



ALL INDIA BANK OFFICERS' ASSOCIATION

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PRESS STATEMENT ISSUED BY COM.S.NAGARAJAN, GENERAL SECRETARY, ALL INDIA BANK OFFICERS' ASSOCIATION

GOVERNMENT SHOULD HALT THE ATTACK ON THE AUTONOMY OF RESERVE BANK OF INDIA:

The present Government at the Centre is systematically interfering with the independent institutions and its functioning according to the demands of the times. First, they interfered with the judicial system of identifying the Judges to the Courts. Secondly, they forcefully dictated terms to University Grants Commission (UGC) pushing the authorities to dismantle the structure. They have now aimed to forcefully unleashing the strictures on the functioning of the Controller of Banking System i.e.; Reserve Bank of India.

2. The first attack unleashed against the RBI was constituting the Monetary Policy Committee thereby the independent approach of RBI in deciding the rate of interest was diluted. Announcing the demonetisation on 8th Nov, 2016, without an iota of information to monetary authority was the second one. The expression related to the inadequate powers vested controller of banking system to pull up the Public sector Banks was out rightly rejected at the first instance itself. Now even expressing in a seminar by an individual identified by the people at Centre and the views are branded otherwise. The directors inducted in the RBI board are also certain in adding fuel to the fire. Delinking Public Debt office from the Controller and allowing to be controlled by Government of India and establishing an independent Institution for Payment and Settlement Corporation is another threat to dilute the role of RBI.

3. AIBOA, the representative body of the Bank officers call upon the Government not to heap the attacks on the Controller of Banking System and its independent character in taking decisions in protecting the financial systems in trying times is to be preserved, protected and promoted. The institution is 83 years old and it stood the test of the times. Instead of enacting the laws to recover the public money held by the defaulters of the Bank loans, the resolution system introduced by the

Government in the recent past is facilitating the borrowers not to pay average 55% of the loan.

We urge upon the Government not to interfere with the functioning of the Central Bank of Nation.

**CHENNAI
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