FRIEND & GUIDE

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THE CANARA BANK OFFICERS ASSOCIATION (REGD)

CBOA FRIEND AND GUIDE

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COVER

Farewell function of Canara Bank Chairman, Padma Shri T N Manoharan held at Chennai

Canpals Talent Hunt Q2 : www.cboaonline.in

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EDITORIAL

Learning to Live with Corona

Dear Canpals,

Whole world is fighting against the Pandemic Covid 19. Our country is going through the fourth phase of Unlock, but still the numbers of cases are increasing in various parts of the country. Experts say that the Prelockdown normalancy will not be feasible for some time. Many countries that believed they were past the worst are now grappling with new outbreaks.

We The Bankers being the Financial Army of the country could not stay home during this pandemic situation as the huge responsibility of holding the country's economy is in our shoulders. We have exhibited our responsibility to the Nation during this pandemic also, as we have done many times earlier during various tough times. Our Medical community is trying all its ways in record speed for finding the vaccine and news says some of the medicines are in various stages of testing. Till such time we must learn to live with the corona virus with the available tools

Always keep in mind that something bad happens to you will effect you and your family only. It is your responsibility to take care of yourself and be considerate to your fellow colleagues. Never push yourself or your colleagues to unnecessary risk. Comply with all the Covid Protocols. Don't ever compromise in wearing masks, sanitizing your hands and keeping social distancing. Strictly comply with various circulars issued by our Bank and adhere to local / state administration guidelines from time to time.

It is a very difficult battle and it needs everyone's cooperation and social commitment and community support to combat this virus.

Regards
Editorial Team

INTERVIEW ON BANK MERGERS

PADMA SHRI . T N MANOHARAN

Courtesy: eMagazine PreSense July 2020

1. **Will the merger of banks help in better NPA and Risk management? Would you please explain how it does?**

After merger, larger entity shall have better infrastructure, resources and bigger scale of expertise to put in place for NPA and Risk Management practices and face the emerging challenges in a more prudent manner. Best features available in loan recovery policy of both Banks can be blended and implemented for settlement and resolution of NPA accounts. One or more accounts under same groups having exposure in both Banks can be resolved in a better way by having common approach. Rationalization of organizational structure will spare more staff for better monitoring and recovery in NPA at field level.

Banks with large Balance Sheet size have better ability to absorb shocks.

Larger entity will have a bigger capital base and enhanced capacity to raise resources at optimum price thus reduces the Govt.'s burden of recapitalizing time and again.

Larger entity is better poised to manage its liquidity risk more optimally in view of its increased strength and more bargaining power.

Merger will scale up the operational efficiencies thus minimizing the operational risk.

2. **What is your view on the problems arising due to mergers and acquisitions? Are they more emotional and social in nature, or technical or managerial. How each aspect contributes to the problems?**

It's merger of equals. Both operate in the same environment having the commonality of services. In the case of merger of Syndicate Bank with Canara Bank, we have done premerger due diligence. Both had culture of conservatism, efficiencies and playing within the defined appetite of risk.

A little challenge is there, on the front of Technology. Even if two Banks run on same CBS platform, its implementation is different in different Banks according to the products offered and processes adopted by each Bank.

Technology integration may take a little time to fully integrate which we are doing in a panned manner. As most of the Banks' operations are driven by Technology, IT Integration involves a large number of components. Some of the major components of IT integration are:

CBS, MIS, Online Channels, ATM Switch, Payment Systems, Govt. Business Solution, Financial Inclusion Solution, In-house Applications, Data Centers, Infrastructure, Network, Communication Systems, IT Contracts & Agreements, IT Systems of Overseas Branches, Information Security System and Training.

Each of the above components have numerous sub-components and all of these need to be carefully studied, analysed, planned and integrated. It requires huge effort and involvement of large number of human resources to complete. It also requires typically a period of minimum 12 months to 18 months for the Bank of the size of Canara Bank.

Some of the systems such as CBS are very large in terms of functionalities and complexity. The CBS system is interconnected with a number of other systems.

During the long process of integration, some of the systems are migrated to the target system while others still in the process. This intervening period add to the complexity of the operations.

In-spite of the complexity and efforts required, IT Integration is achievable with good planning and execution. It also provides opportunity to streamline the systems and choose the better products for the amalgamated entity.

3. Bank mergers go beyond merger of the books of accounts and technology. It entails merger of different working culture of the staff. How can this be dealt with for the best seamless merger?

We need to acknowledge the merger as an instrument to strengthen the banks against various economic shocks which otherwise will be very difficult to sustain as an individual Bank. Also we need to thrust cultural realignment without prejudice against/ favour of workforce with mixed deployment at all levels with shared responsibility and hand holding.

Similarity of culture has ensured the uniformity of behavior and attitude. The expected synergies is almost achieved.

We have mechanism to receive continuous feedback to understand employees' concerns and issues. Before merger, teams from both the banks have collectively unified policies by adopting best practices, policies and procedures.

4. Large global banks had collapsed during the global financial crisis while smaller ones had survived the crisis due to their strengths and focus on micro aspects. In this scenario, how would you support mergers?

During the 2008 financial crisis, US banks and other big financial institutions were deemed "too big to fail" and it was sub-prime lending which caused the crisis. A study released from the Federal Reserve Bank shows that a surprising number of community banks not only survived the financial crisis—they thrived. A "thriving" bank is one that earned a continual CAMELS rating of 1. (CAMELS is a bank-rating acronym that stands for six examination factors: capital adequacy, asset quality, management quality, earnings, liquidity and sensitivity to market risk). So the banks which had high governance standards and committed for quality growth thrived.

PSB reform agenda and merger of banks remain focused on improving corporate governance, increasing competitiveness, operational efficiencies and improving various financial ratios.

Canara Bank is committed to follow best practices and reach higher scales in the industry in the days to come.

5. Now that the merger of banks has happened, how are you working towards a successful synergy?

As per Scheme of Amalgamation, the legal process of amalgamation of Syndicate Bank with Canara Bank was completed in time and the consolidated bank commenced its operations legally as single entity with effect from 01.04.2020 and application made to stock exchanges for listing of newly allotted shares and trading commenced from April 8, 2020.

Further, Canara bank, post-merger, has made remarkable progress under Integration related activities and completed the following viz.,

1) Integration of Treasury Operations
2) Integration of UK Operations
3) Product Harmonization
4) Unification of Policies
5) Harmonization of Service charges
6) Uniform pricing of asset and liability products and delegation of powers
7) Establishment of Call Centre to handle & address customer queries
8) Establishment of Social Media Monitoring cell to deal with the inflow of queries
9) Providing Inter Operable Services
10) Unified grievance redressal portal for customers with enhanced features.
11) Unification of Human Resources viz., Staff Welfare Benefits for the Amalgamated Bank finalized, Integration of Policy & Guidelines, Integration of HRMS, Integration of Employees/Pensioner data of both Banks
12) Organizational Structure – Realignment of departments of eSyndicate and unification of Wings and creation of new Wings at Head Office.
13) Reorganization of Circles/Regional Offices.

