



ALL INDIA BANK EMPLOYEES' ASSOCIATION

Central Office: "PRABHAT NIVAS" Regn. No.2037

Singapore Plaza, 164, Linghi Chetty Street, Chennai-600001

Phone: 2535 1522 Fax: 2535 8853 Web: www.aibea.in M-98400 89920

e mail ~ chv.aibea@gmail.com & aibeahq@gmail.com

Insulting comments made by Mr. S. Gurumurthy, Director, RBI and Editor of Thuglak Magazine on 8-5-2022

1. AIBEA's Letter dated 15-5-2002 addressed to Hon.
Finance Minister
 2. E Mail from Mr. S Gurumurthy dated 16-5-2022
 3. AIBEA's Reply to Mr. S Gurumurthy
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AIBEA/GS/2022/49

15-5--2022

Mrs. Nirmala Sitharaman
Hon. Minister for Finance
Government of India
New Delhi.

Respected Madam,

This communication to you is regarding the recent indecent and nasty remarks made by Mr. S Gurumurthy about employees of public sector bank employees during his speech in one of the functions in Chennai on 9th May, 2022 in which you were also fortunately present and hence the details of which are also already known to you.

Verbatim of his comments:

இந்த வங்கிகள் இருக்கே, இதுல பிரச்சனை என்னவென்றால், இன்னிக்கு வங்கித்துறையில் இருக்கும் திறமையான அதிகாரிகள் எல்லாம் இந்த அரசு வங்கியிலிருந்து வெளியே போறாங்க. காரணம் என்னவென்றால் இங்கே சம்பளம் குறைச்சல், சுதந்திரம் இல்லை. இங்க இருக்கிறது பூரா கழிசடைகள் (hair thrown away after shaving) எல்லாம் இங்க இருக்காங்க.

Mr. Gurumurthy as an individual has every right to hold any opinion of his choice in a democratic country like ours. But his right cannot cross the border of decency in expressing the same in public and he has no business to make derogatory remarks about others and which are not true and which are factually incorrect. His above remarks were highly condemnable, reprehensible, deplorable and uncivilised.

He unfortunately holds the position of the Editor of a magazine besides holding the post of Director on the Central Board of Reserve Bank of India and hence he should be extra careful in making any public observation and comment.

His being a known as a person to make public comments on men and matters does not give him any license to talk ill of employees of public sector Banks and their efficiency, integrity, capacity, etc.

Employees and officers in Public Sector Banks are working in the Banks under unduly stressful conditions due to inadequate manpower in many branches, undue pressures and targets to sell non-banking business products, pressures from over-expectant customers, insufficient infrastructure, difficulties in CBS platform operations, etc. But despite all these constraints, bank staff are working with utmost dedication and sincerity, particularly in implementing various schemes of the Government.

Hence, his remarks about public sector bank employees as scums , filths and left-overs and hence were not able to shift to private Banks and hence they are left over in public sector banks is defamatory and derogatory. We strongly condemn his uncalled for and unwarranted comments.

It is further sheer impertinence that when the Hon. Finance Minister is physically available in the programme, he took upon and arrogated to himself to reply to a question on banks and make such scathing and nasty remarks due to his self-proclaimed arrogance that he can make any comments of his choice, anytime, anywhere and on anyone.

We are thankful that subsequently, during your address in that programme, you were categorical in appreciating and recognizing the great services rendered by public sector employees, particularly in the recent years during the horrifying pandemic period. In fact, one could see in the video that when he was making this nasty comment, you were seen shaking your head in disapproval of his remarks. In fact bank employees feel that you should have disapproved his remarks in your address.

Mr. Gurumurthy should know that when he was confined to his house during the lockdown period, these lacs and lacs of public sector bank employees, men and women, officers, clerks and substaff of the Banks were coming and working in the Bank Branches under most trying and threatening circumstances risking their lives to serve the people. In fact, many bank

employees got infected during the course of working in the branches and lost their lives too.

