1. WITHDRAWAL OF ANTI- PSB PROPOSALS AND RECOMMENDATIONS SUGGESTED IN THE GYAN SANGAM.

We have been opposing the Banking Sector reforms aiming at Privatization, dilution of Government share holding, putting undue pressure on lending, not providing stringent laws for recovery of loans, plan to end bipartite settlements etc.

IDBI was started as a Development Finance Institution which had contributed to the growth of the Industry. It was converted into a Bank which deprived the cournty of a DFI. Now there are efforts to reduce the Government share holding to 45% which amounts to privatization which we strongly oppose.

We have been opposed to the recommendations of the P.J. Nayak Committee which had recommended dilution of the Government Share holding in Public Sector Banks. Now in the name of Indra Dhanush the Govt has announced formation of a Banking Boards Bureau which will function from 1st April 2016. There is nothing in the structure proposed which will bring professionalism as proclaimed.

BBB is aimed at the direction of forming a Banking Investment Company. The Public Sector Banks have provided huge income to the Government of India in the form of dividends and taxes much more than the investment made by the Govt of India.

Moreover, it is the Public sector banks which have supported infrastructure lending and Govt sponsored schemes including the Jan Dan. While we demand that there should be no interference from the Ministry in the day today functioning of the Bank, we can foresee that the proposed BBB and BIC are in the direction of privatizing the public sector banks.

We strongly oppose the scheme and demand that there should be no further dilution of the shares of the Govt of India and there should not be any Banks Board Bureau. The Reserve Bank of India is fully capable of controlling and supervising the Public Sector Banks.

Human Resources are the biggest assets for the Banking Industry. The HR policies have to be discussed with the Associations and Unions. Over a period of time considerable improvement has taken place due to periodic discussions and the Associations have always supported the Banks in their innovations and technology up gradation.

There is an effort as an offshoot of the Gyan Sangam recommendations to change the HR Policies similar to that of the Bell Curve method which is providing incentive to few at the top and ignoring the majority. This has failed miserably and many of the companies including multinational companies in our country and abroad have given up. Now the thinking across the world is to switch over to a people oriented approach instead of the talent oriented approach which has failed but because of the Gyan sangam recommendations Banks are moving towards talent oriented approach which has to be stopped and discussions should take place with the Associations for improvement in the present HR policies.

2. INITIATING THE IMMEDIATE STEPS TO RESOLVE THE RESIDUAL ISSUES OF THE 10TH BIPARTITE SETTLEMENT, VIZ.,

A. RECTIFICATION OF ANOMALY WITH REGARD TO ADDITIONAL STAGNATION INCREMENT

The Joint Note signed between IBA and Officers' Association on 25.05.2015, provides for an additional stagnation increment for the officers in Scale II who have automatically moved to scale of pay of MMGS III and also for the officers in substantive Scale III, two years after receipt of 3rd and 4th stagnation increment respectively. The said provision has led to an anomaly, as explained below:

a. As per Para 2 (b) of Annexure 1, an officer in MMG Scale II who has moved to scale of pay for MMG Scale III is eligible for three stagnation increments of Rs.1460/- each for every three completed years of service and fourth stagnation increment of Rs.1460/-- two years after receipt of third stagnation increment.

b. As per Para 2(c) of Annexure I, an officer in substantive MMGS III, i.e. who is recruited in or promoted to MMGS III, is eligible for four stagnation increments of Rs.1460/- each for every three completed years of service and fifth stagnation increment of Rs.1460/-- two years after receipt of fourth stagnation increment.

c. Thus an officer in MMGS II who has automatically moved to scale of pay of MMGS III will get fourth stagnation increments at the end of 11 years after reaching maximum of scale of MMGS III, whereas an officer in substantive MMGS III will get fourth stagnation increment at the end of 12 years after reaching maximum scale of MMGS III. Thus an officer who continues in MMGS II and moves to the scale of MMGS III is in an advantageous position compared to an officer who is promoted to MMGS III and takes higher responsibility.

