# FRIEND & GUIDE

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June 2019

## THE CANARA BANK OFFICERS ASSOCIATION (REGD)

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## CBOA FRIEND AND GUIDE
## ISSUE: JUNE 2019

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**COVER**

OUR GENERAL SECREATARY SRI. GV MANIMARAN INVITING OUR MD & CEO SRI. SANKARA NARAYANAN FOR INAUGURATION OF RAMESWARAM HOLIDAY HOME

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## INDEX



# EDITORIAL

## MEDIA ATROCITY ON PUBLIC SECTOR BANKS

"If money is the blood of an economy, Banks are the blood vessels"

Fundamentals on public sector banks are so designed to envisage the development of the country, strengthening of the economy and improving the life style of the people.

Public sector banks have been subjected to media atrocity many a times, media is always targeting public sector banks as if running it profitably is a crime. They want to bring banks on the opposite side of common man.

Media have never given publicity to numerous good schemes public sector banks are offering, instead spreading bogus campaigns which are tickling the curiosity of common man, just to increase their media ratings. Recently we have seen that they are propagating a message that SARFAESI act, is inhuman and it must be abolished, which is formulated by central government through a long period of discussions and deliberations. The view point of the media is that, when a loan goes bad bank can't take possession of a building or house which is constructed out of banks own money. A financially undisciplined borrower has been given a holy image and that spreads a wrong message in the society. Media know very well that SARFAESI act is not applicable to agriculture land, but they present in such a way that SARFAESI act is fully against agriculturists, just indented to get public sympathy.

Media is loosing its credibility and trustworthiness as they running behind breaking news rather than conveying the fact. Advertising revenue and paid news syndrome has outshined the truthfulness. Media has the responsibility of inculcating a social and financial discipline in the society. Medias being socially responsible should never victimize the banks because of few crooked minded customers. Media should support banks to spread financial literacy and financial discipline there by bringing forth a better civilized society.

Editor,
CBOA Friend and Guide

**Sri. G V Manimaran**
General Secretary, CBOA
General Secretary, AINBOF
Senior Vice President, AIBOC
President, Canara Bank Officers Thrift Society

From the desk of
GENERAL SECRETARY

# A GAME PLAN TO DECIMATE PUBLIC SECTOR BANKING

**The Indian banking system underwent far-reaching changes in the post-1950 period**

- Consolidation of banking entities and strengthening of banking regulations (1950–1967)
- Credit initiatives and social control over banking (1955–1968)
- Bank nationalization and period of expansion with structural and institutional changes (1969 – 1990)
- Banking reforms in the era of liberalisation and globalisation (1991 - 2008)
- Global Economic Crisis and its aftermath(2008 onwards)

1. **Banking Consolidation**
   - Consolidation and strengthening of the banking system was undertaken by Reserve Bank of India after 1950
   - The process of consolidation and strengthening required supervision and control over banking Companies, including control over management, board membership, and voting rights.
   - Attempts were made for amalgamations, mergers, transfers, reconstructions, and even liquidations of fragile banks.
   - Consolidation through amalgamation was voluntary until 1960 and was found to be slow.
   - Failure of two major banks in 1960 exposed the inherent risks involved in allowing substandard banks to continue to function.
   - Banking law was amended in 1960 to facilitate compulsory reconstruction and amalgamation of banks considered to be unviable and reluctant to enter into voluntary merger arrangements.
   - At the same time efforts were made to reorganize fifty-four state-associated banks in the erstwhile princely states.
   - Between 1960 and the end of 1969, there were 48 compulsory mergers, in addition to 20 voluntary amalgamations, 17 mergers with the State Bank of India, and 125 transfers of assets and liabilities
   - The process brought an end to the institutions that had been called non-scheduled banks, with limited capital size and unsustainable banking practices

2. **Credit Initiatives and Social Orientation**
   - **To encourage the growth of regional and functional banking, Reserve Bank of India was entrusted with the responsibility of enlarging the supply of agricultural finance through scheduled commercial banks or cooperative institutions.**
   - **Government intervention** was thought to be **needed to extend banking facilities to Rural & Semi Urban areas**

- Imperial Bank of India brought under public ownership as the State Bank of India from July 1955
- Statutory responsibility to SBI to establish at least **400 additional branches** within a five-year period and this branch expansion targets remained unfulfilled.
- **Major state-associated banks of the former princely states were taken over and vested with the State Bank of India as subsidiaries in September 1959**.
- There were many perceived weaknesses in the commercial banking system, such as
  - poor population coverage of bank branches,
  - vast sectoral credit gaps,
  - excess control over banks by industrial and commercial interests and
  - poor capital
- These factors led to reorientation of the banking system.
- To achieve the objectives of **wider spread of bank credit**, preventing misuse of credit, directing a larger volume of credit to priority sectors and for establishing "social control" several measures like credit authorization plan, prior authorization for granting new credit limits by scheduled banks of more than one crore rupees to any single party, initiation of a **social control plan** were introduced **during the period 1965 to 1969**.

3. <u>**Bank Nationalization and its impact**</u>

- **14 Banks with deposits more than 50 Crores were nationalised on 19th July 1969.**
- **The reasons attributed at that time by the then Prime Minister Smt.Indira Gandhi were,**
  - **Removing control of the few**
  - **Providing adequate credit for agriculture, small industry and exports**
  - **Giving a professional bent to bank management**
  - **Encouraging a new class of entrepreneurs.**
  - **Provision of adequate training as well as reasonable terms of service for bank staff**
- **Other Touted Objectives Of Nationalisation**
  - **Social welfare**
  - **Controlling private monopolies**
  - **Freeing the banks from the clutches of corporate families**,
  - **Expansion of banking services,**
  - **Reducing regional imbalance,**
  - **Developing banking habits among the masses**
  - **Lending to priority sector**
- By 1980s, public policies began to focus on facilitating banks to undertake diversification into "parabanking" and other financial service activities.
- Many banks set up specialized subsidiary companies and asset-liability management companies, and either through these entities or on their own, they entered into new activities such as merchant banking, mutual funds, hire-purchase, housing finance, venture capital, equipment leasing, factoring, securities broking and trading, and other financial services
- Series of policy initiatives brought about many other structural changes, such as the fast growth of bank branches, the spread of branches to rural, semi-urban, and underdeveloped regions, and a higher proportion of bank credit extended to agriculture, small-scale industries, and other defined priority sectors.
- By the end of March 1990, over 46,000 bank branches (77%) were located in rural and semi-urban areas.
- A large number of these branches were opened in under-banked and under-developed **eastern, northeastern, and central regions** of the country.

- Almost **93 percent** of bank branches in **rural and semi urban** areas **represented public sector banks**, including regional rural banks
- **Results of Nationalisation**
  - **Took banking service to rural and remote areas**
  - **Created awareness among the rural masses about the need and usefulness of banking service**
  - **Provided thousands of job opportunities to the educated youth**
  - **Credit made available to neglected people like agricultural labours, small traders at reduced interest rates**
  - **Freed the rural poor from the clutches of money lenders**
  - **Ensured adequate and timely credit for agricultural and farming operations.**
  - **Helped export sector to obtain cheap credit**
  - **Speedy transfer of funds from one place to another**
  - **Priority Sector Advances ensured adequate supply of credit to weaker sections of the society like village artisans, labourers, Scheduled castes and Scheduled tribes**
  - **Ensured even supply of credit to various industrial activities**
  - **Removed regional disparity in economic development**
  - **Implementation of various welfare schemes formulated by the governments**
  - **Schemes such as IRDP, SEPUP,SEEUY, DRI came into being.**
  - **Modifications to certain institutional mechanisms like the Lead Bank Scheme and Service Area Planning done**
- Even as the post-nationalization policies for commercial banks were underway, many committees were formed to
  - Examine their functioning (James Raj Committee, 1978)
  - Undertake their restructuring (Banking Commission, 1972, and James Raj Committee,1978);
  - Enhance productivity, efficiency, and profitability (PEP Committee, 1997); and
  - Improve customer service in banks (Varadachary Working Group, 1977)
- But many of the recommendations remained unimplemented or were implemented half-heartedly resulting in the deterioration in the working of commercial banks

4. **Banking sector reforms since 1991**

- Deterioration in financial health of Public Sector Banks called for urgent remedial measures
- The two versions of the Narasimham Committee (1991 and 1998) proposed various recommendations towards achieving this
- Almost all of the committee's recommendations, except that to reduce the 40 percent target for directed credit to 10 percent, have been under implementation since the beginning of the 1990s
- Structural economic reforms introduced in India in 1991
- The first stage of reforms was shaped by the recommendations of the Committee on the Financial System (Narasimham Committee) 1991
- The government took a policy decision of Diluting the Government share holding and Permitting setting up of the Private Sector Banks
- Almost all the public sector banks raised capital from the market, and by 2015 the private shareholding in Public Sector Banks varied from 22 percent to 45 percent.

