



# ALL INDIA BANK RETIREES' FEDERATION

D-1/1, Sector-C, Scheme-71,  
Near Kasara Bazar School, Indore – 452 009.

Ref: 2014/90

15.05.2014

**Chairman**

Sri S.R.Kulkarni

**President**

Sri S.M.Deshpande

**Vice President**

Sri P.S.L.M.Haragopal  
Sri D.A.Masdekar  
Sri M.V.G.Nair  
Sri J.B.Dave  
Sri F.Martis  
Sri B.Ramji  
Sri M.K.Jha  
Sri C.Gopinathan Nair  
Dr.R.D.Yadav

**General Secretary**

Sri S.C.Jain

**Dy. Genl. Secretary**

Sri R.S.Desai  
Sri D.P.Gupta  
Sri S.V.Srinivasan  
Sri Debesh Bhattacharya

**Organising Secretary**

Sri P.P.Karandikar  
Sri Kalyan Sengupta  
Sri V.K.M.Varma  
Sri M.N.Pandit  
Sri B.G.Raithatha  
Sri C.N.Prasad  
Sri Kishore Gujarati  
Sri A.L.Chandramouli  
Sri C.Gopinathan Nair  
Sri A.K.Bansal  
Sri Sunil Srivatsava  
Sri Dilip Ghosh  
Sri S.Velayoudam  
Sri Anindya K. R. Basu  
Sri Pratap Shukla  
Dr.G.S.Jog

**Treasurer**

Sri M.S.Chourey

The Office-Bearers/ Central Committee Members/ Chief of State Bodies  
A.I.B.R.F

Dear Sir

Re: P.J. Nayak Committee Recommendations on Governance of  
Boards of Banks in India

Committee was constituted by Reserve Bank of India under the  
chairmanship of Shri P.J.Naik to review governance of Boards of banks in  
India.

The committee has submitted the recommendations which will have far  
reaching consequences on functioning and ownership of public sector  
banks in India. If recommendations given by this committee are  
implemented all public sector banks will stand privatised and will get  
status they were enjoying before nationalisation of banks in 1969  
including adding “ Limited” word with their names.

**MAJOR RECOMMENDATIONS OF THE COMMITTEE**

- (1) Government holding in public sector should be brought below 51 percent.
- (2) Nationalisation Act and State Bank of India Act should be repealed
- (3) The public sector should be incorporated under Companies Act and word “Limited” should be added with the respective name as per the legal requirement of this act.
- (4) The public sector banks will come out of purview of CVC/CBI
- (5) Performance of public sector will not be monitored by Finance Ministry.
- (6) Equity owned by the government after reducing holding below 51 percent should be transferred to the newly formed Investment Company.
- (7) Banks will have to arrange requirement of additional capital either from internal generation or tapping the capital market and will not look to the government for budgetary support.
- (8) Bank functioning and survival will depend on its performance and quality of assets and profitability.



# ALL INDIA BANK RETIREES' FEDERATION

D-1/1, Sector-C, Scheme-71,  
Near Kasara Bazar School, Indore – 452 009.

## Chairman

Sri S.R.Kulkarni

## President

Sri S.M.Deshpande

## Vice President

Sri P.S.L.M.Haragopal

Sri D.A.Masdekar

Sri M.V.G.Nair

Sri J.B.Dave

Sri F.Martis

Sri B.Ramji

Sri M.K.Jha

Sri C.Gopinathan Nair

Dr.R.D.Yadav

## General Secretary

Sri S.C.Jain

## Dy. Genl. Secretary

Sri R.S.Desai

Sri D.P.Gupta

Sri S.V.Srinivasan

Sri Debesh Bhattacharya

## Organising Secretary

Sri P.P.Karandikar

Sri Kalyan Sengupta

Sri V.K.M.Varma

Sri M.N.Pandit

Sri B.G.Raithatha

Sri C.N.Prasad

Sri Kishore Gujarati

Sri A.L.Chandramouli

Sri C.Gopinathan Nair

Sri A.K.Bansal

Sri Sunil Srivatsava

Sri Dilip Ghosh

Sri S.Velayoudam

Sri Anindya K. R. Basu

Sri Pratap Shukla

Dr.G.S.Jog

## Treasurer

Sri M.S.Chourey

These recommendations if implemented are nothing but an attempt to privatise public sector banks and hand over huge national financial resources mobilised in last 45 years in the hands of corporate sector which will be used for their benefits rather than for welfare of common man.

The report of the committee will be placed for adoption before the new government which will be in place in next few days.

The full report is available on Reserve Bank of India web-site.

### CONSEQUENCES AND EFFECT IF RECOMMENDATIONS OF THE COMMITTEE ARE IMPLEMENTED

(1 ) The employees and retirees will lose WRIT JURISTITION to protect their legal right. Legal recourse available will be through civil suits

(2) On scrapping the Nationalisation Act, constitutional guarantee available at present for payment of pension will stand withdrawn.

(3) Bipartite mechanism available for deciding service conditions of employees / retirees may be under threat

(4) Individual private banks may adopt hire and fire policy endangering job security.

(5) Nation savings and precious financial resources will go under the control of private hands which could threaten financial stability of the country which we have witness in western countries during sub-prime crisis of 2008.

### AIBRF STAND

We strongly oppose these recommendation and if implemented could prove dangerous and divesting for the nation and common people. We shall lunch agitational programme if the recommendations are not rejected by the government.

We understand that unions are opposing recommendations of Nayak Committee.

Regards

Yours Sincerely.

( S.C.JAIN )  
GENERAL SECRETARY