A definite action plan has been drawn for version upgradation and integration of CBS, and with this, we are confident of successful completion of all the amalgamation related activities with minimum disruption to customers.

The combined entity- Canara Bank- now has best-in-class products and processes for better value to all the stakeholders. Amalgamation has synergized the common history, culture, ethos and vision of both banks and leverage the legacies, strength and best practices. The economies of scale and scope are expected to translate into better profitability in the days to come. In addition, amalgamation has provided impetus for ramping up credit growth, adoption of best practices across amalgamating entities for cost efficiency and improved risk management, and financial inclusion through wider reach.

To have a successful synergy, Canara Bank is effectively communicating with the major stakeholders viz., Customers, Employees on benefits of the amalgamation, harmonious environment ensured and steps initiated for protecting the interests of all the stakeholders. Proactive communication is being made to employees on key changes & progress to minimize dissonance.

6. What are the challenges that you are facing or expect to face in this exercise of synergising the merged entities?

As per Scheme of Amalgamation, the consolidated entity, Canara Bank, commenced its operations legally as single entity from 01.04.2020. The main challenges for the Amalgamated bank are IT Systems Integration, IT Surround Applications Integration, Data enrichment and cleansing, which are critical for migration and further, the amalgamation process involves significant execution risks given the complexities around business and people, with potential to distract the top team leading in loss of momentum on current business as well as transformation initiatives.

To overcome these challenges, Bank has prepared a comprehensive blueprint for version upgradation, integration of applications, networks, infrastructure and a separate cell "IT synergy" is established to take care of all the technology related issues and milestone wise progress is being monitored on a regular basis. Further, with meticulous integration management, the execution risks will be minimized. To achieve amalgamation timelines, many activities are being done parallelly with the support of various stakeholders and we are confident of achieving the intended benefits of amalgamation in the process.

7. Generally, how long does a complete synergy of the two entities to form the merged unit take? What does the process involve?

With two successful mergers having taken place in the recent past in India viz., merger of State Bank of India with five of its associate banks and Bhartiya Mahila Bank, and amalgamation of Vijaya Bank and Dena Bank into Bank of Baroda the way forward was very clear. Best practices adopted in the process of the amalgamation of these banks have been considered and adopted while implementing amalgamation of Syndicate Bank into Canara Bank.

In our Bank, we have planned to complete the amalgamation process including version upgradation latest by 31.03.2021. However, in view of the present Covid situation, there may be some delay in completing the process. We are of the opinion that to realize complete synergy benefits both Cost Synergies and Income Synergies, it may take 2-3 years.

Further, the amalgamation process is expected to enable the following:

- Ability to grow faster, absorb any financial shocks and raise greater capital on account of increased scale
- Larger balance sheet, optimized capital utilization, and stronger management and governance capacity
- Wider geographic reach to allow deeper penetration in major economic centers
- Access to a larger talent pool, with potential to create specialization and expertise
- Sharing and scale up of product capabilities and platforms with greater cross-sell across segments (including through analytics)

8. Should the customers expect interim inconveniences or hiccups during the process of complete merger? What kind of issues are they likely to face? What would your advice be to the customers of the merged bank that you head?

The bank has ensured no disruption/ inconvenience to customers due to amalgamation process. With proper management of changes, business-as-usual for the customers at all branches is ensured. Bank has retained existing account number, IFSC code, MICR code and other identifiers of account of the customers of transferor bank and accordingly bank has put in place the system. Dispensations obtained from the regulatory authorities for retention of IFSC Code etc.

Further, there is no change in the existing process of Digital Banking channels viz Mobile Banking/Internet Banking/ UPI/ BBPS/BHIM/Prepaid Cards and all applications of the two banks will continue to work as it is. All applications of the banks will continue to be functional to service the customers. The customers are not required to change the existing ECS mandates or post-dated cheques.

There will be no immediate changes in any of the terms & conditions of existing credit facilities. However, the facilities are to be governed by the guidelines/policies of

Amalgamated Bank, post amalgamation. Any changes in the terms & conditions shall be informed in advance. However, in respect of interest rates, in case of Term Loans with reset clause, the present ROI will continue till the reset date. In the case of Working Capital loans, the present rate will remain till next renewal.

Bank has addressed Customised letters on amalgamation to customers and sent E-mails, SMSs to customers before Day-0 on integration related matters (service charges, no change in IFSC/MICR/Account no., charges removed from ATM transactions across the amalgamated bank's network). Further, the Websites of both the banks are enriched with amalgamation related matters including an exhaustive list of FAQs.

To address the concerns of pensioners, exclusive FAQs have been prepared and sent through SMS/emails to give the pensioners confidence. Also, made the FAQs available in the website.

For the benefit of the customers of the amalgamated bank,from 1st April 2020, Customers can walk-in to any branch of the amalgamated bank to avail 12 key services.

1	Cash Withdrawal	7	Stop payment of cheque
2	Cash Deposit	8	Hot listing Debit / Credit Cards
3	Funds Transfer	9	Grievance Registration
4	Loan Repayment	10	Account Statement Generation
5	Opening of SB account	11	Loan Account Statement
6	Cheque Book request	12	Balance Enquiry

We are not foreseeing major challenges to the customers of the amalgamated entity. The interest of the customers of the amalgamated bank will be protected with an endeavor to give smooth service.

9. Customers, particularly old-timers have some emotional attachment to their respective 'small' banks. These customers may not like to be treated like "any other customer" and may choose to leave the bank. How would you deal with this category of customers?

The thrust is on giving best customer service and there is no difference in service, whether a customer belongs to transferor bank or transferee bank. Suitable guidance and instructions have been given to all branches to extend courteous and qualitative service to all the customers.

To stop the exodus of customers on account of amalgamation, the customers have been sent personalized letters by the executives of the Bank. Bank is also taking feedback from the customers through various channels on the deficiencies of services, if any, and redressing forthwith.

10. How the agriculture, SMEs and poor people will get the benefit out of the merged big banks?

Merged banks with wider geographical spread and tailor-made schemes can play an important role in credit flow to agriculture and small enterprises. In India, where, the reach of banking is an issue from financial inclusion perspective, there is merit in considering access to bank credit and services through expansion of Banking network in unbanked and under-banked regions.

Large Bank with its enhanced size, network of Branches including better regulatory prescriptions and corporate governance will be able to serve the credit needs better through relationship banking in financing agriculture and SMEs.

A bigger bank can invest higher amounts towards conducting outreach program to farmers in the form of technology, Marketing and service staffs. Big banks with enhanced capacity to increase credit and bigger risk appetite can venture into new and innovative areas of financing. Bigger bank can provide credit at cheaper rate due to economies of scale.

Business Correspondents (BCs) network can be effectively utilized for greater outreach and furthering the financial inclusion & financial literacy objectives.

