



Canara Bank Retired Officers' Association (Regd)

(Registered under the Trade union Act 1926) (Affiliated to AIBPARC)

Registered Office:

1 & 70, First Floor, 9th Main, 3rd Block, Jayanagar, Bengaluru-560011

Ph: 080- 26640003, Fax: 080-2654 1655 Email: cbroabl@gmail.com

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Dear Friends,

The month of January, 2015 witnessed a very well choreographed and orchestrated campaign to woo international finance capital to India. The Prime Minister has made a clear shift from the slogan of “Made in India” that he thundered from the ramparts of Red Fort in his address to the nation on Independence day to the slogan of “Make in India”. The RBI Governor has cautioned the Government on “Make in India” mantra suggesting that India would have to look for domestic demand for growth. Clearly he was suggesting that the “Make in India” must be primarily aimed at the Indian domestic market as an export-led growth strategy would be ineffective, as the industrial world stagnated and many emerging markets were rethinking their export-led growth model. “There is a danger when we discuss “Make in India” of assuming it means a focus on manufacturing and attempt to follow the export-led growth path China followed. But the world as a whole is unlikely to be able to accommodate another export-led China,” he has said. Further he has said, “If external demand growth is likely to be muted, we have to produce for the internal market.. India will have to work on creating the strongest sustainable unified market.” It is pertinent to note here that because of shrinking of the purchasing power in the hands of the vast majority of the Indian people and due to the continuing global economic crisis, that has depressed both global economic growth and hence, volumes of global trade. This means that whatever that is made in India or made to make in India, cannot be sold either in India or elsewhere in the world.

The only way to kick start the Indian economy towards a higher growth trajectory is by concentrating attention on expanding the domestic purchasing power of our people. This would expand the domestic demand providing the necessary impetus for manufacturing and industrial growth and hence, for overall GDP growth accompanied by growing employment. Such a course can only be ensured if the Government substantially increases the levels of public investment in building our much needed infrastructure rather than providing whopping tax concessions for the Indian Corporate world and providing concessions to foreign capital to invest in India.

Under these circumstances, the Government in order to continue to maintain its hype of improving the well being of the Indian people, *ache din aanewale hain*, continues to spread **longer the red carpet** for foreign investors and domestic big capital to invest more in India. As the product of such increased investment cannot find either global or a domestic market, this strategy is bound to fail.

The Government's Chief Economic adviser, Arvind Subramanian, in the mid-year economic analysis underlined the need for increased public investment to revive the economy since the private sector was woefully short of funds, the Banking Sector was already overstretched and the Governance structure for the much hyped public-private-partnership projects exposed them to

several kinds of financial risks and weaknesses. This view has been supported by The Associated Chambers of Commerce of India (ASSOCHAM) who have said that “even if investment revival were to happen, there would be a time lag of 18 months before it reflects in the manufacturing sector. In any case, where is the question of investment revival in the private sector when the existing capacity remains unutilised to the extent of 30-40 per cent in several industries?” it asked. Hence, it said, “Under these circumstances, the only way left for investment to return is through state funding of the infrastructure- both economic and social.” The ASSOCHAM strongly argued against slashing plan spending to meet the fiscal deficit target, in the background of the Government's cutting non-plan expenditure by 10 per cent and slashing across the board 20 percent of plan allocations to save about Rs.47,000 crore to meet the fiscal deficit target in the face of an expected tax revenue shortfall of Rs.1.05 lakh crore and a big shortfall in meeting the disinvestment target of Rs.58,425 crore. It also suggested that it is the Government and the state owned companies, which should lead the investment revival in the country.

This comes in the background of the fact that the total cash reserves with the Public Sector companies at the end of March, 2013 were estimated at Rs.2.66 lakh crore

The Business Standard editorially (January12, 2015) speaking of the inability of private investment to grow given that the macro economic recovery is yet to manifest says that, “The gap can only be filled with public investment.” This “will have a wider growth impact as well, by stimulating demand.” At the same time, it cautioned by saying, “While some have expressed the view that the deficit target under the resurrected fiscal responsibility and budget management process needs to be subordinated to the more pressing investment compulsions, this would be the wrong way to go. The last thing the Government needs in the first year is to lose the fiscal credibility.” Hence, it concludes seeking that the Government, “step up public investment with quick returns to improve the climate for private investment.”