Considering the above, we request amendment of Para 2 (C) of Annexure 1 of the Joint Note by providing to the officers in substantive MMGS III, the fourth and fifth stagnation increment of Rs.1460/- each for every two completed years of service after receipt of third stagnation increment and rectify the anomaly.

(AIBOC Letter No. 2015/63 dated 27.05.2015 and 2015/93 dated: 18/08/2015)

B. FURTHER DISCUSSIONS ON DISCIPLINARY MATTERS DELIBERATED IN THE SUB-COMMITTEES WHICH REMAIN INCONCLUSIVE

In the current scenario, the Banks - a highly sensitive sector - are essential for economic progress and sustenance but carrying out the business has become highly risky and there would be a reflection of serious ramifications in case of little deviation/ failure.

Nevertheless, it is the basic duty of the officers in the banking sector to carry on with the business continuously despite the presence of so many demotivating factors encountered in making credit decisions in order to keep the Industry vibrating.

Among various risks involved in carrying out the day to day functions of the Bank, the credit risk is considered the major risk which impacts the performance of the Bank in a big way.

As we all are aware that, though the Credit dispensation function is inherently risky, we, the bank officers are expected to effectively discharge our responsibilities without having any insulation or protective gear.

In this regard, the M.S.Verma committee, during 1999, has given a call for reintroduction of credit culture as the fear of staff accountability has "killed" initiative for fresh business. In the same tone the Kapoor committee on assessing credit, observed as follows-

"While fixing accountability, a line should be drawn to separate malafide decisions from normal bonafide credit decisions in order to keep the morale of the employees high". It further says "to instil confidence in the staff and encourage them to make decisions including some bonafide mistakes there is a need to evolve a system in Public Sector Banks in assessing the performance of each Officer in taking credit decisions."

Even Khandelwal committee also advises the Public Sector Banks to put in a place a staff accountability policy.

Everybody will accept that while mistakes may happen, an atmosphere of fear of being subjected to investigation at some later date and the associated stigma is not conducive for efficient and informed decision making.

Under today's dynamic situation that drives every nerve in expanding banking business, with the young and comparatively lesser experienced supervisory workforce in the operations side, it is very much required to devise a comprehensive policy with an objective to erase the fear of accountability from the minds of Officers.

Such policies must have the following few ingredients -

1. The essence of the policy should be able to motivate the credit decision making capability of the Officers.
2. The tools of the policy should be able to differentiate the malafide intentions from the bonafide decisions.
3. It should be able to differentiate the various roles in credit decision making process and accountability may be fixed accordingly.
4. The process of investigation should be handled by the persons from the operational area.
5. The job of fixing accountability should not be vested with one individual but it may be handled by a committee consisting of experienced persons involved in such decision making process.
6. There should be a specific time frame within which the accountability, if at all, should be fixed on any individual.
7. The punishments should be proportionate and should be codified.
8. There should be specific guidelines in deciding the vigilance angle.
9. There cannot be multiple punishments and the punishments should not deter anybody in pursuing career elevations.
10. Disciplinary issues if any should be concluded well before the retirement date and there should not be any post retirement harassment for the officers.
11. There should be a specific time frame for disposing the appeal and review petitions.

Many operation level issues were brought for discussion and there was a mutual understanding to pursue the issue further keeping the essence of above calendared items as a guideline.

No further discussions as agreed after the initial discussions and the issue remain inconclusive.

(AIBOC Letter No. 2015/93 dated: 18/08/2015)

C. SETTLEMENT OF POINTS COVERED IN THE RECORD NOTE ON THE ISSUES OF BANK RETIREES SIGNED ON THE DAY OF SIGNING OF JOINT NOTE DATED 25.05.2015

It was consistently being demanded by the confederation from the beginning that,

1. LFC and Hospitalization reimbursement should be extended to retired bank employees / officers
2. Revision in the rates of Family pension on the same lines of the Central Government Scheme and RBI Scheme