With a branch network of more than ten thousand branches, post-merger, the outreach to MSME has increased and Bank is in better foothold to serve a broader MSME segment.

The existing MSME Products/Schemes at both the Banks have been studied in detail to ensure that the amalgamated entity offers the best MSME Schemes/Products catering to the needs of diverse sectors/segments of MSME borrowers.

The Tie Up arrangement entered into by the Banks, viz with Fin-Techs /NBFCs towards co-origination/origination of MSME loans or with other digital lending platforms like PSB Loans in 59 Minutes, have been adopted in the merged entity with suitable modifications to meet and suit the needs of all eligible MSME clients seeking financial assistance through such channels.

Combined portfolio of both the Banks has led to a diversified base thereby making it possible to leverage in a better way in the amalgamated entity.

Dedicated attention is given to all clients through exclusive SME processing Hubs widened network of SME Specialized and SME focus Branches thereby ensuring that the existing customers/business is not lost to the peers. Further merged entities would come out with more customer friendly offerings that would benefit the existing and proposed clients.

11. Some banks have been 'left out' in the recent merger plan, some of which are not 'well-performing', going by their financial results. What was the reason for these selective omissions in the big plan of mergers that has taken place?

It was the Narasimham Committee in the late 1990s that recommended consolidation through a process of merging banks. The biggest plus of the mergers is that they will create banks of scale — there were too many banks in India with sizes that are minuscule by global standards with their growth constricted by their inability to expand. Considering the growing erosion in the efficiency and profitability of the banking sector, the government decided to restructure the banking sector in order to infuse greater competition and efficiency in their workings and to increase their profitability. Establishment of a four-tier hierarchy for the banking structure consisting of three or four large banks including the SBI at the top, 8 to 10 national banks with a network of countrywide branches, local banks for regional operations and rural banks at the bottom mainly engaged in financing agriculture and related activities is envisaged. A few banks may have been left out due to their skewed presence in a particular state with regional operations.

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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

DON'T THE BANKERS HAVE ANY OPTION?

Ref : GS letter dated 22.08.2020

Dear friends
Read the following paragraphs carefully,

1. The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi has given its approval for creation of National Recruitment Agency (NRA), paving the way for a transformational reform in the recruitment process for **central government jobs.**
2. At present, candidates seeking government jobs have to appear for separate examinations conducted by multiple recruiting agencies for various posts, for which similar eligibility conditions have been prescribed. Candidates have to pay fee to multiple recruiting agencies and also have to travel long distances for appearing in various exams.
3. These multiple recruitment examinations are a burden on the candidates, as also on the respective recruitment agencies, involving avoidable/repetitive expenditure, law and order/security related issues and venue related problems.
4. On an average, 2.5 crore to 3 crore candidates appear in each of these examinations. A common eligibility Test would enable these candidates to appear once and apply to any or all of these recruitment agencies for the higher level of examination. This would indeed be a boon to all the candidates.
5. NRA will have representatives of Ministry of Railways, Ministry of **Finance/Department of Financial Services,** the SSC, **RRB & IBPS.**
6. NRA shall conduct a separate CET each for the three levels of graduate, higher secondary (12th pass) and the matriculate (10th pass) candidates for those non-technical posts to which recruitment is presently carried out by the Staff Selection Commission (SSC), the Railway Recruitment **Boards (RRBs) and by the Institute of Banking Personnel Selection (IBPS).**

Now we the Bankers wonder

- ✓ **For Recruitment we Bankers are central government officers.**
- ✓ **We are Central government officers when**

1. **Implementing poverty alleviation programs**
2. **introducing debt waiver schemes**
3. **Introducing Jandhan yojana**
4. **Introducing demonetisation**
5. **Cash disbursement during Corona**
6. **Sanctioning Covid 19 loans**

7. **Sanctioning loan for infrastructure projects**
8. **Paying huge dividends to Government**
9. **Writing off loans to energize the economy**

BUT,

WE ARE NOT EQUIVALENT TO GOVERNMENT OFFICERS WHEN

1. **Revising the wages**
2. **Updating the pension**
3. **Improving the family pension**
4. **Extending IT exemption for leave encashment**

Now, let's question ourselves

When the cabinet committee passed a resolution that the officers are equivalent to Grade A officers of the Government

And now Cabinet committee approved that Bankers of the PSBs are the central government officers and thus included us as part of National recruitment agency,

Why still we are not ready to believe that we are equivalent to Government officers?

It is natural instinct to grab every possible opportunity to gain the better salary and emoluments,

But, we are the ONE ALWAYS ACCEPTING THE MEAGRE WITH THE GROUSE THAT WE ARE NOT HAVING ANY OPTION and attempting to celebrate that IN THE GIVEN CIRCUMSTANCES, WHAT IS GIVEN IS BETTER.

IF THE ADMINISTRATORS ARE NOT UNDERSTANDING, JUDICIARY IS THE ONLY RESORT TO INDIVIDUALS.

BELIEVE IN YOU THAT YOU HAVE MANY OPTIONS.

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Ref: GS Letter dated 27.07.2020

Shall We Act Now

1. We are not against the wage settlement but we want the settlement to be beneficial to all matching to our status in the bank.
2. So we demanded to delink the settlement from the paying capacity and profit angle and asked to settle the wages on need based matching to the status in the institution.
3. Besides, we demanded equivalent to Grade A officers, running scale of pay and updation of pension.
4. Incidentally the CPC was settled on the need based formula.
5. The government enacted an act under the title Code on wages act in 2019 and published in the gazette which also subscribes the idea of delinking the profitability.
6. As the act covers the officers working in the Banks also, it was genuinely expected that the Minimum wages formula delinking the profitability will be implemented to us also.
7. But to a specific query under RTI, the labour ministry responded that the provisions will be implemented after the notification only.
8. Now the Government of India issued a notification on 2nd July seeking the opinion of the stake holders to be submitted within 45 days.
9. It is indicated that the GOI will formally implement the provisions by forming the necessary committee in September 2020.
10. As the next wage revision for the Government employees is due from January 2021 (kindly note that Government also has decided to revise the salary once in five years) we have got a reason to believe that Government

will complete the formalities before January 2021.

