Red Salute to Com. Naresh Paul

The doyen of Bank Employees' Movement
on Birth Centenary

FORUM

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13th Conference of Malda Regional Committee

7th Conference of Cachar Regional Committee

13th Conference of Kolkata (South) Regional Committee

12th Conference of Nodia Regional Committee

11th Conference of Purulia Regional Committee

Workshop on Organisation held at Tapan Theatre on 04.11.2017 Kolkata

EDITORIAL

Indian economy is in a mess. Recent economic surveys undertaken by different central agencies including Central Statistical Organisation (CSO) and Reserve Bank of India (RBI) present a very dismal picture of the economy in every front. GDP growth in the first quarter (April-June) of FY 2017-18 has come down to 5.7% from 7.9% of the corresponding period of FY 2016-17 which amounts to loss of Rs. 3.3 lakh crore in public exchequer. Similarly Index for Industrial Production (IIP) during the June 2017 quarter has reached to the bottom -just 1.2% which was 10.7% in the last year. Agriculture continues to be in total disarray for a long time. Service Sector, which has been maintaining a more or less satisfactory level so far, has also suffered a jolt registering a growth of only 47% i.e. 3% below the benchmark of 50%. Export is equally witnessing negative growth consecutively for the last 3 years. Despite the market being made wide open and free from all shackles exposing even sensitive sectors like defence production, banking, insurance, telecom etc. to 100% FDI, investment is still at low key. Staggering Non Performing Assets (NPA) of Public Sector Banks (8.29 lakh crore, according to IBA report of October, 2017) causing sharp capital erosion and credit squeeze has further delivered a deadly blow on the shrinking economy. Unemployment has reached to an alarming height practically virtually with no fresh employment but addition of nearly 1.30 crore youth every year to the reserved army of the unemployed. Demonitisation has further snatched away livelihoods of lakhs of workers and small traders engaged in unorganized sector. Common people including small businessmen and traders are facing dire consequences of Goods & Services Tax (GST) since introduced from 1st July, 2017. In fine, lives and livelihoods of the people are at jeopardy. All this casts a big shadow over the economy. Ironically enough, the Modi-Govt. is in no mood to abdicate the vicious path of pro-corporate neo-liberal reforms. Rather, the more the economy is sinking, the more the Govt. is embarking on reforms in fine tune with their corporate masters with no heed to the woes and miseries of the people.

Corporate capital dictated policies of reforms have wrought a havoc in Banking industry. Public Sector Banks, in particular, are overburdened with humongous stressed assets (more than 12 lakhs crore). Due to huge provisioning for NPA, PSBs incurred net losses in last two years consecutively despite earning substantial operating profits. The Govt. is, however, carefully reluctant to take the real culprits, a handful corporate defaulters, to task. On the contrary, in the name of NPA resolution Banks are forced to make huge sacrifices by way of write off and waiver. During the Modi regime alone corporate loan to the tune of Rs.2 lakh crore has been written off. To speak the truth, NPA in Banking sector is the biggest financial scam perpetrated by the nexus of ruling Govt., corporate and a section of bankers combine. Ostensibly to boost up the sagging economy the Govt. has decided to infuse fresh capital of 2.11 lakh crore in PSBs during the next two years mainly through recapitalization bonds. This is practically a bail out to the willful corporate defaulters at the cost of public money. Taking advantage of the worsening situation persisting in PSBs, corporate media is working overtime to project them as white elephants in public minds. The Government and its pet economists are openly advocating for consolidation of PSBs through merger and even re-privatisation. The blue print is ready to dismantle public sector banking. Bank employees irrespective of colours and shades are fighting hard against this heinous game plan of the Govt. under the leadership of UFBU. As many as 57 Bank strikes have been organized so far since introduction of neo-liberal reforms in the industry, the latest being on 22nd August, 2017. Colourful Parliament March with massive participation of Bank employees all over the country was organized immediately thereafter on 15th September, 2017. But, the Modi-Govt. appears to be undeterred. They are determined to pursue their much coveted goal Bank privatisation. On the very next day of the last Bank Strike, the GO1 has given in-principle approval for Banking sector consolidation through an *'alternative mechanism'*. Hence, the menace of merger looms large over the industry. But the entire Banking community is in war path and they must not give in. Struggle will continue till the Govt. steps back. Need of the hour is to mobilize more and more people in defence of public sector banking, the strongest dyke of our national economy.

Our Bank UBI is in dire strait since its financials continues to be deteriorating with no sign of turning around. As at the end of the first quarter June 2017, the Bank incurred a net loss of Rs.2llcrore with meager retail advance growth of 500 crore (5%) vis-a-vis fresh slippage of 1670 crore leading to rise in GNPA to 12165 crore (17.17%). Performance of the September, 2017 quarter is equally dismal and the Bank sustained net loss yet again. On the other hand, acute shortage of award staff employees is practically disrupting front line service to the customers in branches. This has also become a stumbling block to the Bank's growth and development. But the apex management has been maintaining a stoic silence for long over the recruitment of the selected candidates of 1BPS-V1. Conversion of eligible PTS employees to HKS as per Bank's circular is also gathering dust. Truly speaking, capricious functioning of HR management has created a serious stalemate and worsened the situation. In a situation like this, we can hardly afford to be helpless onlookers to the downfall of our beloved institution and must go a long way to uphold the dignified identity of our Bank.

We must appreciate that our ensuring All India Conference assumes much significance under the given perspective. The conference, we believe, will rejuvenate our beloved organization befittingly with youthful vigour and matured experience enabling us to play our assigned role in forthcoming days resolutely. We once again call upon our members to take all out preparation in every respect to make the conference a resounding success.