3. Extending Dearness Relief at 100% compensation to all pre-November, 2002 pensioners as in the case of post November 2002 retirees.
4. Upgrading the basic pension of all the pensioners at the common and uniform index of 4440 points
5. Updation of pension for all existing pensioners and family pensioners
6. Periodical updation / improvement in pension along with occasions of wage revision of in-service employees on the lines of the Central Government
7. Uniform percentage of allocation from Welfare Fund towards schemes pertaining to retirees

With reference to demands referred in the Record Note, issues of Bank retirees are as under:

a. Hon. Supreme Court of India in Civil Appeal No. 1123 of 2017 arising out of SLP (c) No. 321 of 2015 has in no uncertain words held that revision in Pension and revision of pay scales are inseparable. When Pension is upheld to be a right and not a bounty, upgradation/revision of pension is equally a right and not a bounty. The Hon. Supreme Court has gone further so as to aver that a plea of financial burden to deny legitimate demand cannot be taken as justification and that unwarranted litigation should not be encouraged to deny legitimate rights of the pensioners.

b. While on several aspects of pension improvement, IBA has been repeatedly forwarding the plea of cost burden but at no point of time during negotiations, authentic data has been presented in support of its contention. On the contrary, authentic pension fund data categorically reveals that as on 31.03.2014, the corpus of Pension Fund stood at about Rs. 1,14,000/- crores. More importantly Pension Funds of Banks are in surplus consecutively over the years and such surplus is growing year by year despite the fact that Banks have failed to provide for the required sum in pension funds as agreed in Bipartite Settlements. Under these circumstances, demands of retirees for improvement in Family Pension in line with RBI, 100% DA neutralization to pre Nov 2002 retirees as also updation of Pension, cannot be delayed/ denied.

c. Bank Employees Pension Regulations specifically provide for updation of Pension. This is in reference to Regulation 35 (1) thereof which reads as under;

   "Basic Pension and additional pension wherever applicable shall be updated as per formula given in Appendix I" As a matter of fact, such updation has already been given effect earlier for the pensioners retired prior to 01.11.1987, who were positioned on par with retirees under 01.11.1987 Wage Settlement. Hence, updation of Pension has a statutory basis and it becomes a statutory obligation.

d. In the matter of 100% DA neutralization for retirees prior to 01.11.2002, there have been several speaking judgments and favourable court orders. Though the matter is still sub- judice, IBA should settle the matter positively so that the expensive litigation can be put to rest once and for all. Waiting for conclusion of court proceedings will only add to the delay denying justice to pensioners who are above the age of 72-75 years and are anxiously waiting for the justice.

e. The issue of Pension to left overs also a vital one. The category of those retired compulsorily and the resignees have been denied benefits due to strict interpretation of instructions from the Government in June, 2012. Existing Pension Regulations categorically provide for pension to those compulsorily retired from service. Denial of pension option to them is violative of the very existing Pension Regulations itself. Denial of Pension option to Resignees has also been tested through litigation and several judgments including the one in Vijaya Bank Case, is a clear pointer that they cannot be denied pension after the stipulated period. In fact consequent upon such court verdict, several resignees have already been conceded the benefit of pension option. It is pertinent to note that the number of those retired compulsorily as also those resigned from Banks (after putting in requisite pensionable service) is very small and the cost factor cannot and should not stand in the way of extending benefits to them.

f. Besides, there are still several issues of pension, which need to be discussed and sorted out.

(AIBOC Letter 2015/68-A dated 12.06.2015, 2015/86 dated 05.08.2015, 2015/93 dated 18/08/2015 and 2015/123 dated 13/11/2015)

3. TO SEND AN ADVISORY TO MEMBER BANKS THAT OFFICERS SHOULD NOT BE CALLED ON SUNDAYS AND HOLIDAYS.

IBA had assured during the subcommittee meeting held on 16th March 2015, that a communication to the member banks will be sent advising them not to call officers on Sundays and holidays unless there is any specific emergency. It was also assured that the matter will be taken up in the HR Committee of the IBA on the issue of compensatory off or monetary compensation for the days on which officers will be called to work on holidays in emergent circumstances.

Communication on the above lines is yet to be sent to the member banks as the issue of calling officers on Sundays and holidays still continues.