11. It is common sense to understand that such revision to take place will be much higher than the minimum wage of 18000 at the lowest level and 56100 for the Grade A officers given as per 7th CPC as on January 2016.
12. Meanwhile, on 22nd July a MOU was signed keeping the same year old formula of linking with paying capacity.
13. But, now it appears that it was a Memorandum of Misunderstanding MOM as one constituent has abstained from signing and two organisations who have signed issued circular that they were not aware of the discussions and they were forced to sign.
14. We have to seek the legal view on the status of MOU in the above said circumstances.
15. Meanwhile,Instead of keeping our fingers crossed we must think on how to go about.
16. Once the code on wages act is implemented which is likely in January 2021, it will be applicable to the bankers also, if not during the current wage settlement, certainly in the next settlement due on November 2022.
17. So, now it is the duty of every one of us to submit our views to the GOI within the stipulated 45 days from 2nd July.
18. CBOA is in the process of preparing our response to be submitted to the designated officer before the due date.
19. I annexe two documents, viz. Gazette release on the act and notification issued on 2nd July and highlighted the relevant paras for your ready reference.
20. It may be inferred from the above documents that
    - It is applicable for the Banks.
    - It is applicable for the Supervisors, managers and administrators brought under new terminology EMPLOYEES against the earlier nomenclature of WORKERS which is also maintained.
    - It delinks the salary from the Paying capacity and profitability.
    - It also delinks the pension contribution by the banks from the wage load as the pension is a social obligation.
21. I request every one of you to go through the documents carefully and send suggestions to respond to the designated official of the GOI to strongly lodge at this stage itself instead of repenting after the implementation.

Kindly send your response before 2nd August so as to consolidate well in time to cboamanimaran@hotmail.com
We shall continue to fight for getting our original demands are acceded during the current settlement itself.

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REF: CBOA: GS: AUG: PGDBF dt 05.08.2020
Letter to CGM, HR Wing

Sub: PROBATION PERIOD OF JMG SCALE I OFFICERS WITH POST GRADUATE DIPLOMA IN BANKING & FINANCE

We invite your kind attention to our earlier communication Ref: **CBOA: GS: JULY: PGDBF: 2020, dated 06th July, 2020** on the captioned subject.

The Bank in the year 2018 invited On-line applications from eligible candidates for admission to the specially designed One-year training course leading to ***Post Graduate Diploma in Banking & Finance (PGDBF)***, either through Manipal Global Education Services Pvt Ltd., Bangalore or NITTE Education International Pvt Ltd., greater Noida, which are recognised by UGC. ***The course comprises of 9***

months classroom studies and 3 months internship at Canara Bank branches/ Offices.

Candidates were selected for admission to the course at either of the above two institutes through selection process consisting of Online Objective Test followed by Group Discussion and Personal Interview. On successful completion of the course, candidates were awarded with "Post Graduate Diploma in Banking and Finance" from the institutes and the candidates were offered appointment in the Bank as Probationary Officer in Junior management Grade Scale-I.

Upon completion of ***One-year probation period***, the Officers were confirmed on services, on successful completion of confirmation test conducted by the Bank.

Similarly, the ***erstwhile Syndicate Bank*** also conducted one-year PGDBF Course either through Manipal Global Education Services Pvt Ltd., Bengaluru or NITTE Education International Pvt Ltd., Greater Noida, both recognized by UGC, and officers after completion of PGDBF Course conducted under Syndicate Bank Scheme for PGDBF have joined e- Syndicate Bank during 2018 and 2019.

However, the probation period for the officers recruited under syndicate Bank - PGDBF scheme is Two years from the date of appointment instead of One year.

In terms of Canara Bank scheme, the probation period can be extended beyond the one-year period depending on the nature of the leave availed by the officer during probation. However, this is not the case with Syndicate Bank scheme.

Upon amalgamation of the Banks, the Canara Bank recruitment policy has been made applicable to all the officers with PGDBF qualification, and it is learnt that the probationary period of those officers recruited under Syndicate bank scheme during 2018, is extended in case of few officers who had availed their maternity leave.

Sir, these officers have already completed TWO years of probation (against the one-year probation period specified by our Bank), and are eligible for immediate confirmation as per the Syndicate Bank scheme. Hence, any further extension of probationary period would be an injustice and a demotivation.

You will appreciate the fact that either they should be treated as per their recruitment scheme or as per Canara Bank's scheme but clubbing the provisions of both the schemes is unjustifiable and will have detrimental effect on these officers.

Keeping in view the Banks amalgamation policy to adopt the best HR policies of both the Banks, the Canara Bank Officers' Association requests you to

- Reduce the confirmation period of the Syndicate Bank Officers to one year at par with the guidelines on recruitment of PGDBF Officers in Canara Bank, and
- Permit those officers recruited under Syndicate Bank scheme to undergo their confirmation test, without any extension.

Sir, harmonisation and adoption of best HR policies will undoubtedly motivate the banks' workforce to commit themselves in furthering the growth of the Bank.

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Ref: GS Letter dated 06 08 2020
Letter to General Secretary, AIBOC

We acknowledge your Message seeking the views of the affiliates on the continuation and improvement over the medical insurance scheme introduced in the Banking sector except in the SBI after the last Bipartite settlement signed in 2015.

In this regard we have submitted our views and actions to be initiated on the earlier occasions too in which we have suggested either to follow the earlier system of settling the medical claim by the respective banks with the introduction of new facility to take care of the retirees and also to explore the possibilities of introducing the scheme prevalent in SBI to the entire industry as the SBI scheme is found beneficial.

We annexe our earlier communication for you ready reference.

To reiterate our demands and suggestions further we wish to record our statement as follows:

1. In the Joint Note signed between IBA and Officer Organisations dated 20.05.2015 it is stated as follows: ***"While reimbursement to the officers / employees shall be made by the Banks as hitherto, the Scheme shall be administered by the Banks through a scheme worked out between IBA/Banks and Insurance companies and officers / employees would in no way be directly bound by the terms and conditions of such scheme or arrangements."***
2. It is amply clear from the above that officers and employees will be getting the fullest demand and this arrangement is nothing to do with the Trade Unions as it was between Bank and Insurance Companies.
3. This Joint Note is only in force even today.
4. Whereas over a period both banks and insurance companies have successfully confused the minds of officers/employees that they are anchored with fixed quantum of coverage and some amount will be given from buffer amount and nothing beyond this.
5. It is also observed that, Some insurance companies very successfully misled the officers / employees of few banks and they collected additional premium as top up premium over and above paid by the bank in the guise of settling the claim beyond the so called limit fixed under the medical insurance scheme, though no such limit is fixed for the officers and employees as per the joint note.
6. When the original policy has specifically mentioned the situations which warrant the increase in premium, insurance companies to make profit every year, simply ignored such conditions, increased the premium without the increase in coverage which is very much necessary as the cost of medicine and the cost of medical services are constantly going up every year, and rather, they reduced certain benefits like bed charge.
7. The industry has witnessed the huge increase of additional workforce after 2015 who are indeed young, which has resulted in huge addition of total premium at the cost of the Banks' profitability, the insurance companies have been increasing the premium per head and it was paid by the banks upfront too.
8. Though the cashless facility was projected as the benefit of the scheme, it cannot be forgotten that most banks were extending cashless facility earlier for the same needs of the officers/employees of the bank and every hospital is ready to enter into a cashless facility arrangement with the banks directly even today.
9. In fact, the banks were used to give advance money in case of serious ailments to be treated in the hospitals

and the banks used to settle the claims even in the midst of the treatment so as to continue the treatment without any hindrance is lost today. It has placed the officers and employees in an unexplainable difficulties as they are unable to get any advance from the Banks.