- Proposals are there to bring down the Government ownership to 52 percent.
- The banking reforms focused on imposing prudential norms and improving regulatory supervision aimed at increasing competition to promote greater efficiency.
- Prudential norms for income recognition, asset classification, and capital adequacy were introduced in a phased manner
- As part of the reforms, Interest Rates on deposits and advances were deregulated extensively
- Reduction of directed credit is a feature of banking reforms.
- Though the Narasimham committee recommended to bring it to 10%., still the requirement that 40 percent of commercial credit has to be extended to the priority sector, which includes agriculture, small-scale industry, small transport operators, artisans was not done away with
- **Increasing competition within the banking sector** was an integral part of the reforms as a means of promoting efficiency in the sector.
- **New banking licenses for Indian private sector banks**, which had not been granted for many years before the reforms, **were granted**
- Several new Indian private sector banks were established during this period
- **Foreign banks**, which were earlier subjected to a very restrictive policy, **were allowed more liberal expansion** opportunities.
- New foreign banks were licensed to enter the market, and existing banks were allowed to expand branches more liberally.
- These changes had a significant impact on the banking system especially PSBs
- At the end of March 1991, 90 percent of the assets of the banking system were accounted for by public sector banks.
- By the end of 2018, this had changed to 70 percent.
- Indian private sector banks gained sizeable market share at the expense of PSBs
- The induction of private shareholders was attributed to help the banks meet capital adequacy requirements without putting a strain on the budget.
- Even though the government remained a majority shareholder a more commercial environment was expected to be created
- Many steps were taken in the name of improving the efficiency of public sector banks, including rationalizing the branch network and reducing the labour force through voluntary retirement plans.
- Productivity enhancement through information technology application was also pursued.
- With all these constraints, Public Sector Banks made efforts to improve recruitment and develop better human resource development policies and manage business.
- Evidence suggests that Public Sector Banks have improved their performance in the post reform period despite of the policies skewed towards Private Sector Banks
- Favoritism was shown for the survival of Private Sector Banks whereas stricter norms were scrupulously followed in the administration of Public Sector Banks thus creating an uneven playing field
- Of the many Private Sector Banks that came into existence, today only a handful of Private Sector Banks which were promoted by the financial houses like ICICI, UTI, IDBI, HDFC are surviving and many of the Private Sector entities that commenced their banking operations after 1990 were either closed or merged
- In 2001, the transition process of Digitalization took place in a big way
- To provide for its smooth implementation, **Special Voluntary Retirement Scheme was introduced in Public Sector Banks in 2001**

- Blanket ban on fresh recruitment in any cadre during the subsequent years.
- **Despite all these odds**, the **Public Sector Banks were** improving their presence and were always **holding a minimum 70% of the market share** and **continued their working for social objectives** taking it as their pride.

5. **Post Global Economic Crisis 2008**

- As per the official statement released in the year 2008-09 by the former RBI Governor, Mr.Raghuram Rajan the Public Sector Banks were performing well
- The Finance Commission which was headed by him submitted its recommendations in 2009 under the title "A Hundred Small Steps"
- In 2009, the **World Bank** had also praised the **Indian Public Sector Banks**, while extending a loan assistance to the tune of 2 billion dollars
- World Bank also observed that the Indian Public Sector Banks are doing exceedingly well and the same was primarily due to the day to day monitoring of Public Sector Banks by DFS and RBI.
- The infrastructure development projects like Road / Power sector were introduced in the year 2008 in a big way
- The budgetary allocation for executing such infrastructure development was practically impossible for the Government as it could have resulted in a deficit budget.
- The then government adopted a new business model of **Public Private Partnership** to achieve its objective of infrastructure development
- In the process, the **Public Sector Banks** were forced to **extend the financial assistance to such corporates** for carrying out the infrastructure projects aimed at the development of the nation
- The contracts were given to Indian corporates who were not having enough liquidity in view of economic meltdown witnessed in the Western Countries
- The Corporates earlier used to mobilize resources at cheaper rates from abroad
- To facilitate the easy and continued flow of finance to such corporates, the controller, the RBI has brought norms like Strategic Debt Restructuring and Corporate Debt Restructuring (SDR/ CDR).
- **These** restructuring **models made** these **private corporates to become eligible to avail the bank finance** and the timely infusion of two billion dollars by the World Bank into the Banking Reforms had also helped.
- Though, the Public Sector Banks were branded as well administered and functioning with adequate capital, the performance of the Public Sector Banks nose dived during 2015-16.
- Almost **all the PSBs posted loss in their balance sheet** as on **March 2016** and many banks could not come out from the aftershocks.
- How the Public Sector Banks who are working under the direct supervision of RBI and the Government of India and branded performing well till 2009, went bad suddenly in March 2016?
- The reasons are very simple; the **unpaid dues by the corporates** were allowed to be **evergreened by introduction of various restructuring schemes like SDR / CDR**
- Enabled the corporates **to get additional funding** as the overseas funding / investments dried up in the aftermath of global economic crisis
- Simultaneously the prudential and provisioning norms were tightened slowly by the controllers
- **The stressed assets, burgeoning over a period of time** by the RBI and Government directive through SDR / CDR measures, **were advised to be provided for** immediately in the 3rd quarter of 2015

- **RBI** officials bulldozed into the corporate offices of the Indian Public Sector Banks with the tool in their hand viz. **Asset Quality Review (AQR)**
- Instructed **to brand all the re-structured assets as NPA** in one go and advised the Banks to make provisions for those NPAs.
- With the assistance of the two strings i.e., **prudential and provisioning norms**, the controller and the government were able to determine the NPA level of any Bank, thus **branding the Indian Public Sector Banks as loss making Banks**.
- **Gyansangams divided the Banks into Anchor banks and target banks.**
- **Target banks** were cautioned that they would **not get capital infusion**.
- Eleven banks were made to sign on the dotted lines for providing capital infusion for implementing turnaround plans and the list of banks also included those banks that were branded as Anchor banks.
- The trade unions were arm twisted to sign MOU to implement the turnaround plan. Trade unions were threatened that the respective banks would not get capital infusion and they would be closed by invoking various regulatory provisions, if MoU is not signed.
- The Controllers and the Government were continuously indicating the mergers, take overs and re-privatization, even while executing the turnaround plan.
- **Prompt Corrective Action was implemented in eleven public sector banks** who didn't meet the stipulated threshold level in areas like Capital, asset quality and profitability.
- **Embargo was placed on these banks for credit expansion,** the life line for any banking entity.
- **The associate banks were merged with SBI in the name of amalgamation** creating a single entity in place of 7 banks.
- Similarly **Dena Bank and Vijaya Bank were merged with Bank of Baroda** quoting the success of the SBI Merger. Dena Bank and Vijaya Bank reduced to the footnotes of the Indian Banking history despite of their rich heritage and performance.
- Already talks are gathering momentum that the second round of mergers will commence and name of the proposed banks are also hinted in newspapers.
- The happenings during the past decade should be seen in proper perspective to fathom the game plan of the Government
- **Banking Sector reforms that commenced in 1991 were the first seeds for merger of Public Sector Banks** but the Government moves were stalled by the power of the Trade Unions for more than two decades.
- The main agenda of the Government is to privatize the Public Sector Banks by way of the merger process
- **The present plans** for the mergers and privatization **were set in motion in 2008** itself in the aftermath of Global financial crisis though the Public Sector Banks remained largely unaffected
- In the report of the "Committee of Financial Sector reforms" titled "A hundred Small Steps", Shri.Raghuram Rajan bats for introduction of Small Finance Banks, Business Correspondents, permitting takeover of PSBs by other PSBs etc. among other recommendations.
- Some of the recommendations were
    - No compelling reasons for continuing government ownership in PSBs
    - Regulator should **allow establishment of more Small Finance Banks** with the ability to provide both asset and liability products to their clients
    - Regulator to actively explore the channels by which **non-traditional entities** with extensive low cost networks

(e.g., post offices), regular contact with the underserved (e.g.,kirana shops, cell phone companies) or with some leverage over potential borrowers (e.g.,buyers of produce, sellers of inputs such as fertilizers) **could be used to provide financial services in a viable manner**

- A takeover of a **PSB by a private or foreign bank will effectively be a privatization**. **Until the political will is found** to amend the relevant acts, these takeovers will be ruled out. Till such time though, **takeovers of PSBs by other PSBs or public financial institutions should not be discouraged**
- **Entry into banking should be made more liberal**. The purpose of this entry is not primarily to increase the level of competition, but to bring new ideas and variety into the system through entry".
- **A Growth friendly regulatory framework -** every effort should be made to narrow what is guaranteed by the government to the bare minimum.
- Another reason to **reduce the public sector presence in the financial sector**, **for that presence** implies an implicit guarantee the government can ill afford, and **places <u>private players at a disadvantage</u>**

- **Most of the recommendations of the committee are under various stages of implementation and *even a cursory glance on the recommendations clearly establishes that favouring the private sector by way of privatization is the ultimate aim and in order to achieve that calibrated steps are taken to weaken the Public Sector Banks by showing them in poor light so that the opposition fizzles out when the ultimate objective is implemented.***

From the presentation of our General Secretary, Shri GV Manimaran during the executive committee meeting of Corporation Bank Officers Organisation on 23.05.2019

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**REF: CBOA/MAY/2019 dated 15.05.2019**

**Linking of Bank's measures for recovery of NPA and suicide of Mother and daughter in Neyyattinkar, Kerala - Much ado about nothing**

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This has reference to the unfortunate incident where a mother and daughter duo had committed suicide on 14.05.2019 at Neyyattinkara. It cannot be denied that it is a personal tragedy for the family concerned but linking the same with the hapless bankers for their recovery efforts is reprehensible on the part of the media.

