



ALL INDIA BANK OFFICERS' ASSOCIATION

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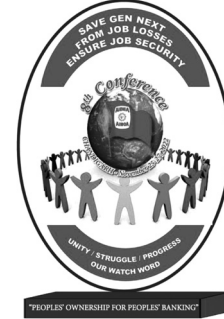
Circular No.2/VIII/2023
January 3, 2023

TO

ALL UNITS / STATE COMMITTEES

Comrades,

CAN WE, THE BANKING WORKFORCE, BE ALOOF, AWAY AND APART FROM THE NATIONAL DEVELOPMENTS?



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The Financial Sector is considered to be the main fulcrum of the development of National economy and the role of our Industry in this regard is vital and important. The collective approach of the nine Constituent unions in our Industry in defending the public sector character, by observing four strikes during 2021 against the declared decision of the owners to privatise two Public Sector Banks.

2. Write-offs are not waivers. This is something that successive finance ministers over the years have emphasized. They are right about it at least in theory. The details shared in the Lok Sabha in response to the question raised in the last session was totally different. The last five financial years 2017-18 to 2021-22, the scheduled commercial banks have written off around Rs.10.1 trillion. Majority of the public Sector bore the brunt of it, the amount being Rs.7.35 trillion. It was further shared that the **amount recovered** by the Public Sector Banks during the five years period was hardly **Rs.1.03 trillion**, a small amount out of the **write off ie.14%**.

3. Our organization while releasing the **logo at Hyderabad**, for the 7th National Conference at **Parvana Hall, Prabhat Towers in September 2016** clearly visualized and categorically portrayed the emerging situation that the bad loans are slowly swelling to kill the Public Sector Banks. What our organization predicted in 2016, is becoming a reality.

4. The exercise carried out by the owners of the financial system in offloading their stake in Life insurance Corporation of India, was one of the major steps. The Government of India advised to LIC to invest to acquire the major stake in IDBI in 2017-2018, thereby IDBI is now Government owned Financial Institution. But the controller of the Banking System claims that for the regulatory purposes IDBI is treated as Private Sector. The DIPAM has released the expression of Interest with the extended date up-to 07th of this month for further actions. The GOI has decided to transfer management control besides allowing 51% foreign investment in IDBI. To facilitate the buyers to acquire the stake, tax laws are likely to be amended by the owners. **Our organization, as decided in the 8th National Conference at Chandigarh, shall strive hard to the fullest extent to halt the privatization moves of IDBI initiated by the Government of India.**

5. The development of the rural economy, from time immemorial, continue to flourish through the Cooperative movement. One of the best examples is AMUL, which has become the household name in our country. The co-operative banks are intertwined with the development

of the individual States. In order to curb the influence of Political parties in conducting the affairs, Multi state Cooperative Societies Amendment Bill 2021 was listed for taking up in the Winter Session of the Parliament. This is clear attack on the Federalism and also the rights of States.

6. The **treatment** meted out to the **Joint Platform of Central Trade Unions** in the pre-budget talks, limiting the time to 75 minutes, three minutes per TU center, that too through virtual mode on 28th November 2022 demonstrated the aversion of the Government of India to interact with the representatives who are critical of the conduct of the Government in labour related issues in our country.

7. **Introduction of digital rupee** in selective nine banking outlets on experimental basis with effect from 1st December 2022, after our National conference at Chandigarh was the commencement of the conversion process of Banking through technological intervention. The steps are towards reduction of workforce in our Industry. The Circular issued by RBI in April 2022 clearly outlined the functioning of the digital banking units. 75 banks have already launched the scheme celebrating the 75th year of Independence of our Nation.

8. After observing the strike for **two days in March 2022** by our Organisation projecting the industry issues linked to our unresolved residual issues besides the solidarity action to CTUS, paved the way for the discussions with IBA on 13th April, 2022. We can categorically claim, but for insistence through the Labour Authorities of GOI, the exercise could not have commenced. Couple of rounds of discussions were held and the results are yet to be experienced.

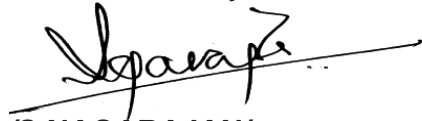
9. The **subsidiary of Bank of Baroda, THE NAINITAL BANK LTD**, is placed in the disinvestment table by the parent Bank in spite of the **recommendations of the Committee of Petitions** constituted by Lok Sabha in 2018. Individual Bank managements are practicing their own policies thereby demeaning the recognized trade unions in the respective Banks. Industrial Relations is at the lowest ebb. The respects to the enacted Industrial laws are not given its due weightage. **Attacks on Trade unions, its elected representatives, unsettling the time-tested bilateral agreements, vacation of the union Premises, severe shortage of staff in all categories and humiliating treatment meted out to the Staff including the executives, thereby signaling ALL IS NOT well with our industry.**

10. The issues of **5 days** week for the **existing workforce** and **up-dating of Pension** for the **elders**, who had the twin tasks of building the Institution as well as Trade unions, are the issues to be clinched with required seriousness.

TO CONCLUDE:

**UNITED STRUGGLE IS THE NEED OF THE HOUR
WITH THE TOILING MASSES OF OUR COUNTRY. THEN ONLY WE CAN SURVIVE.**

Yours Comradely,



**/S.NAGARAJAN/
GENERAL SECRETARY**

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

**Mangaluru
05.01.2023**



**(Suresha Hegde S.)
GENERAL SECRETARY**