10. While fixing the premium to the retired officers, the facility should have been considered as a continuity of the scheme and the premium should have been calculated treating the entire beneficiaries as one lot irrespective of their status whether employed or retired as it is nothing to do with the insurance companies. It is unfair to treat the retired employees as a separate lot and calculating the premium based on the cost benefit for such a lot which only necessitated to charge more premium from the retired employees.

In view of the above, we strongly suggest that,

1. We shall revert to the old scheme of being managed by the bank with the same benefit to be extended to the retired employees too and if need be, a contributory scheme which permits a reasonable sum to be collected from the retired employees either in lump-sum at the time of retirement or in annual interval with the matching contribution by the Banks.

Or

2. It is understood that SBI is managing the medical insurance scheme by their own and it is also found beneficial to the officers/employees. Hence, the same may be introduced across all the banks also, by withdrawing the existing insurance arrangements.
3. Else,
   a. The IBA/Bank, on the lines of existing Joint note, shall announce in an unambiguous tone that any ceiling imposed by the insurance companies is only to be claimed by the banks and it is nothing to do with the officers/employees and dependents overall coverage limits and the claim shall be settled in full.
   b. Any advance is required in any situation shall be paid by the banks to be adjusted in the final settlement.
   c. The premium shall be revised considering the entire work force both retired and in service as one lot and such premium shall either be borne by the banks in full or to be subsidised substantially.

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REF: CBOA: GS: WFH dt 07.08.2020
Letter to MD and CEO

Sub: PANDEMIC COVID-19 VIRUS – SAFETY AND WELFARE OF EMPLOYEES

We invite your kind attention to our earlier communication **Ref: CBOA: GS: JULY: 2020, dated 17th July, 2020** on the captioned subject.

In light of the spread of COVID-19 pandemic in the country, our Bank has taken
numerous measurers for the safety and welfare of officers / employees.

The Bank vide its ***H.O Circular 263/2020 dated 04.04.2020***, exempted employees, like Persons with Disabilities (PwD) and employees at higher health risk including pregnant employees from attending Offices / Branches for their safety and protection. **Besides, vide HO Cir.374/2020, the Work from Home facility granted during the lockdown period to Persons with Disabilities is**

treated as "Special Leave with Pay" and Pregnant Women employees is treated as "On Duty".

However, ***H.O Circular 550/2020 dated 17.07.2020***, while permitting Work From Home facility to the pregnant women employees had advised to sympathetically consider the cases of visually impaired employees and take pro-active measures to post / place them at convenient branches/ offices near the place of residence during Covid-19 infection threat subject to administrative constraints. The Visually Impaired Persons need much more support than others in the face of pandemic. Since these employees depend upon touch & feel or require assistance to move around, they cannot practise stipulated Social Distancing norms also. **Hence the direction to post / place the Visually impaired employees at convenient branches / offices near their place of residence and allowing other Persons with Disabilities the provision of Working from Home appears to be discriminatory towards the Visually Impaired employees.**

Sir,
Bank officers/ Employees working in the branches and administrative offices are prone to coming into contact with cross section of people, which cannot be avoided. The recent surge in the number of our Bank employees being infected by the deadly virus not only at branches, but also at Administrative offices is worrying and our CanBank family has already lost few Canarites, including two Divisional Managers to the killer virus.

With public transport still remaining suspended in many parts of the country including metropolitan and urban cities, the officers / employees are undergoing immense hardships in commuting to and from office. Needless to say, this unavaoidable commuting puts the officers / employee exposed to the external environment for longer hours and also at a higher risk of getting infected.

***State Bank of India vide its communication HR/IR/AVS/AS/416 dated July 31, 2020* has granted exemption from attending office to Pregnant employees, Persons with Disabilities, Blind / Visually impaired employees and Employees at higher health risk and extended Work From Home facility to such employees till 31.08.2020 or till further instructions.**

Under such circumstances, we request you take into account the safety and welfare of such employees, reconsider the guidelines of HO Cir.550/2020, grant exemption to visually impaired employees from attending office by extending the facility of Work from Home on the lines of such facility which is being extended to Persons with Disabilities

Looking forward to your positive response and assuring our continued support in all your endeavours for the growth of our Bank.

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

MADURAI BENCH

(SPECIAL ORIGINAL JURISDICTION)

W.P.(MD)No. 21535 of 2019

M. Pounraj
S/o. V. Muthusamy
No.194, Ashok Nagar, 1st Street,
Koodal Nagar Post,
Madurai District - 625 018 ... Petitioner

\- Vs -

1. The Secretary
   Department of Financial Services
   Ministry of Finance, Government of India
   2nd Floor, Jeevan Deep Building, Sansad Marg,
   New Delhi - 110 001

2. The General Manager,
   Canara Bank,
   Human Resources Wing
   112, J.C.Road, Head Office
   Bangalore - 560 002

3. The Chairman,
   Indian Banks' Association
   World Trade Centre, 6th Floor
   Centre 1 Building, Cuffe Parade,
   Mumbai - 400 005

4. The General Secretary
   All India Bank Officers' Confederation
   6th Floor, E-Block, SamriddhiBhavan,
   1, Strand Road,
   Kolkata - 700 001

5. The General Secretary,
   Canara Bank Officers' Association
   216, Royapettah High Road
   Royapettah, Opp: Deccan Plaza Hotel
   Chennai - 600 014. .... Respondents

GENERAL SECRETARY
CANARA BANK OFFICERS' ASSOCIATION

COUNTER AFFIDAVIT FILED BY THE 5TH RESPONDENT

I, G.V.Manimaran, S/o. Gurusamy Varadharaj, aged 59 years, holding the position of General Secretary of Canara Bank Officers' Association (Regd) and having its General Secretary's office at Royapettah, Chennai-600 014, having temporarily come down to Madurai,do hereby solemnly affirm and sincerely state as follows:

1. I submit that I am the 5th respondent herein and as such I am well acquainted with the facts of the case and I am filing this counter affidavit on behalf of Canara Bank Officers' Association (CBOA- in short). I read over the Writ Petition W.P.(MD). No.21535 of 2019 filed by the petitioner herein. I submit that the following are the underlying facts and the prevailing facts in answer for the petitioner's averments.

2. I submit that the petitioner has filed Writ petition praying for a direction to consider the Code on wages 2019 Act in the proposed salary revision negotiations and to implement the minimum wages prevailing at the appropriate Government of Ministry of finance as per the 7th Central pay commission formula for bankmen also by taking into account the Office Memorandum No.19/4/2017 Welfare, Ministry of Finance, Department of financial Services, New Delhi dated 06.12.2017 whereby Junior Management Scale 1 Bank officers income is equated with that of the Group "A" Government officers and the Writ is pending. In essence, as the petitioner prays for the negotiated settlement basing on the Charter of Demands (C.O.D.) submitted to the 3rdrespondent, more particularly vide para 5 and 8 of his affidavit and is in harmony with the 5th respondent's endeavor to achieve the C.O.D., and therefore we are not inclined oppose the Writ petition.

