



BANK beats

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Where Is My Interest Rate? | Editorial

 **Rupam Roy**, General Secretary, AIBOC

Walk into any public sector bank branch on pension day or NREGA credit day and the picture is the same. The queue is full of workers, pensioners, small farmers, domestic workers, contract staff, women from self-help groups. They stand patiently to put away a few hundred or a few thousand rupees into savings accounts that earn 2.5–3 per cent interest.



Those small sums, multiplied by crores of such accounts, are what keep India's banking system liquid and alive. Yet when the same people go looking for credit for a sewing machine, a power tiller, a handcart, a kirana stock, a goat, a dairy unit, school fees or a tiny workshop, they are pushed towards loans at 18, 22, even 24 per cent interest.

It is a simple question, and it should haunt policy makers today: if it is our money that funds this system, where is our interest rate?

People's deposits, others' privileges

RBI's own data quietly acknowledges what every banker knows: Households – ordinary individuals and small unincorporated businesses – hold around 60 per cent of all deposits with scheduled commercial banks. Government entities hold 13 percent, large corporates hold 11 percent and the others (financial organisations, trusts, foreign, local bodies, etc.) account for 15 percent of the deposits.

Look at it another way. More than ninety out of every hundred deposit accounts in our banks are tiny balances below one lakh rupees. They may not add up to crores individually, but together they form the base of the pyramid on which the entire credit structure rests.

Public sector banks (PSBs) are still the principal custodians of this mass of small savings. The low-income worker in a village branch, the ASHA or Anganwadi worker, the migrant labourer's family maintaining a Jan Dhan account, the retired clerk renewing a short-term FD. They are, in aggregate, the largest and most stable source of funds in Indian banking.

So, whose credit needs should be the first charge on this pool of people's money? One would think: self-employed workers, small farmers, women micro-entrepreneurs, SHGs, small traders, street vendors, the informal sector that actually keeps the economy running.

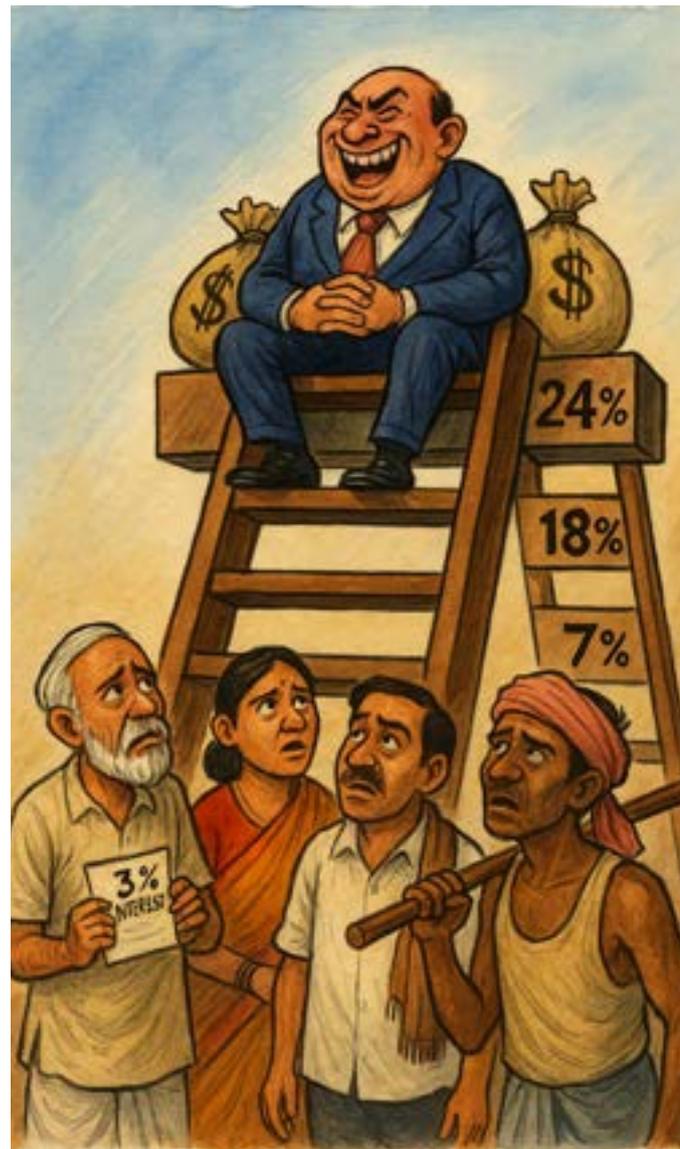
But that is not how our interest-rate ladder is structured.

The interest-rate ladder: flat for the top, steep for the bottom

At the bottom rung stand the small savers. On savings accounts, 2.5–3 per cent has become the new normal. On one–three-year retail fixed deposits, most bank customers get somewhere between 6–7 per cent before tax. After inflation and TDS, the *real* return is close to zero.

Now climb the ladder:

- Top corporates routinely raise money at very low rate of interest, in the form of AAA bonds or large bank loans.
- When Tata's subsidiary Talace financed the Air India takeover, reports show that it raised about ₹23,000 crore, unsecured, unrated loans at 4.25% p.a. from SBI, BoB and HDFC Bank around end-2021 / early-2022.
- 426 Corporates have been provided credit of Rs 500 Crore and above at less than 5% IN 2024-25 as per RBI data.
- Prime home loan borrowers – salaried, formal, with high Credit scores pay about 8–9.5 per cent.
- Typical MSME borrowers are charged 10–14 per cent, sometimes higher.
- NBFC personal loans to non-prime customers are routinely priced at 14–24 per cent.
- Microfinance and tiny group loans taken by low-income women, street vendors and rural workers often land between 19–24 per cent effective cost.



So, the picture is stark

- The depositor from the low-income group earns 3–7 per cent on her hard-earned savings.
- The big, well-rated corporate borrows at 4.25-8 per cent.
- The same depositor, when she needs a Rs 40,000 micro loan or Rs 1 lakh for a cart or a cow, is often paying three to four times her own deposit rate.

This is not just a technical spread. It is an interest-rate injustice.