Mr. Gurumurthy should know that it is these bank employees who fought and achieved nationalization of major banks in our country due to which banks have been transformed from class banking to mass banking and which have been further carried forward in recent years under schemes like Jan Dhan Yojana to make banks available to the common man.

In the recent years, highly educated and very highly qualified youngsters have joined the Banks after a tough competition. He should also know that many youngsters who were working in the private banks , private companies, etc. have left them to join public sector banks in the recent years. To condemn these employees and officers as scums and unfits reveals the total illiteracy and ignorance of Mr Gurumurthy as to what is happening in the Banks.

We do not want here to talk about his views that the Government shareholding should be brought down to 49% so that Banks would be out of CBI, CVC and other agencies. Banks deal with people's money and those who handle public savings should be under the lens and scrutiny of such Governmental agencies because Banks are accountable to the people. His views are retrograde. Private Banks should also be brought under the purview of CVC, CBI, etc.

Respected Madam, the dirty and provocative remarks made by Mr Gurumurthy that public sector bank employees are only “**கழிசடைகள்**” (**hair thrown away after shaving**) have seriously hurt the feelings and sentiments of the bank employees and officers at large.

They rightfully feel and demand that Mr. Gurumurthy should apologise and express regret.

We also feel that such persons like Mr. Gurumurthy who have no sense of proportion and discretion in public behavior and public expression, and have distorted understanding about public sector banks and bank employees should no longer continue as a member of the high office of the Central Board of Reserve Bank of India.

Thanking you, Madam,

Yours faithfully,



C.H.VENKATACHALAM
GENERAL SECRETARY

**REACTION AND RESPONSE FROM MR. S. GURUMURTHY
AGAINST AIBEA'S PROTST AGAINST HIS NASTY PUBLIC
COMMENT ABOUT BANK EMPLOYEES ON 8-5-2022**

Dear Mr Venkatachalam

I saw your posts on my speech at the Thuglak annual meet on May 8, at Chennai.

I would not have written if I had not known you and you had not invited me for the AIBEA workshop.

Your post has started a campaign against me.

Many many campaigns have been attempted against me in the last 4 decades -- here are just a few.

The first was when the Rajiv Gandhi government got me arrested by the CBI charged me with espionage in 1987 on the basis of a forged letter. The govt got so humiliated when the forgery was proved that the media asked the government to apologise to me [The Statesman editorial 14.3.1987]. The government's credibility hit rock bottom in just weeks after my arrest as it started defending the corruption I was fighting against.

It set up the Thakkar Natarajan [Supreme Court judges] Commission which without giving me an opportunity, reached conclusions prejudicial to me. The Commission's report suffered such huge media criticism [India Today 31.12.1987] that it lost its face. The Hindu wrote an editorial titled "Banal and unacceptable [11.12.1987].

It is the two Supreme Court judges who lost their credibility for supporting the government's lie, not me. The report was straight thrown into dustbin.

From then on, I have faced many many campaigns -- each one has been a failure as I wanted nothing from public life.

Arun Nehru once issued a public statement alleging I had taken kickbacks abroad along with VP Singh. He had to negotiate through Kapil Sibal and tender an unconditional apology to me which was recorded in court [See the Hindu 24.9.1994]. All the media which carried his statement apologised even earlier. [Economic Times 28.2.1993. Deccan Chronicle 20.1.1993]

I have never bothered about the campaigns against me by any, as I don't belong to any party, nor seek or need anyone's courtesy, by the grace of the Divine I believe in.

So this is not to answer any campaign

But

I was surprised that a trade union leader like you who knew my views made that post without knowing what I spoke - as most politicians do.

I have always opposed and will continue to oppose privatisation as I believe with all faults majority bank assets in India have to be in state hands.