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3. That the fifth respondent CBOA is the overwhelming majority organization of officers employed in the 2nd respondent Canara Bank. It is further submitted that the 5th respondent CBOA is the only recognized officer Association in Canara Bank to finalise and settle with them all the issues concerning officers other than the salary structure.

4. That the salary structure is finalized by the 3rd respondent namely the Indian Banks Association (I.B.A.- in short) which is the association of Bank managements by holding negotiations mainly with the All India Bank Officers' Confederation (AIBOC – in short), the 4th respondent herein. The 4th respondent AIBOC is the major non-political majority apex body of various Officers' Associations affiliated to it and the fifth respondent - our CBOA is an affiliate of the 4th respondent AIBOC.

5. That in the year 1974, the Union Government constituted the Pillai Committee to formulate the relativity of salary between bank officers and Group 'A' officers of the Central Government, as at that time in Banks, more particularly in Canara Bank, Bank Of India, starting pay for Bank officers' was more than that of the Group 'A' officers. The Pillai Committee's recommendations that brought about equality in officers salary amongst banks as well of Group "A" service of the Central Government were implemented with effect from July 1, 1979. As the consequence, the starting pay for Bank officers and the Group 'A' officers of the Central Government was kept at the one and the same equivalent level of Rs.700/-.p.m.

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6. That though the Bank Officers were branded as the High Wage islands in the 1970s, their wage structure and the consequent pension has steadily eroded over the years. It is because, in the subsequent wage revision settlements, the 3rd respondent IBA did not maintain the external relativity with Group 'A' officers in Government by taking into account the Central Pay Commission formula. The maximum disparity took place when in the Sixth Pay Commission, the salary of Group 'A' officers zoomed past the salary of the bank officers

7. It is not in dispute that the 7th Central Pay Commission after careful study scientifically formulated **"a need based minimum wage"** for each cadre for salaried and wage earners and the same has got nationwide acceptance and implemented by all the State Governments since the year 2016. So, in the salary revision for Bank men that was due from 1-11-2017, the bank officers resolved to demand for the 7th C.P.C. formula of the **" need based minimum wage intended to meet the basic needs of an employee so as to lead a decent life matching to the status being enjoyed by every employee in their respective institution without linking to the profit and paying capacity of such institutions",** as the basis for Bank officers 11th bipartite charter of demands for settlement.

8. That consequent upon the 7th Central Pay Commission implementation, the Union Cabinet, while revising the income criteria for OBC creamy layer, equated the post of Junior Management Grade -1 officers (J.M.G-Scale-1) in Public Sector Banks with that of the Group 'A' officers in Government of India.

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The 1st respondent – the Union Ministry of Finance, the controlling authority for the 3rd respondent I.B.A., has sent equivalence of posts notification vide their letter No.19/4/2017 to I.B.A.. conveying that Group 'A' Government Officers and J.M.G.-Scale-1 Bank officers constitute one class and form a homogeneous class in respect of both of their income.

9. Admittedly that when there is equivalence of posts there ought to be equivalence in minimum starting scale pay and any discrimination is in violation of Article 14 and 16 of the Constitution. The Bank officers were happy that their demand for the implementation of 7th Central Pay Commission formula was vindicated by the Government's notification of equating J.M.G.-Scale 1 posts with Group "A" posts in Government and hence felt that their demand for Group "A" pay is justified. The present minimum pay for Group 'A' officer as per the 7th C.P.C. formula is 57,100/-. Bank officers therefore justifiably demanded that their starting pay ought to be equal to or more than that of Group "A" officers and insisted in the 11th bipartite C.O.D., for implementation.

10. That promotion in Banks is also subject to one's performance and not one of accelerated promotion or automatic promotion that is prevailing in the Government service. Moreover, the financial risk and accountability is severe, stringent and deadly harsh for bank officers and due to non-promotion there is stagnation in pay level resulting in the frustration. Bank officers therefore demanded the running scale of pay without stagnation in the C.O.D. for implementation.

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11. It is not in dispute that for serving employees special allowances are excluded from arriving at their pension. In the earlier bi-partite settlements there used to be merger of special allowances with the Basic pay but it is not done of late. In the result, pension for the serving Bank Officers at the time of their retirement tend to remain at an unrealistically low level as the special allowances are excluded from arriving at their pension. Bank officers, therefore, resolved to set right this injustice in this 11th bi-partite settlement.

12. That the Bank Pension Scheme was formulated at the same rate on the basis of the Central Government Pension Rules in 1993. Further, the consequent non-revision of bank officers' pension ever since it was introduced way back on 1st January 1986 has adversely affected the retired bank officers and put them into untold sufferings. Retirees pension is serviced from their close ended pension fund which is robust, generating huge income from the fund investments. Those who joined in service after the year 2010 are covered by the New Pension Scheme and therefore after paying pension to the last surviving person, the Pension fund is left with huge surpluses. So, the Bank officers justifiably put forth the updation of basic pension in their C.O.D., which remained static and constant since its introduction in the year 1986.

13. Admittedly, the Bank business are increasing manifold year by year due to the contribution of Bank Officers and employees. But the Net Profit in Banks is down due to the mounting NPA for which the causative factors are many and are external to the purview and control of the Bank officers and employees and therefore the Bankmen are in no way responsible for the lowering of Net Profits. So, the Bank Officers insisted that there cannot be any link to the gross profit or paying capacity of the Banks or load factor in the 11th bipartite COD for settlement.

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14. It is but true that the salary structure for officers in the member Banks represented by the 3rd respondent is uniform baring in one Bank wherein the signatories of the industry level settlement again immediately sign a settlement enabling higher wages and improved insurance benefits for them. But, the legitimate expectation of the members is that the improved settlement subsequently made for that Bank ought to have been made applicable to all the banks through the bipartite settlement process itself.

15. Admittedly, in the past 50 years, the 3rd respondent's member banks so far made 10 salary revision settlements with the Bank Officers' Association led by the 4th respondent of A.I.B.O.C.,, and the 11th salary revision settlement is due from 1-11-2017. Therefore, the fifth respondent CBOA after hearing the views of members submitted the salary revision demand proposals to the apex Officers' Association AIBOC – the 4th respondent herein which in turn submitted the officers' salary revision Charter of Demands along with three other apex association's to the I.B.A., the 3rd respondent herein for negotiation and settlement.

16. Resultantly, it is to bring into effect **" a need based minimum wage "** simultaneously by discarding the load factor and paying capacity, along with running scale of pay without stagnation, besides updation in pension / family pension, and inclusion of Special Allowances for pension and pay equivalent to Group "A" Service are the main focus of demands by Bank officers that were authorized by our members and put forth on behalf of our CBOA to the 4th respondent of AIBOC in the 11th bi-partite C.O.D., for negotiation and settlement.