Credit deserts in the middle of a deposit ocean

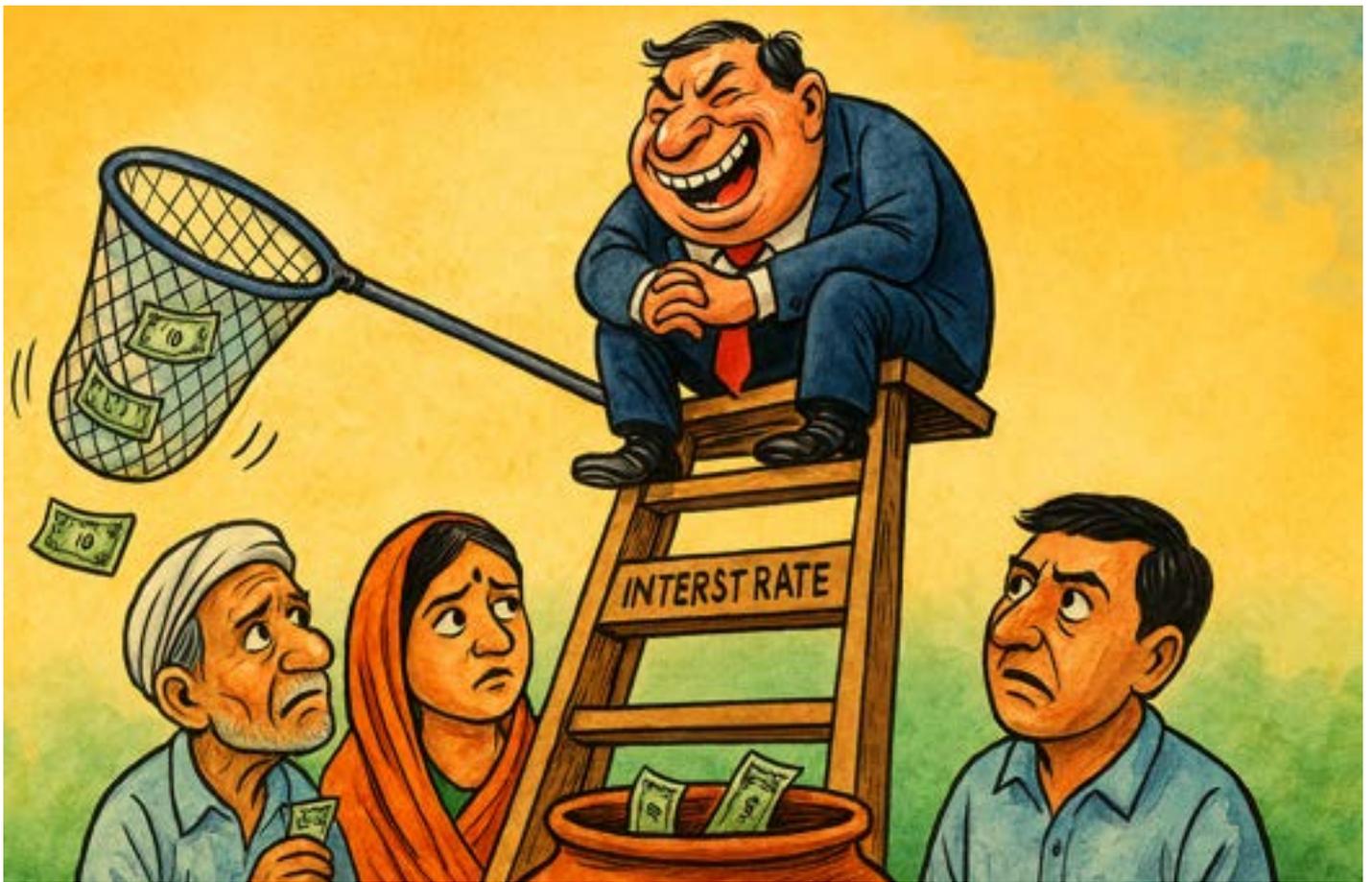
Why does the system behave like this? Part of the answer lies in who our banks find it easier and cheaper to lend to. One large term loan of ₹500 crore to a big corporate consumes far less staff time and branch bandwidth than lending the same ₹500 crore as 2.5 lakh loans of ₹2 lakh each to farmers, SHGs, street vendors and micro entrepreneurs. In the last decade, business per employee in the banking system has more than doubled, while the share of PSBs in total staff has fallen.

Instead of strengthening frontline credit teams, recruitment has been slowed down, branches “rationalised”, officers pushed into sales targets and compliance. It is no surprise, then, that many PSBs quietly retreat from field-based assessment and hand over large parts of the small-loan market to NBFCs, MFIs and fintechs.

The result is a cruel paradox

- Low-income households are “good enough” to supply deposits at the cheapest possible cost, but not “good enough” to receive bank credit at sustainable interest rates.
- Self-employed workers, tenant farmers, women micro-entrepreneurs and informal borrowers are told they are “too risky” for 10–12 per cent bank loans, but somehow “safe enough” for 22 per cent app loans or group loans from NBFC-MFIs.

When they default, often due to health shocks, crop failure, loss of daily wages there is no “one time settlement” roadshow, no 70 per cent haircut, no fancy restructuring scheme. For them, there is only recovery, humiliation and the burden of rolling over old loans with new ones at even higher costs.



When Bank losses come, they come from the top

On the other side of the balance sheet, we know where the truly gigantic loan losses have come from. Over the past decade, lakhs of crore of rupees have been written off by banks, the bulk of it in large corporate and infrastructure accounts, not in tiny farmer or SHG loans. Under the Insolvency and Bankruptcy Code, the average haircut in resolved cases is around 65–70 per cent of admitted claims. That is, lenders recover only about one-third of what they were owed in many big-ticket cases.

How big are write-offs and haircuts?

From Govt. data placed in Parliament and later press reports:

- FY24 alone: Banks wrote off about ₹1.7 lakh crore of loans, ≈ 1% of total outstanding bank credit.
- Last ~10 years (FY15–FY24): Total bad loans written off ≈ ₹16.3–16.6 lakh crore.

- Recoveries from written-off loans (since 2014): RBI RTI data show that from April 2014 to Sept 2024, banks wrote off ₹16.61 lakh crore but recovered only about ₹2.7 lakh crore, roughly 16% recovery, 84% unrecovered.

Who are these borrowers?

Data tabled in Parliament show that between 2014-15 and 2023-24, NPAs written off in “large industries and services” amount to ~₹9.27 lakh crore, i.e. well over half of total write-offs in that period, that’s mainly large corporate accounts.

