



ALL INDIA BANK OFFICERS' CONFEDERATION

(Registered under the Trade Unions Act 1926, Registration No.:3427/Delhi)

State Bank of India Officers' Association

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Letter No: AIBOC/2017/18

Dated: 26/04/2017

The Secretary
Department of Financial Services
Govt. of India
New Delhi

Dear Sir,

PROPOSED TURN AROUND PLAN FOR BANKS
APPOINTMENT FOR DISCUSSION

At the outset, I would like to extend heartfelt greetings on behalf of the AIBOC an organisation representing 2,85,000 Bank Officers in the country.

02. Please refer to our letter no. AIBOC/2017/3 dated 26.03.2017. We have been given to understand that the Executives of different Public Sector Banks which have signed the MoU will have to make a presentation to the Department of Financial Services on a Turnaround plan. Though the MoU had stated that the turnaround plan will be finalized in consultation with the Association / Union, no meaningful discussion has taken place so far.

03. In this context, we wish to submit that as a progressive Trade Union, we have our own vision to safeguard the interest of mother organisations and we have an in house team, who is equipped to put forth pertinent suggestions to work out strategies of improving the health of the institution.

04. We have already organized two meetings including a two day workshop for the representatives of the Officers Associations wherein we have discussed in detail how a turnaround plan can be prepared. We have also provided them a template in which various options for projections can be made which will provide prospective balance sheets for 3 years according to the parameters given in the input.

05. Our Association representatives have also asked their respective Managements to fix time for a 45 minutes presentation through powerpoint. So far no bank has fixed a date for this. The Associations have also informed that they require atleast 15 days time to study the draft turn around plan provided by the advisor.

In order to have a 2nd opinion and also an alternative turnaround plan from AIBOC we have requested Dr. T.T. Rammohan, Professor, Indian Institute of Management, Ahmedabad to head a Committee which will study the functioning of atleast 2 banks and come out with a turnaround plan for those banks. The expenditure for the study will be provided by the AIBOC. We will be grateful if your office will also provide the committee the relevant data and help them to come out with a meaningful turnaround plan.

06. If the turnaround plans have to really succeed the Govt, RBI , Management and the Associations should work together as partners in progress. But we don't see such a situation so far.

07. We will be glad to meet yourself along with your officials and put forward our suggestion and also our concern.

Our major concerns are

1. Recovery of large NPA, which are the cause for major loss to the Banks.
2. Appointment of Officer and Employee Director in the Boards of all Public Sector Banks which is statutory.
3. Publishing of names of willful defaulters.
4. Implementation of the recommendations of the Parliament Standing Committee on NPAs.
5. Closure of Branches in contradiction to the financial inclusion and lead bank scheme.
6. Reduction of expenditure without taking into account necessary expenditures for the natural growth of the Bank.
7. Restrictions on staff requirement

08. We look forward to a positive response from your end at the earliest in view of the gravity of situation, which needs to be addressed in the right perspective. Once again, we would like to request you for taking some time out of your busy schedule and arrange to have a threadbare discussion with our representatives on the various challenges that the Banks are facing and work together for taking the country to greater heights.

Thanking you in anticipation.

Yours sincerely,



(D. T. Franco)

GENERAL SECRETARY

CC: Shri Tarun K Sood, OSD, Department of Financial Services, Ministry Of Finance, New Delhi