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17. It is a matter of record that the 4th respondent of AIBOC took the lead along with all the other three Apex level negotiating offices Associations and submitted their Joint charter of demands on wage revision to the 3rd respondent on 5-6-2017 " by stressing the need to align Bankmen wages on the concept of " need based minimum Minimum Wages" as per the 7th C.P.C. formula, reworking of special allowances and to ensure relativity with minimum salary in line with Central Government Group – A officers' initial pay" and the running scale of pay without stagnation and the Pension/family pension updation as well. Bank officers and their Unions all felt happy that the 4th respondent of AIBOC is on the move to achieve what bank officers struggled for a very long period and entitled.

18. Be it so, the Code of Wages Act that came into force from 9-9-2019 and is applicable to Bank officers also. The main objective of the Code on wages Act is to formulate and implement the " need based Minimum Wages" for each and every cadre. The Act mandates to settle the wage revision as per the Act only by disregarding the paying capacity or the conventional load factor on the wage bill which Bank officers intended. Additionally, the Act specifically excludes the Provident Fund and the Pension allocations from the wage bill.

19. As per the legal advice rendered to CBOA, this Act has the overriding effect on any settlement or award and as the Bank officials are covered under this Act, the 11th bi-partite salary revision ought to be in accordance with the Act. Moreover, as the need based minimum wages has thus become the " crystalised legal right" as per the Act, the settlements in Banks, in violation of the Act will not stand the test of Law is the legal experts advice to CBOA.

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20. Indisputably the Bank men felt that had the 3rd respondent I.B.A, considered the joint charter demands dt.05-06-2017 submitted by the 4th respondent AIBOC also in the light of the crystalised legal right of the need based minimum wages as per the Act, the wage revision would not have been dragged on for the past 3 years. Per contra, the 3rd respondent proposed a paltry 2% increase in salary much to the heartburns of the Bank officers. It was by Agitated and Aggrieved over this, when the unions resorted to strike actions, some of the Bank officers filed Writ Petitions 19947 of 2018, 22161 of 2018, 21195 of 2018 before this Hon'ble Court wherein also the respondents herein are the respondents therein and the same are pending.

21. More so, the 4th respondent AIBOC also filed their supportive affidavit in all the above three Writ Petitions pending before the Hon'ble Madurai Bench of Madras High Court and committed through their solemn affirmation by stating as ***" in the matter of revision of salary and allowances, this time demand has been raised by all the four apex bodies of Trade Unions to ensure relativity with minimum salary in line with Central Government Group – A officers' initial pay".***

22. But to the utter shock of all bank officers, the 3rd respondent of **IBA after having signed 10 bipartite settlements in the past 50 years have filed their affidavit in all the above three Writs by claiming that IBA is only a " facilitator " and in the matter of Salary revision for officers " IBA cannot decide on their own and settle".** The legal advice to CBOA is that a facilitator can come into the picture only if the contending parties expressly agree for his role under a statutory scheme or in accordance with the Arbitration and Conciliation Act of 1956.

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That in the absence of any agreement from unions soliciting for IBA's role as a facilitator and when IBA affirms that being a facilitator it cannot decide on salary revision, the IBA has projected the validity of the earlier salary revision by subjecting them to question. Bank officers are therefore unanimous that when the validity of the 10th settlement itself is in question, taking the 10th settlement pay scales as the basis for the proposed 11th settlement could be branded only as a futile exercise.

23. That the members are now vocal in their assertion that the 3rd and the 4th respondents, along with a few other unions have signed a minute without formulating the need minimum wages as per the Act or as per the C.O.D, and as mandated to the 4th respondent. It is by trampling the Rule of Law, the self-proclaimed facilitator IBA concurrently representing the bank managements signed Memorandum of Understanding (M.O.U. – in short) wherein one of the Apex Union namely the **Bank Employees' Federation of India (B.E.F.I.) did not sign and is vehemently continuing their protest for the M.O.U.,** through the public forums and thereby rejected that the M.O.U., as a flawed one. Another Apex union namely the **Indian National Bank Employees' Federation (I.N.B.E.F.) after signing the M.O.U., expressed their strong dissent stating that they were pressurized to sign** and issued circular thus " The voices of all constituents are not heard and not given due recognition. There is lack of transparency within UFBU functioning. Majority organizations try to enforce the pressure on minority organizations to compel and concur with their stand." Yet another union of **All India Bank Officers' Association (A.I.B.O.A.), registered their protest by urging for a midcourse correction of M.O.U.,** by stating that "Only a couple of representatives were only privy to this (M.O.U.) information. Having expressed the

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environment in which we are operating, there are certain issues which are consciously brushed aside,... **AIBOA further cautioned the signatories that it should not go down in the history that the interest of the majority members are sacrificed. Instead, the benefit of any settlement should be enjoyed by the members past and the present.** Hope a midcourse correction will be made with required seriousness in realizing the above demands (of merger of special allowance and the updation of pension)." Moreover, the. IBA's acceptance to discuss salary revision upto scale VII only and not upto Scale VIII has raised serious doubts. Thus it is manifest that the M.O.U., was thrust upon the Unions against their conscience and consensus.

24. That Bankmen now consider that when there is no consensus in signing M.O.U., and when one of the Apex Union did not sign M.O.U, the status of UFBU is itself disintegrated. The Bankmen contend that when IBA was objected to for their truncated mandate, the same objection could be validly made against the disintegrated UFBU. Therefore, the Bankmen view any further exercises in the name of non-existent UFBU is only a travesty of truth.

25. That as an interim measure one month gross salary is already disbursed to Bank Officers as Adhoc arrears pending the 11th bi-partite settlement. Further, once in three months there is also the Dearness Allowance increase. Now, that the Code on Wages - Act Rules was published in the Gazette Notification on 07-07-2020. Bank officers are unanimous that therefore there is no urgency to overlook the Act and the Rules and to proceed for the M.O.U., in a hasty manner by ignoring the C.O.D., and without considering the crystalized legal right of minimum wage that too with the disintegrated UFBU thereby inviting a recurring loss of salary. **Moreover, bank men recall that in the past,**

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settlements even after their implementation were revised and so the M.O.U. dt 22-7-2020 is not a sacrosanct and therefore it can be tailored to accommodate the aspirations of the bank men that were presented through the C.O.D.

It is therefore prayed that this prayed that this Hon'ble Court may be pleased to pass an appropriate order in W.P.(MD)No.21535 of 2019 in the interest of justice and thus render Justice.

GENERAL SECRETARY
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Solemnly affirmed at Madurai on
this the 18th day of August-2020
The contents of this affidavit
was read out & explained to the
deponent who perfectly understood
the same and signed his name
in my presence.

