



BANK EMPLOYEES FEDERATION OF INDIA

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**Press Statement issued on 30th August 2018 by Shri Pradip Biswas,
General Secretary, Bank Employees Federation of India, at Kolkata,
ON APPOINTMENT OF CEOs OF PUBLIC SECTOR BANKS**

We have noticed, with concern, that Banks Board Bureau (BBB) has, once again come out, on 27th this month, with an advertisement inviting applications for the post of the “Managing Director and Chief Executive Officer” (CEO) for yet another Public Sector Bank (PSB), “Canara Bank” this time. This is in addition to the 14 names recommended by the BBB, to the Central Government, on 30th June this year, for appointment as CEOs of PSBs. It is a matter of serious concern that, as per criterion set by BBB, even persons having no background in Public Sector Banking are being inducted as CEOs of PSBs.

BBB, it may be recalled, has been constituted on 28th February 2016 in terms of the recommendations of the “Committee to Review Governance of Boards of Banks in India”, popularly known as the “P. J. Nayak Committee”, and it has started functioning on and from 01st April 2016. Prior to that, the PSBs used to be headed by professional bankers grown within the Public Sector Banking environment. Public purpose and social obligations were, therefore, a guiding factor for the PSBs in that era, notwithstanding the emphasis on “profit motive” injected by the neo-liberal reforms regime. But with private sector executives taking over the management of PSBs, since BBB started functioning, the “public purpose and social obligations” have been given an altogether and unceremonious good-bye in favour of “profit maximisation”; social-spending is on an alarming decline, not to speak of staff welfare expenses. Investment on social overheads and infrastructure has become an exception rather than a rule in this changed scenario. Because of the background of the new breed of CEOs, too much emphasis is given to funding private corporate and the result is being reflected through astronomical rise in loan-defaults, euphemistically called “Non Performing Assets” (NPA), in recent years. In short, it is a calculated and deliberate gambit to defeat and frustrate the very objectives of nationalisation of commercial banks.

While opposing the policy of inducting private-sector executives as the CEOs of PSBs, BANK EMPLOYEES FEDERATION OF INDIA (BEFI) calls upon the banking fraternity to mobilise public opinion to cry a halt to this retrograde change in the culture of public sector banking of our country.

To
The News Editor/Chief Reporter,

For favour of circulation/broadcasting/telecasting through your esteemed media,

(Joydeb Dasgupta)
Joint Secretary.