



NATIONAL CONFEDERATION OF BANK EMPLOYEES

(Registered Under the Trade Unions Act 1926 - Registration No. B-2334)

Registered Office : C/o SBI, Local Head Office, Hyderabad.

Head Quarter : 2nd Floor, Opp. PPF & G Dept., C/o State Bank of India, Local Head Office, Amaravati, Gunfoundry, Hyderabad – 500001. Fax : 040-23421714
GS (M) : 9849652496 Email : ncbe.ama@gmail.com

All letters to be addressed to the General Secretary

CIRCULAR NO: 11

Date: 19.07.2025

TO ALL AFFILIATES & MEMBERS

Dear Comrades,

JULY 19: MARKING A NEW ERA – FROM ELITIST BANKING TO PEOPLE’S PROSPERITY



On the 19th of July, we commemorate more than just a historical event, we honour a transformative milestone that reshaped India's economic fabric and redefined banking as a tool for public good. On this day in 1969, the Government of India nationalized 14 major private banks, each with reserves exceeding ₹50 crores, shifting the trajectory of our banking system from elite control to people-centric service.

The Pre-Nationalization Landscape:

Prior to this landmark transformation, Indian banking was controlled by private interests, mainly large industrial conglomerates. Urban-centric and commercially driven, these banks largely ignored the needs of rural communities and small borrowers. Most of the privately-owned banks were in the form of joint-stock companies controlled by big industrial houses. More importantly, there were several bank failures due to imprudent bank lending in the absence of regulatory safeguards. During 1947-58, for instance, as many as 361 banks of varying sizes failed in India. The failed banks were either amalgamated or ceased to exist, eroding public confidence and devastating household savings.

Transformative Impact of Nationalization:

The 1969 move revolutionized banking, positioning it as a catalyst for all-encompassing development. Banking institutions, once tools of the privileged, pivoted to advance social and economic equity. Branches began to flourish in rural and semi-urban regions, catalyzing access to credit for farmers, entrepreneurs, small industries, and students. Priority sector lending became mandatory, strengthening the financial backbone of the nation and fueled rural/agricultural credit growth to minimum 40% of advances. Financial inclusion jumped from less than 20% of Indians having bank accounts in 1969 to over 80% in 2025, driven primarily by public sector initiatives.

This epochal shift also unlocked a new world of opportunity. Nationalization expanded horizons for countless Indians. Young men and women from humble backgrounds, rural villages, small cities, and working-class families gained access to stable, merit-based employment through Public Sector Banks (PSBs).

With consolidation of banks, the efficacy of the banking sector has been enhanced by leveraging economies of scale and synergies. The consolidation exercise has resulted in marked improvement in the financials and governance in these banks. Profits of PSBs have reached all time high and they continue to expand their reach to every nook and corner of the country. Their capital base has strengthened and their asset quality has improved. Banks are now raising capital from the market instead of depending upon the Government for recapitalization.

Unity and the Rise of Employee Movements:

The nationalization of 14 major banks in 1969 created new challenges, including the need to standardize wages and service conditions across the industry. To address this, like-minded unions came together and formed the **National Union of Bank Employees (NUBE)** on **26th January 1970**, representing public sector bank employees nationwide. Later, it was renamed as **National Confederation of Bank Employees (NCBE)** on **17th June 1979 in Delhi**. Since then, NCBE, as a non-political organization, has remained steadfast in its commitment to safeguarding the rights and welfare of its members, while consistently upholding the values, integrity, and public service ethos of public sector banking in India.

Transforming Lives and Fostering Dignity:

Even today, PSBs remain gateways to the middle class for generations of Indians. Children of farmers, mill workers, artisans, and laborers have advanced as officers, clerks, and managers, key contributors to national growth. These careers have enabled families to overcome poverty, educate their children, and cement their place in the formal economic system. Employment in PSBs instils pride and nurtures a shared sense of nation-building.

Upholding the Legacy Amid Contemporary Threats:

Yet, this admirable legacy now faces pressing threats. Workloads and clientele have risen sharply, but recruitment for clerical and support staff has not kept pace, with majority of the branches lacking essential sub-staff. This shortfall undermines the foundational principles of nationalization.

Even more concerning is the shadow of privatization, quietly returning under the banners of “efficiency” and “digital optimization.” Strategic disinvestments and stake reductions threaten to unravel decades of hard-won progress. Arguments for efficiency, digital transformation, and market-centric reforms frequently mask broader efforts to erode public sector banking.

A Call for Renewed Commitment:

On this Bank Nationalization Day, our observance must go beyond symbolism. Bank Nationalization Day demands more than mere remembrance and it is a rallying cry for renewed solidarity and purpose. We must affirm to every colleague, client, and citizen that only Public Sector Banks:

- Secure public deposits
- Extend financial services to remote villages
- Disburse credit to those historically excluded
- Stand unwavering in times of national crises, including floods, pandemics, demonetization, or economic distress

The road ahead is fraught with challenges, but our determination remains unshaken. Let us derive inspiration from our predecessors and reaffirm our resolve to resist all efforts that threaten to privatize, weaken, or fragment Public Sector Banks. The struggle endures, but so does our determination.

"A nation that forgets its past has no future." – Winston Churchill

Long Live Public Sector Banks!

With revolutionary greetings,

Yours Comradely,



**(L CHANDRASEKHAR)
GENERAL SECRETARY**



NATIONAL CONFEDERATION OF BANK EMPLOYEES.....ZINDABAD
UNITED FORUM OF BANK UNIONS.....ZINDABAD
OUR SOLIDARITY.....ZINDABAD
OUR UNITYZINDABAD
INQUILAB.....ZINDABAD