



ALL INDIA BANK OFFICERS' ASSOCIATION

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**PRESS STATEMENT ISSUED BY
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ALL INDIA BANK OFFICERS' ASSOCIATION.
30th August, 2019.**


SAVE ECONOMY - SAVE PUBLIC SECTOR BANKS - AND - ENSURE JOB SECURITY

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All India Bank Officers' Association (AIBOA), the representative body of bank officers working in Public, Private, Regional Rural and Cooperative Banks, noticed the Live Telecast of the Hon'ble Finance Minister announcing the proposed merger of Public Sector Banks. The number of Public Sector Banks will be 12 only instead of earlier 27 available for common men of this great Nation.

2. Banking is the central nerve system national economy. The national economy is under severe distress. **The sickness had set in from November 2016 due to ill advised move the Government where banking activities were brought to total halt due to demonetisation.** The Goods and service Tax system had added further woos to the normal economic activities of the countries. **To top it all, introduction Insolvency and Bankruptcy Code to bail out the corporate through NCLT was another wrong move.** The decision of NCLT to impose lot of sacrifices in the recovery was another step to facilitate the big borrowers not to repay the loans to the Banks.
3. **The Public Sector Banks have played predominant role in strengthening the national development in very ways.** To quote specifically 35 crores of accounts opened under Jan Dhan accounts mobilising Rs.1,00,000 crores from common men of the country is an apt example. The public sector Banks carrying the banking business through 141,000 bank branches, having the significant presence in rural and semi urban segment will certainly face severe problems due to branch closure. **The experience of Associate Banks successive mergers from 2008 till April 2017 had led to branch closures, job losses and added the Bad loans portfolio bulging.** The international ranking and squeezing the common people for utilising the services are the hard facts in reality.

4. The expansion of the economy is loudly spoken. **Will it be possible by shutting the doors of the instruments of growth – Banks and its branches?**
5. As pronounced by Bharat Ratna Shri. Pranab Kumar Mukerjee in his budget that a branch with brick and mortar model to serve the population of 2500 whereas today each bank branch serves a population of 10000. **The remedies to revive the economy are;**
 - a. **Revive the economy with required support – announcing relief to small and medium industries.**
 - b. **Initiate the required recovery procedure and system to get the money back to banks for defaulters.**
 - c. **Expansion of the banks are required and certainly not the bank mergers.**
 - d. **Involve the workforce of the banking system to evolve new role of banks.**
6. **AIBOA, in the meanwhile demands the Government of India, to suspend the proposed merger of Banks, as there is already subsisting case pending in the Supreme Court of India filed by organisation. The Government of India is still to respond to notice served by the High court of India.**


**/S. NAGARAJAN/
GENERAL SECRETARY**

REPRODUCED BY KARNATAKA BANK OFFICERS' ORGANISATION (REGD.) MANGALURU-575 003

**Mangaluru
31.08.2019**

**Sd/-
(K. RAGHAVA)
GENERAL SECRETARY**