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Globalisation and working class in India

— Rana Mitra

Globalised India : The end of a sweet dream

The panacea which the then prime minister Monmohan Singh imported in India to combat with financial crisis under the direction of fund bank in 1991 has attained maturity of 26 years in 2017. But the halo of sweet dream which was being woven at that time so cautiously is a broken one when one looks at the health card of this emaciated young man of 26 years. Propagators of this policy throughout the globe are still trying to hide the fragility of this policy of LPG by arguing with several points though reports of financial progress in our country as also in many countries of .the world like us have raised question about the relevance of adopting this policy of liberalisation. That this policy has given rise to glaring unsustainable chasm of inequality separating the top 1% population from the bottom 50% has been very recently admitted , albeit indirectly by its principal architect, Dr.Monmohan Singh through one of his write ups.

Past and present of economic policy

One of the reasons of following neo liberalisation in India as proclaimed that the rate of trade deficit increased by leaps and bounds by the economic policy of earlier government. New economic policy wanted to convince people that India would gain fiscal trade surplus, interim economy would be nourished profusely and there would be a fair chance of employment if there is privatisation in stead of nationalised sector in every step of economy, unbridled policy of hire and fire by curbing minimum safety of working class by means of amendment of labour laws which are protecting them. The government projected the new policy of liberalisation that can save India from price hike to fiscal trade deficit. But Indian people are now horrified having seen the outcome of liberalisation. If we compare economic scene of 1990-91 with that of after liberalisation we all stand flabbergasted. According to economic survey of Government of India, trade deficit of India reaches the height of 118.7 billion dollar, which was 6 billion dollar in 1990-91. The rate of average agricultural growth during 1980-81 to 1990-91 (before a decade of the commencement of liberalisation) 5% per annum which ceases to be near around 5% during 26 years after the inception of new economic measure. The growth rate of industrialization is the most discussed topic in public media. The growth rate of industrialization which was 7.5% during 11 years before liberalisation i.e during 1980-81 to 1990-91 never reached 7.5% p.a.in any one decade. The very poor index of appraisal of these three fundamentals of economy brings to light the bony structure of so called vibrant young man born 26 years ago.

Neo-liberalism in India -the omen of an impending disaster

It is evident from current economic survey 2016-17 published by Govt.of India that aforesaid economic crisis is going to be very disastrous in coming days. According to last economic survey-

1. In terms of gross national production inflow of net capital captured through capital/GDP ratio declined to 1.8% in 2016-17 from 2.6% in 2013-14.

2. Total foreign debt increased to 484.3 billion dollar in September 2016 from 224.4 billion dollar in 2007-08

3. In terms of gross national production the external debt /GDP ratio reached 23.4% in September 2016 from 18% in 2007-08.

4. Foreign portfolio investment has become negative* for the first time after melt down of world economy in 2008, resulting in the outflow of capital amounting to 23079 crores from Indian market to foreign market in 2016.

5. Central economic survey was compelled to acknowledge that employment created in December 2014 to December 2015 was only 135000, which was projected to 2 crore a year by the Government. This survey directed Government to adopt functional initiative to change over this miserable condition.

6. In spite of illuminating show off the expenditure in social sector remained tardy at 7% in 2016-17 being unchanged from 2009-10.

7. Expenditure on education and health ,two most important sectors also remained unchanged to 3% and 1.4% respectively from 2009-10 to 2016-17.

A glimpse of all pervasive crisis is explicit in all spheres of life may that be in industry, agriculture , education, health or other social turmoil index or in labour market, banking or other service sector. Ruling class of the country is trying to shift the burden of the crisis on the shoulders of working class to get relief from it. So naked attack of corporate sector on working class and at the same time conspiracy to divide the unity of peasants and working class in terms of caste and creed to divide the class unity to demolish their protest movement that is going on.

Collapse of socio-economic sector in India — in the regime of neo liberalism

Miserable picture of socio economic development in India in the regime of liberalisation has been published in more than one reports of central government. According to important news media that NITI Aayog on behalf on Indian Government focussed only on 6 goals out of 17 in its report on Sustainable Development Goal or SDG placed in 19th July 2017 in United Nations. NITI Aayog gave impetus only on 1. No poverty. 2. Zero hunger. 3. Good health and well being of its citizens. 5. Gender equality. 9. Industry, innovation and infrastructure. 14. Life below water and preservation of aquatic wealth. 17. International partnership for sustainable development. But India lagged far behind China in quality and quantity in presenting this report. India remained remarkably silent regarding some other goals of SDG such as 4. Quality education for all. 8. Decent work and economic growth. 10. Reduction in inequalities.in this report. Undoubtedly the lack of striking development which compelled India to remain speechless in these points would impede her position in Internetional arena.

Working class in India -the true picture

It is easily understood how much crucial is the condition of the people when the Government itself chose to be silent in presenting report to avoid embarrassing situation in International forum. Only two or three points in this respect to be dealt with in this article to be brief.

Firstly, according to the annual calculation of Global Hunger Index by International Food Policy Research Institute 2016, in the year of 25 th anniversary of Liberalisation India ranked a lowly 97 among 118 developing countries. Countries worse than India include extremely poor African countries such as Niger,Chad , Ethiopia and Sierra Leone besides to of India's neighbours Afganistan and Pakistan. Other neighbours like China even Bangladesh, Nepal and Sri Lanka all are ranked above India. In fact, Bangladesh ranked 84 with a score of 38.5 in 2000 just below India. But in 2016, it has improved beyond India with a GHI score of 27.1 and a rank of 90 to India's 97 with 28.5 score. What a success ! India got a reverse swing from 83 to 97 within 15 years.