Those losses are ultimately absorbed by bank capital and by the exchequer. And whose money is that capital built on? Once again, the same small depositors and taxpayers.

So the circle is vicious

1. People’s deposits provide cheap funds.
2. Big borrowers enjoy the cheapest credit and, when things go wrong, the deepest write-offs.
3. Small borrowers pay the highest rates and get the least forgiveness.
4. When the balance sheets come under stress, credit to farmers, MSMEs and micro borrowers is the first to be squeezed, and bank staff strength the first to be cut.

Reclaiming the social mandate of public sector banking

As AIBOC, we have consistently argued, including in our previous editorials on digital lending and ULI, that technology and reform must not become excuses to abandon the public-service mission of PSBs.

On the question of interest-rate justice, that mission demands a clear repositioning:

1. **Link people's deposits to people's credit:** When low-income households are the majority depositors, it is only ethical that a significant, clearly earmarked share of bank credit flows back to them in the form of affordable housing, KCC, JLG/SHG loans, microenterprise credit and women-led livelihood finance at single-digit or low double-digit rates, not 22 per cent.
2. **Cap the exploitation at the bottom:** If NBFC-MFIs and Fintech's are effectively lending on the strength of bank lines of credit and securitised pools that originate from people's deposits, then regulators must not allow a 15–20 percentage point spread between what the system pays the saver and what it charges the poorest borrower. Transparent, enforceable caps on effective microcredit pricing with no hidden fees and add-ons are overdue.
3. **Strengthen PSB manpower and field credit capability:** You cannot serve crores of small borrowers with a skeletal, over-stretched workforce. Recruitment freezes and casualisation of work inside PSBs directly translate into credit deserts in rural and semi-urban India. We need more officers in branches, not fewer, with time and training to appraise small loans, visit fields and enterprises, and use technology as an aid rather than a substitute for judgement.
4. **Full transparency on the interest-rate ladder:** Every bank should be required to publish, in simple language, the average interest rate charged to different categories of borrowers i.e. large corporates, MSMEs, agriculture, microfinance, women SHGs, education, housing against its average cost of deposits. Let citizens see, in black and white, who is being subsidised by whom.
5. **Parliamentary and public oversight:** Just as we have demanded White Papers and Standing Committee scrutiny on digital credit pipes like ULI, we must also demand formal scrutiny of the distribution of interest-rate benefits in the system. When the RBI and DFS design frameworks that encourage more corporate bond issuance, more wholesale lending and more NBFC dependence, they must be asked: What happens to the interest-rate opportunity of the low-income depositor and borrower?

From “financial inclusion” to interest-rate justice

For two decades we have been told that the answer to poverty is “financial inclusion” i.e. opening accounts, issuing RuPay cards, plugging into UPI. Those are important steps. But inclusion cannot mean only the right to hold a low-yield account and pay high charges. True inclusion means the right to reasonably priced credit to build assets, smooth shocks and grow livelihoods. Bank officers are not mere employees in this story. We are custodians of public savings and frontline witnesses to how policy plays out in the lives of borrowers. We see the farmer who sells jewellery to close a 22 per cent loan, the woman in a self-help group who juggles four different repayments, the street vendor who is told to download yet another app instead of getting a simple bank overdraft.

When they ask, “Where is my interest rate?”, we cannot shrug and point upwards to “the market”. We must have the courage to say:

- The market has been designed to privilege those at the top of the ladder.
- It can be redesigned to serve those who built the ladder in the first place.

As a Confederation, we must therefore organise not only for our own jobs and dignity, but also for a new social contract in banking, one that recognises that the low-income depositor is not a charity case but the primary shareholder of India’s banking system.

Until her savings earn a fair return, and her credit needs are met at a sustainable interest rate, the question will remain open, urgent and uncomfortable: **Where is my interest rate?**

Public Sector Banks under attack, yet again

 **Thomas Franco**

Thomas Franco is the former General Secretary of the All India Bank Officers' Confederation and a Steering Committee Member at the Global Labour University.

The Finance Minister has recently been heard saying that the bank nationalisation done in 1969 has not yielded the desired result as far as financial inclusion was concerned. Speaking to students in Delhi School of Economics, Nirmala Sitharaman said that government control made public sector banks unprofessional. She added that “this perception that when you try to make them professional, and if you want to privatise them, which is a Cabinet decision, that objective of reaching to all people, taking banking to everybody will be lost... is incorrect.”



Closer to the next budget, in context when pre-budget consultations have already begun, such comments are ominous. Also, these comments need to be seen in the light of the fact that the recently released Indian Financial Sector Assessment Report of the World Bank and the IMF released by the RBI also instructs the same. The report says that "the State would need to redefine its role in the financial sector, reducing its footprint to increase efficiency and mobilize private capital." It advocated that the government should enact the 2022 budget announcement to privatize select PSBs and insurance companies and increase private ownership on State Owned Financial Institutions removing the 20 percent foreign investment cap. The Finance Minister has again started talking about the merger of 2–3 big banks recently which she says will aid in competing in the global market. Newspapers are also saying that the government is considering the appointment of Managing Directors in public banks from the private sector. All signs indicate an impending assault on public sector banking that will destroy Public Sector Banks. Privatisation is an affront to the Constitution. And it must be resisted.

Let's first analyse the idea of more mergers. Already the merger of 28 Public Sector Banks has led to the closure of branches, reduction in staff, and poor customer service. Private banks have used this as an opportunity to lure high-value customers by promising better service. This increase in the share of business of private sector banks is due to this and the expansion of their branches and staff.

In 2014, there were 9,25,372 (74%) employees in Public Sector Banks (if Regional Rural Banks were added to PSBs). In 2025, PSBs including RRBs employ 8,45,315 (45%). Along with foreign banks, private sector banks had only 3,28,583 (26%) of the total employees in 2014. By 2025 Private banks, including SFBs, FBs, and Payment Banks, employ 10,55,382 (55%). And it needs to be underlined here that there is no reservation policy for appointments in private banks.