(AIBOC Letter No. 2015/93 dated: 18/08/2015)

4. PROPER IMPLEMENTATION OF NEW MEDICAL INSURANCE SCHEME AS PER ESSENCE AND SPIRIT OF THE JOINT NOTE AND RESTORATION OF DOMICILIARY TREATMENT TO RETIREES OPTED FOR MEDICAL INSURANCE SCHEME.

As per the Joint Note signed on 25.5.2015 between IBA and Officers' Association, a new scheme for reimbursement of medical expenses has been formulated.

Accordingly, IBA has issued a letter to the Chief Executives of member Banks which are parties to the Bipartite discussions vide their letter dated 29.6.2015 regarding the implementation of Medical Insurance scheme for the officers in lieu of the existing Hospitalisation Scheme.

Again, IBA has addressed one more letter dated 1.10.2015 regarding implementation of Medical Insurance scheme to Retirees as agreed vide Joint Note dated 25.5.2015.

Basing on the above guidelines by IBA, member Banks have come out with the scheme details and terms of the scheme called for applications/option letter/ authorization letter from all the eligible retired officers / employees who are drawing pension with instruction to submit the same on or before 30.9.2015 which was further extended till 20.10.2015.

In terms of the IBA guidelines and guidelines issued by the Banks, following are the some of the important scheme details, inter alia.

The scheme shall cover expenses of the officers / employees and dependent family members in cases he/she shall contract any disease or suffer from any illness (hereinafter called DISEASE) or sustain any bodily injury through accident (hereinafter called INJURY) and if such disease or injury shall require any employee/ dependent family member, upon the advice of a duly qualified Physician/Medical Specialist/Medical practitioner (hereinafter called MEDICAL PRACTITIONER) or of a duly qualified Surgeon (hereinafter called SURGEON) to incur hospitalization/ domiciliary hospitalization and domiciliary treatment expenses as defined in the Scheme, for medical/surgical treatment at any Nursing Home/ Hospital / Clinic (for domiciliary treatment)/ Day care Centre which are registered with the local bodies in India as herein defined (hereinafter called HOSPITAL) as an inpatient or otherwise as specified as per the scheme.

The new Scheme as applicable to the officers/ employees in service would be continued beyond their retirement/superannuation/resignation, etc. subject to payment of stipulated premium by them.

While reimbursement to the officers / employees shall be made by the Banks as hitherto, the Scheme shall be administered by the Banks through a scheme worked out between IBA/Banks and Insurance companies and officers / employees would in no way be directly bound by the terms and conditions of such scheme or arrangements.

The above stated scheme would not supersede the continuation of any bank-level arrangement or scheme providing for reimbursement of medical expenses, which is not covered herein, that may be in operation in any Bank.

The new Scheme would also cover the existing retired officers/ employees of the Banks and dependent spouse subject to payment of stipulated premium by them.

Continuity benefits coverage to officers / employees on retirement and also to the Retired Officers / employees, who may be inducted in the Scheme.

DOMICILIARY HOSPITALIZATION: Domiciliary Hospitalization shall be covered under this scheme and would mean medical treatment for an illness/disease/injury which in the normal course would require care and treatment at a hospital but is actually taken while confined at home under any of the following circumstances: (clause 2.11)

a) The condition of the patient is such that he/she is not in a condition to be removed to a hospital or
b) The patient takes treatment at home on account of non-availability of room in a hospital.

DOMICILIARY TREATMENT: **Treatment taken for specified diseases which may or may not require hospitalization as mentioned in the Scheme under clause Number** 3.1 (clause 2.12)

In terms of the above, it is obvious that the retirees are also covered under all the benefits of the scheme enumerated in the annexure to Joint Note, including domiciliary hospitalization.

Accordingly, retired officers from all our member banks have enrolled to the scheme with the absolute understanding that domiciliary treatment expenses are also covered and many have submitted their claims.

However, it is now informed by certain insurance companies that retired officers are not eligible to claim under domiciliary hospitalization which is not fair and contrary to the understanding reached by UFBU with the IBA.