Police have registered an FIR and the matter is still under investigation. But, even before Police have come to any conclusion, in total violation of Principles of natural justice and with utter disregard to the Constitutional immunity provided to Public Servants in the discharge of their sovereign duties, the Media has tried to sit in judgement over the matter, blaming the Bank Officials for abetment of the suicides.

During the course of investigation, Police have recovered a suicide note, wherein it has been found out that due to internal family dispute reasons, the unfortunate suicides have happened.

Though it's a well settled matter that bank officials are public servants in the eyes of law in terms of Supreme Court decision in the case of Union of India Vs. Ramesh Geli, there is a tendency in some quarters of the media, for reasons best known to them, to just create sensationalism or antagonism directed against any arm of the Government or the Public Servants.

Such tendency is in direct violation of well settled principles and verdicts of several Courts of Law and also against the immunity provided by the Constitution of India. Despite fully aware of the facts, certain quarters of media indulge into such irresponsible acts, as revealed in the above case.

As the important pillar of democracy and being the fourth estate, the media has obviously greater responsibility to the nation and the public, to keep them informed of the truth. Unfortunately, such scurrilous reporting against innocents and defenceless sections of society who are discharging their official duty is on the increase of late.

Public Sector bankers, amidst enormous levels of work pressures, responsibilities, are one of the best functioning of arms of the Public sector, with relatively high levels of probity in public life. Besides implementing varied schemes and services of the State and Central governments, PSBs are virtually part and parcel of the day to day life of the general public of India, serving them in remote and deep rural pockets of the country.

It remains the prime responsibility of the bankers, for sustenance of the very institution they serve, to ensure recovery of the loans advanced. It is an established fact that Public Sector Bankers always employ very fair means in ensuring recovery of the loans given by them. It is to be remembered that the money lent by the PSBs is nothing but public money and bankers are answerable to the public and the government, in terms of well-set principles and procedures.

In the case in point, bank has been pursuing recovery for 9 years, giving exceptionally long time for the borrower to work out the means of repayment. The final amount, though more than sufficient security is available for disposal, was a very fair amount of one time settlement, with interest waivers from the bank. It is quite unfortunate, that the above facts from the bankers' side are not properly presented while reporting, but media is hastily sitting in judgement against innocent borrowers and the bankers.

We demand that you present the full facts of the case before the general public in proper perspective and make amends for the loss of goodwill for the bankers is partially restored in the eyes of the public. Besides we also request you to issue an apology in your publication for defaming the bankers in general without verifying the facts of the case.

**The above Letter was addressed to the editors of all Malayalam Newspapers who reported the false news.**

**CBOA Online Promotion Mock Test**

https://cboa.runexam.com

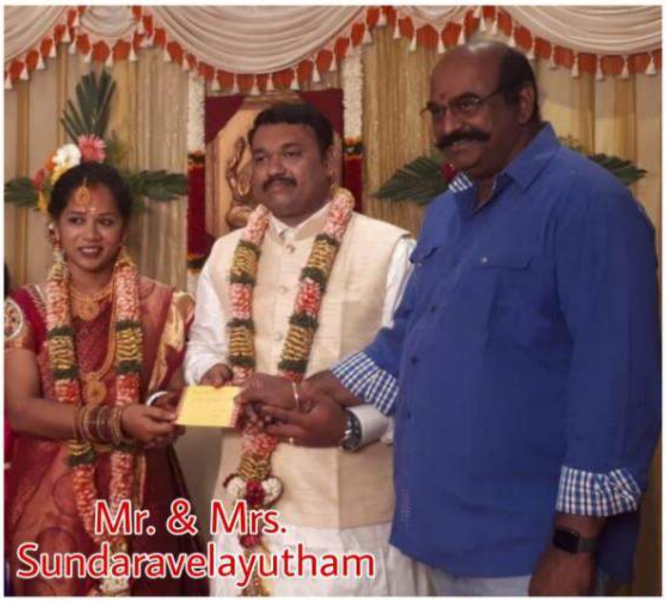
**REF: GS/WHATSAPP dated 29.04.2019**

**Mammoth CENTRAL COMMITTEE MEETING** OF Canara bank officers' Association (CBOA) was concluded after successful hectic sessions during the last two days on 27th and 28th of April 2019 at Bhubaneswar.

Following decisions were taken during the CC meeting.

1. All CBOA members will be activated to participate in the Business building activities of the Bank and efforts will be taken to activate all the INOPERATIVE SB ACCOUNTS by contacting all such Account holders.
2. Additional 10% of the Non borrowal account holders with proven track record will be contacted and it will be the endeavor of the CBOA to increase the QUALITY ADVANCES through such customers.
3. Our Ultimate goal is to earn 10000 CRORES NET PROFIT.
4. Over a period of two years CBOA will own 25 HOLIDAY HOMES all over the country.
5. There will be an endeavour to construct and open A RESIDENTIAL TRAINING FACILITY TO IMPART KNOWLEDGE ON BOTH BANKING AND TRADE UNION PRINCIPLES both to our members and the fellow bankers.
6. Also to construct ELDERS ENCLAVE in Madurai in the existing 3.50 acres of land.
7. From 1st May 2019 onwards All the retiring members will get the honorarium of ₹10000.00 for the membership lesser than five years and ₹20000.00 to others instead of the existing ₹5000.00
8. Compensation towards the disallowed hospitalisation bill is enhanced to ₹ ONE LAC EACH FROM THE EXISTING ₹50000 prospectively from May 2019 onwards. This facility is extended to self as well as the dependent as per the Banking norms too.
9. CANBANDHAN couple will be given the gift worth of ₹5000.00

**Handing over CBOA Momento to Canbandhan Couples**





# Canara Bank Officers' Association
## Bhubaneswar
# CENTRAL COMMITTEE MEETING
## from 27th to 28th April 2019

### Welcome

**CENTRAL COMMITTEE Meeting 2019** began with the invocation of divine blessings of **Lord Sri Jagannath** in the temple city of Bhubaneswar with the august presence of **General Secretary Shri G V Manimaran, Chief Guest Shri Shreekanta Mahapatra, General Manager Canara Bank,** Senior and Vibrant leaders from all parts of the country. The day began with the lightning of lamp and garlanding of our founding father **Shri A Subbarao Pai**. A video depicting the rich heritage of **CBOA Odisha** was displayed.

**Chairman Com Shri R K Bharadwaj** welcomed the leaders from all over India and shared the growth of our mother bank to achievement of total business figure to 10 lakh crores.

**General Secretary Shri G V Manimaran** began his address by welcoming the Chief Guest of the day. He congratulated the CANPALS on achieving the benchmark goal of ten lakh crores of business in Canara Bank within a short span of 2 years. The inevitable topic of mergers was raised by our GS touching upon the hapless condition of merger of associations. He emphasized the need for young leaders to take their role of leadership seriously and more responsibly because the present robust leadership will be retiring soon and the mantle will be on the shoulders of the young leaders.

Our beloved General Secretary then felicitated our Chief Guest Shri Shreekanta Mohapatra.


**President Shri B K Mehta** gave the vote of thanks and congratulated CBOA Bhubaneswar team for the excellent arrangement of CC Meeting.

**Chief Guest Shri Shreekanta Mohapatra,** GM, Circle Head Bhubaneswar in his address welcomed all to the temple city Bhubaneswar. He foresaw that by 2023, 67% of the present workforce will be retired and the youth will be leading the bank. Youngsters need to own the bank and the association needs to guide them. He said that CBOA is a part of Canara Bank and assured of his support to CBOA always.

## GS Report

General Secretary presented his extensive report comprising various aspects relating to banking and economic growth of the country and matter of National Importance. He emphasized the need for youth to be serious and act responsibly. He stressed the need for survival of the institutions for existence of the trade union.

## Team Presentations

### AHMEDABAD Team

**Mr. Linga Reddy & Mr. Richariya.** *Topic: What are the prudent ways of improving the business by effectively employing the strengths of our bank viz. century old, big number of branches, sixty thousand employees, and 10 crore customers? Whether our business growth is in tandem with the opportunities and potential?*

Brand the Pioneer Banking for more than 100 years. Leverage the technology and strong network of branches in every nuke and corner of country and prominent places at abroad. Utilise the energy and ability of more than 70% of total staff i.e. youth by motivation for betterand effective customer service and business growth. Customer used as brand ambassador and delight them with recognition by way of special service or incentives.

### JAIPUR Team

**Mr. Rajiv Nigam & Mr. K R A Murugan.** *Topic: Whether the 4-tier system proved to be effective? Whether the ROs could act as business hub as it was envisaged while introducing the 4-tier system?*

Team Jaipur analyzed the core objectives of formation of RO. Reduction in Process Time, Guidance in Handholding, Effective Review Function and Improved Marketing Function. While they viewed on achievement and fulfillment of certain objectives by RO, they also laid importance on scope of improvement in certain areas.

They strongly believe that formation of RO has contributed to the business growth of the bank.

