

BANK EMPLOYEES FEDERATION OF INDIA



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To All Affiliates/Office Bearers/CC/GC Members

Dear Comrades,

Observe 'Save Bank Nationalisation' Week

United Forum of Bank Unions (UFBU), from its meeting held in Chennai on 12th instant, decided to observe defend bank nationalization week **during 16th to 21st July, 2018** commemorating the commencement of 50th year of bank nationalization.

Comrades will please recall that 49 years back on 19th July 1969, fourteen major private banks of our country were nationalized through declaration of an ordinance and it was given concrete shape by passing of Banking Companies (Acquisition and Transfer of Undertakings) Act 1970 in the Parliament and was popularly known as Bank Nationalization Act, 1970. In the second phase, on 15th April, 1980 another six private banks were nationalised. In between, in the year 1975 Regional Rural Banks were established by promulgation of an ordinance on 26th September, 1975 followed by passing of Regional Rural Bank Act, 1976 with a view to develop the rural economy and to create a supplementary channel to the 'Cooperative Credit Structure' to enlarge institutional credit for the rural and agriculture sector. With combined effect all these, the presence of public sector in the Indian banking system reached a level around 90%.

Public Sector Banks (PSBs) have played commendable role in strengthening the sovereign economic foundation of our economy. Till the advent of neo-liberal policies in early nineties, in the field of credit to agriculture, self employment scheme, artisans, small and medium enterprises, education loans etc. PSBs made immense contributions.

Nationalisations of banks and massive branch expansion of PSBs throughout the country opened opportunities to common people to have access to the banking services. Bank nationalisation, *per se*, provided employment to lakhs of educated youths of our country.

With the advent of new economic policy in 1991, successive governments at the centre have been working to implement the agenda of reforms in the financial sector aiming privatisation of PSBs. During the period of last more than 27 years of neo-liberal regime, several Committees have been constituted to prepare plan and programme towards privatisation of PSBs. Starting from Narsingham Committee - I of 1991 to Ratan Watal Committee of 2016 on digital payment, all have given tailored report aiming at privatisation of PSBs.

But the governments could not succeed in their game plan faced with the strong opposition from the united movement of bank employees under the banner of UFBU that could garner the support of other sections of the toiling people. During this period bank employees and officers have jointly organised 56 days strikes. Powerful

united movement of the bank employees and officers have so far been able to push back the attempts of the government to move faster in implementing its agenda of anti-people anti-employee reforms. The struggle has to continue with renewed vigor.

PSBs are under stress due to accumulation of huge NPA. As on 31st March this year accumulated NPAs stand at Rs.8.95 lakh Cr. and the amount written off as on that date is Rs.1.08 lakh Cr and due to provisioning of Rs.2.70 lakh Cr against NPAs, PSBs have incurred net loss of Rs.85,369 Cr. The government is reluctant to initiate criminal proceedings against the offenders behind these huge NPAs, on the other hand it has devised mechanism to settle lenders' claim by way of cutting even more than 75% of the outstanding amount, cosmetic name of which is **Hair Cut**, to feed the looters against public money under IBC 2016 through the process of National Company Law Tribunal (NCLT).

It is in this back drop we are going to enter in the 50th year of Bank Nationalisation. Situation demands of us to observe **SAVE BANK NATIONALISATION WEEK** in a befitting manner aiming at reaching common people for strengthening our bond with them for building a more powerful movement to defeat the pernicious policies of the central government and the politics behind such policies.

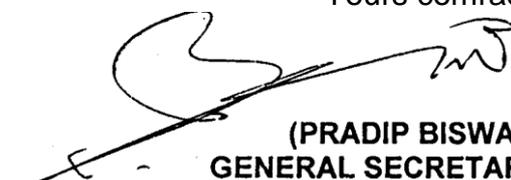
A campaign material covering talking points highlighting the present scenario in the industry has been prepared which should be utilised by multiplication in local languages and in all forms of programmes.

A poster has also been released which has also to be widely displayed in all centres of respective States. During the week we have to organise seminars, rallies, demonstration, processions and **on 19th July, 2018** there will be **Badge Wearing** by all. Specimen for badge is given which are to be printed locally.

We have to intertwine our independent campaign with the programme to come from UFBU.

With greetings,

Yours comradely,



(PRADIP BISWAS)
GENERAL SECRETARY