Secondly, the picture of unbridled attack on working class during liberalisation has been projected clearly in the report of ILO in India Decent Work Country Programme 2013-2017. Miserable condition of working class is portrayed in every line in this report. Labour force participation rate of capable young men declined from 87.1% to 82.7% from 2004-05 to 2011-12. In the same way participation of women work force decreased from 45.4% to 33.1%. in this respect India is placed in a very low rank where a lion's share of vast working people of India are being engaged in unorganised sector(82.2% in 2011-12). If unorganised part of workforce of organised sector are being included the number reaches 91.2% , who are solely dependent on the discretion of the management and actually outside the protection of labour laws.

In this condition, central government is blowing dart on the dead initiating to impose slavery on the labour force by taking effort to amend labour laws. Central cabinet is trying to codify 44 labour laws within 5 labour codes only to protect the mal interest of industrialists and push labor force outside. Main features of liberalisation are nothing but more and more inequality and concentration of wealth and capital. In 1982-83, the share of profit in value added was 20% and wage was 30%, which has become 50% and 12.9% respectively with the emergence of liberalisation. It is easily presumed what a dangerous effect this amendment should bring in India where 90% on Industrial dispute occur due to non implementation of prevalent labour laws.

Medieaval attack of centralised finance capital—class unity is the only way out

The attack of finance capital in a country like India is characterised by its duality. In one hand the usual crude attack of finance capital on working class is taking the shape of primitive accumulation and on the other the politics of identity is being imposed as a weapon to divide working class in respect of caste, religion ,language etc. In reality it is an alternative dangerous underhand weapon of capital to attack labour. Capitalists are using this card at a time when working class are losing more and more their shelter, employment and wealth worldwide. Economic and social inequality are increasing in a rapid pace. There is no way but to build up barricade with class unity to resist this attack. Central trade unions of India has been successful to build up a remarkable broader platform of united struggle in this 26 years in spite of so many provocations and attempts to weaken their unity. Working class of India participated in at least 17 general strike being directed by their trade unions. Trade unions of Banking Industry, Insurance, Coal and Steel ,BSNL and in some places workers of unorganised sector have organised intensive movement with their own demands which have lowered down the pace of liberalisation in some way though not to a desirable extent. The only important task of the trade union to day would be to ride over the fencing of liberalisation organising united movement. 10 lacs of working people participated in the historical all India general strike on 2nd September 2016. Representatives of central trade unions have met in Delhi on 8th august 2017 to formulate next programme. The mammoth **Mahapadav** of Trade Unions at Delhi from 9-11 November 2017 with overwhelming participation from all sides of working class has shaken the ruling class and further strengthened the class consciousness of workers. On the other hand another remarkable incident is the emergence of agrarian movement in almost 170 districts of India that culminates in a massive rally at Delhi on 20th November 2017. It is the challenge of responsible trade unions to assimilate these movements in one platform. In the words of prof Bryan D palmer "... And it is indeed class struggle—rooted in expropriation and forged in the increasingly agitated crises of capitalism—that remains the ultimate basis for changing the world through a transformative politics."

The Globe is waiting for a regiment of Prometheuses working in organised and unorganised sectors in India . Come they must as the future of humanity is in their hands and as in Greek tragedy Prometheus Bound of Aeschylus they would snatch fire from the hands of unwilling Gods like capitalists to eradicate the darkness of exploitation ,and illuminate the path to humanism.

Reference

1. Economic survey 2016-17 Govt of India and The Economic Times, December 25,2014.

2." Reconsiderations of class: Precariousness as Proletarianization," Bryan D Palmer.

(The author is Joint Secretary of BEF, W.B. and Vice-President of All India NABARD Employees' Association)

OPPOSE MERGER MOVE OF PSBs

—Debasish Basu Chaudhury

Ten lakh employees and officers of entire banking industry observed country wide bank strike at the call of United Forum of Bank Unions (UFBU) on 22nd August 2017 on 17 point demands. On 23rd August 2017, the Union cabinet chaired by the Hon'ble Prime Minister decided to give in-principle approval for Public Sector Banks to amalgamate through an Alternative Mechanism (AM). The Press Information Bureau (Govt. of India), has communicated that the decision was taken to facilitate consolidation among the Nationalised Banks to create strong and competitive banks.

The salient features of the approval Framework for Consolidation of Public Sector Banks are as follows:

- The decision regarding creating strong and competitive banks would be solely based on commercial considerations
- The proposal must start from the Boards of banks. The proposals received from Banks for in-principle approval to formulate schemes of amalgamation shall be placed before the Alternative Mechanism (AM). After in-principle approval, the Banks will take steps in accordance with law and SEBI's requirements.
- The final scheme will be notified by Central Government in consultation with the Reserve bank of India.

It would not be out of context to mention that only on 4th August 2017, to a question raised in the Lok Sabha, the Minister of State for Finance replied that there was no proposal under the consideration of Govt. for consolidation of Public Sector Banks at that point of time. Moreover taking such a decision within 24 hours of a successful bank strike, where merger/amalgamation was a major issue, the Govt. of India challenged the bank employees' movement of the country.

The Govt. did not stop here. In another significant move, the Govt. has set up a 3-member ministerial panel headed by Union finance minister Shri Arun Jaitley to consider and oversee mergers of PSU banks. The Govt. has also exempted consolidation among PSBs from the scrutiny of competition watchdog, the Competition Commission of India. The exemption will cover all cases of reconstitution, transfer of whole or any part of nationalised banks. The exemption will be available for 10 years.