The Indian economy will be ruined if the major part of the financial sector falls into private hands with the expansion and contraction of the Rupee dependent on the Dollar

You know my views and that was why you as the AIBEA General secretary had invited me to speak at a workshop of AIBEA

I resisted within RBI all efforts to pressure the govt to privatise when the previous RBI governors were in command

Now let me come to what I spoke at the Thuglak meeting

I told the meeting -- in a way the FM who was present -- that the UPA policies of letting huge FII investments in to stock market led to indigestible money in the system

To lend that money the govt brought down the customs tariffs to NIL for capital goods to attract the industrialists to borrow from banks -- actually the govt persuaded the industry to go for huge expansions on the hope that India would turn into a high growth export driven economy

But the huge recession that followed 2008-9 made the investments of several lakhs of crore junk and the monies lent, NPA.

I have spoken on this many times, as early as April 2014 -- my speech on A decade of economic destruction brought out these facts [https:// www.youtube. com/ watch? v=kfF4GUAE_PQ](https://www.youtube.com/watch?v=kfF4GUAE_PQ)

This was admitted by Raghuram Rajan himself, though years after he ceased to be the RBI governor.

That is where the woes of the PSBs started. Not a single political party including the BJP and CPM or the bank unions spoke the truth about the source of the NPA trouble

The guilty finance ministry officials who ran telbanking were mixed up with both UPA and NDA governments, to suppress the truth. I had said this openly

But the NPA issue, action against it by vigilance, CBI, CVC, not to miss the prudential norms, completely shook the bank officers.

This gave a huge opportunity to the private banks and funds which had a heyday because the best loan accounts shifted to them.

They began giving high salaries and attracting capable PSB officers.

Consequently, many many capable officers left the PSBs, which left many filtered ones who could not go in the PSBs -- for which I used the word கழுசடை, which actually means many could not pass through the filter, remained inside. It is a fact and I stand by it.

I asked the FM to speak on all this. I am happy she came heavily in defence of PSB employees, which not many FMs in recent times had had the courage to do.

What I said that day in front of the FM should have made the PSBs introspect

It was not about all officers and certainly about all bank staff.

Today no one can deny that many PSB officials lack the will, capacity and the knowledge in a complicated financial world to make credit decisions

They are also afraid because of the overhang of the enforcement and legal system.

If the PSBs are terrified of positive criticism from one of the ardent supporters and if they don't introspect their decline cannot be arrested.

A person like you must be concerned that because of all this the share of PSB loans in the total banks loans has fallen from 71% to 59% and the share of private banks has gone up from 25% to 35%.

At this rate the PSBs need not be privatised. They will get so marginalised that they will handle only govt and municipal accounts and all corporate accounts will be taken over by private banks.

That we are not having and not generating and training the needed talent in the PSBs to handle 60% of national savings that gets into the PSB is indisputable.

It is a matter of concern for all -- government included.

If you are a responsible trade unionist you will be concerned, talk about this and not play petty politics.

I wrote this because you had invited me to talk to AIBEA and you know our views converge on PSBs in many ways

This is not to clarify as I owe no clarification to people who don't read the full answer of mine to the reader.

Anyway it was not a planned question nor a planned answer. It was an instant answer to a sudden question from a reader.

Yet I am happy I could speak honestly, uninhibited by the presence of the FM

A small question. Will you have the guts to circulate it to the AIBRA members?

I will not make this public unless you do it. If you do it, have the courage to publish it in full.

I am only copying this mail in confidence to two officials -- the FM and the RBI governor -- to whom you and your party colleagues have written against me.

I have nothing more to add.

Regards,

S. Gurumurthy.

P.S. : You all think that me being in the RBI Board is a big thing. I was pressurised to take up that position as there were not many to put a counter view in the RBI Board.

I did not need it nor did I seek it. For decades I had never taken any position in or from the government. Nor will I ever.

Me, in the RBI Board was criticised by the Financial media in the West, and I am happy you a communist share their views now.

For your information I have never allowed anyone in any public fora to include in the intro about me, that I am on RBI Board.

You have expressed grave concern about me being on the RBI Board. You may not know that if I am not on the RBI board it makes very little difference to me.

