



Association of Officers of UCO Bank
(Registered under the Indian Trade Unions Act, 1926)
Affiliated to All India Federation of UCO Bank Officers (AIFUCBO)
An Affiliate of All India Bank Officers Association (AIBOA)

Circular No. 139/2018-21

17th September, 2020

TO ALL THE MEMBERS

Re: BANKING SYSTEM UNDER PUBLIC SECTOR SHOULD BE PRESERVED, PROTECTED AND PROMOTED IN THE LARGER INTEREST OF NATION BUILDING ACTIVITIES

We reproduce hereunder the full text of Circular no. AIBOA/CIR/2020-21/37 dated 15th September, 2020, issued by Com. M K Gupta, General Secretary, All India Federation of UCO Bank Officers, wherein, Federation reproduced full text of AIBOA Letter NO MIN:RBI:83:2020 dated 14/09/2020 written by Com. S Nagrajan, General Secretary of AIBOA to **Hon'ble Members Of Parliament**, on the captioned subject for information of all concerned.

Comradely Yours,

Yours truly,

Ajoy Kumar Mondal
General Secretary

Quote

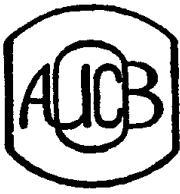
Dear Com,

We reproduce herein the text of AIBOA Letter NO MIN:RBI:83:2020 dated 14/09/2020 written by Com. S Nagrajan, General Secretary of AIBOA to **Hon'ble Members Of Parliament**, regarding Save the Public Sector.

Regards,

(M K Gupta)

General Secretary



Quote

TO

Hon'ble Members Of Parliament,

(Lok Sabha and Rajya Sabha)

Respected Sir/Madams,

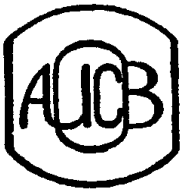
BANKING SYSTEM UNDER PUBLIC SECTOR SHOULD BE PRESERVED, PROTECTED AND PROMOTED IN THE LARGER INTEREST OF NATION BUILDING ACTIVITIES.

Our Nation, one of the largest democracies in the world, is passing through an unprecedented economic crisis, in the background of the spread of the Pandemic COVID-19 affecting the livelihood every citizen of our country.

2. The data of GDP for the first quarter (April-June 2020) is unambiguously and seriously bad. Agriculture Sector alone grew at 3.4%. All other sectors have contracted. Construction activities halved, trade activities are seriously in negative %, manufacturing is less than the half of its earlier one, expenditure by Government through Public Administration was also underperformed and as a result of the above the GDP performed extremely poor in the last thirty years.

3. **Banking is considered to be the central fulcrum of the development of the economy of all Nations. Our Country is not an exception. The role of the Public Sector Banks right from the days of Nationalisation (19th July 1969 and 14th April 1980) played significantly in implementing the various programmes rolled out by the Governments at the Centre from time to time. The banking was made available to every citizen of the Nation. Banking Institutions are the instruments to bring growth in all spheres of activities. Some of them notably are; the Green Revolution, white revolution, Integrated Rural Development Programme, Extending finance through District Industries Centres, Lending to Infrastructure projects through Consortium, and Financial Inclusion programme as Jan-Dhan yojana Scheme, 50 days urgent activity of collecting Currency under Demonetisation exercise and finally implementing the stimulus package announced by the Government of India to revive the economy affected by COVID -19. Only, the Public sector banks are directly responsible for the success of the schemes implemented in breakneck speed. Time and again, the responsible representatives of the Government complimented the role played by the Public Sector Banks in implementation of the programmes with the highest level priority and also with precision.**

4. There are serious attempts to retain few Banks under Public Sector and other banks are attempted to be privatised. Conflicting views are emerging from Niti



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Ayog, as their recommendations are related to Public Sector Units and their remarks are decisively evasive. The precarious health conditions of the Banks are on account of accumulated bad loans and the recovery laws are in favour of defaulters. The role of National Company Law Tribunal (NCLT) is totally in favour of the defaulters, as seen from the decisions delivered so far. Gross profit earned by the Banks is mostly appropriated to provide for Bad loans.

5. We, from **ALL INDIA BANK OFFICERS ASSOCIATION (AIBOA)**, **urge, request and appeal to you not to allow dilution of equity** of Government in Public Sector Banks to begin with or straightaway handing over the Public Sector Banks to Private hands. The recent happenings in YES bank bailout by SBI or the PMC Bank in Maharashtra should be the eye-opener to all the people's representatives. **The efforts should be strengthening the Public Sector Banks in full measure especially when the growth map of the nation is one of the retardations. Any attempt to weaken the present structure of Public Sector Banks would certainly lead to a deep crisis in the national economy.**

6. We are counting on everyone's support in this noble task of enlarging the coverage of the Public Sector Banking, as they are instruments of national growth in all spectrums. The performance speaks for itself.

Let us defend the Public Sector Undertakings as an apple of an eye including the Banks.

Yours faithfully,

S Nagarajan
General Secretary

Unquote