Since the formation of banking system in India merger/amalgamation of banks are taking place on diverse reasons. Since 1961 till date, under the provisions of the Banking Regulations Act, there have been as many as 82 bank amalgamations in the Indian Banking system, of which 47 amalgamations took phase before the first phase of nationalisation in July 1969. Out of the remaining 35 mergers, in 26 cases, the private sector banks were merged with public sector banks and in the remaining 9 cases both the banks were private sector banks. Merger of the New Bank of India with the PNB in 1993 and the acquisition of State Bank of Saurashtra in 2008, State Bank of Indore in 2010 and rest of the Associate Banks along with Bharatiya Mahila Bank (BMB) in 2017 by the SBI are only instances of consolidation among the government owned banks through mergers and amalgamations. In recent period, prior to the merger of 5 associate banks and BMB with SBI, the merger of Kotak Mahindra Bank and ING Vysya bank was the biggest merger of banks making the merged entity as nation's fourth largest private bank. The corporate media has become more euphoric than ever advocating for more mergers and acquisitions.

Ever since the introduction of financial sector reforms in early nineties, the issue of consolidation of banking sector has assumed a different dimension and contemplated for ulterior motives by the ruling parties. The subject of so called 'consolidation' consistently found a detailed mention in various reports/recommendations of the Committees looking into the Indian financial sector and these included Narasimham Committee-I (1991), S. H. Khan Committee (1997), Narasimham Committee-II (1998), Committee on Fuller Capital Account Convertibility (2006), Raghuram G. Rajan Committee (2009) and Committee on Financial Sector Assessment (CFSA, 2009).

Since the onset of reforms in 1990, there have been 38 bank mergers/amalgamations. Further, prior to 1999, amalgamation of banks under Section 45 of the B R Act 1949 were primarily resorted to considering weak financial conditions of the banks being merged. In the post 1999 period, however, the business and commercial considerations also prompted mergers between healthy banks under Section 44A of the Act.

Though immediately after the Financial meltdown the merger attempt of the Govt. halted a little but since introduction of Banking Amendment Bill 2011 in the Parliament, it has gained momentum. Following the passage of Banking Amendment Act 2012, the Government is showing much interest for mergers of banks, particularly the PSBs.

The Government of India in 2012 grouped the 26 Public Sector Banks (including the SBI and its Subsidiaries) into 7 different Groups with one of the 7 leading Banks (SBI, PNB, Bank of Baroda, Bank of India, Union Bank, Central Bank and Canara Bank) each leading one Group. While the declared objective was to bring about functional integration, and thereby achieve improvement in functioning of the Banks in each of the groups, there were reasons to apprehend that the step portends further sinister move towards more neo-liberal reforms of the Banking Sector and, thereby, more attack on Public Sector Banking including merger of PSBs.

However, the stance taken by the present Govt. has been vastly different and far more aggressive than its predecessors. In Gyan Sangam I, the bankers' retreat organised by the Department of Financial services (DFS) in early part of 2015, tested waters by floating the idea of consolidation. But in Gyan Sangam II, which took place in 2016, the discussion was not confined into whether consolidation was needed. The discussion was on how to consolidate. The bankers attending the retreat got clear message that the Govt. is pushing through the issue of merger of PSBs. The circle thus completed which started in 2013.

RBI discussion paper on 'Banking Structure in India - The Way Forward', published in August 2013, has separate Chapter on Consolidation. It remarked that the issue of Consolidation in the banking sector has assumed significance, considering the need for a few Indian banks to cater to global needs of the economy by becoming global players. It further mentioned that Consolidation in the banking sector may pave the way for stronger financial institutions with the capacity to meet corporate and infrastructure funding needs.

The P J Nayak Committee in its Report on Governance on Boards of banks has mentioned in its Recommendation 2.1, '.....If the governance of these banks (read as Public Sector Banks) continues at present, this will impede fiscal consolidation, affect fiscal stability and eventually impinge on the Government's solvency. Consequently, the Government has two options: either to privatise these banks and allow their future solvency to be subject to market competition, including through mergers....

The successive Union Finance Ministers also encouraged merger of PSBs. In his inaugural address on the annual day of the Competition Commission of India on May 20, 2013, Shri P. Chidambaram, former Union Finance Minister alluded, inter alia, to the need for restructuring of banks through mergers. To quote ".... some banks, including some public sector banks among the 26 that we have, may be better of merging. The need for two or three world size banks in an economy that is poised to become one among the five largest in the world is rather obvious."

The present Union Finance Minister Shri Arun Jaitley in his speech while proposing general budget for the new Govt. in 2014 pronounced ...**"There have been some suggestions for consolidation of Public Sector Banks. Government, in principle, agrees to consider these suggestions."** On many occasions, different officials passed various remarks on probable mergers of PSBs. Some went on to say that no PSB would be allowed to maintain separate identity if it does not acquire total business of at least Rs 300000 crore. It is nothing but sheer hypocrisy in the part of the Government which is allowing private players to open Small Banks and Payment Banks with working capital of only Rs 100 crores. Just before the last Lok Sabha Elections, at the intervention of Election Commission of India the RBI has given in principle approval to two entrepreneurs to open Private banks where required capital was only Rs 200 crore initially (which can be brought down to Rs 75 crore after 5 years).