S Gurumurthy

Journalist

Editor Thuglak [Tamil magazine]

Chairman Vivekananda International Foundation Delhi

Visiting Faculty at IIT Bombay

Distinguished Research Professor, Legal Anthropology, SASTRA University

Office: 'Shreyas', 26, 9th Street, Dr. Radhakrishnan Salai

Mylapore, Chennai - 600004. Tel: +91-44-28474701

REPLY FROM AIBEA TO MR. S GURUMURTHY TO HIS EMAIL LETTER

16-5-2022

Dear Mr. Gurumurthy,

Received your email of today. I am thankful to you for the reactions and response which I have taken due note of.

I am fully aware that some of your views on public sector banks converge with our views in AIBEA. I am thankful to you for the same. That is why I had no hesitation or inhibition to invite you to give one of the lectures organised by AIBEA. Yes, it was in 2009 and you addressed our members on 'Global Financial Crisis & Indian Banking System'.

I have not started any campaign against you as I have never considered you as an enemy or villain of bank employees. You had made some comments against public sector bank employees in the function on 8th May and that was in circulation in social media since then. I was away at Rome, Italy for some meeting and returned back only on 10th May. On 11th and 12th, some of the press and media people referred your comments to me and asked for my comments. By that time, your comments had gone viral amongst bank staff and there was wild reaction against your unwarranted and objectionable comments.

In this background I had given my reaction to the press on 13th. And, I believe I have every right to do so. I represent the bank employees being the General Secretary of All India Bank Employees Association, the largest and oldest trade union of bank employees in India. Hence it was my duty to react to your comments.

What you spoke in that function was as under - verbatim I quote as I heard from the video clipping :

இந்த வங்கிகள் இருக்கே, இதுல பிரச்சனை என்னவென்றால், இன்னிக்கு வங்கித்துறையில் இருக்கும் திறமையான அதிகாரிகள் எல்லாம் இந்த அரசு வங்கியிலிருந்து வெளியே போறாங்க. காரணம் என்னவென்றால் இங்கே சம்பளம் குறைச்சல், சுதந்திரம் இல்லை. இங்க இருக்கிறது பூரா கழிசடைகள் எல்லாம் இங்க இருக்காங்க.

I have protested against this comment which is uncalled for, objectionable and derogatory.

As seen in the video, even Hon Finance Minister Madam was openly and instantly shaking her head in disapproval of what you spoke and her facial expression also similarly showed her disapproval.

My reaction from AIBEA was against what you have spoken as above. I repeat, we condemn this uncalled for statement and comment from you. Whoever, speaks against bank employees and bank officers criticizing them or denigrating them without any basis, I will be the first person to come in defense of them.

I am in the banking sector and connected to bank employees trade union movement for the past 53 years and hence I know bank employees are maligned by various quarters for no reason. Your bad comment is one more addition to that. Please be assured that whoever talks ill of bank employees without any reason or basis will receive the same protest from me and from my AIBEA.

I repeat that your comments were bad and has seriously injured and hurt the feelings of masses of bank employees and officers. That is why I demanded that you should retrace these comments and apologise for the same. I maintain the same.

I am happy to note that you have **“always opposed and will continue to oppose privatisation”** of banks. We are extremely thankful to you for the same. I also take due note of your statement that **“The Indian economy will be ruined if the major part of the financial sector falls into private hands”**. I am thankful to you for your very candid views.

But, this in any cases does not give you any license to describe PSB employees and officers as கழிசடைகள்.

Hence I demand an open regret and apology for your bad comments.

I would like to end here by confirming to you that I have already circulated your email letter to me to all my members of AIBEA all over the country.

I do not want to trumpet about our guts and courage, but suffice is to say that our AIEBA has opposed all the Prime Ministers of our country – from Pandit Nehru in 1954 to Mr. Narendra Modi in 2022 whenever they have gone against the interest of bank employees.

With regards

Yours faithfully,



C.H. VENKATACHALAM
