

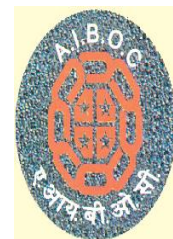
# THE FEDERATION OF BANK OF INDIA OFFICERS' ASSOCIATIONS

(REGD.No.7364)

Regd.Office: Bank of India Bldgs., 70-80, M.G.Road, Mumbai – 400 023.



OFFICE OF THE GENERAL SECRETARY,  
C/o Bank Of India, Parliament Street Br.  
PTI Bldg., 4 Parliament Street,  
New Delhi – 1100 001.  
Phone:011-23730096, Tel/fax :011-23719431  
E-mail: [fboioa.sectt@yahoo.com](mailto:fboioa.sectt@yahoo.com)



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Dear Comrades,

We reproduce hereunder the contents of AIBOC Circular No. 2014/50 of date issued by Com. Harvinder Singh, General Secretary, AIBOC for your information, implementation & circulation.

## **CHERISHING AND UPHOLDING THE SPIRIT OF BANK NATIONALISATION**

**QUOTE:** "We, the employees of Public Sector Banks in India feel proud while celebrating the 45<sup>th</sup> anniversary of Nationalisation Day. 19<sup>th</sup> July, 1969, was the day written in Golden words in the Banking history, when 14 major Banks were nationalised. The objective of taking control of these banks by the Government was the growth of economy and prosperity of the nation through social banking. With the foresighted vision of the then Prime Minister, Ms. Indira Gandhi, common masses could get access to the banking facility, which till then was available only to the elite classes. The focus was shifted to provide desired support by way of credit to Agriculture and other identified Priority Sectors instead of handful capitalists. Later six more Banks were nationalized on 20<sup>th</sup> April, 1980. Since then, there has not been any looking back and there has been remarkable growth as is evident from the following comparative figures:

	<b><u>July 1969 Data</u></b>	<b><u>Current Data</u></b>
No. of Branches	8268	1,08,000
		(Including RRBs sponsored by PSBs)
Rural/Semi Urban Branches	1833	44000
Total Deposit	Rs. 4646 crore	Rs. 80lac crore
Total Advance	Rs. 3599 crore	Rs. 62 lac crore
Loans to agriculture Sector	Rs. 162 crore	Rs. 6.90 lac crore
Total Staff	1,65,000	10,68,000

With nationalization, the priorities of the banking sector changed from 'Class Banking' to 'Mass Banking'. The functioning has progressed from manual operations to sophisticated technology. The social banking in our country has not only passed the test of time but also exceeded the expectations. They withstood the global collapse of many big banks in 2007 and our economy was cushioned from crumbling because of the public sector character of our Banks. That is

why, not only Mrs. Sonia Gandhi, the Chairperson of Indian National Congress but also the former Prime Minister, Mr. Manmohan Singh applauded the role played by Public Sector Banks and its employees and took credit of nationalisation. The present Prime Minister, Mr. Narendra Modi and Finance Minister, Mr. Arun Jaitley have gone a step ahead in appreciating the role played by Public Sector Enterprises in the country, particularly by the Public Sector Banks. They have assured that Public Sector status shall be protected and strengthened.

Meanwhile, contemporary to these statements, a setback came by way of P.J. Nayak Committee recommendations, which was nothing but repetition of Narasimham Committee report. The objectives of the recommendations have far reaching implications including dilution of Government stake in Public Sector Banks to below 50% by bringing them under Holding Company model. The panel recommended for abrogation of All Bank Nationalisation Acts and transfer of Government shareholding in the Banks to a Bank Investment Company (BIC). We lodged strong protest by submitting memoranda to Government and through Press Releases against the recommendations.

We are happy to know that the present Prime Minister and Finance Minister have clarified and have openly appreciated the role of Public Sector Banks. However, there is a need to be alert and ensure to block any retrograde move in the name of banking reforms. On the anniversary date of Bank Nationalisation, let us once again rededicate ourselves to the cause of common masses of the country and take a pledge to protect Public Sector status of the Nationalised Banks and other Undertakings. Let us join hands to demand more vociferously to bring all private sector Banks under public sector.

We call upon all our affiliates and State Units to celebrate this day in a befitting manner in our own way!!

**UNQUOTE**

With comradely greetings,

Yours comradely,



(HARVINDER SINGH)  
**GENERAL SECRETARY**