Ushering in the new year with the recognition that for this to be a happy year for the mass of working class and the poor and, indeed the entire country, a strong resistance against the neo-liberal policies pursued by the Government needs to be launched by all of us. Otherwise the slogan of *ache din aanewale hain* will remain a mirage and an illusion, intangible and elusive.

Wishing all our Members and their families the best of health and happiness for all the days ahead.

With warm greetings.

Yours sincerely,

(K B Ballur)
General Secretary

UFBU News:

Public Sector Bank Employees Strike Deferred: (PTI 19.01.2015, 10.35pm)

PSU bank employees' unions have deferred the proposed four-day strike from 21 January after the management of banks (IBA) assured that wage related issues will be resolved by early February. "Four-day strike has been put on hold as IBA assured that wage issue will be resolved by the first week of February," United forum of Bank Unions (UFBU) convener M V Murali said. Murali said, "If there are no satisfactory outcome fresh dates for four to five days strike action in February would be announced." The wage revision of Public sector bank employees has been due since November 2012. The unions had deferred one-day strike scheduled for 7th, January as IBA improved the wage hike offer to 12.5% from 11% earlier. The unions are demanding a wage hike of 19%.

Breaking News: In talks held on 03.02.2015, IBA enhanced their offer only by **0.5%** (12.5 to 13%) and it was **rejected** by UFBU. UFBU decides to revive the strike programme – **4 days strike from 25th February to 28th February, followed by indefinite strike from 16.03.2015.**

CBROA News :

A MAMMOTH MEETING OF MEMBERS HELD AT BANGALORE ON 01.02.2015

A Meeting of General Members was held at Bangalore at Canara Bank Head Office Auditorium on 01.02.2015. The Meeting was attended by more than 350 members. **34** Members of our Association who have attained the age of 75+ years of age were felicitated on the occasion. **The Meeting was presided over by Sri. Arun Kumar S Rao, former General Manager of our Bank and Executive Director, Bank of Maharashtra.** Sri. A N Krishnamurthy, Chairman, CBOA and Secretary, AIBOC (Karnataka) was the guest of honour. Sri. A N Krishnamurthy, deliberated at length on the various developments connected with the salary revision negotiations and the also the issues of pensioners/retirees pursued by AIBOC. He expressed the hope that the negotiations are likely to be concluded by the end of February, 2015. Our General Secretary explained the various issues of the pensioners and the efforts made by AIBPARC in finding redressal/solutions to the issues. Many of the Honoured Members became nostalgic and appreciated the good work being done by CBROA for the welfare of the retired Officers/Employees of our Bank.

Members meeting at Mangaluru & Udupi on 3/1/15:

CBROA members meetings were held in Mangaluru city (Morning) and Udupi city (Afternoon) on 03.01.2015. Large numbers of retirees have attended both meeting. Both the meetings were addressed by President Shri. A G Kulkarni and CC member Shri. R Vasudeva Rao. Our members who have attained the age of 75+ were honoured in both the meetings. This gesture of honouring elders was appreciated by everyone who attended the meeting. Below are the photos shoot in the meetings.

Mangaluru:



Udupi:



Our Mangaluru unit monthly meeting of members held on 21.01.2015. The topic of the meeting was “Geriatric Paliatic Care” (Old Age related Health Problems). Dr. Prabha Adhikari was the Guest speaker. She spoke on age related sickness and how to combat/avoid such problems. Large number of our members have attended the meeting and benefitted from the programme.

Bank Pensioners D R from 1st February, 2015 to 31st July, 2015 – 51 slabs more			
Retired prior to 01.11.1992 - 1293 slabs over 600 points.			
Basic: upto 1250	1251 - 2000	2001 – 2130	Above 2130
866.31%	711.15%	426.69%	219.81%
Retired after 01.11.1992 upto 31.03.1998 - 1156 slabs over 1148 points.			
Basic: upto 2400	2401 - 3850	3851 – 4100	Above 4100
404.60%	335.24%	196.52%	104.04%
Retired after 01.04.1998 upto 31.10.2002 – 1022 slabs over 1684 points.			
Basic: upto 3550	3551 - 5650	5651 – 6010	Above 6010
245.28%	204.40%	122.64%	61.32%
Retired on or after 1.11.2002 but before 1.11.2007 -871 slabs over 2288 points: 156.78 % on Basic			
Retired on or after 01.11.2007 - 734 slabs over 2836 points: 110.10% on entire Basic			

CBROA Membership Position as on 31.01.2015:

Number of New Members enrolled during January, 2015	53
The serial number of the last member enrolled during January, 2015	5638

Obituary:

Friends we regret to inform that the following members of Association passed away recently.