In 2014 78.8% of the deposits were with public banks. Today, out of the total deposits of ₹2,39,06,3261 crores, public banks have ₹13,34,9808 crores, RRBs have ₹7,03,204 crores (₹14,04,8012 crores together), whereas private banks have ₹8,40,5190 crores, foreign banks have ₹11,07,624 crores, SFBs ₹3,15,390 crores, and payment banks ₹25,046 crores. So, 59% of the deposits (reduced from 78.8%) are with public banks and 41% with private banks as on March 2025. The numbers indicate how private banks have grown at the expense of public sector banks. This happened only because of the policies of this government which has the RBI under its thumb.

Secondly, let's analyse the idea of making Indian Banks Globally Competitive? While it sounds great and desirable, but there are two questions. Is it possible? And is that the priority? It is unrealistic to expect Indian banks to attain global competitiveness in isolation from the broader structural realities of the Indian economy. India's per capita income, currency value, export capacity, and GDP remain significantly lower than those of countries whose banks dominate global rankings. Consider per capita income (PPP): Singapore stands at \$141,553, Norway at \$100,668, the United States at \$82,268, Australia at \$70,340, Germany at \$69,027, the United Kingdom at \$58,273, Malaysia at \$36,417, and China at \$24,569. India's figure—\$10,666—is less than one-third of China's and one-eighth of the United States'. Unsurprisingly, the world's largest banks in terms of assets, market capitalisation, and customer base are predominantly Chinese and American.

India's GDP, at \$4,125,213 million, amounts to just 21% of China's GDP (\$18,398,577 million) and 13% of that of the United States (\$30,615,743 million). With India's share of global exports at only 1.8%, and imports at 2.8%, aspirations for global leadership in banking appear detached from economic fundamentals.



Against this backdrop, claims that Indian banks can compete globally risk misleading the public. The domestic banking system in fact has substantial work to do at home. India has only 14 bank branches per one lakh people, compared to 138 in the United States, 224 in Sweden, and 1,501 in South Africa. Household loans per capita in India stand at \$5,415, while the corresponding figures are \$104,500 in the US, \$356,465 in Singapore, and \$257,429 in Switzerland. The deposits-to-GDP ratio also underscores the gap: Hong Kong records 403%, Japan 260%, Australia 112%, the US 101%, while India stands at 72%.

What India requires is not consolidation but expansion, not merger but spread – more banks, more branches, more staff, and significantly more credit to households, particularly the poor and the middle class. International experience shows that large-scale mergers often fail; examples include Credit Suisse with UBS, Deutsche Postbank with Deutsche Bank, and Wachovia with Wells Fargo. If mergers are indeed considered desirable, the Finance Minister could begin with private-sector institutions such as ICICI, HDFC, and Axis—each originally promoted by the government. Public Sector Banks are neither personal assets nor instruments to be reorganised on a whim.

As to the talks about private managing directors for public sector banks, the Finance Minister would do well to recall the governance failures that unfolded in several prominent private-sector financial institutions—Chanda Kochhar in ICICI Bank, Rana Kapoor in Yes Bank, and the crises at IL&FS and Dewan Housing, among others. When Yes Bank collapsed, it was in fact the State Bank of India that stabilised the institution by deputing its Deputy Managing Director, Prashant Kumar, as Managing Director. Similarly, Ramesh Kumar, another former SBI Deputy Managing Director, has led Karur Vysya Bank to significant improvement after taking charge post-retirement.

The pattern is clear: when private banks find themselves in distress, they frequently turn to experienced Public Sector Bank (PSB) executives to restore order and credibility. In such a context, the proposition of replacing PSB leadership with executives drawn from private banks appears not only counterintuitive but also imprudent.

As to the proposal of privatisation forwarded by the World Bank and IMF which is being pursued in earnest by the Finance Minister it is again important to recall that successive governments have attempted the same before by encouraging the growth of private banks. Yet the historical record is sobering. Global Trust Bank collapsed; Yes Bank required rescue; IndusInd Bank continues to face turbulence; and several earlier private banks failed outright. Privatising Public Sector Banks under these circumstances risks eroding customer trust and reversing decades of progress.

The experience of Indian Bank, United Bank of India, and UCO Bank is instructive. Once regarded as weak institutions and denied timely wage revisions, they spurred the formation of the United Forum of Bank Unions (UFBU), an umbrella body of staff unions and officers' associations. Today, all three banks have regained strength. In 2017, when the Finance Ministry identified 11 banks as weak, the All India Bank Officers' Confederation prepared detailed turnaround strategies rooted in SWOT analyses for each institution. Every one of those banks has since demonstrated sustained performance for five years or longer.

Despite this record, the present government appears intent on transferring high-performing PSBs—profitable institutions with substantial assets—to corporate interests, domestic and international, often at valuations that vastly understate their worth. In response, there is a growing call for a broader coalition. The UFBU may find common cause with customers who rely on public banking services, with young people who stand to lose reservation benefits under privatisation, with women pushed towards microfinance institutions, and with MSMEs, farmers, and trade unions whose livelihoods depend on equitable access to credit.



Women of Wayanad & the battle for climate write offs

 **Anirban Bhattacharya and Amitanshu Verma,**
Centre for Financial Accountability

The women of Wayanad affected by the devastating 2024 landslide that scarred their lives and lands, have achieved a significant victory at the Kerala high court in their battle for loan relief. A bench headed by justices AK Jayasankaran Nambiar and Jobin Sebastian rapped the union government for what it called the “unfortunate” denial of loan relief to the aggrieved women. It also expressed disappointment at the unwillingness of banks to write off the loans. The ravaging Wayanad landslide was seen by independent experts and even by the United Nations as a destructive consequence of heavy rainfall driven by human made climate emergency.



From the fields of Punjab to the swanky streets of Gurgaon, from farmers in Maharashtra to rural Bihar, from the slopes in Uttarakhand to the hills in Kerala - our newspapers and reels are flooded with news of landslides, cloud bursts and ever more frequent cyclones. Along with the human cost these human made climate disasters inflict on the people, each of them also has financial implications. Not just in terms of assets destroyed, crops lost or livelihoods impaired, but also in terms of the burden of loans.

The High Court in its order on the women's writ petition reflects on the plight: "Having lost their lands, and their means of livelihood, in the devastating landslide, they are now being called upon to repay the loans availed by them for agricultural and related purposes when the very property that they had offered as collateral security while availing those loans has ceased to exist. This is nothing short of an affront to their dignity which has been recognised as an aspect of their fundamental right to life under Article 21 of the Constitution."

