



**ALL INDIA UNION BANK PENSIONERS AND RETIREES FEDERATION
(Affiliated to All India Bank Pensioners & Retirees Confederation – AIBPARC)**

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Dear Comrades,

7th May , 2019

News of Interest 7th May

QUOTE OF THE DAY

**YOU ARE THE ONLY ONE WHO CAN LIMIT YOUR GREATNESS.
– UNKNOWN**

HIGHLIGHTS

- 1. HC TRANSFERS BANK FRAUD CASE TO CBI**
- 2. INDIAN OVERSEAS BANK TO RAISE RS 850 CRORE VIA NON-CORE ASSETS SALE**
- 3. WHATSAPP PAYMENT SERVICE: TRIAL CAN'T GO ON FOREVER, GIVE A TIMELINE, SAYS SUPREME COURT**
- 4. INDIABULLS HOUSING AND ITS UNIT SET FOR MERGER WITH LAKSHMI VILAS BANK**
- 5. 'MORE EMPLOYEES 'ENGAGED' IN CONTRIBUTING TO SBI'S GROWTH'**

The Hindu

1. HC transfers bank fraud case to CBI

The Madurai Bench of the Madras High Court has transferred the investigation into a bank fraud case reported from Virudhunagar district to the Central Bureau of Investigation.

The court was hearing a petition filed by K. Venkatesh of Rajapalayam, who alleged that National Bulk Handling Corporation and its executive officials, including Directors and Managers, conspired with their clients to create bogus documents to commit fraud on Lakshmi Vilas Bank, resulting in a huge loss to the bank.

Earlier in 2016, Lakshmi Vilas Bank had tied up with National Bulk Handling Corporation for collateral management and warehousing services to help farmers in their capital requirements.

Justice M. Dhandapani directed Virudhunagar police to hand over the documents in the case to the CBI, which should conduct a fresh investigation.

The court said that it was appropriate to transfer the case to the CBI to conduct a preliminary investigation.

If the preliminary investigation revealed a prima facie case against the accused, the CBI could take appropriate action, the court said.

The court took note of the fact that a similar bank fraud case was already transferred to the CBI for fresh investigation.

Financial Express

2. Indian Overseas Bank to raise Rs 850 crore via non-core assets sale

By: [FE Bureau](#)

The loss-making bank, which is burdened with a major chunk of sticky assets, is currently exploring options for stake sales in joint venture and other entities to augment resources, which could help raise over Rs 445crore.

Chennai-headquartered public sector lender Indian Overseas Bank (IOB) on Monday said it plans to raise about Rs 850 crore this fiscal from the sale of non-core assets including properties and investments. The loss-making bank, which is burdened with a major chunk of sticky assets, is currently exploring options for stake sales in joint venture and other entities to augment resources, which could help raise over Rs 445crore.

In a statement, IOB said to shore up capital, the bank is looking at all avenues and has been actively pursuing monetisation of its non-core assets. As part of its strategy to unlock assets to raise capital, the bank has identified 32 properties for sale, including prime properties in Singapore and Hong Kong, for a value aggregating to Rs 900 crore, it said.

During 2018-19, IOB had sold six properties — one domestic and five overseas — for a value aggregating to Rs 129 crore which has helped in accretion to capital. K Swaminathan, executive director, IOB, said, "The bank with various initiatives has turned around and the capital augmentation through these traditional ways will facilitate it to achieve the targeted profit in FY20".

3. WhatsApp payment service: Trial can't go on forever, give a timeline, says Supreme Court

By: [FE Bureau](#)

WhatsApp reportedly has over 200 million active users in India and almost 1 million people are "testing" its payments service

Popular messaging app, WhatsApp's payments services came under fire from the Supreme Court on Friday for carrying on indefinitely its pilot programme. The issue at stake is that overseas firms like WhatsApp need to store all financial data within the country under a Reserve Bank of India notification. The deadline for meeting the norm for local storage of financial data ended on October 18, 2018.

Since WhatsApp's payments services is still in pilot stage and has not received the permission of National Payments Corporation of India to go live, technically it is not in violation of any guidelines. However, on Friday, the SC took note of a petition filed by an NGO — Centre for Accountability and Systemic Change

(CASC) — which has claimed that WhatsApp has not fully complied with the RBI's circular which prescribed data localisation norms.

Warning WhatsApp that the pilot programme cannot go on indefinitely in violation of RBI norms, the SC said RBI is free to prosecute it for failing to comply with data localisation norms.

During the hearing of a petition a bench led by justice RF Nariman said, "The RBI has filed an affidavit stating that you (WhatsApp) are not following their norms. Let them prosecute...Petitioner may be right that trial run can't go on forever."