### CHANDIGARH Team

**Mr. Gurmeet Singh & Mr. Tapash Sen.** *Topic: How to encourage the youth to participate in the promotion process by the administration?*

Chandigarh team quoted reference from Dr. A P J Abdul Kalam's autobiography 'Wings of Fire', mentioning his background and early days struggle from a newspaper delivery boy to the renowned scientist and the President of India. They also highlighted the challenges of human resource and raised sensitive areas like delegation of roles and responsibilities, training and accountability policy. They emphasized the implementation of "framework of role based training" and carrying out efficient promotion policy. Further they quoted Khandelwal committee "PSBs may have Capital Adequacy but lack in talent adequacy".

# Canara Bank Officers' Association
## Bhubaneswar
# CENTRAL COMMITTEE MEETING
## from 27th to 28th April 2019

### DELHI Team:

**Mr. Charanjit & Mr. Sandeep Batra.** *Topic: How to alleviate the special problems of the specialist officers more particularly the marketing officers?*

Delhi team highlighted the woes of MOs like lack of job rotation, lack of overall knowledge of banking by specialist officers, multiple reporting structure of MOs and many more. They suggested giving option to MOs for converting to general banking after 5 years and proper policy for SOs before merger.

### JHARKHAND Team:

**Mr. Sailesh Tripathy & Mr. Dhananjay.** *Topic: How to rationalize the frequent transfers? Whether to effect changes in the home state transfer policy and also to modify the eligibility norms to get promotions?*

Jharkhand team emphasized on calculating total vacancies state-wise well in advance before affecting transfers. Priority should be given on seniority basis in case of home state transfers. They emphasized the basis of transfers should not be to punish the officers. Priority shall be given in case of medical emergencies. They also highlighted the plight of the school-going children of the officers during transfers and suggested to retain quarters at their previous posting. To reintroduce the concept of "option branches" for far-flung branches.

### ODISHA Team:

**Mr. P.K. Mohanty & Mr. Kadam.** *Topic: Executives are feeling insecure. It appears there is no firm policy on their transfer, disciplinary matters and promotion. Should we enroll and involve them actively to obviate their woes?*

CBOA Bhubaneswar highlighted the plight of executives in our banking industry in the matter of transfer, disciplinary proceedings and promotions. They brought to attention the absence of any definite or defined policy for executives in the matter of transfer, promotion and disciplinary proceedings. It was suggested for enrollment of executives in association to remove their plights.

### VIJAYAWADA Team:

**Mr. Rama Prasad & Mr. Milind Vyas.** *Topic: Accountability policy- a milestone in HR management. Are we following the essence of the policy truly?*

The robust accountability policy was evolved by our visionary GS Manimaran Sir in 2012 as it was observed that accountability was not being implemented in true spirit. Multiple lapses were observed in its implementation so a few suggestions for realizing it in true spirit- involvement at the stage of investigation and discussion with IO, certificate from IO that policy is taken into account, progress on implementation of policy included in CLJM agenda and a committee to be formed at HO with representation from CBOA.

### PATNA Team:

**Mr. Kislay & Mr. Mehta.** *Topic: Actions of office bearers. Are we secular and above the caste, community, religion and language?*

Patna team quoted the Upanishads and emphasized that the office bearers in CBOA should rise above all discriminations like caste, religion, community & language to unite members from all communities. They reiterated the advantages of casteless leadership being- mass following, unbiased approach and harmony among members, by giving the example of Canbandhan, a unique inititave by the mighty CBOA.

### BANGALORE Team:

**Mr. Jagdeesh & Mr. Bharadwaj.** *Topic: 2010 setback CBOA. Are we in the right track after we made a comeback?*

Team Bengaluru remembered the unsavory and chaotic situation during the 15th Biennial held in Nov 2010 in Bangalore. They remarked the 52 years of history of CBOA which has witnessed many ups and downs in its journey. Post 2010 CBOA has achieved unprecedented changes in leaderships and has achieved remarkable benefits for members of CBOA which includes increase in HL quantum, rental ceiling, DPN, conveyance and many other benefits.

### MUMBAI Team:

**Mr. Abhay & Mr. K K Tripathy.** *Topic: What if the mergers are taking place on the lines of BOB, Vijaya Bank and Dena Bank? What would be our plan of action?*

Mumbai team emphasized the troubles of mergers like- clash and conflicts in areas with higher concentration of branches, loss to previously profit-making banks, delayed promotions and loss of prominence of trade unions. Despite our protests if mergers take place, we should approach it positively- staff should be sensitized not to discriminate, training should be provided by acquirer bank to familiarize others to their systems and procedures, balanced staff to branches so that the customers do not feel lost.

### CHENNAI Team:

**Mr. Anand & Mr. Waltair.** *Topic: Growing fraud reports among the youth, Is it due to avariceness or the knowledge gap?*

They highlighted on the behavioural attitude of the youth which leads to the cause of bank frauds. They emphasized on the casual and overconfident approach of the youth which leads to such disaster. They laid down the importance of secrecy of passwords, verifying KYCs and adapting vigilant methods and whistle blowing to reduce the occurrence of such instances in the industry.

### Cultural Evening.

The day ended with witnessing beautiful Oddishi dance by renowned dancers Miss Aparupa Pattnaik and Sambalpuri Dance by Comrade Chandrakanti, RC Member and team.

# Canara Bank Officers' Association
## Bhubaneswar
## CENTRAL COMMITTEE MEETING
### from 27th to 28th April 2019

The second day of CC Meeting 2019 began with topic presentation from Gulbarga & Trivandrum Team followed by General Secretary's address where he discussed the pressing concerns of CBOA and encouraged members to come up with their views.

### GULBARGA Team:

**Mr. Ravikumar & Mr. Prabhu.** *Topic: Implementation of innovations in CBOA functioning.*

The team opined the evolution of trade union to survive and thrive unlike any other living entities. They recognized the implementation of technology and innovative ideas for a strong trade union. They highlighted many initiatives taken by CBOA in similar lines like CANPAL, Coffee with Customer, Thus We Can, Think Tank, online promotional materials and Online Test series to name a few. The team suggested providing education and healthcare facilities to the families of its members and general public.

### TRIVANDRUM Team:

**Mr. Jacob & Mr. Jagdeesh.** *Topic: What should be the traits to lead CBOA in the next generation?*

They say the next generation needs a leadership to fight challenges of varied dimensions in future. The future leader should be capable of taking balanced decisions and adapting newer methods to fight against challenges. He must respect himself as well as his members alike and act selflessly. He ought to create confidence among his members and give equal importance to all members. He should have a open heart and consciously activate and motivate to apply the powers and capabilities of self and his cadres.

**Press conference**

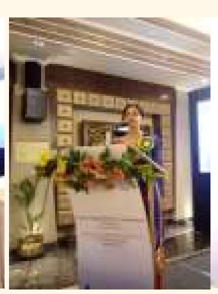
Media persons from prominent Odiya dailies- SAMAJ, SAMBAD, PRAMEYA and ODISHA BHASKAR like had come for a press meet where our General Secretary Shri G V Manimaran, Chairman Shri R K Bharadwaj, President Shri B K Mehta and Vice President Shri P K Mohanty discussed various issues plaguing the banking industry especially the long overdue wage settlement.

ବ୍ୟାଙ୍କ ଶିଳ୍ପର ବିଭିନ୍ନ ଦିଗ ଉପରେ ବିଚାରବିମର୍ଶ

**Rs Presentation**

The Regional Secretaries presented their region-wise data in the RS report.







**Felicitation to retirees**

Our retirees were given a warm farewell. Shri R K Swain, ex-GM and Bhubaneswar Circle Head addressed the gathering recounting with fondness his association with CBOA. Bhubaneswar Team took the opportunity to felicitate Chairman and General Secretary. In this auspicious occasion.


# Canara Bank Officers' Association
## Bhubaneswar
## CENTRAL COMMITTEE MEETING
### from 27th to 28th April 2019

**Winning Moments**

Prizes were won by regions on the basis of % of membership, quantum of membership and the newly introduced % of executives enrolled.