In the early hours of July 30, 2024, Chooralmala and Mundakkai villages in the district of Wayanad in Kerala were hit by devastating landslides that claimed more than 250 lives and the villages were literally wiped off the face of the earth. Maju Varghese writes that "Banks even attempted to collect EMIs from relief camps, prompting intervention from the state government." With the involvement of civil society who took the matter to the district credit committees and the state government, a legitimate demand for loan waiver was raised. The Kerala government responded and thereby the Kerala Bank declared a loan write off for those affected.

The issue extends far beyond Kerala. The High Court judgement recognised the banks' and financial institutions' accountability to step in with relief measures in the face of climate disasters. Not only did it stay loan recovery, it went on to order that banks file counter affidavits explaining whether they are willing to waive, the loans availed by the landslide victims in Wayanad, and if not, what is their justification.

This has significance at a time when climate extreme events are having disastrous consequences on the lives, livelihoods and assets of the marginalised and the vulnerable. Banking in such a context ought to be responsive and sensitive to such circumstances instead of a business as usual approach. Thomas Franco, the former General Secretary of All India Bank Officer's Confederation, in fact writes, “that banks should be generous in writing off loans of people in such disasters.” It is high time that a public discourse is initiated regarding the financial aspects of the climate crisis and the measures that need to be factored in our financial landscape to adequately respond, adopt and mitigate.



RBI Watch



Finance Minister sings to the tune of World Bank report on privatising banks:

Our Finance Minister has recently been heard saying that privatization will not hurt financial inclusion or national interest. As we inch closer to the next budget and consultation have already begun towards that end, such proclamations are significant. It also ought to be noticed that the declaration dovetails the recommendations of the Indian Financial Sector Assessment Report of the World Bank and the IMF released by the RBI last week. The report instructs that "The State would need to redefine its role in the financial sector, reducing its footprint to increase efficiency and mobilize private capital." It advocated that the government should enact the 2022 budget announcement to privatize select PSBs and insurance companies and increase private ownership on State Owned Financial Institutions removing the 20 percent foreign investment cap. This statement of the FM of course was met with stiff opposition from the bank unions who underlined the social objectives shouldered by public sector banks including rural footprint, priority sector lending, financial literacy and inclusion.



World Bank report underlines climate risks but not from people's perspective

The World Bank IMF's India Financial Sector Assessment (FSA) Report cites projections that indicate that by 2100, India could face annual GDP losses of 3 to 10% due to climate change, including extreme heat and humidity and the resulting lost labor hours. The country, it said, ranks fifth of 188 countries assessed in terms of climate-driven hazard and exposure the financial implications of the same must be reckoned with. Stronger and more frequent cyclones in the abnormally warming seas, for instance, have a concentrated impact in many coastal states where banks have half of the credits. Global warming is projected to alter India's monsoon patterns with decreased overall rainfall, heightened frequency and intensity of extreme rainfall, and an escalating vulnerability to drought. It increases risks to the monsoon-dependent agricultural sector where 13% of SCB loans and about 66% of regional and rural bank (RRB) loans are concentrated, partly because of priority sector lending requirements. The report while highlighting the financial risks for the banks balance sheets fails to look at it from the side of those at the receiving end of the crop failures and extreme climatic events: the fishers, farmers, the street vendors and so on. The answer is not in making priority sector lending norms more "flexible" and lowering PSL requirements as advocated by the World Bank.



The Governor bats for lowering guard against risky lending?

The RBI governor in a recent speech has tried to justify some of the reforms in lending to big borrowers and in corporate takeovers that it has allowed off late. His speech seems to signal a shift toward greater deregulation under the guise of “calibrated flexibility.” He argues for removal of blanket restrictions and speaks of trusting banks’ internal risk management. But it disregards the fact that many in the banking sector are still prone to concentration risks and political or promoter-linked lending. We hear him advocating for substituting the blanket risk weights and provisions with better monitoring and risk management by the banks. His rationale is to grant banks “greater commercial leeway” for growth, innovation and “ease of doing business”. But the question remains as to whether we are lowering our guard and opening the doors for risky corporate lending that had led to the NPA crisis just a decade back.



ECHOES OF THE PAST



A Tradition of Courage: AIBOC's Stand for Employees' Rights

The All India Bank Officers' Confederation (AIBOC) has, for decades, embodied a legacy of speaking truth to power—often at moments when the interests of bank employees were threatened or overlooked. Its history is marked not merely by protest, but by principled resistance built on an unwavering belief that a strong, protected workforce is essential to the stability of India's banking system.

As early as the mid-1980s, AIBOC emerged as a vocal force willing to challenge policy decisions that undermined officers' dignity and rights. A 1986 report captured the organisation's readiness to mobilise when negotiations stalled, noting its call for a major protest rally to push back against unilateral actions that hurt officers' interests. This willingness to confront authority was grounded not in confrontation for its own sake, but in a commitment to fair play, collective bargaining, and the belief that the banking workforce deserved a seat at the table.

Through the late 1980s, AIBOC escalated its campaigns as pressures increased. In 1989, at a time when branch workloads were rising and staffing decisions were increasingly dictated by managerial expediency, AIBOC supported a nationwide strike that significantly impacted banking operations. This strike, widely reported, demonstrated both the scale of officers' discontent and the Confederation's organisational strength in rallying employees across the country. The action sent a clear message: bank officers would not allow their concerns to be sidelined.

The early 1990s saw AIBOC intensify its activism. When decisions affecting officer promotions, workload norms, and service conditions were taken without adequate consultation, the Confederation responded with disciplined but firm agitation. In June 1990, officers launched a hunger strike to draw attention to the erosion of their rights and the refusal of authorities to engage meaningfully with their demands. Shortly afterward, AIBOC announced a broader protest action, reinforcing its stance that dialogue must be earned through collective pressure if necessary.

Bank officers' stir on Tues.

By A Staff Reporter

BOMBAY, June 8.

A MAJORITY of the 2.20 lakh officers of various banks in the country are expected to join the one-day strike on June 12 called by the All-India Bank Officers Confederation (AIBOC).

"Since the officers are the key-holders, even literally, holding the keys of the shutters and the safes, all bank work is bound to be paralysed on that day," said Mr S.S. Dabholkar, secretary, Maharashtra State AIBOC, today.

The strike has been called to protest against "the shortage of manpower in banks, changes effected in the service conditions of officers without consulting them and because of victimisation."

