



# **BANK EMPLOYEES FEDERATION OF INDIA**

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26<sup>th</sup> April, 2017

To  
Sri Arun Jaitley,  
Hon'ble Finance Minister,  
Government of India,  
New Delhi.

Dear Sir,

## **Turnaround Plan for Banks**

We like to draw your attention to the fact that at the time of signing the Memorandum of Understanding (MoU) dated 28.03.2017, our affiliates in the banks made it emphatically clear to the managements of concerned banks that they will be free not to sign the final bank level Turnaround Plan (revival plan) if it contains any provision for (a) closure of branches, (b) dilution of Government holding, (c) to curtail any of the existing rights and privileges of the employees.

We understand that the Department of Financial Services, under your Ministry has suggested to the Banks the broad parameters for the Turnaround plan. We like to place before you our view points on the broad parameters which are as under: -

- (a) It is not clear how reduction of cost/bringing down of expenses will be made.
- (b) The parameter states that there will be no net employee addition for the next 3 years. You will please appreciate that there are 3 cadres working in banks i.e. officer, non-subordinate staff and subordinate staff. It is not clear as to whether cadre wise total strength will be maintained or not.
- (c) The broad parameter states that efforts on the part of unions are to be made in regard to up-gradation of GNPA, reduction of GNPA, cash recovery or reduction in net NPA. The matter always remains vested to the domain of the top Management. Workman unions like ours have virtually no role to play in this matter. Employees at lower level can at best be a part of the recovery process under the supervision and control of an officer.
- (d) We are of the considered opinion that banks should publish the list of willful corporate defaulters; bank and Government should initiate legal steps treating such borrowers as criminal offenders. Accountability must be fixed on sanctioning and monitoring authorities of the loan to the corporate houses.

- (e) It has been proposed in the broad parameter to close/merge loss making branches. We feel that a time period should be given for revival/turnaround of loss making branches and if it is jointly observed that revival of particular branch/s is not at feasible due to absence of potentiality to procure business, relocation of such branches should be option and no rural branch should be closed or merged. Similar method should be made applicable in case of nonviable ATMs. As principal employer banks have to ensure that no contractual employee working in ATMs is made redundant.
- (f) We are opposed to outsourcing of banks' jobs which are supposed to be performed by in-house staff only. Outsourcings of normal banking work is not permissible in terms of Industry level bipartite settlements and violation of the same will not auger well for maintaining congenial industrial relations, which we feel, you also will please appreciate. Hence, our affiliates in any bank cannot be party to any turnaround plan accepting outsourcing the job being performed by subordinate/watch and ward staff.

It is desirable in the interest of maintaining healthy industry relations that Department of Financial Services will make necessary modifications in the parameters of the Turnaround plan to ward off our apprehensions.

We request you to please use your good offices in the matter to enable us play our due role in strengthening the health of the specific banks.

Thanking you,

Yours faithfully,



(PRADIP BISWAS)  
GENERAL SECRETARY