The Bank retirees were induced and encouraged to opt for the group mediclaim policy based on the attractive features. Now when large number of retired officers have exercised their option to buy the policy, their accounts have already been debited for payment of premiums and policy has come into force with effect from 1.11.2015, to **advise them at this stage by TPA / Bank Management / IBA that domiciliary treatment expenses coverage will not be available to retirees is nothing but gross violation of the guidelines enumerated in the scheme, suppression of the vital clause of the policy and non-disclosure of vital information from the policy holders.**

5. STOP ATTEMPTING THE INTRODUCTION OF VARIABLE PAY IN THE NAME OF " PERFORMANCE BASED INCENTIVES" AND ESOP FOR THE SENIOR EXECUTIVES.

There have been proposals from IBA in past more particularly at the time of wage negotiations for introduction of variable pay to the officers in Public Sector Banks. Such proposals were not found acceptable and hence were dropped. Similar proposals were deliberated upon in the Gyan Sangam at Pune where there was no representation from the officers' community.

Hence the decisions of Gyan Sangam on the issues relating to bilateralism are bad ab-initio.

Under these circumstances, the public utterances by some functionaries in the industry finding place in National print media about introduction of variable pay in the form of sharing certain percentage of the net profit with the officers / employees based on their performance are uncalled for.

The performance in Public Sector Banks is a team effort and cannot be attributed to individuals who are sought to be rewarded by way of profit sharing in whatever form including variable pay, employee stock option plan, cash incentive etc.

It is to be appreciated that the sterling performance of an individual would depend on the supportive role played by peers and sub-ordinates apart from the encouragement from superiors at corporate level who play a vital role in performance of field level functionaries.

If the decisions at corporate level do not support the proposals received from the field functionaries, such of those functionaries will be constrained to show performance below their potential. It is thus clear that performance in the business of banking is an outcome of collective efforts.

IBA and Government have invariably been using the constraint of affordability and paying capacity for rewarding the officers of Public Sector Banks at the time of salary revision, improvement in family pension, pension updation, pension up gradation etc.
The approach of IBA and the Government has been largely responsible for relatively higher rate of attrition in Public Sector Banks in recent years. The discriminatory attempt to selectively reward a chosen few will accelerate the process of demoralisation and demotivation leading to lower levels of job satisfaction and career orientation amongst the officers.

IBA or government would not like to drive the morale of officers of the Public Sector Banks southward. Introduction of the discriminatory benefits in any form would be the natural acceleration to deteriorating quality of the human resources in Public Sector Banks.

The banks like State Bank of India, Corporation Bank etc., who are mulling to introduce such discriminatory incentives shall be bad trend setters in the Industry. The considered view is that any incentive in the guise of performance based incentive and ESOP would amount to robbing Peter to pay Paul.

As mentioned earlier the performances in banking industry are inter-dependent and any allurement would lead to undue pressures from superiors, dilution and violation of lending norms etc., which are perfect recipe for slippages of loan accounts to non-performing assets apart from causing a sense of frustration and deprivation amongst the officers at lower rung of hierarchy.

The strain and stress caused by growing non banking activities like PMJDY, life and non-life insurance, Mudra loan etc. being thrust on Public Sector Banks will get further aggravated.

Considering the serious implications of introduction of variable pay, performance based incentive, ESOP etc., which have not yielded desired result elsewhere in the sectors domestically and globally, it is suggested that the bank officers should be paid 5% of the profit in the form of ex-gratia in a non-discriminatory manner as that will go a long way in enhancing the level of motivation among the officers of Public Sector Banks.

It will also lead to better performance and healthier Balance Sheets in the years to come, which otherwise seems a Herculean task in absence of willingness to reform the banking sector in India by introducing stringent loan recovery mechanism.

