THE CANARA BANK OFFICERS' ASSOCIATION (Regd.)

Registered under Trade Unions Act, 1926 at Mumbai.
(Affiliated to AINBOF)

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STRIKE NOTICE / 2021 / 01

Place: Gulbarga
Date: 30th November, 2021

FORM – 1
NOTICE OF STRIKE

NAME OF UNION: Canara Bank Officers' Association (CBOA)

NAMES OF ELECTED REPRESENTATIVES

Shri.Rajiv Nigam, President, CBOA
Shri.Jacob P. Chittatukalam, Chairman, CBOA
Shri.K.Ravikumar, General Secretary, CBOA

To

The Chairman
Indian Banks' Association
World Trade Centre, Cuffe Parade
Mumbai

Sir,

In accordance with the provisions contained in sub-section (1) of Section 22 of the Industrial Dispute Act 1947, we hereby give you notice that **CBOA, the second largest trade union for Officers' Associations in Nationalised Banks**, proposes to go on **STRIKE from 16h December 2021 to 17th December 2021**, on the following issues, in support with the UFBU Call for agitational program against the proposed Banking Laws (Amendments) Bill, 2021.

1. Opposing Introduction of Banking Laws (Amendments) Bill 2021
2. Demanding nationalisation of old generation private sector banks

3. Demanding Updation of Pension

The Statement of the Case is appended.

Yours sincerely,

Rajiv Nigam	**Jacob P Chittatukalam**	**K.Ravikumar**
President	**Chairman**	**General Secretary**

Encl: 1. Statement of the Case

Copy to:

1. Chief Labour Commissioner (Central), New Delhi
2. MD & CEO, Canara Bank, Head Office, Canara Bank
3. Chief Executive, IBA, Mumbai
4. The Secretary, Department of Financial Services, Govt. of India

Yours sincerely,

Rajiv Nigam	**Jacob P Chittatukalam**	**K.Ravikumar**
President	**Chairman**	**General Secretary**

STATEMENT OF THE CASE

Whereas, the Union Government has listed the Banking Laws (Amendment) Bill 2021, for introduction and passage during the current winter session of the Parliament in furtherance to the Hon'ble Union Finance Minister of India, in her budget speech announced that the Government has proposed to take up the privatization of two Public Sector Banks.

This decision of the Government of India is without analyzing the ill effects of privatization of the existing Nationalised Banks. The private Banks which existed prior to Nationalisation or the new generation Private Banks have not contributed to the various inclusive financial welfare measures envisaged by various Governments over this period of time.

1	We Oppose - Introduction of Banking Laws (Amendment) Bill 2021
2	We demand nationalisation of old generation private sector banks
3	We demand Updation of pension

1. Introduction of Banking Laws (Amendment) Bill 2021

We strongly oppose and protest the Government's move tabling the Banking Laws (Amendment) Bill 2021 for introduction and passage with the objective of privatizing two Public Sector Banks, as announced in the Union Budget 2021 on 01.02.2021.

Under the Banking Companies (Acquisition and Transfer of Undertakings) Act of 1970, 14 Banks were nationalised on 19.07.1969 and under the Banking Companies (Acquisition and Transfer of Undertakings) Act of 1970, 6 more Banks were nationalised on 15.04.1980.

The then Prime Minister of India, Smt. Indira Gandhi told the Lok Sabha on 29 July 1969 that the "purpose of nationalization is to promote rapid growth in agriculture, small industries and export, to encourage new entrepreneurs and to develop all backward areas". It was with the same objective that 6 more Banks were nationalised subsequently. The relevant Act for nationalising 6 more banks clearly spelt out that it is "In conformity with the Policy of State towards securing the principles laid down in Clauses (b) and (c) of Article 39 of the Constitution of India and for matters connected therewith or incidental thereto"

The move of the Government to Privatise the banks which were nationalised under the above acts, amounts to breach of the Constitution of the Country. In the name of consolidation, number of Banks are being reduced. The advantages have been misquoted.

The core problem faced by the Indian banking industry is the enormous pile up of NPAs that have accumulated on account of faulty lending practices, absence of any effective strategy to recover the amounts from corporate houses and large borrowers and the volatile IRAC norms which are deliberately being changed frequently by the regulators to ensure that PSBs do not earn net profit at all.

The much-publicized Insolvency and Bankruptcy Code (IBC) process has not succeeded in recovering NPAs. On the other hand, it has resulted in substantial haircuts, leading to losses in banks and undue benefits to Willful Corporate Defaulters. The absence of strong penal action against the corporate willful defaulters and fraudsters reflect the lack of political will on the part of the Union government and exploitation of inherent system weaknesses by large borrowers than anything else.