1. Shri. R G Ahuja, Retired General Manager (Mem No. 12)
2. Shri. K R Ramakrishnan, Retired Asst. Gen Manager (Mem No. 413)
3. Shri. Humayun.I.Kassimi, Retired Senior Manager (Mem No. 4309)
4. R Ramaswamy, Retired Manager (Mem No. 2244)
5. Shri. A R Patankar, Retired Officer (Mem No. 1315)

CBROA dips its banner in honour of the departed souls. May their souls rest in eternal peace.

Canara Bank News:

Canara Bank ED to hold additional charge of MD & CEO:

Canara Bank has informed BSE that its ED Sri **V S Krishna Kumar** will hold additional charge of MD & CEO of the bank for three months from the date of assumption of charge till the date of appointment of regular MD & CEO or until further orders, whichever is earlier. The previous C&MD Sri **R K Dubey** retired on September 30, 2104 on attaining the age of superannuation. *(BS dt. 02.01.2015 p.6)*



Canara bank opens 700th ATM at Bengaluru:

V S Krishna Kumar MD & CEO of Canara Bank inaugurated the bank's 700th ATM at Bengaluru recently. The event had S. S. Bhat, CGM, Ravindra Bhandary, GM and M A Nayagam, GM apart from other officials.

Source: Times 10th January, 2015, p24

Canara Bank bags award: (D Herald, 14th Jan, 2015, p12)

Canara Bank has bagged three awards at the annual flagship event 'MSME Banking Excellence Awards-2014' organized by Chamber of Indian Micro, Small & Medium Enterprises (CIMSME) at New Delhi recently. Canara Bank has been adjudged as the 'Best Bank Award-Winner' among other awards. R Madhusudan, General Manager, MSME Wing, HO and Hemant Kumar Tamata, General Manager, Delhi Circle received the awards from Kalraj Mishra, Union Minister for MSME, the bank said.

Canara Bank refuses to take over Amanath:

The Canara Bank on Friday submitted in the High Court of Karnataka that it wanted to withdraw from its earlier decision to take over the loss making Amanath Cooperative Bank. The counsel representing the Canara Bank submitted that the bank would suffer huge financial erosion and had therefore decided against the merger. Following the U-turn by the Canara bank, the High court pulled up the Bank counsel and questioned him why the bank is going back on its earlier

stand. The High Court further ordered the Chairman and Managing Director to be present in person during the next hearing. (Deccan Herald 10th January, 2014 p3)

Pensioner friendly Canara Bank:

DOORSTEP BANKING SCHEME for PENSIONERS: Cir 692/14 Dt. 11.12.2014(Gist)

This facility is available to all Pensioners including ex employee Pensioners of our bank who are above 75 years of age.

Delivering monthly Pension at the doorsteps of Pensioner by debiting the Pension a/c of Pensioner.

Delivering the cash and / or Electronic Funds Transfer or Demand Draft in favour of Hospital for treatment of Pensioner or Spouse. There is no age restriction for this facility.

Minimum & maximum amount of delivery of cash to Pensioner on monthly basis shall be Rs 5000/- & 50000/- respectively subject to the ceiling of Pension. Pensioner is required to execute an agreement in this respect wherein monthly amount to be specified.

Hospitalisation: If the payment is to be made in cash – maximum amount permitted is Rs 50000/-. If it is by way of DD or Electronic mode of transfer of fund – there is no maximum limit; but it is restricted to availability of balance in SB.

For delivering the cash every month service providers' service can be utilised with prior permission from G A Wing, Head Office. For cities, M/S Radiant Technologies Ltd will be service provider. Cash is to be withdrawn by using debit slip & it is to be authorised for payment by Manager. The receipt obtained from Pensioner after delivering the cash is to be kept with Debit slip. For delivering cash/DD at Hospital, Bank staff services are to be utilised.

Services are available from Monday to Friday except on Bank Holidays.

For delivering cash at Doorstep Rs 50/- + Service charges to be collected from Pensioner. In addition one time service charge of Rs 500/- to be collected. This can be waived by Manager.

At present this service is available in Bengaluru, Delhi, Chennai, and Mumbai & Mysuru.

