

**CIRCULAR NO. 38 /2020**

**DATE : 29.02.2020**

**TO,  
ALL MEMBERS**

**AIBOC ISSUES PRESS STATEMENT OBJECTING THE DEROGATORY STATEMENT OF HON'BLE  
FINANCE MINISTER ABOUT PUBLIC SECTOR BANKS AND THE BANKING FRATERNITY**

We reproduce hereunder the text of the AISBOF circular No. 38 dated 29.02.2020 , the contents of which are self-explicit.

With warm greetings

**(Ajit Kumar Mishra)  
GENERAL SECRETARY**

**OUR UNITY : ZINDABAD-ZINDABAD  
S.B.I.O.A : ZINDABAD-ZINDABAD**

**TEXT**

**AIBOC ISSUES PRESS STATEMENT OBJECTING THE DEROGATORY STATEMENT OF HON'BLE  
FINANCE MINISTER ABOUT PUBLIC SECTOR BANKS AND THE BANKING FRATERNITY**

We reproduce hereunder the text of AIBOC Circular No.2020/23 dated 28/02/2020 contents of which are self-explanatory for information of the members.



**(Soumya Datta)  
General Secretary**

**AIBOC ISSUES PRESS STATEMENT OBJECTING THE DEROGATORY STATEMENT OF HON'BLE  
FINANCE MINISTER ABOUT PUBLIC SECTOR BANKS AND THE BANKING FRATERNITY**

We have issued a press release today on the captioned subject, text of which is appended. We request all our affiliates and state units to circulate it amongst their connections in print and electronic media.

With greetings,  
Sd/-  
(Soumya Datta)  
General Secretary

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**Text of the Press Release dated 28.02.2020**

**PRESS RELEASE**

**AIBOC Strongly Objects to the Derogatory Statement of Hon'ble Finance Minister about Public Sector Banks and the Banking Fraternity**

We are anguished to read a news item appearing in the media that while speaking at the event to unveil EASE 3.0 – Public Sector Bank Reforms Plan, the Hon'ble Finance Minister of the Country while advising Banks to connect to the grassroots level, is reported to have said - *“Your goodwill is lost, personal connection is lost, assessment at the bottom level is lost.... Forgetting branch-level connect with customers has not done us good. RBI will come back and say you borrow from me at a much lower interest rate... I can go on meeting you but it will still not reach the customer. Motivation at branch level (is required)”* -TOI 27 Feb 2020. It is also reported that bankers are not aware of Government Schemes. All India Bank Officers' Confederation (AIBOC), the largest and apolitical trade union in banking industry representing more than 3.20 lakh officers in the country is not only shocked at this public utterance but also rejects such adverse comments. We fail to understand the reason and intention of the Hon'ble Finance Minister for making such comments. We are pained at such sweeping remarks by a personality none other than the Finance Minister of the country. We have been receiving reactions from the officers and staffs across the country expressing agony, angst, and anger about this. Bankers at the grass-root level have felt that these comments are nothing short of insinuating and have been made to lower their dignity by humiliating them. Without any consideration for those who are toiling despite the constraints of grossly inadequate human resources to handle the mammoth business and customers. We are compelled to believe that such outburst, in public, is nothing short of demeaning the very stature of Public Sector Banks.

We would like to place on record our response to such demolition of the image in public domain and remind the Hon'ble Finance Minister and the *powers that be*, of the role played by Public Sector Banks in all walks of life for the citizenry. It is needless to say that today the country is what it is only on account of the sweat and efforts of the banking industry. Be it Green Revolution, White Revolution, Blue Revolution, funding infrastructure, agriculture, small industries, village and cottage industries, rural artisans, sharecroppers; or the flagship project of the Government – Jandhan, Mudra, Atal Pension, Pradhan Mantri Jeevan Jyothi Bima, Pradhan Mantri Suraksha Bima Yojanas, Stand-up India Scheme, DBTs and implementation of Schemes of State and Central Governments, Aadhaar enrolment, census job et al, PSBs took active part in the implementation of all of these. It is to be recollected that 2 Crore of Jandhan Accounts were opened by PSBs in just two days. It is PSBs who are in the front line for all mass activities. The much-publicized successful implementation of demonetization is only because of the relentless work of PSBs. This was appreciated by all, including Hon'ble Prime Minister.

