal financial Institution for the promotion, financing and development of the micro, small and medium enterprise sector.

At the inception, IDBI Bank held a 100% stake in Sidbi. In 2000, the lender sold 51% to state-owned banks and financial institutions.

Shares of IDBI Bank on Wednesday closed at Rs52.25, down 2.34% on BSE, while the benchmark Sensex closed at 31,159.81 points, down 1.39%.



AIBEA THIS DAY – 29 SEPTEMBER

1950	III Conference of AIBEA at Jalandhar. Soumendranath Tagore & Dayaldas Khanna elected as President & General Secretary, P L Syal Treasurer.
1957	Strike in Mysore State in sympathy with Calcutta Compensatory Allowance Struggle.
1993	Government & Bankers give assurance on formalization of Pension Scheme.
2002	Formation of Chhattisgarh Bank Employees Association Com. D K Chattarjee elected as General; Secretary
2005	All India General Strike against Privatization FDI entry attacks on TU rights



ALL INDIA BANK EMPLOYEES' ASSOCIATION

Central Office: PRABHAT NIVAS

Singapore Plaza, 164, Linghi Chetty Street, Chennai-600001

Phone: 2535 1522 Fax: 2535 8853, 4500 2191

e mail ~ chv.aibea@gmail.com

Web: www.aibea.in