With the Pandemic induced slowdown in the economy it is not unsurprising that the nationalized Banks have performed a turnaround as they reflect the state of the economy.

In this backdrop, the proposed move of privatization of Public Sector Banks (PSBs) is nothing but a diversion away from the core issue of NPA recovery and the overall economic situation of the country. Privatisation cannot resolve or clean up the balance sheets; rather the NPAs of the Privatised entities would simply be resolved through IBC involving huge write offs out of the tax payer’s money.

The organizational disruption arising out of privatization would relegate every other activity to the backstage. Banks involved have to invest their precious time to do fire-fighting for next few years, in order to integrate personnel, processes and procedures adversely affecting other banking activities. Privatization will result in different classes of officers & staff within same organization. The industrial relations within the bank is bound to affect not only the officers & employees, but ultimately the very functioning of bank.

Hence, taking into consideration the overall welfare of the people of our country and towards building a healthy economic environment, we urge that the proposed move of privatization of Public Sector Banks be scrapped immediately and the Banking Laws (Amendment) Bill 2021 be withdrawn summarily.

2. **Nationalization of old generation private sector**

The growth phase of our Banks can be divided into two categories. Pre nationalization and post nationalization. Nationalization of Banks took Banking service to common man across the length and breadth of the country and helped in the economic development of the Nation.

Ever since, Nationalisation, Public Sector Banks opened branch across the country at even remote places/hamlets where even less than 500 people live.

Public Sector Banks have presence at nearly 28800 rural places and at 24599 at Semi Urban places to cater the needs of public at unbanked areas.

The Banking Sector is the back bone of Indian Economy and it contributes for the development of the Nation despite of its many limitations. Nationalized banks have rendered selfless service for the growth of the country.

The participation of the nationalized banks as per India’s Five year plan stands testimony for that. Be it the Green Revolution, White revolution, Blue revolution nationalized banks have played their part.

The growth of sectors like Agriculture, Micro & Small Enterprises, Services sector are a result of the public sector banks lending to these areas. Dreams of crores of youngsters in realizing their ambition of professional degree was made possible through Education Loans. Lending to Weaker Sections by Public Sector Banks helped in the uplifting of poor and downtrodden .

The success of various Government Sponsored schemes, creation of millions of entrepreneurs is a result of the nationalized banks' only. On Government's call for opening accounts under JANDHAN YOJANA, Public Sector Banks including Regional Rural Banks opened about 42.67 crore accounts out of the 43.94 crore accounts. To put it in proper perspective it is contribution of nationalized banks is 97 % of accounts.

The nationalized banks, with their social objectives over profitability, and directed lending to priority sector, weaker sections,minorities, have achieved a lot of ground in the stated objectives of nationalization during the past 5 decades.

Even after 50 years of nationalization, public sector banks still command more than 75% of the market share which proves the confidence enjoyed by the public sector banks with the general public

Considering the above, we demand that all remaining old generation public sector banks should also be nationalized.

3. **Updation of pension**

The Pension Regulations were formulated in 1995 and brought a sigh of relief for officers as they to realized their long pending demand of pension and felt that their worries, of inflation rates eroding their life time savings due to real value of money going down, were removed.

Pension was hailed as the major social security measure available to officers after their hard work across various parts of the country. However, to the disappointment of officers, the element of updation was not made available in the Pension Regulations.

The "BASIC PAY" of the retiree is frozen on the date of superannuation, and is never revised in subsequent Bipartite settlements/ Joint Notes. Worst kind of discrimination is prevailing amongst different groups of retirees in the matter of payment of Dearness Allowance.

As such a senior executive who retired ten years back is drawing lesser pension than an entry level officer who retired in the previous year. This element of disparity has been taken up and remaining as a residual issue in wage settlement negotiations also.

The Pension Updation did not take place since 1992 and lakhs of Pensioners in the Banking Industry have left the world for their heavenly abode during the intervening period with a painfully inadequate monthly pension and a deep sense of hurt and neglect.

While finalizing previous wage settlements, it was assured that small committees would be constituted and the residual issues would be settled at the earliest. But there has been no progress in this direction.

Retired officers and workmen have their own problems like health issues, staying alone in this new age while their children move elsewhere to earn their livelihood etc. Their requirements are met only by the Pension which they have earned after toiling for their lifetime.

Although Bank Pension Regulations were framed on the lines of Pension Scheme that was in force in Reserve Bank of India, no steps have been taken to remove the discrimination / disparity in respect of updation of pension / family pension and place these pensioners on par with RBI pensioners.

While the retirees of Reserve Bank of India were also governed by similar Pension Regulations, based on the demands of the retirees, Ministry of Finance approved updation of their Pension in 2019 itself.

Hence, we demand that the updation of pension should invariably been extended to the reitrees of all the Nationalised Banks.

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