



ALL INDIA UNION BANK PENSIONERS AND RETIREES FEDERATION
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Dear Comrades,

31st August , 2018

News of Interest 31st AUG

MOTIVATIONAL QUOTES

'IF YOU LOVE SOMEONE, SET THEM FREE. IF THEY COME BACK THEY'RE YOURS; IF THEY DON'T THEY NEVER WERE.' RICHARD BACH

HIGHLIGHTS

1. ICICI BANK VOTES FOR KOCHHAR'S REAPPOINTMENT TO ICICI SECURITIES BOARD
2. YES BANK GETS RBI'S NOD FOR CONTINUANCE OF RANA KAPOOR AS MD & CEO
3. HDFC OFFERS HOME IMPROVEMENT LOANS FOR KERALA FLOOD VICTIMS
4. UIDAI CRACKS DOWN ON BANKS MISSING TARGETS
5. RBI STAFF TO PROTEST OVER CENTRE'S 'RIGID STAND' ON PENSION UPDATION

Business Standard

1. ICICI Bank votes for Kochhar's reappointment to ICICI Securities board

Chanda Kochhar is currently under investigation for charges of conflict of interest over a loan given to the Videocon group, which had business dealings with her husband

Jash Kriplani

The Kishinchand Chellaram College, usually bustling with students, resembled a heavily-guarded fort ahead of the annual general meeting (AGM) of ICICI Securities on Thursday. Here, shareholders were to decide whether Chanda Kochhar should continue to serve on the board of the broking and investment banking firm.

Chairperson of ICICI Securities, Kochhar — currently on leave amid an on-going probe in the Videocon loan case — gave the AGM a miss but her position remained intact.

According to the voting pattern shared on the exchanges, 95.78 per cent of the shareholders' votes were in favour of Kochhar's reappointment.

All the promoter and promoter group shareholders voted for her reappointment, while only 2.27 per cent votes were against it.

At least two proxy firms had advised investors to vote 'against' the resolution, saying it would expose the company to possible regulatory sanctions.

Kochhar is under investigation on a charge of conflict of interest over a loan by the bank to the Videocon group, which had business dealings with her husband, Deepak Kochhar.

US-based proxy firm Glass Lewis had recommended to ICICI Securities' shareholders to vote against the proposal. "There are significant legal and regulatory issues involving the ICICI Securities non-executive chair nominee Chanda Kochhar. We believe shareholders should be very concerned about the matters facing Kochhar, which includes her being forced to take a leave of absence from the ICICI Bank board, pending the outcome of the investigation into her conduct," it had said.

"Further, the mere fact that she has been forced to take leave may be representative of serious lapses of governance issues that carry reputational risk issues which may negatively impact the company... we do not believe shareholders should support her candidacy at this time."

During the two-hour meeting, most ordinary shareholders underscored their concerns on a sharp fall in ICICI Securities' share price. They urged management to use its 'cash-rich' book to issue bonus shares.

Most of those were seen voicing their displeasure over the absence of Kochhar. Kishore chandra J Panchal, 75, who said he voted against her re-appointment, said he would have wanted to express his disappointment over the allegations against her.

"There were much more serious issues that the shareholders could have touched upon, instead of just praising the management," said S K Patel, vice-president of Bombay Shareholders' Association, who left the early without voting. He said he didn't expect any change from his vote.

This was ICICI Securities first AGM after its listing in April. The shares have lost over a third of their value. Besides the weak listing, the company has also been in news over participation of group firm ICICI Prudential Mutual Fund in its IPO. The fund house recently had to divest part of its holding in ICICI Securities to compensate unit holders, following a diktat by the Securities and Exchange Board of India.

2. Yes Bank gets RBI's nod for continuance of Rana Kapoor as MD & CEO

Private sector lender Yes Bank today said it has received RBI's approval for continuance of Rana Kapoor as MD and CEO of the bank till further notice from the central bank

By: PTI

Private sector lender Yes Bank today said it has received RBI's approval for continuance of Rana Kapoor as MD and CEO of the bank till further notice from the central bank. In June this year, Yes Bank's shareholders had approved the re-appointment of Rana Kapoor as the chief executive and managing director for three years, subject to final approval from the Reserve Bank of India.

"We wish to inform you that the Bank has received the RBI's approval that Rana Kapoor may continue as Managing Director & CEO of YES Bank till further notice from RBI," the bank said in a regulatory filing.

Kapoor is the Founder, Managing Director and CEO of Yes Bank. Prior to establishing Yes Bank, Kapoor was CEO and Managing Director, and main Managing Partner of Rabo India Finance (RIF) (a corporate finance and investment banking organisation). Yes Bank was incorporated in November 2003 under the Companies Act, 1956 and received the certificate of commencement of business on January 21, 2004.