In a country, where sizable number of people still do not have even a bank account, expanding our Banks to include all of them is the main task. In achieving financial inclusion also, our Banks have a leading role to play and for that our Public Sector Banks have to reach out to more and more people. In Jan Dhan Yojana launched in 2014, more than 29 crore accounts has been opened. Quite obviously the lion's share goes to PSBs with Private Banks opening less than 1 crore accounts. As per reports SBI alone has opened more accounts than the private banks taken together. Everyone knows that in India, banking has not saturated to warrant consolidation. We need huge expansion of banking sector and public sector banks can alone be the vanguard in the national task.

The Government is also talking of merger of small banks to create big banks so that they will be strong. We know in western countries including in USA, the so called 'big banks' were the ones to face severe problems and Government had to bail them out at the cost of tax-payers. Big or small is not the issue, what we need is strong and vibrant banks which can serve the people effectively.

The banking industry, PSBs in particular, post-consolidation may face many obstacles, some of which are narrated below, in continuing its role of providing assistance to Government of India for financial inclusion and a self reliant economy.

- Consolidation will definitely increase the market power of merged institutions and quite surely would result in neglect of local needs leading to reduction in credit supply to the category of small borrowers.
- It has been proved that all customers are not treated in the same way by the big banks. There is empirical evidence that one consequence of the merger wave in US banking in 1990s has been that loan approvals for racial minorities and low income applicants have fallen and the extent of this decline was more severe for large banks.
- Consolidation may also result in giving fewer choices to the customers and arbitrary pricing of products.
- Operational risk could increase with the size of operations, as the distance between management and operational personnel is greater in large companies and the administrative system is far more complex.
- The consolidating institutions have been found to shift their portfolios towards risk-return investments. Consequently, the concerns about systemic risk are heightened, as concentration of banking activities in few megabanks would mean that any shock could have repercussions to the entire financial system and the real economy as well.
- The contagion risk, i.e. problems arising in an individual bank spreading to others also increases with size, as banks' exposures against one another rise along with the size of operations.
- The increased potential for systemic risk further intensifies the concern for these banks being considered 'too-big-to-fail'. The perception of the general public would be that the Government would never allow these banks to fail, and therefore, provide bailout to overcome the crisis. This has happened during the global meltdown.
- It may be mentioned here that one of the likely effects of consolidation in the banking sector may be the rationalisation of the branch network of the banks concerned, resulting in the likely closure of certain branches of the merging banks, where there might be an overlap of the branches. Indian banking can't afford downsizing of branches as we are lagging behind bank branch concentration.
- We must not undermine the possible outcome of consolidation with regard to the employees, one of the most important stakeholders of the banking sector. With

closure of branches after merger of two or more banks, retrenchment/reduction of employees can't be ruled out. Massive deployment of employees may likely take place post merger of banks.

The need for having Indian Banks among the top global banks is debated for quite some time now. The desire to find a place in the global list for Indian banks most probably emerges with increasingly integration with the global economy as a part of pursuing neo-liberal policies. Often, it is argued by the advocates of amalgamation that size is important for global presence for which mergers are necessary. But how do Indian banks fare globally in terms of ranking and size.

Recently, the S&P Global Intelligence released its annual ranking of the world's biggest banks by assets. We are furnishing the list of banks whose asset size is more than 2 Trillion Dollars.

Ranking	Name of the Bank	Country	Assets
1	Industrial & Commercial Bank of China	China	3.47 Trillion
2	China Construction Bank	China	3.02 Trillion
3	Agricultural Bank of China	China	2.82 Trillion
4	Bank of China	China	2.60 Trillion
5	Mitsubishi UFJ Financial	Japan	2.59 Trillion
6	J P Morgan Chase	USA	2.49 Trillion
7	HSBC	UK	2.37 Trillion
8	BNP Paribas	France	2.19 Trillion
9	Bank of America	USA	2.19 Trillion

As per report, even after merger with all Associate banks, the SBI is having asset size of 493 Billion Dollars, nowhere near the size of even one Bank of China. Understandably with all PSBs merged together it would be much smaller than the largest bank.

In recent time, single largest consolidation process had been the merger of five Associate banks and Bharatiya Mahila Bank with State bank of India effective since 1st April 2017. Now, new entity of State Bank of India which finished two quarters since its consolidation, witnessed a massive reduction in the staff strength. The SBI added 6847 branches taking its overall branches up to 23423 branches as on June 2017. Within first half of FY 18, SBI reduced about 10584 employees post merger. The staff strength has come down to 269219 staff as on September 2017 compared to 279803 as on march 2017

(SBI)	During H1/FY 18	Past 12 Months
Employees joined	798	14781
Retirement etc.	11382	19034
(SBI)	As on 31-03-2017	As on 30-09-2017
Staff strength	279803	269219

The SBI reduced 6622 employees in Q1 of FY 18 followed by another 3962 employees in Q2 of FY 18. This is a substantial reduction compared to removal of just 3197 employees recorded during the entire 2015-16 (FY 16).It may also be noted that a total of around 15460 employees are to retire in 2017-18.

With this SBI's staff expenses decelerated to Rs 7703 crore in Q2 of FY18 - from Rs 7724 crore in the preceding quarter and Rs 8300 crore in the corresponding period of the previous.

	---Quarter ended-----			--Half year ended--	
(SBI)	**Q2FY18**	**Q1FY18**	**Q2FY17**	**H1FY18**	**H1FY17**
Staff Expenses	7703	7724	8300	15428	16082
of which: Salary	6597	6806	6475	13403	12966
Contribution for employees	1107	918	1825	2025	3116

It has also reported that SBI management planned to redeploy 2000 employees from its administrative offices and 8616 employees from its branches, of which 30 percent would be reassigned to sales functions. Till august 2017, SBI has merged 594 branches and rationalised 122 administrative offices. So, everything did not go well for the employees post mega merger of five Associated Banks and BMB with the SBI.

