

Bank employees union against merger of SBI, associate banks

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Mumbai, February 16: The merger of five associate banks with parent State Bank of India will lead to closure of a large number of branches, loss of employment opportunities and curtail banking service to the commoners, the State Sector Bank Employees' Association has alleged.

The Union Cabinet had on Wednesday approved the acquisition by the State Bank of India of its subsidiary (associate) banks — State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala and State Bank of Travancore. The Association said it is opposed to the annihilation of associate banks.

Referring to government's observation that the 'merger is likely to result in recurring savings, estimated at more than Rs. 1,000 crore in the first year, through a combination of enhanced operational efficiency and reduced cost of funds'. SSBEA apprehends that this objective would be achieved through massive closure of branches, restricting of small loans and job cuts.

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