**Moments of pride**

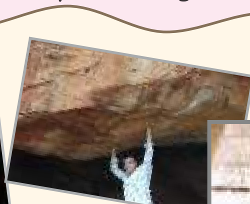
It was a moment of immense pride when the Holiday Home documents were presented to GS in the Bhubaneswar CC meeting- Rameshwaram, Chandigarh & Tirupati



### Highlights of CC Meet

- Ultimate goal is to reach 10,000 crores net profit.
- All members to contact the inoperative SB account holders to participate in business building activities of our mother bank.
- Additional 10% of non-borrowers with proven track record to be approached to increase Quality Advances.
- Increase in honorarium to all retirees from Rs.5000/- to Rs.10,000/- (for membership of less than 5 years) and Rs.20,000/- (for the rest).
- Compensation for disallowed hospitalisation bill for members and dependants increased to Rs.1,00,000/- from the existing Rs.50,000/-
- CBOA will own 25 Holiday Homes over the next 2 years all over the country.
- A residential training facility to be constructed to impart knowledge on both banking and trade union principles for members and fellow bankers.
- ELDERS' ENCLAVE to be constructed in Madurai over 3.5 acres of land.
- CANBANDAN couple will be given the gift worth of ₹5000/-

### Hangover Moments








**P.K. Mohanty**
Vice President

**B.K. Mehta**
President

**G.V. Manimaran**
General Secretary

**R. K. Bharadwaj**
Chairman

# OUR BANK NEWS

Canara Bank

## GLIMPSE OF OUR BALANCE SHEET AS ON 31.03.2019

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2019

(Rs. in Crores)

| Sl. No. | PARTICULARS | QUARTER ENDED (AUDITED) 31.03.2019 | QUARTER ENDED (REVIEWED) 31.12.2018 | QUARTER ENDED (AUDITED) 31.03.2018 | YEAR ENDED (AUDITED) 31.03.2019 | YEAR ENDED (AUDITED) 31.03.2018 |
|---|---|---|---|---|---|---|
| 1 | INTEREST EARNED (a)+(b)+(c)+(d) | 12138.48 | 12188.56 | 10223.41 | 46810.34 | 41252.09 |
| | (a) Interest/discount on advances/bills | 8629.92 | 9162.16 | 7252.47 | 34319.28 | 29096.44 |
| | (b) Income on Investments | 2819.34 | 2780.09 | 2552.36 | 10937.51 | 10412.10 |
| | (c) Interest on balances with Reserve Bank of India & Other Inter-Bank Funds | 283.89 | 216.56 | 166.54 | 828.01 | 646.99 |
| | (d) Others | 405.33 | 29.75 | 252.04 | 725.54 | 1096.56 |
| 2 | Other Income | 1861.95 | 1324.79 | 1331.70 | 6574.96 | 6942.85 |
| 3 | TOTAL INCOME (1+2) | 14000.43 | 13513.35 | 11555.11 | 53385.30 | 48194.94 |
| 4 | Interest Expended | 8638.33 | 8374.76 | 7235.82 | 32332.22 | 29088.76 |
| 5 | Operating Expenses (i)+(ii) | 2388.64 | 2781.35 | 2554.64 | 10462.21 | 9557.94 |
| | (i) Employees Cost | 1039.87 | 1565.95 | 1306.71 | 5675.11 | 5444.12 |
| | (ii) Other Operating Expenses ( All items exceeding 10% of the total expenditure excluding interest expenditure may be shown separately) | 1348.77 | 1215.40 | 1247.93 | 4787.10 | 4113.82 |
| 6 | TOTAL EXPENSES ((4+5) excluding Provisions & Contingencies) | 11026.97 | 11156.11 | 9790.46 | 42794.43 | 38646.70 |
| 7 | Operating Profit before Provisions and Contingencies (3-6) | 2973.46 | 2357.24 | 1764.65 | 10590.87 | 9548.24 |
| 8 | Provisions (Other than Tax) and Contingencies | 5523.50 | 1977.34 | 9075.04 | 12918.28 | 16109.10 |
| | of which provisions for Non-performing assets | 5120.85 | 2732.71 | 8762.57 | 12722.82 | 14882.70 |
| 9 | Exceptional items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9) | (2550.04) | 379.90 | (7310.39) | (2327.41) | (6560.86) |
| 11 | Tax expense | (1998.51) | 62.38 | (2450.62) | (2674.43) | (2338.62) |
| 12 | Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11) | (551.53) | 317.52 | (4859.77) | 347.02 | (4222.24) |
| 13 | Extraordinary items (net of tax expense) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 14 | Net Profit (+) / Loss (-) for the period (12-13) | (551.53) | 317.52 | (4859.77) | 347.02 | (4222.24) |
| 15 | Paid up Equity Share Capital (Face Value of each share-Rs.10/-) | 753.24 | 733.24 | 733.24 | 753.24 | 733.24 |
| 16 | Reserves excluding Revaluation Reserves | | | | 28975.82 | 28346.86 |
| 17 | Analytical Ratios | | | | | |
| | (i) Percentage of shares held by Government of India | 70.62% | 72.55% | 72.55% | 70.62% | 72.55% |
| | (ii) Capital Adequacy Ratio - Basel III | 11.90% | 12.21% | 13.22% | 11.90% | 13.22% |
| | (a) Common Equity Tier I Ratio | 8.31% | 8.81% | 9.51% | 8.31% | 9.51% |
| | (b) Additional Tier 1 Ratio | 0.72% | 0.73% | 0.79% | 0.72% | 0.79% |
| | (iii) Earnings per Share (EPS) (Not Annualised) | | | | | |
| | a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year | (7.40) | 4.33 | (80.35) | 4.71 | (70.47) |
| | b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year | (7.40) | 4.33 | (80.35) | 4.71 | (70.47) |
| | (iv) NPA Ratios | | | | | |
| | a) Amount of Gross Non Performing Assets | 39224.12 | 44621.27 | 47468.47 | 39224.12 | 47468.47 |
| | b) Amount of Net Non-Performing Assets | 22955.11 | 26591.07 | 28542.40 | 22955.11 | 28542.40 |
| | c) Percentage of Gross Non Performing Assets | 8.83% | 10.25% | 11.84% | 8.83% | 11.84% |
| | d) Percentage of Net Non-Performing Assets | 5.37% | 6.37% | 7.48% | 5.37% | 7.48% |
| | (v) Return on Assets (Annualised) | (0.36%) | 0.21% | (3.46%) | 0.06% | (0.75%) |

| SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2019 | | (Rs. in crores) | | | | |
|---|---|---|---|---|---|---|
| BUSINESS SEGMENT | | QUARTER ENDED | | | YEAR ENDED | YEAR ENDED |
| | | 31.03.2019 (AUDITED) | 31.12.2018 (REVIEWED) | 31.03.2018 (AUDITED) | 31.03.2019 (AUDITED) | 31.03.2018 (AUDITED) |
| **(1)** | **Segment Revenue** | | | | | |
| a | Treasury Operations | 3204.81 | 2960.32 | 2671.03 | 11902.83 | 12876.12 |
| b | Retail Banking Operations | 4952.86 | 4858.59 | 4705.79 | 19623.91 | 17782.12 |
| c | Wholesale Banking Operations | 5798.19 | 5616.62 | 3919.25 | 21260.96 | 16480.64 |
| d | Unallocated | 44.57 | 77.82 | 259.04 | 597.60 | 1056.06 |
| | **Total** | **14000.43** | **13513.35** | **11555.11** | **53385.30** | **48194.94** |
| | Less: Inter Segment Revenue | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Income from operations** | **14000.43** | **13513.35** | **11555.11** | **53385.30** | **48194.94** |
| **(2)** | **Segment Results** | | | | | |
| a | Treasury Operations | 1139.34 | 749.44 | 510.99 | 3593.41 | 4009.59 |
| b | Retail Banking Operations | 1069.06 | 591.49 | 1539.78 | 3199.91 | 3561.81 |
| c | Wholesale Banking Operations | 982.22 | 849.80 | (545.16) | 3503.08 | 920.78 |
| d | Other Banking Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Total** | **3190.62** | **2190.73** | **1505.61** | **10296.40** | **8492.18** |
| | Unallocated Income/Expenses (including Provisions and contingencies) | (5740.66) | (1810.83) | (8816.00) | (12623.81) | (15053.04) |
| | **Total Profit Before tax** | **(2550.04)** | **379.90** | **(7310.39)** | **(2327.41)** | **(6560.86)** |
| | Income tax | (1998.51) | 62.38 | (2450.62) | (2674.43) | (2338.62) |
| | **Net Profit** | **(551.53)** | **317.52** | **(4859.77)** | **347.02** | **(4222.24)** |
| **(3)** | **Segment Assets** | | | | | |
| a | Treasury Operations | 176693.30 | 172300.53 | 161990.29 | 176693.30 | 161990.29 |
| b | Retail Banking Operations | 198309.39 | 194572.72 | 178009.24 | 198309.39 | 178009.24 |
| c | Wholesale Banking Operations | 278287.06 | 265790.84 | 240866.78 | 278287.06 | 240866.78 |
| d | Other Banking Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| e | Unallocated Assets | 41476.94 | 39466.31 | 36019.79 | 41476.94 | 36019.79 |
| | **Total Assets** | **694766.69** | **672130.40** | **616886.10** | **694766.69** | **616886.10** |
| **(4)** | **Segment Liabilities** | | | | | |
| a | Treasury Operations | 176069.35 | 171359.78 | 151133.43 | 176069.35 | 151133.43 |
| b | Retail Banking Operations | 188754.36 | 184077.56 | 159268.33 | 188754.36 | 159268.33 |
| c | Wholesale Banking Operations | 259572.49 | 249735.95 | 240011.28 | 259572.49 | 240011.28 |
| d | Other Banking Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| e | Unallocated Liabilities | 34193.26 | 30422.35 | 30868.23 | 34193.26 | 30868.23 |
| | **Total Liabilities** | **658589.46** | **635595.64** | **581281.27** | **658589.46** | **581281.27** |
| **(5)** | **Capital Employed** | | | | | |
| a | Treasury Operations | 623.95 | 940.75 | 10856.86 | 623.95 | 10856.86 |
| b | Retail Banking Operations | 9555.03 | 10495.16 | 18740.91 | 9555.03 | 18740.91 |
| c | Wholesale Banking Operations | 18714.57 | 16054.89 | 855.50 | 18714.57 | 855.50 |
| d | Other Banking Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| e | Unallocated | 7283.68 | 9043.96 | 5151.56 | 7283.68 | 5151.56 |
| | **Total Capital Employed** | **36177.23** | **36534.76** | **35604.83** | **36177.23** | **35604.83** |

| GEOGRAPHICAL SEGMENT | | QUARTER ENDED | | | YEAR ENDED | YEAR ENDED |
|---|---|---|---|---|---|---|
| | | 31.03.2019 | 31.12.2018 | 31.03.2018 | 31.03.2019 | 31.03.2018 |
| | | (AUDITED) | (REVIEWED) | (AUDITED) | (AUDITED) | |
| **(1)** | **Revenue** | | | | | |
| a | Domestic | 13632.77 | 13153.28 | 11172.83 | 52003.52 | 46888.53 |
| b | International | 367.66 | 360.07 | 382.28 | 1381.78 | 1306.41 |
| | **Total** | **14000.43** | **13513.35** | **11555.11** | **53385.30** | **48194.94** |
| **(2)** | **Assets** | | | | | |
| a | Domestic | 634010.55 | 619567.67 | 560817.56 | 634010.55 | 560817.56 |
| b | International | 60756.14 | 52562.73 | 56068.54 | 60756.14 | 56068.54 |
| | **Total** | **694766.69** | **672130.40** | **616886.10** | **694766.69** | **616886.10** |