(AIBOC Letter 2015/125 dated 24/11/2015)

6. RESTORING THE BILATERALISM AND IMPLEMENT THE BILATERAL UNDERSTANDINGS IN DHANALAKSHMI BANK.

Sri P V Mohanan, General Secretary of Dhanalakshmi Bank Officers Organisation and President of All India Bank Officers Confederation, Kerala State was terminated from the services of Dhanlaxmi Bank on June 11th 2015 invoking clause 14(1) of the Service regulations without quoting any reason. In a conciliation meeting held in the presence of Home Minister Kerala on July 14th 2015, Management of Dhanlaxmi Bank had agreed to freeze the termination and maintain status quo before the June 11, 2015. Mohanan is continuing on leave as per the understanding arrived on July 14th.But Management of Dhanlaxmi Bank is yet to implement the understanding. We demand to cancel the termination order issued to P V Mohanan and allow him to continue in the service.

We also demand to scrap the clause 14(1) of Service Regulations.

7. SCRAPPING OF NPS AND REINTRODUCE THE BANK LEVEL PENSION SCHEME FOR THE RECRUITS ON OR AFTER 1ST APRIL 2009.

We had been demanding scrapping of the new pension scheme for long. The new employees who are joining the Banking system are not happy with the new pension scheme which is not appreciating in value as we would wish and there is no assured pension. Pension is a deferred wage which should be provided to the employees when they are in their old age. So we demand scrapping of the new pension scheme and adopt bank level pension scheme for all which will ensure a minimum assured pension.

8. IMMEDIATE APPOINTMENT OF OFFICER/WORKMEN DIRECTORS IN PUBLIC SECTOR BANKS WHICH IS UNDULY KEPT PENDING.

Appointment of Officer Directors and Workmen Directors in Public Sector Banks has been pending for long in many banks. The recommendations sent by the Banks are pending with Department of Financial Services for months together though submitted much before the expiry of the term of the existing directors. This has led to a vacuum in the boards and the interest of the workers and officers which are also the interest of the banks have been neglected. We demand an immediate resolution to this issue.

9. IMPLEMENTATION OF PENSION IN RRBS.

The Officers of RRBs are covered by EPF & Misc. Provisions Act 1952. NIT &Hon'ble Supreme Court had Pronounced in their award & Judgement to grant parity in respect of P.F. & Pension also. Rajasthan High Court in a judgement directed Govt. of India to extend the P.F. & Pension parity in RRBs.

Instead of straight away implementing the judgement of Rajasthan High Court Govt. of India came up with a proposal to grant P.F. & Pension at par in RRBs depending upon the health of RRBs.

The same can not be acceptable as certain RRBs located in eastern & north eastern states do not have required infrastructure to have the required level of profitability.

Govt. also challenged the judgement of Rajasthan High Court before Supreme Court.

The apex court directed GOI to come up with an acceptable proposal to officers & employees by consensus. Still then Govt. of India is adamant & not agreeing to extend P.F. & Pension in all RRBs as per scheme in PSBs.

10. WITHDRAWAL OF PROPOSALS TO AMEND TRADE UNION LAWS.

The Government of India has proposed to bring amendments to different legislations that are providing security to the labour. One of the proposed amendments makes it almost impossible for any Trade Union to go on a strike when issues are not sorted out. The proposed amendments will affect the large section of working class in the unorganized sector leading to exploitation of labour and also removal of social securities guaranteed by the present labour laws.

11. TO PAY UNIFORM PAY AND ALLOWANCES IN THE BANKING SECTOR.

It is observed that though the pay is settled at the Industry level some banks are offering more basic pay for the same level of appointment which is against the principle of " EQUAL PAY FOR EQUAL WORK". Similarly, various allowances are also not paid uniformly and thus we demand the pay and allowances for the work force must be the same in tune with the agreed principle.

12. PENSION FOR SBI OFFICERS TO BE IMPROVED TO 50% OF THE LAST DRAWN PAY WITHOUT ANY CEILING.

State Bank of India Officers have been demanding 50% of the last drawn pay as pension without any ceiling at par with the Industry. However they continue to get only 50% of the last drawn pay up to Rs.31500/- and there after it is 40% of the last drawn pay with a maximum of Rs.15750. We demand an immediate settlement on the issue.