



NATIONAL CONFEDERATION OF BANK EMPLOYEES

(Registered Under Trade Union Act, 1926 – Registration No. B-2334)

Registered Office & Head Quarters:

Post Box No. 528, State Bank of India Buildings, Bank Street, Koti, Hyderabad-500095

CIRCULAR No.11
TO ALL MEMBERS:

Date : 28.07.2011

MAKE THE 5th AUGUST STRIKE A STUPENDOUS SUCCESS

We reproduce hereunder the full text of UFBU Circular No.2011/10 dated the 28th July 2011, issued by United Forum of Bank Unions, the contents of which are self-explanatory.

(M.V. MURALI)
GENERAL SECRETARY

UFBU CIRCULAR No. 2011/10

28TH July, 2011

TO ALL UNITS & MEMBERS

Dear Comrades,

Make the 5th Aug. Strike a stupendous success

“Yes, the Government is on the move and our strike call could not have come at any better time. The Government has opened up its cards. The Banking Laws (Amendment) Bill, 2011 introduced by the Government in the Parliament says it all. It is a wholesale attack now. They somehow want to push the passage of the Bill in the ensuing Parliament Session.

They propose to amend the Banking Regulations Act and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980.

The attack is on the public sector banks; the attack is on the private sector banks too. The amendments include the following proposals:

BANKING REGULATIONS ACT

- a) To exempt merger of Banks from the purview of Competition Act, 2002 so that their plans of consolidation can be expedited without the permission of the Competition Commission. (addition of new Sec. 2-A)
- b) To liberalise the investment channels by re-defining ‘securities’ so that Banks can invest their funds in any type of securities of unscrupulous companies. (substitution of Sec. 5)
- c) To allow discretion to RBI to permit individual investors/corporates/FDIs to invest more than 5% of the capital in our private banks.(addition of Sec.12-B)

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- d) To delete the existing 10% ceiling on voting rights in our private Banks to enable easy takeover of our Banks by FDI.(Deletion of Sec. 12.2)
- e) To provide sweeping powers to RBI to supersede the Boards of Banks and appoint Administrators to run Banks.(addition of Sec. 36 ACA)

BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1970/1980.

- f) To remove the existing ceiling on total Authorised Capital in public sector Banks to accommodate merger of Banks and make Banks more capital intensive. (amendment to Sec. 2-A)
- g) To allow more private capital in public sector Banks through Rights Issue and issue of Bonus Shares. (addition to Sec. 2-B)
- h) To increase the present ceiling of voting rights of share holders in public sector Banks from 1% to 10% to enable undue influence of institutions / private individuals in the affairs of our public sector Banks. (amendment to Sec. 2-E)

The whole aim is to hand over our banks to private vested interests and reduce the Government's control on the Banks. The attempt is to make our public sector Banks as pure commercial banking companies as distinct from being Government undertakings with social responsibility. They also want to give licence to industrial houses and corporates to start their own Banks. The agenda is to throw open our people's money for private corporate loot. They are not just talking. They are on their move with their plans.

They are running. We have to run faster and unleash united, sustained and prolonged struggles."

Get ready for the same.

Let 5th August STRIKE be a great beginning.

We are one million. We are united. March on, Comrades.

Make the Strike a stupendous success.

UNITED FOURM OF BANK UNIONS ::::::::::::::::::::::::::::::::::::::: ZINDABAD !
NATIONAL CONFEDERATION OF BANK EMPLOYEES ::::::::::::::::::::: ZINDABAD !
OUR SOLIDARITY ::: ZINDABAD !
OUR UNITY ::: ZINDABAD !