Mr Dabholkar said that the government had now put a restriction that recruitment should not exceed one per cent. With eight lakh bank employees, it would mean that only 8,000 people would be recruited in a year while the growth rate in the banking industry was 15 per cent, he said.

Compared with the nearly 45,000 recruited annually until 1984, the present figure was absolutely low, Mr Dabholkar said.

Mr R.C. Agarwal, another officer-bearer of AIBOC, said that the government's method for assessing the staff requirements was "ridiculous." The quantum of deposits and advances was divided by the number of

staffers to arrive at a conclusion, he said. Such calculations did not take into account the work involving government money like collection of taxes or funds for organisations like LIC and UTI.

Besides, taking only deposits and advances as an indication of the work quantum was not correct as several socially-oriented schemes involved small sums of money distributed over several thousand accounts. "First we have to make out all these advances and then we have to write them all off," he quipped.

"With work suffering, the officers were at the receiving end from all sides, the workers, the top management and the customers," Mr Agarwal said. Irrespective of staff strength or work load, the officers did not have restricted hours.

Of the nearly 60,000 branches of various banks in the country, about 37,000 are in rural areas. These offices in rural areas are grossly understaffed and the area they had to cover was very large.

While branches in rural areas were expected to be hit by the strike on June 12, the position in the city was unclear.

AIBOC members said that since in the city there were security guards in banks round the clock, there was no question of the officers being around to open the office. But clearing of cheques and other supervisory work could be held up. It is unlikely that clerical staff would take on these responsibilities, they said.

AIBOC to hold protest rally

By A Staff Reporter

BOMBAY, January 17: The state unit of the all-India bank officers' confederation (AIBOC) held a protest rally in the city yesterday to voice their ire against the move to prematurely retire bank officers on grounds of inefficiency and corruption.

Speaking at the rally, Mr. S. R. Sengupta, president of the confederation, said compulsory retirement as a part of the banking service conditions was not acceptable to the AIBOC. The provision violated section 12 (2) of the Banking Companies Act, he said.

Across these episodes, AIBOC's legacy emerges clearly: it has consistently placed the welfare, dignity, and professional autonomy of bank officers above political convenience or administrative pressure. Its actions—whether a rally, a strike, or a symbolic fast—have been rooted in democratic assertion, transparency, and a deep moral conviction that the health of banking institutions is inseparable from the well-being of those who run them.

In an era where the banking sector continues to face transformational pressures, AIBOC's history of courageous advocacy stands as both a reminder and an inspiration. It shows what organised, principled resistance can achieve—and why speaking truth to power remains essential for safeguarding the rights of those at the heart of India's financial system.

Bank staff to go on hunger strike

By A Staff Reporter

BOMBAY, June 2: Officers of Syndicate Bank will go on a two-day relay hunger strike all over the country on June 4 and 5 to protest against alleged police repression, summary dismissals, mass suspensions and large-scale victimisation by the bank's management.

This programme has been chalked out by the All India Bank Officers' Confederation, the majority organisation of bank officers in the country.

The AIBOC has also called for a day's strike in the entire industry on the issue of victimisation in Syndicate Bank and ban on recruitments.

The association has deeply regretted the total disruption of services to customers of Syndicate Bank due to the insensitivity of the management. The AIBOC has already given a call to its members to boycott all cheques, drafts and instruments of Syndicate Bank.

Strike hits banks

NEW DELHI, January 25 (UNI): Banking operations in several parts of the country were crippled today as more than 200,000 bank officers observed a day's token strike to protest the "inordinate delay and indifferent attitude" of the Indian Banks Association towards their demands.

The demands of the All India Bank Officers' Confederation (AIBOC), which had called for the strike, include wage revision.

In Delhi, the Confederation claimed that more than 20,000 officers struck work, due to which no regional, zonal and branch officers of banks could function.

Demonstrations were held in front of head offices of several banks and the confederation warned that officers would resort to non-cooperation from February 1, if the demands were not accepted by then. It would be followed by another one-day strike and an indefinite strike in March, it added.

Our staff reporter adds from Bombay: Banking operations here were badly hit today as officers from a majority of branches stayed away from work.

The strike was nearly total as leading banks like the State Bank of India, Bank of India and Central Bank had to suspend operations.

Some branches, including Bank of Baroda, Bank of Maharashtra and Andhra Bank however, functioned as officers owing allegiance to the INBOC and the All-India Bank Officers' Association did not join the strike.



UNION UPDATES

Kerala Government Medical College Teachers Association Strike Hits Outpatient Care

The Kerala Government Medical College Teachers' Association (KGMCTA) escalated its ongoing industrial action by initiating a boycott of Outpatient (OP) department services, non-emergency surgeries, and academic theory classes across medical colleges on November 13, 2025. This action is a direct continuation of their protest against the state government regarding unresolved issues, specifically citing long-standing pay anomalies, including "abysmally low" pay scales for entry-level super-specialist doctors, the necessity for creating new posts, and the government's failure to install adequate security measures in public hospitals. The strike caused significant disruption to specialist consultations and elective procedures, though essential emergency services, intensive care units, and casualty sections were exempted to protect life-preserving functions.

Source: The New Indian Express, The Hindu, Medical Dialogues.

Date: 13–14 Nov 2025 .

Link: <https://www.newindianexpress.com/states/kerala/2025/Nov/14/kgmcta-strike-hits-outpatient-care-across-kerala-medical-colleges>

Karnataka Grameena Bank Employees Hold Two-Day Strike & Dharna

A significant two-day strike and dharna was conducted by employees of the Karnataka Grameena Bank (KGB) during the week leading up to November 13, 2025. This action, which was characterized by high levels of employee participation, was initiated to pressurise the management regarding unresolved internal staff welfare issues and various operational concerns within the bank. These disputes often revolve around the demand for management to convene a joint conference of officers and employees to collaboratively address their grievances. The industrial action resulted in the temporary disruption of banking services, particularly impacting the rural communities heavily reliant on the Grameena Bank's localized operations.