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# AINBOF CIRCULAR

**AINBOF CIRCULAR dated 29.05.2019**

## IF IT IS INEVITABLE..

Dear friends,

We, the Bankers were waiting for the elections to be over to pursue the unaccomplished popular demand of **WAGE REVISION.** Now, it is over and the same Government has come back with renewed power and energy and thus there would not be any change in the approach & policies towards the Banking sector. Now, we also have to renew & reinstall our demand of decent wage revision and updation of pension immediately. Before relaunching, let's have a little peep in to the past.

1. After 1991 the Government reintroduced the Private Banks and reduced the Government holdings.
   ***We only opposed but happened.***
2. New Accounting standards were introduced. Prudential and provisioning norms were employed to reduce the profits of the PSBs in the name of reforms.
   ***We only opposed but further tightened.***
3. SVRS was introduced and experienced staff were encouraged to leave the PSBs to join the new private sector banks too.
   ***We only opposed but the cadres opted.***
4. IPO was introduced to further reduce the Government holdings in the PSBs.
   ***We only opposed but even the cadres subscribed and now ESOPs are accepted.***
5. Total computerisation was introduced, products and services were changed.
   ***We only opposed , but cadres and customers have adopted.***
6. CDRs and SDRs were stipulated, prudential norms were relaxed, infrastructure projects were implemented, new business model PPP was introduced in lieu of executing the projects by the Government through budgetary allocation and Indian corporate sectors were financed to execute such projects.
   ***We only opposed but not heard.***
7. AQR was thrusted and restructured assets were rebranded as NPA, new provisions were ordered, Banks which were giving dividends beyond 100% till 2015 were pushed to show loss in their balance sheets in 2016.
   ***We only cried but not cared.***

**8.** Area based banks were introduced, payment banks and small banks licences were given, universal banking is thrown and portfolio banking were encouraged but all such new institutions were given to private.

***We are only opposing but they are flourishing.***

**9.** Newly promoted payment and small banks were offering and lending at very high interest rates. Innocent customers in rural and semi urban pockets are being looted by charging 18% plus even for the housing loans.

***We are only shouting but even the victims remain mute.***

**10.** Illogical and illegal decision of non infusing capital in to the so-called weak banks and the possible reduction of government holdings to 51% was announced in 2015.

***We only noticed and talked about but nobody cared.***

**11.** PSBs were divided in to Anchor bank and target banks in 2015 and reiterated in 2016. Norms were tightened on the target banks and were being pushed to face natural decay or death.

***We only cried but no shoulders.***

**12.** IDBI was the only 100% owned by GOI in 21st century became the private bank.

***We only objected but it was accepted by the stake holders.***

**13.** Nationalisation of the Banks was branded as Historical blunder.

***We only expressed shock but even the claimants of the success of Nationalisation maintained silence.***

**14.** Merger of SBI with it's associate banks were announced. Kerala assembly opposed.

***We also opposed, but, some of us welcomed, few of us called it was only an amalgamation and the worst has happened.***

**15.** Encouraged by the stake holders silence on the merger of SBI with associate banks, merger of BOB,VIJAYA BANK and DENA BANK was announced.

***We only opposed till the end, our energy which was focussed till then on wage revision was diverted to oppose the merger but no support even among the trade unions and even few organisations geared up for post merger organisational structure.***

**16.** Pre poll announcements were made to continue the banking reforms apparently hinted further mergers.

***We were only murmuring but the Indian Public – the beneficiaries of the Nationalisation and PSBs voted for the Government, obviously uncared for the bank mergers.***

***Thus now it became an exposed secret and rather expectation that***

- ✓ ***Banks merger***
- ✓ ***Area based private banks to manage the portfolios like HOUSING,SME, GOLD LOANS, PRIORITY SECTOR and TRANSACTION BANKING independently.***
- ✓ ***Few big merged entities may be ordered to manage the corporate sector.***

- ✓ ***Few small PSBs may be asked to restrain to Retail Banking either at Regional level or at Pan India level.***
- ✓ ***All the above steps are against the principles of Nationalisation***
- ✓ ***But, no public is opposing the privatisation move which would adversely affect them only primarily.***

So,

if the merger is inevitable……….

for a change

we initiate the next move and march ahead with our priorities.

- ✓ Let's concentrate on how to protect the officers in case of mergers.
- ✓ Design the prophylactic steps to guard the officers from the probable ill effects of mergers.
- ✓ To ensure the well being of 70% youth in the bank we shall pursue with IBA to SETTLE THE WAGE REVISION ON THE MINIMUM WAGES POLICY WITHOUT HARPING ON THE PERCENTAGE.
- ✓ TO RETAIN AND RECRUIT QUALITY OFFICERS IN THE BANK, WE SHALL STRIVE TO FIX THE INITIAL SALARY EQUIVALENT TO GRADE A OFFICERS OF GOI.
- ✓ WE SHALL FIGHT FOR GETTING THE RUNNING SCALE OF PAY WITHOUT LINKING TO THE PROMOTION AND SCALES.
- ✓ WE MUST GET THE UPDATION OF PENSION TOO.

THUS,

Without losing any further time, Let all the Bank officers involve individually to ensure

QUALITY WAGE SETTLEMENT

MANIMARAN G V

GENERAL SECRETARY

AINBOF

*****


CBOA Promotion coaching class at Chennai for Scale 0 to 1 Promotion

# RBI Notifications

भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

**RBI/2018-19/186 DCM (Plg.) No.2845/10.25.007/2018-19 dated May 23, 2019**

## Incentive for improving service to non-chest branches

Please refer to our circular RBI/2015-16/293 DCM (NPD) No.2564/09.40.02/2015-16 dated January 21, 2016 on the captioned subject. It has been decided to allow the large modern Currency Chests to increase the service charges to be levied on cash deposited by non-chest bank branches from the existing rate of ₹ 5/- per packet of 100 pieces to a higher rate subject to a maximum of ₹ 8/- per packet. For this purpose, only a Currency Chest fulfilling the Minimum Standards for a Currency Chest as detailed in our circular RBI/2018-19/166 DCM (CC) No.2482/03.39.01/2018-19 dated April 08, 2019 shall be eligible to be classified as a large modern Currency Chest.

Banks may approach the Issue Office of Reserve Bank under whose jurisdiction the Currency Chest is located for such classification. The increased rates can be charged only after such classification by the Issue Office concerned. The Non-Chest bank branches linked with such large modern Currency Chests may be advised of the applicability of the increased rates at least 15 days in **advance.**

**(Sanjay Kumar)**

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**RBI/2018-19/184 DNBR (PD) CC. No.099/03.10.001/2018-19 dated May 16, 2019**

## Risk Management System – Appointment of Chief Risk Officer (CRO) for NBFCs

With the increasing role of NBFCs in direct credit intermediation, there is a need for NBFCs to augment risk management practices. While Boards of NBFCs should strive to follow best practices in risk management, it has been decided that NBFCs with asset size of more than Rs.50 billion shall appoint a CRO with clearly specified role and responsibilities. The CRO is required to function independently so as to ensure highest standards of risk management.

The NBFCs shall strictly adhere to the following instructions in this regard:

The CRO shall be a senior official in the hierarchy of an NBFC and shall possess adequate professional qualification/ experience in the area of risk management.

The CRO shall be appointed for a fixed tenure with the approval of the Board. The CRO can be transferred/ removed from his post before completion of the tenure only with the approval of the Board and such premature transfer/ removal shall be reported to the Department of Non-Banking Supervision of the regional office of the Bank under whose jurisdiction the NBFC is registered. In case the NBFC is listed, any change in incumbency of the CRO shall also be reported to the stock exchanges.

