

## Bonuses of top private bank chiefs may be delayed

CEOs of ICICI Bank, Axis Bank and HDFC Bank are among bankers yet to get bonus for FY17

### BLOOMBERG

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India's banking regulator is delaying year-end bonuses to the heads of top private banks as it questions the size of the payouts citing the lenders' performance issues, said people familiar with the matter.

Chief executive officers at HDFC Bank, ICICI Bank, Axis Bank — the nation's largest private lenders by assets — are among bankers yet to receive bonuses for the financial year ended March 31, 2017, as the Reserve Bank of India hasn't signed off on the proposed

payments, the people said, asking not to be identified as the information is private.

They declined to give further details.

ICICI Bank's board had approved a bonus of ₹2.2 crore (\$340,000) for CEO Chanda Kochhar while Axis Bank's Shikha Sharma was set to receive ₹1.35 crore and HDFC Bank's Aditya Puri about ₹2.9 crore, exchange filings show.

A spokesman for Axis Bank declined to comment. Spokesmen for HDFC Bank and ICICI Bank didn't reply to emails and phone calls. An email to the RBI wasn't immediately answered.

Long considered healthier than their government-run peers, India's private banks have had a tough time over the past year, plagued by revelations of hidden bad loans and alleged lapses in corpor-

ate governance. "Going by historical evidence, the RBI should have approved the bonuses well before March 31, 2018," said Asutosh Kumar Mishra, a Mumbai-based banking analyst at Reliance Securities. "We have never noticed such delay in approving the payouts, but then we haven't seen a year in which so many skeletons were brought out of the closet — from under-reporting of bad loans to serious governance issues."

In the year ended March 2017 — for which the bonuses are under contention — an RBI audit showed Axis hadn't disclosed bad loans worth about ₹5,600 crore. HDFC Bank also reported a divergence and ICICI Bank said it isn't required to make disclosures on the topic even as provisions for bad loans climbed.