Source: thekanal.in

Date: 13 Nov 2025

Link: <https://thekanal.in/en-IN/details/karnataka-grameena-bank-employees-held-historic-two-day-strike-over-staff-welfare-and-operational-issues-23627>



Mumbai BEST Workers Union Suspends Hunger Strike Following Assurances

The leader of the BEST Workers' Union in Mumbai, Mr. Shashank Rao, suspended his indefinite hunger strike on November 15, 2025. This decision to halt the protest was made following the receipt of assurances from the Brihanmumbai Electric Supply and Transport (BEST) undertaking and the Brihanmumbai Municipal Corporation (BMC) management to address the workers' critical demands. The core issues driving the strike included demanding "equal work, equal pay" for contractual drivers to ensure parity with full-time staff, the immediate payment of gratuity and pending dues owed to over 4,500 retired staffers, and committing to an increase in the BEST-owned bus fleet. The successful suspension of this action averted a planned, wider system-wide strike that would have severely impacted Mumbai's public bus network.

Source: Free Press Journal Date: 15 Nov 2025.

Link: <https://www.freepressjournal.in/mumbai/mumbai-news-best-workers-union-calls-off-hunger-strike-after-assurances-from-undertaking>

Farmers raise their fists under the banner of SKM again

Farmers led by the Samyukt Kisan Morcha (SKM) protested across Punjab on November 4 against the forcible purchase of non-essential products with key fertiliser by the companies causing them financial crunch. The SKM is also seeking cancellation of FIRs lodged against farmers for burning stubble about which so far the state has not been able to provide any viable alternative. The farmers also demanded compensation and solutions to clear flood-hit fields for wheat sowing season beginning from November. Jugraj Singh Kabarwala, senior vice-president of the Punjab Kisan Union, which is part of the bloc, said, "If our issues remained unresolved even after submitting memorandums to the DCs on November 4, we will plan further action accordingly."

Source: The Tribune

Date: 2nd November 2025

Link: <https://www.tribuneindia.com/news/punjab/fearing-sowing-delays-skm-to-lodge-protest-with-dcs-on-nov-4/>

Karnataka farmers protest demanding fair price

Thousands of sugarcane farmers across North Karnataka – especially in districts like Belagavi and Bagalkot – have launched massive protests demanding a fair price of ₹ 3,500 per tonne for their crop, arguing that the current rates are unsustainable given rising costs. Their agitation has led to roadblocks, clashes with authorities, and factory shutdowns. After nine days of strikes, the Karnataka government negotiated a compromise: sugar mills will pay ₹ 3,250 per tonne, and the state will contribute an additional ₹ 50, raising the effective procurement price to ₹ 3,300.

Source: La Via Campesina

Date: 7th November 2025

Link: <https://viacampesina.org/en/2025/11/karnataka-india-massive-protest-by-sugarcane-farmers-demanding-better-price-support/>

Sanitation workers in Chennai demand their work be reinstated

Sanitation workers in Chennai, protesting the Greater Chennai Corporation's decision to privatise waste management, staged a dramatic demonstration by wading into the sea at Marina Beach and demanding their jobs be reinstated under the Corporation. In response, the Anna Square police have filed an FIR against 83 of them (including 51 women), charging them with unlawful assembly for protesting in a non-permitted area. The workers say they were never properly registered when detained, and they fear reprisals after union leaders warned of escalated agitation if their demands are ignored.

Source: The New Indian Express

Date: 6th November 2025

Link:<https://www.newindianexpress.com/cities/chennai/2025/Nov/06/fir-against-83-sanitation-workers-over-protest-at-marina-beach-demanding-job-reinstatement>

State of Strike by Petrobras workers in Brazil

Petrobras workers in Brazil have rejected the company's latest labor proposal, prompting their union to declare a "state of strike," which means they can call a strike at any time without further approvals. The move comes amidst growing tensions over cost-cutting measures, changes to working conditions, and disputes on compensation. The workers are demanding better terms in the collective bargaining deal, especially around benefit cuts and staffing levels, while the company has recently moved to reduce its workforce through a voluntary redundancy plan for about 1,100 employees.

Source: Reuters

Date: 8th November 2025

Link:<https://www.reuters.com/business/world-at-work/brazilian-oil-firm-petrobras-workers-approve-potential-strike-2025-11-10/>



Photo: AP

Nurses and midwives association protest in Uganda

A sharp conflict has broken out in Uganda between the Health Ministry and the Association of Graduate Nurses and Midwives (AGNMU) after the ministry waived the mandatory one-year medical internship for nurses and midwives who have upgraded from a diploma to a bachelor's degree. AGNMU argues the move was made without proper consultation, assessment, or research, and that the clinical training provided by internships is vital for patient safety – especially because diploma-level training is not uniformly clinical across institutions. They filed a petition, calling the waiver “procedurally flawed” and warning it undermines the quality of nursing care. Health policy experts have also warned that this could jeopardize care standards, urging the government to invest more heavily in hands-on training.

Source: Daily Monitor Uganda

Date: 10th November 2025

Link: <https://www.monitor.co.ug/uganda/news/national/why-are-the-health-ministry-nurses-body-locking-horns--5258604>

Red Saturday march in South Africa

South African Communist Party together with the National Union of Mineworkers led a protest march in Cape Town to Eskom and the Department of Employment and Labour. The Red Saturday march focused on economic justice and workers' rights, highlighting the following demands: Opposition to the unbundling and privatisation of Eskom, Reversal of excessive electricity tariff hikes, Urgent increase in the number of labour inspectors, Expansion of labour department services in rural areas.

Source: South African Communist Party

Date: 8th November 2025

Link: <https://www.facebook.com/SACP1921/posts/sacp-num-red-saturday-protest8-november-2025today-the-south-african-communist-pa/1126632436316550/>

Unionized Starbucks Workers Initiate Open-Ended U.S. Strike

Unionized Starbucks workers initiated an open-ended unfair labor practice (ULP) strike on November 13, 2025, strategically commencing the action on the high-visibility "Red Cup Day." This significant mobilization involved over 1,000 baristas across more than 65 stores in over 40 U.S. cities. The core grievances driving this action stem from the company's protracted failure to finalize a fair union contract and the union's allegations of persistent anti-union activity, including the failure to resolve hundreds of outstanding ULP charges. The workers' demands center on achieving higher take-home pay, securing better assigned hours to address chronic understaffing, and ensuring the timely resolution of all alleged unfair labor practices. This industrial action is viewed as a substantial escalation in the national labor dispute within the service sector.

