



## STATE BANK OF HYDERABAD STAFF ASSOCIATION

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### **TO ALL THE MEMBERS:**

Dear Comrades,

We reproduce hereunder the **CIRCULAR NO. 27/20/2013/26, dated: 26<sup>TH</sup> June, 2013**, issued by our National Organization – AIBEA for your information.

Yours Comradely,

**(JAGDISH M BHAVTHANKAR)  
GENERAL SECRETARY**

Dear Comrades,

### **19<sup>th</sup> JULY, 2013 – 45<sup>TH</sup> BANK NATIONALISATION DAY**

<b>WE DEMAND</b>	<ul style="list-style-type: none"><li>▪ <b>Make banking a fundamental right of people</b></li><li>▪ <b>Stop anti-people banking reforms</b></li><li>▪ <b>Strengthen public sector banking</b></li></ul>
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- **Launch nationwide campaign**
- **Prepare for further struggles**
- **Get ready for strike actions**
- **Observe ALL INDIA DAY ON 19<sup>th</sup> JULY, 2014**

All our units and members are aware that looking to the increasing attacks in our banking industry in the name of banking reforms and liberalisation policies, we decided and resolved in our 27<sup>th</sup> Conference held at Kochi to further continue and intensify our struggles against all these attempts. In this background, this year, 19<sup>th</sup> July will mark the completion of 44 years of nationalisation of major banks and we will observe the 45<sup>th</sup> Bank Nationalisation Day. In our recent Central Committee meeting held at Delhi it has been decided to carry forward our campaign and struggle in defence of public sector banking and to oppose all attempts of privatisation and liberalisation. It was further decided to launch a national campaign from July, 2013 and to prepare our members for further struggles and strike actions to meet the emerging attacks.

In the Government's policies we can observe their anxiety to dilute public sector banking and encourage private sector in the banking sector. Government's equity support to the Public Sector Banks is inadequate and on the other hand, the voting rights of private equity share-holders in PSBs have been increased ten-fold. In a clear case of double-standard, public sector banks are sought to be shrunk and consolidated through mergers but private sector banks are being encouraged and expanded. Recently RBI has announced the guidelines on New Banking Licence Policy by which the corporates, business houses, industrial tycoons and capitalists are sought to be given permission to start their own Banks. When bad loans of the corporate sector are alarmingly on the increase, instead of taking stringent measures to recover these loans, law has been amended to write off these dues and convert bad loans into equity investment in the very same defaulting company ! When some of the new generation private banks are nakedly caught for money-laundering and violation of all banking rules, the whole thing is sought to be underplayed with some minor penalties. At a time

when banking policies have to be more regulated and tightened given the global experience where uncontrolled private banks have collapsed, in our country, strangely, we find the Government is in a hurry to liberalise the banking regulations and strengthen private interests in banking sector.

When the Government concedes that more than 50% of the people of our country have no access to banking services, where 60 crores of people do not even have a bank account, when more than 90% of the villages do not have banking facilities, what is needed is to strengthen public sector banking and reach out to the people at large. This is what our nationalised banks have done so far. From just 8,000 bank branches in 1969, today we have more than 80,000 bank branches under public sector banks. We need to further expand in the rural areas. We need to further reach the common masses. We need to further penetrate to enable banking to be instruments of economic empowerment. But rural banking is sought to be handed over to private agencies and business correspondents thus reducing the direct role of the public sector banks. Rural branches are sought to be closed in the name of viability and rural banking is being outsourced.

In the credit segment also, the concentration is more on commercial sector, rather than on priority sector. While big ticket credit disbursements are on the increase, the mandatory credit to agriculture is defaulted by many Banks. Priority sector is being relegated. If private sector banking is to be copied, their ailments will also afflict our Banks. The symptoms are already there. But the Government is unmindful. Profit objective is seeking to overtake social objectives of bank nationalisation. Public sector banking is not being projected whereas ponzy schemes by all types of unscrupulous fly-by-night finance companies are encouraged without any check. Savings of the people are allowed to be looted in this manner. Private vested interests are sought to be entrusted with micro credit which is nothing but usurious money lending.

The gains of bank nationalisation is under-played. Banking reforms are glorified. Attempt is to reverse the clock. Our effort should be to stop the reversal of these policies. Hence the campaign. Hence the need for more struggles.

### **Programmes:**

**July/August, 2013 : Extensive campaign meetings in all banks and in all centres**

**10<sup>th</sup> July, 2013 : Petition to Prime Minister by all our unions**

**19<sup>th</sup> July, 2013 : All India Day – Postering, Badge Wearing, publication of leaflets, rallies , processions**

**20<sup>th</sup> July to 20<sup>th</sup> August, 2013 : Seminars in all State Capitals**

**15<sup>th</sup> August, 2013 : Petition to Speaker of Lok Sabha demanding discussions in Parliament on our demands**

Further programmes and Strike action during the monsoon session of the Parliament will be decided in consultation with other Unions of UFBU and finalised by our Central Committee. March on to national campaign. Prepare for more struggles.

With greetings,

Yours Comradely,



**C.H. VENKATACHALAM  
GENERAL SECRETARY**