3. HDFC offers home improvement loans for Kerala flood victims

HDFC today said it will provide home improvement loans with zero processing fee and at lower rate of interest for rebuilding properties ravaged by floods in Kerala

By: PTI

HDFC today said it will provide home improvement loans with zero processing fee and at lower rate of interest for rebuilding properties ravaged by floods in Kerala. Home improvement loans are for properties located in Kerala, even if the customer is stationed somewhere else, and will be valid only for loan applications submitted till October 31, subject to the mortgage lender's norms and eligibility criteria, a release said. Processing fee for the loan will be nil and the rate of interest will be 8.50 per cent under adjustable rate home loans (ARHL), it added.

"We at HDFC are committed to support the people of Kerala affected by flood. We have decided to offer home improvement loans to all people whose properties have been impacted by the rains. There will be no processing fees on all such loans," said Renu Sud Karnad, managing director, HDFC. This offer is also applicable to NRIs and PIOs, the release said.

Economic Times

4. UIDAI cracks down on banks missing targets

By *Pratik Bhakta Surabhi Agarwal*

The Unique Identification Authority of India has withdrawn electronic know-your-customer facilities for multiple Indian banks and authentication agencies for failing to meet targets on enrolment and updating citizen information for its Aadhaar biometric database.

The authority suspended electronic customer verification services for 13 banks and Aadhaar authentication agencies (AUA) last week after it found them performing dismally on their targets, according to three people aware of the development. UIDAI has since restored the facility for ICICI Bank IndusInd Bank, RBL Bank and IDBI Bank after they assured the authority that they would undertake corrective measures and meet their targets, these people said, declining to be identified.

For banks, the suspension affected several financial services they offer linked to the authentication facility. Overall, 30-35 million Aadhaar enrolment and updating services are undertaken every day at banks and authentication agencies. A UIDAI official confirmed that the authority had restored the verification facility for five banks/AUAs. For the other eight banks/AUAs, restoration is subject to compliance, he said. "These 13 AUAs/banks were much short of the enrolment/update targets despite repeated requests," the official said.

Decision taken last year

"They were turning back people from their premises and were causing hardship and inconvenience to the people. Therefore, UIDAI, as per the Aadhaar Act and its regulations, kept on hold the e-KYC facilities of these banks/AUAs due to non-compliance of its directions." the official added. He did not disclose the names of the banks and Aadhaar authentication agencies UIDAI pulled up, citing contractual obligations.

ET emailed a few leading banks seeking comment on the matter but did not receive a reply.

UIDAI last year decided to locate enrolment centres within banks and government offices owing to increased instance of frauds and data hacks at private centres. Section 12A of Aadhaar (Enrolment and Update) Regulations mandates banks to set up Aadhaar enrolment facilities in at least one out of every 10 branches.

Banks can digitally authenticate customers for multiple financial services by using the e-KYC facilities provided by UIDAI. The National Payments Corp of India, too, offers Aadhaar-enabled payments where banks need to identify customers through their biometrics for payments. In many instances, borrowers are on boarded directly through e-KYC.

"Banks are also doing multiple activities from promoting financial inclusion to digital payments, and the regulatory pressure caused a few of them to fall behind their targets. Now, they will have to install additional support at their branches for Aadhaar enrolment," said another person mentioned above.

Business Line

5. RBI staff to protest over Centre's 'rigid stand' on pension updation

OUR BUREAU,

To go on mass leave on Sept 4, 5

The Centre's rigidity on pension updation is forcing employees and officers of the Reserve Bank of India (RBI) to react and go on a two-day mass leave on September 4 and 5.

"We have waited patiently for long and persuaded various authorities quietly and in a peaceful manner," said the United Front of Reserve Bank Officers and Employees (UFRBOE).

Successive RBI Governors and its Central Board have been sympathetic and have repeatedly taken up the pension updation issue with the Centre but to no effect, said UFRBOE leaders Samir Ghosh, Suryakanta Mahadik, Keshav Jagtap and Ajay Kumar Sinha.

The RBI now has a pension corpus fund of about ₹16,000 crore, borne out of its contribution on account of employees' provident fund.

This is sufficient to defray the expenses of pension updation and one more option, without any cost to the exchequer, unlike in the case Central Government retirees.

In 2011, the RBI formally requested the Centre to allow it to extend one option for retirees willing to switch over to pension in view of improvement in pension regulations and wage revisions.

In 2014, the RBI formally proposed that the pension amount of old pensioners who are suffering be improved, the UFRBOE leaders said.

Last year (2017), the Parliamentary Committee on Subordinate Legislation unanimously recommended that the RBI be allowed to extend one more option of pension.

It termed the Centre's conduct in this regard as arbitrary, illegal and whimsical.

The RBI is within its powers to improve its pension scheme.

The report was submitted to the Centre but was returned.

In October 2017, the RBI Governor formally wrote to the Centre, quoting extensively from the Parliamentary Committee report that the RBI would like to improve pension and provide option.

The Centre's argument is that agreeing to the RBI's proposal will increase expenses and give rise to 'contagion effect', which is absolutely untenable, the UFRBOE argued.

With kind regards,

Yours Comradely,



(**N. GOVINDRAJULU**)
GENERAL SECRETARY