Source: Al Jazeera

Date: 13 Nov 2025

Link: <https://www.aljazeera.com/economy/2025/11/13/unionised-starbucks-workers-begin-open-ended-us-strike>

JOHESU / Nigeria Health Unions Declare Indefinite Strike

The Joint Health Sector Unions (JOHESU), along with affiliate bodies, formally declared an indefinite nationwide strike effective November 15, 2025, following the expiration of their stipulated notice period. This action was mandated in response to the Federal Government's persistent and prolonged failure to implement the adjusted Consolidated Health Salary Structure (CONHESS). The unions specifically cited the delay in addressing the recommendations made in the High-Level Body (HLB) Committee's 2022 report and noted that successive government administrations have failed to rectify the long-standing salary disparities affecting their members. This industrial mobilization, which threatens a nationwide shutdown of federal hospitals, was undertaken after multiple prior strike suspensions based on government assurances that were not fulfilled.

Source: Premium Times Nigeria, Punch, Vanguard News.

Date: 14–15 Nov 2025

Link: <https://www.vanguardngr.com/2025/11/health-workers-declare-nationwide-strike-over-12-year-salary-adjustment-delay/>

[JOHESU declares nationwide strike over 12-year salary delay - P.M. News](#)

UK Hospital Consultants Preparing to Join Junior Doctor Strikes

Reports indicated that senior hospital consultants in the United Kingdom were actively preparing to vote on and potentially join the ongoing industrial action led by resident (junior) doctors. The underlying cause of this potential escalation is the protracted dispute over pay erosion and the conditions of service, which the British Medical Association (BMA) has been vigorously campaigning to resolve. The involvement of consultants, the highest-earning clinical staff, would signal a severe escalation in the dispute with the government and the National Health Service (NHS). Consequently, NHS England issued guidance to trusts, emphasizing contingency planning to protect urgent elective surgery, cancer care pathways, and critical patient services against the major disruption anticipated from the combined action scheduled for the mid-November period.

Source: The Guardian

Date: 13 Nov 2025.

Link: <https://www.theguardian.com/society/2025/nov/13/hospital-consultants-gearing-up-to-join-resident-doctors-in-striking-over-pay>

New Zealand Health Sector Strike Plans Escalate Over Safe-Staffing

The Public Service Association (PSA) in New Zealand reported escalating strike plans for the health sector, with an additional 5,200 workers voting to join the industrial action scheduled for the end of November 2025, bringing the total number of striking staff to approximately 16,700. The primary motivation for this large-scale mobilization is the union's claim for safe

staffing levels and a cost-of-living pay increase, arguing that the existing pay offers do not keep pace with inflation. The affected groups include mental health nurses, public health nurses, and specialist advisory staff, who will join 11,500 allied health workers already committed to the action. Health New Zealand, while expressing disappointment during mediated bargaining, confirmed it was developing contingencies to mitigate patient impact, prioritizing life-preserving services.

Source: RNZ

Date: 11 Nov 2025.

Link: <https://www.rnz.co.nz/news/top/578446/november-health-strike-grows-to-16-700>

Indigenous protestors at COP 30

A group of Indigenous protestors forced their way into the COP30 UN climate summit venue in Belém, Brazil, leading to a brief clash with security guards as they were pushed back. Two UN security staff were injured, according to a UN climate agency spokesperson cited by Reuters. The confrontation occurred late in the day as delegates were leaving, with protestors shouting demands for access to the UN compound and carrying flags and signs asserting land rights, including messages like “our land is not for sale.”

Source: Indian Express

Date: 12 Nov 2025

Link: <https://indianexpress.com/article/world/protesters-force-their-way-into-cop30-climate-summit-venue-confront-security-personnel-10360412/>



Bank News



India's biggest lender backs another wave of bank mergers

Nov 14th, 2025, The Economic Times

Link: <https://economictimes.indiatimes.com/industry/banking/finance/banking/indias-biggest-lender-backs-another-wave-of-bank-mergers/articleshow/125322136.cms>

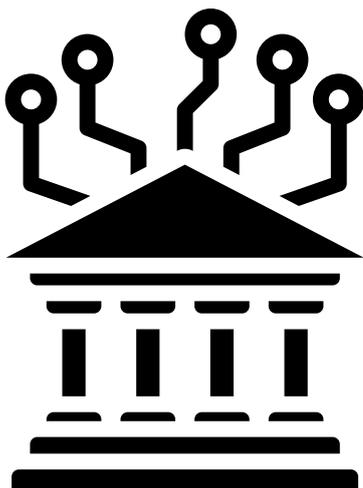
State Bank of India chairman Challa Sreenivasulu Setty sees potential for more mergers among state-backed banks. This move aims to create larger institutions to support India's rapid economic growth. The government needs significant bank financing for infrastructure and industrial projects. SBI is actively expanding its market share and wealth management services.

Banks at crossroads as AI costs rise and risks escalate: S&P Report

Nov 13th, 2025, The Economic Times

Link: <https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-at-crossroads-as-ai-costs-rise-and-risks-escalate-sp-report/articleshow/125303897.cms>

Global banks face new challenges from digitalization and AI. These changes will impact business models and risk management. Credit losses are expected to rise, particularly in the Asia-Pacific region. However, strong profitability and regulations should keep these losses manageable. The banking sector is set for significant shifts.



SBI aims completion of core banking modernisation in 2 years: MD

Nov 13th, 2025, The Economic Times

Link:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/sbi-aims-completion-of-core-banking-modernisation-in-2-years-md/articleshow/125302997.cms>

State Bank of India plans to finish its core-banking system upgrade within two years. The bank is modernizing its technology through various strategies. This includes upgrading hardware and moving to new software. SBI is also externalizing some functions and using microservices. A private cloud is being built for scalability and security.

IndusInd Accounting Probe: Mumbai Police finds no criminality by ex- execs

Nov 12th, 2025, The Economic Times

Link: <https://economictimes.indiatimes.com/industry/banking/finance/banking/indusind-accounting-probe-mumbai-police-finds-no-criminality-by-ex-exec/articleshow/125281319.cms>

In a recent announcement, the Mumbai Police Economic Offences Wing has concluded its investigation into the accounting discrepancies at IndusInd Bank, reporting a lack of evidence for any fund misappropriation. Consequently, no criminal charges will be filed against former high-ranking officials.





© UNFCCC/Diego Herculano Mundurucu Indigenous Peoples protest at the UN Climate Conference in Belém, Brazil.



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BANK beats