



ALL INDIA BANK EMPLOYEES' ASSOCIATION

Central Office: "PRABHAT NIVAS" Regn. No.2037
Singapore Plaza, 164, Linghi Chetty Street, Chennai-600001
Phone: 2535 1522 Fax: 4500 2191, 2535 8853 Web: www.aibea.in
e mail ~ chv.aibea@gmail.com & aibeahq@gmail.com

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By C.H. VENKATACHALAM, GEN SECRETARY, AIBEA

- We oppose demands of privatisation of Public Sector Banks
- We demand nationalisation of ICICI Bank and Axis Bank

Ever since the Punjab National Bank-Nirav Modi fraud came to light, there has been strong voice from different corners demanding privatisation of Public Sector Banks. It started with ASSOCHAM making this demand, then followed by FICCI, Arvind Subramaniam, Arvind Pannagaria, Nandan Neilkeni, Vinod Rai, etc. They were playing like a perfect orchestra troupe. Their only argument was that PNB fraud has taken place because of the inefficiency of public sector ownership of banks.

They conveniently forgot the fact that between 1947 (independence) and 1969 (nationalisation of Banks), **736 PRIVATE Banks** had collapsed and closed down due to mismanagement by the [private owners of these Banks.

Even after 1969, **36 PRIVATE Banks** had collapsed/gone out of existence and merged with other Banks.

1969	Bank of Bihar
1970	National Bank of Lahore
1971	Eastern Bank
1974	Krishnarao Baldeo Bank
1976	Belgaum Bank
1985	Lakshmi Commercial Bank
1986	Miraj State Bank
1986	Hindustan Commercial Bank
1990	Traders Bank Ltd.
1990	Bank of Tamilnad
1990	Bank of Thanjavur
1991	Parur Central Bank
1991	Purbanchal Bank
1993	Bank of Karad Ltd.
1995	Kashinath Seth Bank
1997	Punjab Co-operative Bank Ltd.
1997	Bari Doab Bank Ltd.
1999	Bareilly Bank Ltd.
1999	20th Century Finance Corporation Ltd.
1999	British Bank of Middle East
1999	Sikkim Bank Limited
2000	Times Bank Ltd.
2001	Bank of Madura
2002	Benaras State Bank Ltd.
2003	Nedungadi Bank Ltd.
2004	South Gujarat Local Area Bank
2004	Bank Muscat SAOG
2004	Global Trust Bank Ltd.
2006	Bank of Punjab
2006	Ganesh bank of Kurundwad
2006	UFJ Bank Ltd.
2007	United Western Bank
2007	Lord Krishna Bank
2007	Sangli Bank
2007	Bharat Overseas Bank
2008	Centurion bank of Punjab

Even then this propaganda has been doing rounds now and then from these vested interests, corporate houses and their mouthpieces demanding privatisation of PSBs.

If private banks are really efficient, why these Banks were closed down and merged with others. Most of these banks were merged with public sector banks. PSBs have become the Neelakana Mahadev to swallow the poison of failure of many private banks and it is funny that Assocham is asking PSBs to be privatized now. We understand their greed but they cannot claim that private banks are more efficient.

Secondly, take the alarmingly increasing bad loans in Banks. Who are the delinquents and who are the defaulters? Are all of them not private companies, industrialists and corporate houses ? 12 cases of NPAs have been referred to NCLT for insolvency and bankruptcy proceedings involving Rs. 253,000 crores. Who are they? Are all of them not top private corporate borrowers. Why they did not repay the loans? Is it their efficiency? Should banks be privatized and handed over to these people?

Willful Defaulters – All are private corporate companies

Bank	Willful defaulters – Private Companies	
	No. of Willful Defaulters	Amount of Default
Allahabad Bank	164	3,590
Andhra Bank	401	3,979
Bank of Baroda	255	5,600
Bank of India	403	5,418
Bank of Maharashtra	137	985
Canara Bank	490	4,590
Central Bank of India	772	6,146
Corporation Bank	122	2,182
Dena Bank	227	1,861
IDBI Bank Limited	85	3,937
Indian Bank	64	1,063
Indian Overseas Bank	527	4,485
Oriental Bank of Commerce	429	4,236
Punjab & Sind Bank	27	283
Punjab National Bank	1,084	14,588
Syndicate Bank	204	1,163
State Bank of India	1,664	28,257
UCO Bank	651	5,654
Union Bank of India	832	5,376
United Bank of India	388	1,739
Vijaya Bank	137	4,917
Total	9,063	1,10,050

Can they say that these 9063 companies are not privately owned. What happened to their efficiency. Why they have deliberately defaulted the Bank loans to the tune of Rs. 110,050 crores as on Dec. 2017 ? Is it not open loot of public savings? Still they talk of private sector efficiency !

Bad Loans in Private Banks – Another Index of their efficiency

Bank - 2017	as on Dec.	Gross NPA/ crores
ICICI Bank Ltd.		45051

Axis Bank Ltd.	22662
HDFC Bank Ltd.	8176
Jammu & Kashmir Bank Ltd.	6232
Kotak Mahindra Bank Ltd.	3715
Yes Bank Ltd	2974
IDFC Bank Limited	2777
Karur Vysya Bank Ltd.	2663
Federal Bank Ltd.	2161
Karnataka Bank Ltd.	1784
South Indian Bank Ltd.	1775
IndusInd Bank Ltd.	1499
Lakshmi Vilas Bank Ltd.	1427
Tamilnad Mercantile Bank Ltd.	1355
City Union Bank Ltd.	860
Catholic Syrian Bank Ltd.	746
Ratnakar Bank Ltd.	580
Dhanlaxmi Bank Limited	446
Bandhan Bank Ltd.	386
DCB Bank Ltd	354
Nainital Bank Ltd.	172
Total Bad Loans/NPAs in private Banks – Dec. 2017	107795 crores

NPAs of only 5 PSBs (SBI, BOI, PNB BOB, IDBI Bank) are more than the NPAs of ICICI Bank. In 16 PSBs, NPAs are less than NPAs of ICICI Bank. Still they talk of efficiency !

We demand – Nationalise ICICI Bank and Axis Bank:

Everyone is by now aware what is the reality about the so called champions of Private Sector Efficiency in ICICI Bank and Axis Bank. Both these Banks together have Deposits of the public to the tune of Rs. 9 lac crores. We need to safeguard this public money. They talked to better governance in private Banks. ICICI Bank was projected as a role model. What happened to that now. There are serious charges of corruption and nepotism in sanction of loans. There are repeated suppression of bad loans and under provisioning. All these unethical things are going on for a long time. Just changing the top Executives will nto suffice. It is high time that Government should come forward to nationalise ICICI Bank and Axis Bank.

**C.H. VENKATACHALAM
GENERAL SECRETARY**