Other Banking News:

PM Modi's Reform Mantra could shake up Banking system: (NDTV 5/1/15 15.06 IST)

Prime Minister Narendra Modi has called for an end to lazy banking and asked banks to take on a proactive role in helping the common man. He told this to India's top public sectors bankers while addressing a banking conclave over the weekend.

India's top bankers had gathered in Pune to discuss long-pending reforms vital to improving the health of the public sector banks. Besides the Prime Minister, Finance Minister Arun Jaitley and

RBI Governor Raghuram Rajan also attended the two-day bankers retreat which ended on Saturday.

PSU Banks Assured of Freedom from Political Interference: (Reuters, 6.1.15, 20.36IST)

The Finance Ministry has written to public lenders and other financial institutions, assuring them of full freedom in matters related to commercial decisions, transfers and postings. The assurance follows a two-day brainstorming meeting last week in Pune where Prime Minister Narendra Modi discussed ideas to improve the health of state lenders, who are facing mounting bad loans and corporate governance issues.

“The banks and financial institutions should take all commercial decisions in the best interest of the organisation without any fear or favour. All decisions should be taken based on facts of the case and objectivity,” the ministry said in a statement on Tuesday.

After Raghuram Rajan, PSU Bank’s Heads now question Farm Debt Waivers:

PUNE: To check adverse impact of farm debt waiver programmes on the banking sector, heads of the public sector banks have now joined the chorus to seek elimination of such schemes after the issue was red-flagged by RBI Governor Raghuram Rajan last month. Last month, the RBI Governor had said that debt waiver schemes have constrained flow of credit to farmers.

"In some states on certain occasions we have had debt waivers. How effective these debt waivers have been? In fact the studies that we have typically show that they have been ineffective. In fact they have constrained the credit flow post waiver to the farmers," he had said. (PTI, 05.1.2015, 12IST)

Top Posts at State run banks to be filled in two months: (Business Standard, 7th Jan, 2015)

Days after announcing the appointment of managing directors and chief executives at four public sector banks (Union Bank, Indian Overseas Bank, Oriental Bank of Commerce and Vijaya Bank) the government has begun the ground work to make selections for grade-A state-run banks Punjab National Bank, Bank of Baroda and Canara Bank. Sources indicate IDBI Bank is also likely to be shifted to a category-A bank. According to finance ministry officials, they are aiming to fill up the remaining posts at PSBs within two months. The government will split the position of chairman and managing director (CMD) and the priority is to fill the post of managing directors first.

Like the recent appointments, this time as well, PSBs would have a non-executive chairman, giving operational responsibility to the managing director and CEO. The finance ministry said that the appointment process of state-run banks’ chairmen would also be announced shortly.

The government is looking to hire younger talent, preferably under 60 years of age. Such candidates need to have at least 15 years of experience, three of which should be as board members. They will need to spend four years as part of a Group-A bank.

“The plan is to tap the private sector. But that might be difficult, given the difference in compensation models at private and public sector banks,” said a senior finance ministry official. Among the shortlisted candidates in the running for the posts is B K Batra, deputy managing director at IDBI Bank, who had earlier been in the race for the top job at United Bank of India.

Then there are B B Joshi, currently serving as executive director at Bank of Baroda; R K Goyal, executive director at Central Bank; and Mukesh Kumar Jain, executive director at Punjab and Sind Bank. Some of the names under consideration are 58 years of age. The CMDs of PSBs were so far selected from other state banks only.

The appointments in PSBs are based on the recommendations of the Appointments Board chaired by the Reserve Bank Governor Raghuram Rajan. The post of CMD of Bank of Baroda has been vacant since July 31, 2014 while **Punjab National Bank** and **Canara Bank** have been headless since October 2014.

Bank EDs: CVC nod for 15 shortlisted candidates: (BL Dt. 13.01.2015 p6)

The process for the selection of EDs in PSBs has moved a step forward. The CVC has given vigilance clearance to 15 candidates who could make the cut for the 12 identified posts of EDs in various banks, official sources said. The 15 members hailed from seven banks Bank of India, Oriental Bank of Commerce, Union Bank, Bank of Baroda, Canara Bank, Central Bank of India and Vijaya Bank. With the CVC having cleared 15 names, the list has now gone to the CBI for clearance, sources said. Once the CBI nod is obtained, the shortlist will go to the Department of Financial Services in the Finance Ministry, which will then forward it to the Department of Personnel and Training for approval from the Appointments Committee of Cabinet.

