



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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PRESS RELEASE

VICHAR MANTHAN?

The Govt is holding the Gyan Sangam 3 renamed Vichar Manthan at SBI Staff College, Gurugram on 11th & 12th November 2017.

The first Gyan Sangam held at Pune on 2nd & 3rd January 2015 laid a road map for Privatization of Public Sector Banks. In that Gyan Sangam, in the Group Discussions the Bankers clearly expressed that Merger is not needed.

But in the Gyan Sangam - 2, presentations were made to tell Bankers why merger should be done without any scientific analysis.

Now in the third meeting the Govt has arranged for 6 group discussions.

Group 1: Responsible and Responsive Banking

1. Winning the hearts and minds of customers
2. Restoring pride of the Banker
3. Responsible Banking

Group 2: Enhanced Credit off take

1. Drawing lessons from the last 9 years of Credit decisions
2. Bond Market, NBFCs, Private Sector Banks, External Commercial Borrowings
3. Relevant market segments for credit and how to appraise their proposals.

Group 3: PSBs as MSME Udayami Mitras

1. Focus on reaching customers
2. Dealing with increasing formalizations
3. Competitive advantage of PSBs

Group 4: Deepening Financial Inclusion and Expanding Digitalisation

1. Deepening Financial inclusion
2. Strengthening systems of Financial Inclusion
3. Expanding Digitalisation

Group 5 NPA Resolution – Better Value and Faster Realisation

1. Strengthening the process of asset value
2. Faster compromise and close follow up
3. Effective monitoring to ensure better recoveries

Group 6 Leveraging Capitalisation for take off

1. Towards differentiated Banking
2. Consolidation
3. Creating Value for Stake Holders

The last 2 Gyan Sangams have not helped to improve the Banks. Bank Boards Bureau has failed. Two members have resigned.

People appointed from Private Sectors as Chairman and Managing Directors have not made any dramatic changes. NPA is mounting. Insolvency and Bankruptcy code is not helping banks. FRDI Bill is aimed at Privatising Banks.

From AIBOC we have repeatedly suggested alternatives to the Govt. But Govt is following only the directives of IMF & WB.

It is crucial to discuss with the major stake holders – the Officers Confederation representing 325000 Officers in the Banking Industry. This is not done.

1. An attempt is made to show that what we have been doing is irresponsible Banking- Though we have followed RBI Directives fully.
2. Enhanced Credit off take is possible only if we redirect the credit to the larger majority instead of minuscule minority. Now only 19% of the eligible people have access to formal credit.
3. MSMEs are suffering due to Govt policies. GST has also affected them. They cannot get input credit as they don't have money to pay advance taxes and claim.

4. Deepening financial inclusion requires educating people. With 26% illiterates how technology can help them? Financial Inclusion is not just opening accounts.
5. NPA recovery requires will to take action against willful defaulters, Corporate defaulters and also revive economy. Steel, Power, Telecom, Infrastructure, Textiles etc are suffering due to Govt policies and NPA increasing. When will the Govt implement the recommendations of the Parliament Standing Committee?
6. If NPA is recovered there will be no need for Capital. Consolidation through merger will increase NPA, increase losses. The idea has to be amended.

We demand that the Govt should introspect and reverse the policies instead of speeding up the same policies which are going to lead towards a collapse.



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