Of late, there are debates on whether the Indian banks should aim to become global. Two specific questions that need clarity in this context are: (i) can Indian banks aspire to achieve global size and (ii) should Indian banks aspire to attain global size? On the first question, it is unlikely that any of the Indian Banks will come in the top ten of the global league even after reasonable consolidation. On the second question our firm opinion is that the priority of Indian banks are not for attaining global size. The most significant task of the Indian banking sector is to ensure that banking products and services are made available to every individual in the country efficiently to achieve total financial inclusion. Despite all the challenges and issues to be addressed, the banking sector in India should look forward to opportunities in quest of long term growth. The banking sector needs to focus on growth through inclusion, innovation and diversification while complying with domestic regulations and adopting best practices. This can only be done by expanding public sector banking not through consolidation. The prescriptions of amalgamation have amply proved as bankrupt. We must oppose the idea of mindless merger of banks, particularly the PSBs, which is pursued against national interest.

(The author is General Secretary of our Union)

"Minimum Government, Maximum Governance"- a fallacy !

- Shyamal Chakraborty, Jt. Secretary, UBIEU

"Minimum Government, Maximum Governance" was the pronounced mission of our Prime Minister Narendra Damodardas Modi during his discourse with several high profile bureaucrats, economists and other top brasses of the country's financial arena including MD &CEOs of banking and insurance industries in **Gyan Sangam-I** held in 2015. It has no relation with the size of his present NDA Government since it is no less big than that of his predecessors. Experience of the common people with *Modi-raj,* however, gives it a different meaning. Existence of the Government is, of course, very minimum for the vast masses of the country while it is maximum for a handful rich corporate houses both domestic and foreign. During the last 3 years of Modi regime economic and social inequalities have reached to a new height. 1% richest persons of the country now holds 60% of the country's total wealth which was 49% when he came to power in 2014 i.e. 11% growth in just three years. On the other hand, as many as 12000 debt-ridden poor farmers had to commit suicide during the same period. UNDP Report-2015 reveals that India ranks 131st in respect of human development index out of 188 countries of the world. The Global Hunger Index brought out by the International Food Policy Research Institute (IFPRI) in 2017 shows that India ranks 100 out of 119 countries specifically studied by them. About 35% of our countrymen don't have access to food even to the extent of minimum official benchmark of 2200 calories and 2100 calories per person per day in rural and urban areas respectively. The country continues to be haunted by hunger and malnutrition. We can rightly take pride in the fact that India happens to be the abode of the largest number of younger citizens in the world. But shamefully enough, the youth is here groaning in despair in search of jobs. A dark shadow of unemployment looms large over them. Almost half of our young children aged between 20 and 30 years are unemployed or underemployed. 2 crore jobs in a year as promised by Modiji during his election campaign which witnessed a surge of younger generations rallying behind his party still remains an enigma. "Make in India", "Stand-up India" "Sab ka sath Sab ka Vikas" - all are but political jargons to deceive the people. In reality no job creation, only job losses have got a further boost with ill-conceived and amateurish steps like Demonetization and GST so robustly taken by our hon'ble Prime Minister. Millions of poor workers particularly in unorganized sector and agriculture as also small businessmen and traders have been the worst victims losing their livelihoods. Thanks to his minimum government again, the most important social sectors like Education and Health have gone to the dispensation of greedy corporate sharks. Let alone the poor, even the middle class citizens of the country find little access thereto. On the other hand, social intolerance with brazen attacks on rationalists, dalits and minority communities is on the rise. Communal forces are raising their ugly heads and a kind of cultural fascism is gaining momentum trampling down the long tradition of unity in diversity of the Indian society. "Gau raksha" is getting priority over "manab raksha". Modi-Govt. is maintaining a stoic silence all through since it ultimately comes to the benefit of their corporate masters by bringing in a divide among the oppressed common people who are gripped in growing exploitation and insecurity all around. So this is the real India that we live in after 70 years of our Independence. All this practically emanates from minimum government for the people in general but maximum for the rich. It will be, however, wrong to blame Modi-Govt. alone. In fact, all the ruling powers at the centre have been toeing the same path of pro-corporate of neo-liberal reforms since 1991 heaping more and more woes and miseries on our countrymen. But, it is the 3-year Modi regime that has led the denigration to the bottom of fathomless black hole.

