

THE CANARA BANK OFFICERS' ASSOCIATION (Regd.)

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



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31st January, 2025

Dear Canpals,

It is a red-letter day for all our Canarites! A day we really bookmark as historical in the annals of CBOA! Yes, My Dear Canpals! ***Our Top Administration under the guidance of our beloved MD & CEO has consented our request to bear the additional tax burden (taxation of perquisites) of our Canarites.***

Our Honourable Supreme Court through Civil Appeal No. 7708 of 2014, upholds the vires of Section 17(2)(viii) of the Income Tax Act, 1961 and Rule 3(7)(i) of the Income Tax Rules, 1962.

This judgement outlines the rationale behind considering certain benefits like residential accommodation, interest-free loans, loans with concessional rate of interest, etc. as '*fringe benefits*' or '*amenities*' and are taxable under Rule 3(7)(i) of the Income Tax Rules, 1962. This interest rate is measured/compared on the scale of Prime Lending Rate (PLR) of SBI, which is higher than the concessional interest rate provided to us by our Mother Bank.

As a responsible Trade Union, we have taken up the matter with the Top Management and pursued our Mother Bank to bear this additional tax burden of our Canarites. We remained steadfast in our commitment and explored all avenues to clinch this benefit from our Mother Bank.

A lot of dialogues happened between the Top Administration of our Mother Bank and CBOA in this matter and the road for implementing this benefit was not so easy for our Top Management too. Despite a lot of hardships, our beloved MD & CEO, who is always at the forefront in taking care of the well-being of all the Canarites, provided this benefit of bearing the additional tax by our Mother Bank.

On behalf of our Mighty CBOA, I express my sincere gratitude to our beloved MD & CEO, for bearing this additional tax burden of our Canarites. This will go a long way in the life of each and every Canarite and also will motivate to give their best efforts on the field to boost the global business of our Mother Bank. Our Canarites, most of whom are from the middle class, will be very much delighted and benefitted from this decision of our Top Management. From compassionate appointments to welfare schemes, the Top Management of our Bank has always considered CBOA's requests favourably with utmost empathy.

As you are very well aware, CBOA does not stop with sending letters and publishing them. We act and dig deep into the challenges to convert them into opportunities, thereby ensuring that the dignity and well-being of our officers stay intact. Rest assured, the interest of Canpals remains at the heart of everything we do.

For the past few weeks, our Canpals were eagerly waiting for the decision of our Mother Bank with respect to the taxation of perquisites. I thank all the Canpals who waited patiently and placed their trust on our Mother Bank and Mighty CBOA. Your unflinching faith and unwavering dedication defined your uniqueness in the banking industry.

My special thanks to our beloved ***President, Chairman, all the members of my Central Negotiation Team, CC Members, all the office bearers, and Each and Every Canpal*** for their words of encouragement throughout the course of the discussions.

Our Mother Bank is one of the greatest pioneers in taking care of the well-being of its employees. For more than a century this great attribute of our Bank is the key behind the growth and success of our Bank. All the Canarites have saluted this wonderful attribute with their blood and sweat, thereby ensuring the sustained growth of our Mother Bank. Of late, every declaration of financial result is followed by the announcement of welfare benefits, which happens only in our Mother Bank.

Even now, our Mother Bank has played its part in our lives. How are we going to repay the faith showered on us?

Together let us target:

- 1) Global Business of Rs.25 lakh crore.**
- 2) Operating profit of Rs.35000 crore.**
- 3) Net profit of Rs.20,000 crore.**
- 4) CASA growth to 35%.**
- 5) Above all, ensure to serve our customers with smile, which is the only way to help our Mother Bank achieve milestone figures in every parameter of our Balance Sheet.**

My dear Canpals, we are doing exceptionally well in almost all the parameters except for **Deposits** and **CASA**. The CASA position of our Bank warrants a real positive thrust. At present, our CASA share is just 30%, which is way below the guidance value. With the present pace of growth, there is every threat that the Balance Sheet of our Mother Bank will be jolted, as the cost

of deposit is on the higher side. It is the dire need of our Bank to improve the Deposit side of Balance Sheet, especially **Low-Cost Deposit**.

On the other side, our **Net Interest Income** is at the lowest among the past five quarters. While we focus on CASA, the same amount of thrust has to be provided to **Advances** portfolio too. A real push on the credit side will boost our Net Interest Income which is the nucleus of our balance sheet.

Friends, I have given a commitment to our beloved MD & CEO on improving the CASA profile of our Mother Bank. I have immense faith on my Canpal family members that every one of us will walk the extra mile in strengthening our Balance Sheet.

When our Mother Bank takes care of us, we should ensure to enhance the image of our Mother Bank in the global economic landscape. We should ensure that every individual across the industry should envy the Balance Sheet of our Bank. The only key to achieve this is by providing delighted customer service. **By serving our customers with a sense of happiness and pride we can make miracles in the business parameters of our Mother Bank.**

*As a mark of gratitude and respect towards our Mother Bank, today we are launching the program of **“Each One Reach Ten”**. The program aims at garnering a minimum of **Rs.10 Lakh of CASA and Rs.10 Lakh of RTD (New Business)** by every Canpal.*

I kindly request every Regional Secretary to monitor the program on a daily basis through District Secretaries and send the names of our Canpals who achieve the same to **Mr.Rakesh – AGS or Mr.Venu - CC Member of General Secretary's Office** via respective CCOs, who in turn will send the names to me. I pin my hopes on each and every Canpal to make this program a grand success through your active participation. *In the process, kindly ensure that the present CASA and Deposit customers stays intact and continue to be at the receiving end of our delighted customer service.*

Friends, we are left with nearly two months (44 working days) for the end of this financial year. Together, let us move forward with confidence, determination and an unshakable belief in the power of unity. Let us remain optimistic, steadfast and united in our purpose. With the Canpal Family of 50,000 brilliant minds, I am highly confident that we will make our Mother Bank, the Top Bank in the industry.

You care for the Bank and CBOA cares for you!

Flaw-Free Banking! Fraud-free Bank!

Discipline in CBOA! Development in Canara Bank!

Yours Sincerely,



RAVI KUMAR K
General Secretary