



ALL INDIA BANK OFFICERS' CONFEDERATION

(Registered under the Trade Unions Act 1926, Registration No.3427/Delhi)

C/o State Bank of India Officers' Association (North-Eastern Circle)

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To All Affiliates (Please Circulate)

Dear Comrades,

We reproduce below the text of our letter no AIBOC/2024/19 sent to all the affiliates of All India Bank Officers' Confederation for your information :

Dear Comrade,

AIBOC WORKING COMMITTEE RESOLVES- STRUGGLE IS THE ONLY WAY FORWARD

The Working Committee of AIBOC met on November 12, 2024, in Mumbai to confront the pressing challenges affecting our members and the banking sector as a whole. As you know, several urgent and critical issues have emerged in recent months, including acute staff shortages at the branch level, the pending implementation of a 5-day work week across all banks, and escalating attacks on bankers. These issues have not only intensified the stress on bank officers but have also compromised the quality and security of banking operations.

Following thorough deliberations, we have resolved to embark on a determined and sustained campaign to address these concerns. We urge our affiliates to be in a state of preparedness for a sustained agitation until our demands are fulfilled. Below is a detailed summary of the issues and the decisions taken by the Working Committee in this regard.

1. ACUTE SHORTAGE OF MANPOWER- RECRUITMENT OF REGULAR EMPLOYEES IN PSBS

Despite strong financial health, Public Sector Banks (PSBs) are struggling under an escalating workload, exacerbated by significant employee attrition and limited recruitment. PSBs currently operate with a much higher customer-to-employee ratio than private banks, which impacts service quality and heightens staff stress. Regular recruitment is critical to maintain service standards, especially in underserved rural and semi-urban areas, and to equip the workforce to manage the complexities of modern banking. The acute shortage of clerical and subordinate staff compels officers to undertake tasks outside their primary duties. Officers are increasingly burdened with record-keeping and voucher management—tasks that are time-consuming and detract from their core responsibilities, negatively impacting productivity and service quality.

The lack of permanent subordinate staff has led branches to rely on temporary housekeeping personnel for essential, sensitive tasks, such as handling documents and managing restricted areas like currency chests. This dependency creates significant security risks, as temporary staff may inadvertently access sensitive information, increasing the potential for fraud and breaches. The high customer-to-employee ratio intensifies pressure on staff, leading to burnout and affecting both their mental and physical health.

Recently, bank employees have been subjected to violent attacks, often instigated by politically connected individuals, both within branches and in public spaces. This distressing trend is compounded by a severe

shortage of officers and staff, who are further weighed down by the demands of popular welfare schemes requiring extensive public outreach. The shortage of manpower, combined with increased workload, has placed officers in precarious situations where they are expected to perform beyond reasonable limits, frequently facing aggression from misinformed or impatient individuals.

2. IMPLEMENTATION OF 5-DAY WORK WEEK IN BANKING INDUSTRY

The banking community continues to endure rising stress due to an unmanageable workload, severe understaffing, and constant demands from multiple controllers and regulators. The relentless pressure to meet ambitious targets with zero tolerance for compliance issues, compounded by long working hours and shifting business priorities, has severely compromised both the efficiency and well-being of our workforce. This environment has led to widespread frustration and an alarming increase in anxiety, depression, and serious health conditions such as diabetes, high blood pressure, cardiac problems, and mental health challenges. Officers are also subjected to continuous calls and messages via meetings (both physical and virtual), SMS, and WhatsApp, intruding on their personal and social lives.

It seems the system has lost sight of the fact that bank officers are not just employees but also spouses, parents, and vital members of their communities. Many officers feel trapped, with no relief even at home. This reality has become intolerable, pushing some of our members to feelings of hopelessness and despair.

In today's high-stress environment, a balance between work and personal life is essential. Leading organizations worldwide have acknowledged this and implemented solutions like a 5-day or even 4-day work week to help employees recharge while maintaining productivity. Unfortunately, for bank officers, the reality is one of chronic stress and burnout, fueled by continuous directives outside office hours, inadequate staffing, and, in some cases, overbearing supervision. Distressingly, this lack of balance has even led to suicides within the banking sector.

The strain on our members also results in negative social media exposure, tarnishing the industry's reputation as a good employer and hindering its ability to attract and retain talent. Unfilled vacancies and high attrition among young employees reflect the extent of the problem.

A 5-day work week is already an industry standard across various sectors, promoting work-life balance and enhancing productivity. Following this, an agreement was reached between the IBA and Employee Unions and Officers' Associations on March 8, 2024, during the 12th Bipartite Settlement and 9th Joint Note. The IBA has recommended to the government that all Saturdays be declared holidays for the banking industry. However, the implementation is pending formal notification from the government.

With increasing pressures, dwindling recruitment, and unregulated working hours, our members' well-being is at risk. We urgently demand the immediate implementation of a 5-day work week as an essential first step toward achieving work-life balance for bank employees. Further delays in addressing this issue will compel us to consider immediate collective organizational action.