Jandhan alone will tell the tale – 98% of accounts are opened by PSBs (including RRBs). While the so-called and glorified other players in the banking sector, go after cream layers, we at PSBs, work as the extended arm of Government to serve the masses. In terms of the number of customers and transactions, PSBs are unmatched. The number of accounts of PSBs cannot even be compared with private players. In these aspects, their numbers are minuscule when compared with private banks and just a fraction of PSBs. Naturally, the resultant footfalls, rush and pressure on PSBs are humungous. The Government never bothered to recruit personnel at PSBs on a continuous basis, resulting in gross under-staffing while the number of accounts and businesses to be serviced by them has gone up exponentially. Umpteen numbers of initiatives of different Governments set stiff targets which only the PSU bankers carried out. Now, the latest being KCC saturation for PM Kisan Yojana and PM Fasal Bima Yojana.

The Finance Minister could have paused for a few seconds to contemplate whether the new generation private sector banks have any substantial or worthwhile contribution to make in any of these activities? At the most, the initiative could only be demonstrative from them. It is the PSBs who work in nooks and corners of the country, few of which are situated at such terrains, that reaching them by itself is a herculean task. Not only this, the PSBs has systematically been forced to do the jobs of government departments, which are basically non-banking activities. Activities like Pension disbursement, income tax, service tax collection and excise collection - all these in the name of non-interest income and cheap float funds - were passed on to PSBs.

Now, the pertinent question also needs to be answered by all, more especially finance ministry, who is the owner of PSBs. Why are all the initiatives of the Government dumped on PSBs? ***The reason is absolutely clear – PSBs are dependable, trustworthy and upright.*** PSBs feel that they are a part and parcel of the Government and they should stand with the common man of the country, unlike others, who only look for gains, profits, and up their profile in stock market.

Coming to the issues raised by Finance Minister like credit offtake, it is well known fact that entire world is suffering on economic slowdown. Our country is also not an exception as it is linked to the world through the globalization of services. While PSBs did effectively manage the situation in such a way that the industry and economy of the country had little of its effects, it also faced the brunt of the downturn. Credit off-take is co-related to the economic cycle, the policies and directives of the Government/Regulator. As regards Credit Information Reports, the system was built by the policymakers of the country in which the Finance Ministry, Regulator, and the entire financial system are also partners. As such, any shortcomings, gaps need to be looked into by the Government and appropriate steps to be initiated, instead of blaming the Banks alone.

We, the officers in PSBs are nearer to the common man. We keep our feet firmly rooted to terra firma and confident about our aim to serve the masses, unlike our counterparts in the private sector. PSBs, by its very characteristics, are into mass banking. On account of a very huge volume of transactions, branches, ATMs, and customers they have, PSBs will naturally have a comparatively greater number of grievances reported. Also, Deterioration of customer service quality is a logical corollary to the increasing and unnecessary workload on bank employees. If we want all citizens to move into the formal financial system, then bankers must be allowed to do their primary job of providing banking service instead of burdening them further with different non-core jobs. Considering the volume, expanse and depleting staff, this should be a warning bell to the Government to wake up and start augmenting staff to take care of the requirement of 125 crore population of this country.

It is not that PSBs who are going away from customers. It is a hard truth that, through merger of Public Sector Banks, closure of bank branches, sky-rocketing of service charges, the customers are being put to discomfort and driven away. By consolidation of Banks, the Government is stepping back on financial inclusion plans. As all are aware these policy decisions are not taken at bank-level or in the front counters of the bank branches.

The Banks reducing their recruitment along with undue stress and work pressure from long hours and difficult working conditions without commensurate compensation/incentive package is in fact discouraging prospective candidates and brighter talents in the country. Proper manpower planning and human resource development strategies should be put in place in PSBs so that the staff/officers groomed into the system, remain motivated and a sudden vacuum is not created at the junior/middle levels due to manpower shortage.

Bankers are working under immense work pressure for almost 9-10 hours a day. As most of the Government offices will be closed by 5.30 pm, bank officers burn their life sitting late at night to complete their work. While Finance Minister has recognized the grievances of public, our grievance/demand for fair wage revision and other service conditions continues to fall on deaf ears.

When this is the fact prevailing in public sector banks, it would not only be painful to hear the adverse comments by none other than the Finance Minister, who is a parent-like figure for the PSBs, but leaves all bank employees unhappy, and demotivated. The comments of Hon'ble Finance Minister are very unfortunate, devoid of substantiated reasons, sweeping and definitely remains as a scar on the heart of personnel in PSBs. We request Hon'ble Finance minister, through this Press Release to note our strong objection and vehement protest against the unwarranted statement belittling the Public Sector Banks and the entire banking fraternity.

Sd/-  
(Soumya Datta)  
General Secretary