The Board shall put in place policies to safeguard the independence of the CRO. In this regard, the CRO shall have direct reporting lines to the MD & CEO/ Risk Management Committee (RMC) of the Board. In case the CRO reports to the MD & CEO, the RMC/ Board shall meet the CRO without the presence of the MD & CEO, at least on a quarterly basis. The CRO shall not have any reporting relationship with the business verticals of the NBFC and shall not be given any business targets. Further, there shall not be any 'dual hatting' i.e. the CRO shall not be given any other responsibility.

The CRO shall be involved in the process of identification, measurement and mitigation of risks. All credit products (retail or wholesale) shall be vetted by the CRO from the angle of inherent and control risks. The CRO's role in deciding credit proposals shall be limited to being an advisor.

In NBFCs that follow committee approach in credit sanction process for high value proposals, if the CRO is one of the decision makers in the credit sanction process, the CRO shall have voting power and all members who are part of the credit sanction process, shall individually and severally be liable for all the aspects, including risk perspective related to the credit proposal.

Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 has been modified accordingly.

(Manoranjan Mishra)

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**RBI/2018-19/183 DCM (Plg) No.2746/10.25.07/2018-19 dated May 14, 2019**

## Outsourcing of Cash Management – Reconciliation of Transactions

As stated in para 15 of the monetary policy statement dated October 04, 2016, the Bank had constituted a Committee on Currency Movement [Chair: Shri D.K. Mohanty, Executive Director, Reserve Bank of India] to review the entire gamut of security of the treasure in transit. The recommendations of the Committee relating to timely reconciliation of transactions (i.e. ATM cash replenishment) between the bank, the service provider and its sub-contractor have been examined. Accordingly, it has been decided that the bank shall follow the procedure as under:\

Cash indents by the Service Provider shall be made at least a day in advance (T-1 where T is the day of cash loading), in consultation with the chest / nodal branch. Multiple points of cash withdrawal may be avoided and shall be restricted to one in each centre. However, metropolitan centres may have two points of cash withdrawal.

Reconciliation of transactions shall be done between the bank, the service provider and its sub-contractors at least on a T+3 basis.

In the event of a dispute or the reporting of alleged / attempted breach of security / laid down procedures, access to video footage of the ATM may be provided by the bank to the service provider and its sub-contractors on request.

Further, as a part of outsourcing arrangements for cash management, the bank shall encourage their service provider and its sub-contractors to:

put in place an efficient digital records management system for data retrieval and reconciliation.

create and maintain a data base of employees at industry level through any unique mode / code of identification by the Self Regulatory Organisation to ensure that they possess unblemished records.

(Sanjay Kumar)

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**RBI/2018-19/179 FIDD.CO.Plan.BC.18 /04.09.01/2018-19 dated May 6, 2019**

**Priority Sector Lending – Targets and Classification**

Please refer to Para 10 of the Statement on Developmental and Regulatory Policies of the First Bi-Monthly Monetary Policy Statement 2019-20 dated April 4, 2019 and Para 9 of Master Direction – Regional Rural Banks (RRBs) - Priority Sector Lending – Targets and Classification dated July 7, 2016/Para 5 of the Compendium for Small Finance Banks (SFBs) – Priority Sector Lending – Targets & Classification dated July 6, 2017, prescribing eligibility criteria of housing loans for classification under priority sector.

In terms of the above Master Direction for RRBs, loans to individuals up to ₹ 20 lakh for purchase/construction of a dwelling unit per family provided the overall cost of the dwelling unit does not exceed ₹ 25 lakh are eligible to be classified under priority sector. In terms of the Compendium for SFBs, loans to individuals up to ₹ 28 lakh in metropolitan centres (with population of ten lakh and above) and ₹ 20 lakh in other centres, are eligible to be classified under priority sector, provided that the cost of dwelling unit does not exceed ₹ 35 lakh and ₹ 25 lakh, respectively.

In order to bring the RRBs and SFBs at a level playing field with other Scheduled Commercial Banks, it has now been decided to enhance the housing loan limits for eligibility under priority sector lending. Accordingly, in respect of RRBs and SFBs, housing loans to individuals up to ₹ 35 lakh in metropolitan centres (with population of ten lakh and above) and ₹ 25 lakh in other centres, provided the overall cost of the dwelling unit in the metropolitan centres and at other centres does not exceed ₹ 45 lakh and ₹ 30 lakh, respectively will be eligible for classification under Priority Sector Lending.

Furthermore, the existing family income limit of ₹ 2 lakh per annum, prescribed under Para 9.4 of the above Master Direction for RRBs/Para 5.4 of the Compendium for SFBs, eligible for loans to housing projects exclusively for the purpose of construction of houses for Economically Weaker Sections (EWS) and Low Income Groups (LIG), is revised to ₹ 3 lakh per annum for EWS and ₹ 6 lakh per annum for LIG, in alignment with the income criteria specified under the Pradhan Mantri Awas Yojana.

Accordingly, the RRBs/SFBs are allowed to reckon their outstanding portfolio of housing loans meeting the revised criteria for classification under priority sector lending from the date of this circular.

All other terms and conditions specified under the Master Direction/Compendium shall remain unchanged.

(Gautam Prasad Borah)

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**RBI/2018-19/189 DPSS (CO) RTGS No. 2488/04.04.016/2018-19 dated May 28, 2019**

**Real Time Gross Settlement (RTGS) System – Extension of Timings for Customer Transactions**

A reference is invited to circular DPSS (CO) RTGS No.492/04.04.002/2015-16 dated September 1, 2015 on 'Changes in RTGS time window' and circular DPSS (CO) RTGS No.1926/04.04.002/2015-16 dated February 4, 2016 on 'RTGS service charges for members and customers - Rationalisation'.

It has been decided to extend the timings for customer transactions (initial cut-off) in RTGS from 4:30 pm to 6:00 pm. Accordingly, the RTGS time window with effect from **June 01, 2019** will be as under:

| Sr. No. | Event | Time |
|---|---|---|
| 1. | Open for Business | 08:00 hours |
| 2. | Customer transactions (Initial Cut-off) | 18:00 hours |
| 3. | Inter-bank transactions (Final Cut-off) | 19:45 hours |
| 4. | IDL Reversal | 19:45 hours -20:00 hours |
| 5. | End of Day | 20:00 hours |

The time-varying charges for transactions in RTGS from 13:00 hours to 18:00 hours shall be ₹ 5 per outward transaction. The time varying charges structure is as under:

| Sr. No. | Time of Settlement at the Reserve Bank of India | | Time varying charge per outward transaction (in addition to flat processing charge) (exclusive of tax, if any) |
|---|---|---|---|
| | **From** | **To** | |
| 1 | 08:00 hours | 11:00 hours | Nil |
| 2 | After 11:00 hours | 13:00 hours | ₹ 2.00 |
| 3 | After 13:00 hours | 18:00 hours | ₹ 5.00 |
| 4 | After 18:00 hours | | ₹ 10.00 |

This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act 2007 (Act 51 of 2007).
(Sangeeta Lalwani)

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**RBI / 2018-19 / 190 DBR.AML.BC.No.39/ 14.01. 001/2018-19 dated May 29, 2019**

**Amendment to Master Direction (MD) on KYC**

Government of India, vide Gazette Notification G.S.R. 108(E) dated February 13, 2019, has notified amendments to the Prevention of Money-laundering (Maintenance of Records) Rules, 2005. Further, an Ordinance, "Aadhaar and other Laws (amendment) Ordinance, 2019", has been notified by the Government amending, inter alia, the Prevention of Money Laundering Act, 2002.

2. Important changes carried out in the Master Direction in accordance with the aforementioned amendments are listed hereunder:

a) Banks have been allowed to carry out Aadhaar authentication/ offline-verification of an individual who voluntarily uses his Aadhaar number for identification purpose. (Section 16 of the amended MD on KYC)

b) 'Proof of possession of Aadhaar number' has been added to the list of Officially Valid Documents (OVD) with a proviso that where the customer submits 'Proof of possession of Aadhaar number' as OVD, he may submit it in such form as are issued by the Unique Identification Authority of India (UIDAI). (Section 3 of the amended MD)

c) For customer identification of "individuals":

For individual desirous of receiving any benefit or subsidy under any scheme notified under section 7 of the Aadhaar (Targeted Delivery of Financial and Other subsidies, Benefits and Services) Act, 2016, the bank shall obtain the customers Aadhaar and may carry out its e-KYC authentication based on his declaration that he is desirous of receiving benefit/subsidy under the Aadhaar Act, 2016. (Section 16 of the amended MD)

For non-DBT beneficiary customers, the Regulated Entities (REs) shall obtain a certified copy of any OVD containing details of his identity and address along with one recent photograph. (Section 16 of the amended MD)

d) REs shall ensure that the customers (non-DBT beneficiaries) while submitting Aadhaar for Customer Due Diligence, redact or blackout their Aadhaar number in terms of sub-rule 16 of Rule 9 of the amended PML Rules.(Section 16 of the amended MD)

e) REs other than banks may identify a customer through offline verification under the Aadhaar Act with his/her consent. (Section 16 of the amended MD)

f) In case OVD furnished by the client does not contain updated address, certain deemed OVDs for the limited purpose of proof of address can be submitted provided that the OVD updated with current address is submitted within 3 months. (Section 3(a) ix of the amended MD)

g) For non-individual customers, PAN/Form No. 60 of the entity (for companies and Partnership firms – only PAN) shall be obtained apart from other entity related documents. The PAN/Form No. 60 of the authorised signatories shall also be obtained.(Section 30-33)

h) For existing bank account holders, PAN or Form No. 60 is to be submitted within such timelines as may be notified by the Government, failing which account shall be subject to temporary ceasing till PAN or Form No. 60 is submitted. However, before temporarily ceasing operations for an account RE shall give the customer an accessible notice and a reasonable opportunity to be heard.(Section 39 of the amended MD)

4. Further, additional certifying authorities for certifying the OVDs of Non-Resident Indian (NRI) and Person of Indian Origin (PIO) customers have been specified in section 3(a)(v) of the Master Direction.

