

LETTERS TO THE EDITOR Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

Newstex Blogs

The Hindu Business Line

October 10, 2019 Thursday 11:06 PM EST

Copyright 2019 Newstex LLC All Rights Reserved

Length: 682 words

Body

Oct 10, 2019(The Hindu Business Line: <http://www.thehindubusinessline.com/> Delivered by Newstex) Deposit rate-cut This refers to 'Why SBI's savings deposit rate cut is bad news for customers' (October 10). The rate cut is likely to impact senior citizens and those retired from service, for whom the interest from the deposits are vital for running the family. SBI's action is likely to be followed by other banks too. A rate cut may result in a saving in interest outgo for banks but it may prompt investors to avoid depositing their savings in banks.

SBI should, therefore, assess the impact of a likely fall in deposits due to the interest rate cut. **TR Anandan**Coimbatore Tomato prices With reference to 'After onions, now tomato prices soar to Rs. 80/kg' (October 10), it goes without saying that the unexpected hike in the retail price of tomatoes must have come as a bolt from the blue for citizens even as they are trying to wipe out their 'onionised' tears. While the jump in tomato prices (as high as Rs. 80 per kg in the national capital) is being attributed to supply disruption caused by heavy rains in key growing States, including Karnataka, creation of artificial shortage by vested interests (commission agents, and others) can never be ruled out as was the case with onions earlier. **SK Gupta**New Delhi RBI nod for Kerala Bank Since the beginning of last century when the cooperative movement emerged on the Indian scene, cooperatives have been playing a proactive role in the economic development and social life of Kerala. Attempts by vested interests to capture and manage cooperative institutions and resultant efforts to circumvent regulatory and supervisory requirements did affect the growth of this ideal institutional system, off and on, since certain provisions of the Banking Regulation Act, 1949 were made applicable to cooperative societies. The problems faced by cooperative banks during demonetisation (2016) and the recent failure of the Mumbai-based urban cooperative bank PMC Bank can be traced to such intervention by external forces. The conditions subject to which the RBI has given the 'go ahead' to Kerala Bank relating to capital adequacy, management and institutional set-up are very liberal. The stipulation that administration and management will be guided by the present guidelines for management of urban cooperative banks may need review even before the commencement of business by Kerala Bank, in the context of the recent PMC Bank failure. In all probability, coming into being after the merger of Kerala's own State Bank of Travancore with SBI, Kerala Bank will be the biggest cooperative bank in India and soon get categorised under the 'too big to fail' category. That adds to the Centre's and RBI's responsibility to ensure that the dual control (State government having a major role in management matters and the RBI's regulatory and supervisory role) does not adversely affect the institution's smooth functioning. **MG Warriar**Mumbai Peace Spring The Turkish incursion into north-east Syria (codenamed 'Peace Spring') with an avowed aim to 'destroy terror corridor' and 'create safe zone' in Syria, near the Turkish border, has come in for widespread condemnation. The air strikes supported by artillery fire and the attack by the ground forces have caused panic among the people living in the Kurdish-held border towns of Tal Abyad and Ras Al-Ain. The humanitarian cost cannot be fully assessed when the operation is under way. Civilians are fleeing Syria to Iraq as the Turkish campaign intensifies. It is difficult to establish the rights and wrongs of the Syrian conflict, now in its ninth year, in that it involves multi-ethnic communities and many layers, dimensions, interests and domestic and geopolitical actors. There is no telling who

LETTERS TO THE EDITOR Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 8....

the lesser evil is to deserve support. The Kurdish militias who played a major role as a key ally of the US in defeating the Islamic State or IS are now targeted by the Turkish military following the withdrawal of the US troops which they call a 'stab in the back' by the US.G David MiltonMaruthancode, TN

Classification

Language: English

Publication-Type: Web Blog

Journal Code: HIN-0001

Subject: PRICES (86%); BUSINESS NEWS (78%); ECONOMIC DEVELOPMENT (73%); FOOD PRICES (71%); INTEREST RATES (71%); RETAIL PRICES (70%); BUSINESS COOPERATIVES (70%); PRICE INCREASES (67%); SENIOR CITIZENS (65%); SUPPLY CHAIN DISRUPTIONS (65%); OPINION

Company: STATE BANK OF TRAVANCORE (54%)

Ticker: SBT (NSE) (54%)

Industry: NAICS522110 COMMERCIAL BANKING (54%); SIC6021 NATIONAL COMMERCIAL BANKS (54%); FRUITS & VEGETABLES (87%); RETAIL & WHOLESALE TRADE (73%); FOOD PRICES (71%); INTEREST RATES (71%); RETAIL PRICES (70%); PRICE INCREASES (67%)

Geographic: KERALA, INDIA (91%); KARNATAKA, INDIA (79%); INDIA (90%)

Load-Date: October 11, 2019