R B I Cuts repo rate by 25 basis points, adjusts reverse repo rate to 6.75%:

The Reserve Bank of India (RBI) on Thursday decided to cut the benchmark interest rate by 0.25 per cent to 7.75 per cent with a view to boost growth, encouraged by softening inflation. The decision to reduce repo rate comes a fortnight ahead of the scheduled date of monetary policy announcement on February 3.

"It has been decided to reduce the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points from 8.0 per cent to 7.75 per cent with immediate effect," **RBI** said in a statement on Thursday.

The RBI has been keeping the benchmark interest rate at elevated level at 8 per cent since January 2014. The RBI, however, has decided to keep the cash reserve ratio (CRR), the portion of deposits which the banks are required to have in cash with the central bank, unchanged at 4.0 per cent. Following reduction in the repo rate, the reverse repo rate has been adjusted to 6.75 per cent and the marginal standing facility (MSF) rate and Bank Rate to 8.75 per cent. (PTI, 16/1/15, 11.50IST)

RBI Asks Banks to Display Loan Interest Rates on Website: (PTI, 23.01.2015, 2.34 IST)

Mumbai: To bring inn transparency, the Reserve Bank of India on Thursday asked banks to display loan interest rates and processing fees on their websites from April 1. "Banks should display on their websites the interest rate range of contracted loans for the past quarter for different categories of advances granted to individual borrowers along with mean interest rates for such loans," the RBI said in a notification. Total fees and charges applicable on various types of loans to individual borrower should be disclosed at the time of processing of loan as

well as displayed on the website of banks for transparency and comparability and to facilitate informed decision making by customers, RBI said.

It also asked banks to publish annual percentage rate (APR) or such similar other arrangement of representing the total cost of credit on a loan to an individual borrower on their websites so as to allow customers to compare the costs associated with borrowing across products and lenders. Banks are also asked to provide a clear, concise, one page key fact statement, in a prescribed format, to all individual borrowers at every stage of the loan processing as well as in case of any change, to all individual borrowers at every stage of the loan processing as well as in case of any change in any terms and conditions, the RBI said.

Jan Dhan makes it to Guinness World Records: (D Herald 21st Jan, 2015, p15)

Prime Minister Narendra Modi's Jan Dhan Yojana on Tuesday secured a place in the Guinness Book of World Records for being the world's largest financial inclusion initiative achieved in the quickest possible time. At least 11.5 crore new bank accounts have been opened under the Jan Dhan Yojana so far, as against the target of 10 crore by January 26, 2015. Addressing the reporters, Finance Minister Arun Jaitley said "Most of India is included in the banking system today."

P M Modi Congratulates Bankers on success of "Jan Dhan Yojana": (NDTV 24.01.2015)

Prime Minister Narendra Modi on Saturday sent an email to bankers, congratulating them on the success of the 'Pradhan Mantri Jan Dhan Yojana.'

"It gives me great pleasure to have seen the exceptional work done by you all in ensuing the success of the Pradhan Mantri Jan Dhan Yojana," the Prime Minister wrote. "The target set opening bank accounts for all households has been surpassed well ahead of the target. By opening 11.5 crore new accounts in very short span, we have achieved a coverage of 99.74 % of all households in the country. I congratulate you for your extraordinary efforts," the mail said.

48 kg of gold worth Rs 13 crore stolen from Krishnagiri bank: (Times, 25.1.2015, p7)

Robbers stole close to 48 kg of gold worth about Rs 13.5 crore after they broke into a nationalised bank at Kundarapalli in Tamil Nadu's Krishnagiri district on Saturday. The heist came to light on Saturday morning when Manager opened the bank at 9.45am. Preliminary investigations suggest there were three burglars, who entered the Bank of Baroda branch through the rear of an abandoned house that shared a wall with the bank. They took advantage of an open door in the building to gain access to the bank, said Police. Further a large part of the roof of the abandoned house was missing.

Robbers use keys, password to loot ATM of Rs 17 lakh: (Times, 29th Jan, 2015, p8)

Puducherry: Robbers managed to open an ATM of the CANARA BANK in Thavalakuppam on East Coast Road on Wednesday using keys and the password of the ATM and walked away with Rs 17 lakh. The burglars did not break the machine. They used a special key and a secret password to open the section where currencies were kept. Someone with adequate technical knowledge of operation of this machine might be involved in the crime," Senior SP of Police, V J Chandran said. Also, the burglars struck within hours of the machine being loaded with money, strengthening doubts about the involvement of people aware of the ATM operations.