This kind of minimum government and maximum governance respectively for the people and the corporate is conspicuous in Banking sector too. Public Sector Banks (PSBs), in particular, are reeling under exponential growth of Non Performing Assets mostly caused by the willful default of a handful corporates in payment of Banks' dues. Gross Non Performing Assets (GNPA) in PSBs has reached to a staggering height of Rs.8.29 lakh crore in October, 2017 from 2.3 lakh crore in March, 2014. During the 3 years of Modi rule it witnessed more than 300% growth. This has resulted in sharp capital erosion of the Banks squeezing its lending capacity badly. Moreover, due to huge provisioning for NPA, PSBs incurred net losses consecutively in last two financial years 2015-16 & 2016-17 despite having earned substantial operating profits. Why the Govt. is so reluctant to publish the names of these willful corporate defaulters? Why will not all these willful corporate defaulters be treated as 'criminal offenders' and taken to task as per laws of the land? After all, it is a blanket loot of public money. No, this cannot happen because the Govt. is very much soft to them. Why Mr. Vijay-Mallya who owes a debt burden of Rs.9000 crore mainly from PSBs was allowed to leave the country lifting red corner notice of the court? No answer is there. In fact, there are many Mallyas to receive the Govt.'s gracious support and providence. Lakhs of crores of rupees are being doled out to the corporate defaulters by way of write-off and waiver in the name of NPA resolution. They are also given further loans with interest moratorium and long extension of repayment period in the form of debt restructuring. During the Modi regime alone corporate loan to the tune of Rs.2 lakh crore has been written off. On the other hand Banks' customers in general are made to suffer woefully through intermittent interest cuts on their deposits and imposition of various kinds of service charges. In fact an evil axis of the Government, Corporate and a section of Bank executives combine is all out to destroy the public sector banking and grab the huge deposits of the people worth about Rs.81 lakh crore today. Taking advantage of the present crisis a malicious campaign has been unleashed at the behest of the corporate capital to make the people forget about glorious contributions made by the PSBs to the development of the nation since day one of nationalization. PSBs are being painted as white elephants before the public eye. All this is to checkmate the public reaction against the evil design of privatization of public sector banking. Who can fade the glory of public sector banks? It is the public sector banks that still occupy more than 70% of banking in India with people reposing tremendous confidence on them. But for PSBs, Green Revolution or White Revolution in the country could not have been possible. Contributions they have made to the growth and development of agriculture, industry and infrastructure of the country are really enormous. In respect of financial inclusion of the rural and urban poor, they have been equally playing a pivotal role.

A proverb runs "Give the dog a bad name before shooting it". It is exactly what is happening in public sector banks today. On the one hand vilification campaign against public sector banking is on, while on the other hand, greedy corporate defaulters are not only being allowed to go scot free but also to acquire ownership of the huge public assets from the back door. What a nice display of our Prime Minister's avowed 'Maximum Governance' for the corporate! It is we, simple minded common people, misunderstand the real meaning and think it to be a fallacy.

Circular No. OPS/ SEC/ 6 / OM-128 / 16-17 **21-May-2016**

ALL BRANCHES
ALL REGIONAL OFFICES
ALL THE HEAD OFFICE DEPARTMENTS
STAFF TRAINING COLLEGES

Subject:- Launch of Centralized Online application for Employee/Retired Employee Identity card through SPAAS (Security Data Management System) portal.

Security Department, Head Office issues the Identity card lo the employees and Retired Employees of the bank. The procedure for submissioh of application for issuance of Identity card has been dispensed, with immediate jeffect for a Centralized Online Uniform ID Card Generation system for employees and Retiral Employees of the bank.

1. Employee Identity Card:-

A. The portal is accessible from all branches/ RO/HO. Employees need to upload personal information and upload recent colcr passport si/e photograph and personal signature (in black ink) into the portal from their place of Posting.

B. The submitted data filled in by the current employees from branches needs to be periodically verified by their concerned Regional Authority.

C. Data duly verified by RO would finally be scrutinized and approved for printing by the Security Department, HO.

D. The printed Identity Card will be dispatched toi the concerned Regional Office for onward delivery to branch/ individual against acknowledgement.

E. the receipt of each individual Identity card should be under acknowledgement.

2. Retired Employee Identity System:

A. As the portal is accessible from all branches of the Bank, the Retired employee's personal information needs to be uploaded with a recent colour passport photograph and signature (in black ink) into the portal from their Last place of Posting (CPF optees) / Pension drawing Branch.

B. the submitted data in respect of the Retired employees from various branches needs periodical verification by Staff Pension Department, Head Office.

C. On Approval, the printed cards would be dispatched to the concerned RO for onward distribution to the branches/ retired employee under acknowledgement.

D. Data for Non-Pension optee Retired Employees needs to be uploaded from the last branch / office on the day of retirement. The Identity Cards would be dispatched to the concerned regional office for onward distribution to branch/office.

E. The receipt of each individual Identify card should be under acknowledgement.

LOG IN PROCEDURES:

The ID Card Portal is available in SDMS Portal **(Security Data Management System (SDMS) http://onlineapps.ubicbs.co.in/sdms.** To login:

A. **Branch Log In:** The Branches are required to use their **email ID as user ID and the Current Password** for uploading the details.

B. **ROs/Offices:** To log in use **solid of respective RO/Offices (set as user ID) and the Password (By Default),to** be reset by the ROs/ Office (s) as per operational convenience.

C. **HO Departments: To Login** by using **department Id of respective department (as user ID)** and the **Password (Default),** to be reset as per lheir operational convenience.

D. **Pension Department: To Login** by using **departmental Id as User Id & Password (Default)** to approve the request ot individual pensioners for issuance of ID Card by Security Department.

All present and retired employees are requested to fill in their identity details through ID portal under SDMS for issue of Identity Card.

General Manager
Operations & Services.

Circular No. OPS/INTER-SOL/ 17 / OM-248 / 17-18 **06-July-2017**

All Branches
All Regional Offices
All Departments, Head Office
All Staff Training Colleges.
Reg: Precautions to be taken in passing Inter-$ol cheques.

In the recent past a number of incidents of fraud/attempted fraud have been reported by different branches with regard to payment of Inter-Sol cheques. On careful analysis of these incidents,it was observed that fraudsters could perpetrate these crimes because of non adherence of systems and procedures by branch functionaries. This has not only caused financial loss but also tarnished the image of the Bank.

In this connection we invite your attention to the following circulars issued by the Bank enumerating the procedures to be followed and the precautionary measures to be adopted

while dealing with Inter-Sol cheques.