3. PROTECTIVE MEASURES FOR BANKERS AGAINST ASSAULTS

Bank employees are increasingly facing verbal and physical assaults while performing their duties, often at the hands of unruly elements, sometimes even backed by political forces. These incidents not only compromise their safety but also disrupt essential banking services. Reports of physical attacks on bankers have been on the rise, with staff frequently threatened while on duty. The reduced workforce further exacerbates this, as fewer officers are left to manage large volumes of customers, amplifying both vulnerability and stress.

Despite advisories from the Department of Financial Services, Government of India, urging strong action against such behavior, these incidents persist nationwide. In several cases, officers are coerced into avoiding recovery actions or sanctioning loans without the required compliance from borrowers. Recent violent episodes in

Maharashtra, Uttar Pradesh, Chhattisgarh, Punjab, and other states have escalated, leaving bank officers feeling helpless and demotivated, severely impacting their ability to fulfill their duties.

Bank officers are bound by the loan sanction and recovery policies of their institutions, with no discretionary power to deviate without formal directives. Failure to comply with these policies risks disciplinary action. Yet, there are alarming instances of political and administrative pressure on officers to bypass regulations, making them vulnerable to unwarranted attacks. Additionally, police harassment against officers, often without determining intent or involvement, has intensified, with officers being threatened with arrest under the guise of investigating suspected frauds or actions of willful defaulters.

AIBOC strongly urges the government to implement robust protective measures for bank employees, extending BNS/ IPC protections similar to those for government employees, and strictly enforcing penalties for assault and harassment. Safeguarding the working environment for bankers is essential to uphold the integrity of banking operations and ensure the security of employees.

4. SCRAPPING NPS, INTRODUCING DEFINED PENSION SCHEME IN BANKING INDUSTRY

The All India Bank Officers Confederation (AIBOC) strongly urges the Government and Bank Management to restore the Defined Benefit Pension Scheme for employees and officers who joined banks on or after April 1, 2010. These post-2010 employees and officers are currently enrolled in the Defined Contributory National Pension System (NPS), which starkly contrasts with the inflation-linked, guaranteed pension benefits provided under the traditional pension scheme available to employees who joined prior to 2010.

Pension is not merely a retirement benefit; it is an essential social security measure designed to provide financial stability and dignity in post-retirement years. The NPS, being a market-driven scheme, has shown inconsistent returns subject to market fluctuations, leading to unpredictability and financial vulnerability for retirees. With inflation and living costs continuing to rise unabated, a pension scheme unlinked to inflation severely impacts the quality of life for retired bank employees, who deserve stability and security in their retirement.

Several state governments have recognized these challenges and have already reinstated the old pension scheme for their employees, with others considering similar moves. This growing acknowledgment underlines the need for a secure, predictable, and inflation-linked pension scheme to protect the livelihood of retired employees. AIBOC calls upon the Government and Management to address this justified demand and restore the Defined Benefit Pension Scheme for post-2010 bank employees and officers, thereby ensuring a dignified retirement for all bank employees in line with the practices followed before April 2010.

5. OPPOSITION TO DFS DIRECTIVES ON EMPLOYEE PERFORMANCE REVIEWS AND PREMATURE RETIREMENT

The All India Bank Officers' Confederation (AIBOC) vehemently opposes the recent directive from the Department of Financial Services (DFS) mandating periodic performance reviews of Public Sector Bank (PSB) employees upon reaching a certain age, leading to potential premature retirements. This policy not only infringes upon the operational autonomy of banks but also undermines the morale and job security of dedicated Bank Officers across the country. AIBOC stands firm against any initiative that jeopardizes the career stability of our members and signals our readiness to take collective action to safeguard their rights.

With PSBs already facing severe staffing shortages, exacerbated by the lack of recruitment in clerical and sub-staff cadres, this DFS directive threatens the very sustainability of the industry. Adding further stress to an overstretched workforce, the policy requires banks to undertake monthly reviews and submit reports detailing the number of employees reviewed and retired prematurely, a step that detracts from core banking operations.

The directive also undermines established mechanisms, including the Bipartite Settlements and Officers' Service Regulations, which provide comprehensive provisions to address performance-related concerns without resorting to arbitrary dismissals. Under the new mandate, officers face premature retirement with a three-month notice period (or pay in lieu), while clerks and sub-staff receive only a two-month notice. Such unilateral measures are both provocative and intimidating, disregarding existing processes for handling employee performance fairly.

AIBOC urges DFS to respect the internal governance and independence of PSBs in managing workforce issues. We also highlight the increasing stress on bank staff due to workload pressures and managerial targeting linked to target achievements and perceived performance deficits. As frontline staff call for measures like 5-day banking and enhanced work-life balance, AIBOC demands the immediate withdrawal of this intrusive directive, which further destabilizes PSBs' human resources at a critical time.