5. The Master Direction on KYC dated February 25, 2016, is hereby updated to reflect the changes effected by the above amendments and shall come into force with immediate effect.

(Dr. S. K. Kar)

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## Ten reasons why to become SWF member:

1. Those CANPALS, who had joined our Bank after 01.04.2010, don't have quick loan facility like SPF loan to meet emergency needs.
2. Rate of Interest for one's contribution is @ 8.50% - higher than present offerings.
3. Quick and easy loan available @ just 9% p.a. half-yearly compounded.
4. AC rooms with Colour TV available @ Rs. 60/- per day per room in Heart of Bengaluru.
5. Emergency payment, like during hospitalisation of near and dear, by other banks credit card, bearing interest @ 3% monthly compounded can be substituted by cheaper loan.
6. Invisible Savings like RD.
7. Compensation for funeral.
8. Transparency maintained as all data is available in one's HRMs Self-service.
9. Loan repayable in short period.
10. Deposit-Loan adjustment facility available.

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# MINISTRY OF FINANCE NOTIFICATIONS

वित्तीय सेवाएं विभाग
DEPARTMENT OF
FINANCIAL SERVICES

सत्यमेव जयते

<table>
<tr><th>REFERENCE</th><th>GIST OF CIRCULAR</th></tr>
<tr><td>F.No. 4/5/2018-BO.I dated 03.04.2019</td><td>Appointment of Shri Ajay Vyas, General Manager, Central Bank of India as Executive Director of UCO Bank.</td></tr>
<tr><td>F.No.4/4/2018-BO.I dated 15.04.2019</td><td>Appointment of Shri Nageswara Rao Y.,Executive Director, Vijaya Bank on Special Duty and Whole time Director in Syndicate Bank</td></tr>
<tr><td>F.No.4/4/2018-BO.I dated 15.04.2019</td><td>Appointment of Dr Rajesh Kumar Yaduvanshi, Executive Director, Dena Bank as Executive Director in Punjab National Bank</td></tr>
<tr><td>F.No.4/4/2018-BO.I dated 15.04.2019</td><td>Appointment of Shri R. A. Sankara Narayanan, MD & CEO, Vijaya Bank as MD & CEO of Canara Bank</td></tr>
<tr><td>F.No.4/4/2018-BO.I dated 15.04.2019</td><td>Appointment of Shri Murali Ramaswami, Executive Director, Vijaya Bank as Executive Director in Bank of Baroda</td></tr>
<tr><td>F.No.4/4/2018-BO.I dated 15.04.2019</td><td>Appointment of Shri Karnam Sekar, MD & CEO Dena Bank as MD & CEO of Indian Overseas Bank</td></tr>
<tr><td>F.No.6/3/2011-BO.I dated 26.04.2019</td><td>Nomination of seven persons on the board of the bank as Director
<table>
<tr><td>Canara Bank</td><td>Mr. R Keasavan</td></tr>
<tr><td>Bank of India</td><td>Mr. S C Murmu</td></tr>
<tr><td>Union Bank of India</td><td>Mr. Arun Kumar Singh</td></tr>
<tr><td>Central Bank of India</td><td>Mr. Thomas Mathew</td></tr>
<tr><td>Syndicate Bank</td><td>Mr. G P Borah</td></tr>
<tr><td>Indian Bank</td><td>Mr. S K Panigrahy</td></tr>
<tr><td>United Bank of India</td><td>Mr. Sadhana Varma</td></tr>
</table></td></tr>
<tr><td>F.No.6/3/2011-BO.I dated 26.04.2019</td><td>Nomination of four persons on the board of the bank as Director
<table>
<tr><td>Andhra Bank</td><td>Mr. P J Thomas</td></tr>
<tr><td>Oriental Bank of Commerce</td><td>Mr. S M Narasimha Samy</td></tr>
<tr><td>Corporation Bank</td><td>Mr. P K Panda</td></tr>
<tr><td>Punjab and Sind Bank</td><td>Mr. B P Vijayendra</td></tr>
</table></td></tr>
<tr><td>F.No.4/4/2018-BO.I dated 26.04.2019</td><td>Appointment of Dr. Rajesh Kumar Yaduvanshi, Executive Director Dena Bank as Executive Director of Punjab National Bank</td></tr>
</table>

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# EVENTS GALLERY

Members monthly meeting held today at RSTC Bhopal, Chairman Shri R K Bharadwaj and JGS Shri K K Tripathi addressed the meeting and given input about CC Meeting recently held at Bhubneswar, Regional Chairman Shri Vibhu Joshi given vote of thanks and concluded the meeting.


Backlog batch of POs and Specialist officers are reported on 05.05.2019 at Gurgaon STC and Chennai STC. Comrades of Delhi and Chennai welcomed all the new recruits and obtained 100% Membership

Our General Secretary Sri GV Manimaran with CBOA Team Delhi addressing the new recruits at RSTC Gurgoan


Under the leadership of Sri Arup Bhattacharya & Sri Shyamal Sinha, CBOA Kolkatta have organised "Meet & Greet - An evening with promoted CANPALs". Canpals from Kolkata- 1,Kolkata- 2 & Howrah region participated in the programme. Our respected GM Sri C G Saha attended the meeting and motivated the Canpals by sharing his vast experience and also he give them a key note address on Charge take over.

Rains and strong winds lashed Odisha's capital Bhubaneswar and Cuttack and Bhadrak as the extremely severe Cyclone Fani made landfall in Puri hitting costal areas and emptying streets. the cyclone left behind a trail of destruction along the coast as well as in capital Bhubaneswar. ***The Canara bank officers' Association CBOA releases ₹5.00 lacs from out of the voluntary contribution of the CANPALs to Odhisha Fani victims and CBOA Bhubaneswar team has visited various effected areas and distributed food items, grocery items, torch, tarpoline etc to the effected people.***

If any of our officers, employees and executives including the Retired wish to contribute, they can do so in our donation account no. **0102101014047**



General Body Meeting at Jabalpur Region

Family Meet @ Karnal

Members Meeting at Calicut Region

Canara Bank Officers' Association had conducted condolence meeting at RSTC, Hyderabad to mourn the death of Sri T Veeraju and Sri BNT Prasad. The two personalities have rendered their services both to the bank and officers' association decades together and contributed their mite for the welfare of officers community. Sri T Veeraju had served as a central committee member for many years and elevated to Chief manager in the recent past and Sri BNT Prasad had served the association as the Regional Committee Chairman of our Hyderabad region till his demise. Both the personalities have their own uniqueness in discharging their commitment towards the bank and association and left the impressions in their places of works.

General Body Meeting at Jodhpur Region

General Body Meeting at Jodhpur Region


Members Meet @ Trivandrum

Wednesday Meeting at Chennai

Brain storming @ Coimbatore


Members meet at Mumbai



Members Meet @ Hyderabad




Joint RC Meeting of Hyderabad and Vijayawada Circle was conducted on 26.05.2019 at Hyderabad. General Secretary Sri. G V Manimaran addressed the RC Members.



CLJM @ Mangalore. In the occasion DGM Sri. Divakar Shetty, CC Shimoga Sri.Ramesh S G and RS Goa Noel Anto were felicitated who are laying down their office on superannuation.

FELICITATION OF RETIRES OF MAY 2019


Members meet @ Warangal

Branch visit by CBOA Odhisha Unit


Members Meeting of CBOA Vizag Region was conducted at Visakhapattanam Regional office on 25.05.2019. Our Beloved General Secretary Sri G V Manimaran interacted with the members. Around 75 members from near by branches attended the meeting.

Members meeting at Guwahati

GS, Sri G V Manimaran at Hyderabad

## The Canara Bank Officers' Association (Regd)

(Affiliated to AINBOF & AIBOC)

CANPAL

We have immense pleasure in inviting our Canpals, Executives, Retired Senior Collegues and Well Wishers on the auspicious occasion of

# Grahapravesam & Opening Ceremony of

**CBOA HOLIDAY HOME**
**Rameswaram**

on Sunday, the 9th June 2019 at 9.00 am
at Meyampulli, Rameswaram

*Chief Guest*

**Shri. R.A. Sankara Narayanan**
Managing Director and Chief Executive Officer,
Canara Bank, HO, Bengaluru

*Special Guests*

**Shri. M. Paramasivam**
General Manager, Canara Bank,
Circle Office, Madurai

**Shri. M. Abdul Ajees**
General Manager, Canara Bank,
Circle Office, Chennai


With pleasure,
**G.V. Manimaran**
General Secretary, CBOA & AINBOF
Senior Vice President, AIBOC