1. IT/CBS/9/OM-0493/14-15 dated 01.12.14
2. STY/Precaution/1/OM-112/15-16 dated 01.06.15
3. STY/Precaution/3/OM-277/15-16 dated. 11.08.15
4. STY/Precaution/OM-280/15-16 dated 12.08.15
5. STY/Precautions/OM-339/15-16 dated 10.09.15
6. OPS/Chq Fraud/16/OM-448/15-16 dated 05.11.15
7. OPS/Chq fraud/29/OM-640/15-16 dated 22.01.16
8. OPS/STY/34/OM-680/15-16 dated 08.02.16

In view of the persistent threat in this area, we are reiterating the salient features of the guidelines with respect to the precautions to be adopted while making payment of Inter-Sol cheques to avoid fraudulent withdrawal through fabricated/tampered cheques by miscreants.

1. The mobile number of the customer is mandatory for issuance of personalized cheque book & so all accounts, where personalized cheque(s) are being issued, must have proper mobile number registered in the CBS system
2. No Inter-Sol transactions to be done in accounts which are not operated well or accounts which are less than six months old without getting a confirmation of the issuance of the cheque from the Drawer/drawee branch.
3. The branches while passing cheques should see that the account is KYC complied

4. Branches should check the apparent tenor, physical feel of the instrument and any tampering visible to the naked eye with reasonable care.
5. All Inter-Sol cheques (cash/transfer) of high value should be accompanied by some identity proof of beneficiary like Pan card/Driving Licence / Adhar card etc.
6. All cheques for Rs 50000/- & above should be passed through Ultra Violet lamp before passing by the officer.
7. The officer after passing the cheque will put a rubber stamp on the reverse of the cheque with his initial stating that the cheque has been passed through UV lamp.
8. For all cheques above Rs 1.00 lakh, the confirmation from the drawer and drawee branch is mandatory. A record of such confirmation through mail or telephone is to be kept.
9. The ceiling for Inter-Sol transfer **if the transaction is initiated from a branch other than that of the drawer or benefeciary** is fixed at, Rs 5 lakh per account per day. Any single transaction above Rs 5 lakh shall require explicit permission of Regional Head

We also reiterate hereunder the important features of the personalized cheque books:

1. All cheques carry standardized watermark called "CTS-INDIA" which can be seen when you hold cheque against light.
2. A void pantograph rectangular in shape will appear on the left side of the cheque leaf just below the place where account number is mentioned with hidden word "VOID", which can be seen in the photocopy of the cheque leaf.
3. In the personalized cheques the date of printing and printers name is printed just near the tearing portion of the cheque book.
4. The glowing UV Logo of the Bank will be seen in the UV light at the top left where branch's address is printed and one at the bottom right just above the printed name of the a/c holder/designation of the signatories is printed.

All the Branches/Offices are once again advised to strictly follow the laid down norms/ guidelines of the bank while passing cheques. Non-adherence to the laid down guidelines will result in personal accountability and recovery of loss from erring officials besides other administrative action.

General Manager
Operations & Services.

Circular No. OPS/RTGS-NEFT/ 21 / OM-315 / 17-18 **02-August-2017**

ALL BRANCHES / OFFICES
ALL REGIONAL OFFICES
ALL HEAD OFFICE DEPARTMENTS
STAFF TRAINING COLLEGES / CENTRES

Sub: Frauds perpetrated through replacement/alteration of pay-in-slip used for RTGS /NEFT.

In recent times, some instances of frauds relating to remittance of funds through RTGS/ NKFT have come to our notice. The modus operandi is as follows:,

- ➢The account holder deposits cheque with the RTGS/NEFT pay-in-slip at the branch counter which is duly received by the staff.
- ➢As per the mandate given in the pay-in-slip, the fund is transferred to the beneficiary.
- ➢The amount is withdrawn immediately by such beneficiary to whom the fund is remitted.
- ➢Later on the account holder complains of the non-receipt of the funds by the beneficiary to whom he intended though his account has been debited. Scrutiny reveals that the beneficiary details as reflected in the counterfoil are entirely different from those entered in banks copy of Pay in slip. In some cases the customers disown the pay in slip stating that they had submitted a different pay in slip having altogether different details about the beneficiary.

The possibilities for the occurrence of such incident may be:

1. The customer himself might have mentioned different beneficiary details in the bank's copy of the pay-in-slip and counterfoil.
2. The bearer through whom the cheque was sent to the[1] bank for effecting the transfer might have altered or replaced the pay-in-slip with wrong beneficiary details without the knowledge of the account holder.

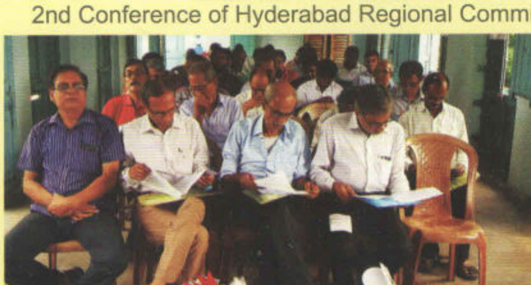
7th Conference of Central Assam Regional Committee

11th Conference of 24 Parganas (North) Regional Committee

11th Conference of Paschim Medinipur Regional Committee

13th Conference of Tripura State Committee

2nd Conference of Hyderabad Regional Committee



13th Conference of Murshidabad Regional Committee

Conference of North India Region

7th Conference of Purba Medinipore Region

7th Conference of Purba Medinipore Region

Rally at Silchar R.O. on Bank Strike 22nd Aug.'17

6th Conference of Dibrugarh Regional Committee

Conference of H. O. Regional Committee

Parliament March on 15th Sept. 2017

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