The apex court also told NGO's lawyer Virag Gupta that it will hear the matter. "Don't worry our arms are long enough. They cannot escape the law," justice Nariman said when Gupta wanted a direction to WhatsApp, which is owned by social networking major Facebook, to file a copy of its agreement either with the RBI or NPCI as the messaging app was conducting the trial with 1million data users.

The matter has been posted for detailed hearing in July.

On its part, WhatsApp assured the judges that it will abide by the RBI norms before launching its payment service in the country and added that the trial run of its payment service is underway and will be completed by July.

Denying that they have any agreement with the RBI or NPCI, senior advocates Kapil Sibal and Arvind Datar, appearing for WhatsApp, said, "We can't launch the product (payments services) without compliance. This is just a trial run which is likely to be completed by July."

Relying on the RBI's circular of April 6, 2018, Gupta argued that trial data of users cannot be allowed to be kept outside India. "This may be violative of permission granted by the NPCI to Whatsapp," he said.

The RBI, in its affidavit to the Supreme Court, said it is exploring regulatory actions to expedite compliance of data localisation. The regulator had maintained that payments service providers and third-party payments app should follow its circular on data localisation, which mandates all payments operators and banks to store data of their Indian users' within the country. In January 2019, the SC had made the RBI a party to a petition.

However, in December 2018, the NPCI had said WhatsApp has not given it any timeline for complying with the RBI's data localisation norms. It also said it has not been intimated if the data during the pilot programme will be stored only in India or just copy of it will be stored here while the main data is stored in servers abroad.

The WhatsApp spokesman had then said, "We have built a system that stores payments-related data locally in India," and the company hopes to expand the payments feature across the country soon so that it can "contribute to the country's financial inclusion goals".

WhatsApp reportedly has over 200 million active users in India and almost 1 million people are "testing" its payments service.

4. Indiabulls Housing and its unit set for merger with Lakshmi Vilas Bank

Under the earlier scheme of amalgamation announced on April 5, LVB was supposed to be merged with Indiabulls Housing Finance subject to regulatory approval

By Joel Rebello

Indiabulls Housing Finance (IHF) and its subsidiary Indiabulls Commercial Credit Ltd (ICC) will be merged into Lakshmi Vilas Bank (LVB) after a change in the merger agreement announced on the stock exchanges late on Friday. The change will potentially make it easier for the entities to get regulatory approval as Indiabulls promoters may potentially not need to pass muster with the Reserve Bank of India (RBI).

Under the earlier scheme of amalgamation announced on April 5, LVB was supposed to be merged with Indiabulls Housing Finance subject to regulatory approval. The share swap ratios and other details linked to the deal remain the same, said Gagan Banga, managing director at IHF.

“When we announced the scheme in April both the options were open to us but after considering all options in the last few days we have decided that both the Indiabulls companies will be merged with LVB. All other things will remain the same and LVB shareholders will hold 9.5% in the combined entity,” Banga said.

In a notice to the stock exchange on Friday, IHF and ICC were described as transferor companies while LVB was described a transferee company, a change from April 5 when LVB was described as the transferor company. Also, ICC was part of the deal which was announced on April 5. The new deal envisages the merger of both Indiabulls companies into LVB on an ongoing basis without being wound up.

Business Line

5. ‘More employees ‘engaged’ in contributing to SBI’s growth’

K Ram Kumar Mumbai

State Bank of India has more employees ‘engaged’ than ‘disengaged’ when it comes to contributing to its growth and finding satisfaction in their work, according to its employee engagement survey.

While the survey results will bring cheer to its top management, India’s largest bank wants to address concerns among employees in areas such as work-life balance, appreciation/ recognition, promotion and transfer policies, among others. The survey, ‘Abhivyakti’, conducted among 1,91,881 employees, found that 63 per cent of employees come under the overall ‘engaged’ category (28 per cent are in the ‘engaged’ category and 35 per cent in the ‘almost engaged’ category).

The rest are under three categories – ‘crash and burners’ (16 per cent); ‘disengaged’ (14 per cent); and ‘honeymooners and hamsters’ (7 per cent).

The survey was conducted between December 28, 2018, and January 19, 2019, to understand the pulse of the employees, as the bank moves towards realising its vision to be ‘the bank of choice for a transforming India’. “We feel proud to see that the employees share a high sense of pride and belongingness with the bank. It is reassuring to note that most of you are aware of the long-term vision and values of the bank. This strong connect will be nurtured to continue our

success story," said SBI Chairman Rajnish Kumar in a communication to employees.

Kumar observed that there are also areas that SBI must focus on – work-life balance, building a culture of appreciation, and need to make people feel valued through employee-recognition programmes.

With kind regards,

Yours Comradely,



(N. GOVINDRAJULU)
GENERAL SECRETARY