6. UNFAIR LABOUR PRACTICES

The Working Committee of the All India Bank Officers' Confederation (AIBOC) expresses its deep concern over the increasing intervention by the Department of Financial Services (DFS) in the internal affairs of Public Sector Banks, leading to excessive micromanagement. Even the fundamental right to association under Article 19(1)(c) of the Indian Constitution, which guarantees employees the freedom to be a member of a union, is being compromised. This unwarranted interference extends to crucial matters, including the restriction of trade union rights and activities—rights that have been established through statutes, acts, and bipartite agreements.

Such infringements are creating escalating industrial relations (IR) issues, eroding the independence of bank management and undermining the role of employee representatives. We urge the DFS to issue a clear advisory that reaffirms its stance on labour practices within banks, ensuring that the autonomy of individual bank management and fair labour practices are respected. This advisory should reinforce the DFS's commitment to an impartial and balanced approach for all stakeholders.

7. APPOINTMENT OF EMPLOYEE DIRECTORS AND NON WORKMEN DIRECTORS ON THE BANKS' BOARDS

The appointments of Employee Directors and Non-Workmen Directors to the Boards of Banks remain pending, despite clear legal mandates and judicial directives. The State Bank of India Act and the Banking Companies (Acquisition and Transfer of Undertakings) Act of 1970/1980 mandate the inclusion of one Workman Director and one Officer Director on the boards of SBI and all nationalized banks. This provision is further reinforced in the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970, emphasizing the critical role of employee representation in fostering balanced decision-making and safeguarding employees' interests.

AIBOC urges the Department of Financial Services (DFS) to expedite the appointment process to ensure adherence to statutory and legal provisions, promoting an inclusive governance structure across public sector banks. The appointment of Workman Directors and Non-Workman Directors was originally introduced through the Bank Nationalization Acts and subsequently incorporated into the State Bank of India Act, embodying the concept of worker participation in management and providing a "watchdog" presence in the governance of public banks. From 1971 until 2014, public sector banks consistently appointed an Officer Director (Non-Workmen) representing the majority association and an Employee Director (Workman). However, since 2014, the Union Government has effectively halted appointments for both cadres, disregarding these statutory requirements.

In 2017, after exhausting all efforts to enforce these legal provisions, AIBOC sought judicial intervention, and the court directed that appointments be completed within six months. Over six years have passed, yet these

appointments remain pending. The government's approach in the judicial process appears to be one of delay rather than action. Currently, the appointments of 7 Officer Directors and 7 Employee Directors are pending approval from the Appointments Committee of the Cabinet, while others are in various stages of review. We demand immediate action to fulfill these legal obligations and implement the required appointments without further delay.

In light of these critical issues, the All India Bank Officers' Confederation (AIBOC) is gearing up for a decisive, coordinated struggle. We call upon each state units to stand united and remain in a state of readiness for a sustained movement to secure our rightful demands.

We are reaching out to all constituents of the United Forum of Bank Unions with an appeal to unite in a collective struggle. An interim action plan has been prepared for the state committees and is included as **Annexure-I**.

Comrades, the road ahead may be challenging, but our solidarity, strength, and commitment will be the cornerstone of our success. Together, we will ensure our voices are heard and our rights protected.

In solidarity,



(Rupam Roy)

General Secretary

Encl: Annexure I

ACTION PLAN FOR STATE COMMITTEES: PREPARATORY ACTIVITIES FOR AFFILIATES AND STATE UNITS

1. Urgent State Executive Meetings

Organize an immediate executive committee meeting at the state level to outline the action plan in alignment with AIBOC Working Committee decisions.

2. Member Meetings at State and Regional Levels

Conduct member meetings at the state and regional levels to communicate AIBOC's resolutions and emphasize the importance of collective action. Reinforce unity, clarify our stance on each issue, and inspire commitment to the upcoming initiatives.

3. Distribution of Communiques

Provide printed copies of AIBOC's communique to all members to ensure consistent and clear messaging. Minimize misinformation and ensure each member understands their role in the struggle.

4. District/Branch Level Meetings

Extend member engagement by conducting meetings at the district and branch levels, ensuring every region is informed and prepared. Promote grassroots-level awareness and cohesion.

5. Outreach to Media

Proactively engage with print and electronic media to raise public awareness about our campaign, highlighting the issues bank officers face.

6. Public Awareness

Raise awareness about the urgent need for large-scale, regular recruitment in public sector banks to expand financial outreach and ensure effective delivery of banking and social security schemes to the general public. The growing stress and workload among bank employees is hindering productivity, which in turn affects the efficient delivery of services. Gain public sympathy and create a transparent narrative around our demands.

7. Personal Responsibility Among Members

Encourage members to spread awareness within their networks, ensuring no member is uninformed or left out. Organize both online and offline campaigns to boost public awareness of the critical issues driving our struggle. Enhance solidarity and support within and beyond our membership.

8. Preparation for Statewide Demonstrations

Begin logistical arrangements for demonstrations, including identifying rally points, arranging banners, placards, and other essentials. Enable smooth and impactful protests at the appropriate time.