Before me

Advocate, Madurai

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Corns:

IN THE HIGH COURT OF JUDICATURE AT MADRAS
MADURAI BENCH

(SPECIAL ORIGINAL JURISDICTION)

W.M.P.(MD).No. 9093 of 2020

in

W.P.(MD)No. 21535 of 2019

(On the file of this Honourable Court)

M. Pounraj
S/o. V. Muthusamy
No.194, Ashok Nagar, 1st Street,
Koodal Nagar Post,
Madurai District - 625 018 ... Petitioner / Petitioner

- Vs -

1. The Secretary
   Department of Financial Services
   Ministry of Finance, Government of India
   2nd Floor, Jeevan Deep Building, Sansad Marg,
   New Delhi - 110 001

2. The General Manager,
   Canara Bank, Human Resources Wing
   112, J.C.Road, Head Office
   Bangalore - 560 002

3. The Chairman,
   Indian Banks' Association
   World Trade Centre, 6th Floor
   Centre 1 Building, Cuffe Parade,
   Mumbai - 400 005

4. The General Secretary
   All India Bank Officers' Confederation
   6th Floor, E-Block, Samriddhi Bhavan,
   1, Strand Road, Kolkata - 700 001

5. The General Secretary,
   Canara Bank Officers' Association
   216, Royapettah High Road
   Royapettah, Opp: Deccan Plaza Hotel
   Chennai - 600 014. .... Respondents/ Respondents.

GENERAL SECRETARY
CANARA BANK OFFICERS' ASSOCIATION

No. of Corns:

COUNTER AFFIDAVIT FILED BY THE 5th RESPONDENT.

I, G.V.Manimaran, S/o. Gurusamy Varadharaj, aged 59 years, holding the position of General Secretary of Canara Bank Officers' Association (Regd) and having the General Secretary's office at Royapettah, Chennai–600 014, having temporarily come down to Madurai, do hereby solemnly affirm and sincerely state as follows:

1. I submit that I am the 5th respondent herein and as such I am well acquainted with the facts of the case and I am filing this counter affidavit on behalf of Canara Bank Officers' Association-(Regd).) CBOA- in short). I read over the W.M.P.(MD). No 9093 of 2020 filed by the petitioner herein in the Main W.P.(MD) No.21535 of 2019. I submit that the following in answer for the petitioner's averments.

2. I submit that the petitioner has filed this W.M.P.No. 9093 of 2020 seeking for an **INTERIM DIRECTION** directing the Respondents to consider and scrupulously follow the procedure notified in the Code on Wages Act with Rules and the Joint Charter of Demands dated 05-06-2017 submitted by the Respondent No.4, while proceeding further with the Memorandum Of Understanding dated 22-07-2020 regarding the 11th Bi-partite Wage Revision pending disposal of this Writ Petition and thus render justice.

3. It is submitted that the petitioner pleads in his W.M.P.No. 9093 of 2020, that the Respondents ought to finalize the 11th Bi-partite Wage revision by considering the Joint Charter of Demands dated 5-6-2017 submitted to the 3rdrespondent also in the light of the " **crystallized legal right of the need based**

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minimum wages" without liking it to the load factor or percentage increase and by **equating with the Group "A" Central Government Officers pay as notified by the 1st respondent and with the running scale of pay without stagnation and the updation of pension that is not updated since the year 1986.** The petitioner's pleadings in the W.M.P., more particularly vide para 15 of his W.M.P., are in harmony with the 5th respondent's endeavor to fulfill the legitimate expectation of our Association members in the 11th bipartite salary revision submitted in the C.O.D., and therefore we are not inclined to oppose the W.M.P.,

4. Admittedly the 3rd respondent IBA has filed their affidavit in Writ Petition pending before this Hon'ble Court in **W.P.(M.D).Nos.19947/2018, 21195/2018 and in 22161/2018,** wherein also the respondents herein are the respondents therein, by asserting that IBA is only a "facilitator". **The 3rd respondent IBA committed in their affidavit that IBA " has no authority of its own either to agree or decide in fixing the salary "..... (of Bank Officers).**

5. Per contra, the facilitator IBA arrayed itself as the opposite party and signed a bipartite Memorandum of Understanding (M.O.U., in short) with the 4th respondent and others on 22-7-2020.There is conflict of interest in the role played by IBA. As the facilitator IBA also represented for the rival side, Bankmen's legitimate expectations and the entitlements as per the Act were not considered in the M.O.U., This travesty of Justice and violation of natural justice ought to be remedied and therefore the M.O.U., ought to be reworked.

6. That one of the constituent of United Forum of Bank Unions (U.F.B.U), namely the Bank Employees Federation of India (B.E.F.I) did not sign the M.O.U., and is vehemently opposing the M.O.U., in the public forums. That apart, two other Apex Unions who have signed the M.O.U., have come out strongly against the M.O.U., Thus, when there is no consensus and when the U.F.B.U. itself is disintegrated by the exit of B.E.F.I., it is incumbent on the IBA to refer the dispute to the Central Labour Commissioner for adjudication but signed the M.O.U., as the opposite party smacks colour and malafide.

7. That the **IBA declares through their circular that its functioning and authority is not amenable to Judicial Review and not subjected to the Rule of Law. Though the IBA signed 10 bipartite settlements in the past 50 years representing the Bank managements, now IBA claims that being an unregistered body it is not accountable or answerable to the Judicial proceedings.**

8. That the legal advice to CBOA is that the unregistered body of IBA has no legal right or status to represent or to sign any M.O.U., or settlement with registered Trade Unions arrayed on the other side. **The unregistered body of IBA has no legal status to represent for anyone including the IBA and the IBA representing for the bank managements is the foundational illegality.** The Rule of Law necessitates that to validate any M.O.U., all the individual member banks have to sign the M.O.U., as parties with the registered unions arrayed on the other side. Therefore, the invalid M.O.U. ought not to be arbitrarily thrust on the Bankmen much to their disadvantage.

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9. That in banks there is no accelerated promotion or automatic promotion as is prevailing in the Government service. **Because of the non-promotion, there is stagnation in pay level resulting in the frustration.** Bank officers therefore legitimately expected the M.O.U., on running scale of pay without stagnation and as the M.O.U., did not cure this discrimination, the M.O.U. ought to undergo the "Redo" exercise.

10. That the special allowances which form part of salary are excluded from arriving at Bankmen pension and the Bank officers, legitimately expected that this injustice shall be set right in the M.O.U., but not done and therefore, the M.O.U. ought to be recast.

11. Now that the Government has notified that the National Recruitment Agency (NRA), is to undertake the recruitment process for central government jobs including for banks by holding common entrance tests. When the selection process is common, consequently the pay band ought to be in common for both banks and government jobs as per the 7th Central Pay Commission formula. Bankmen's COD is also based on the 7th Central Pay Commission formula and as the M.O.U., did not consider the 7th C.P.C. formula the M.O.U., is irrational and unworkable in the context of the Common recruitment notification.

12. That the 1st respondent Government has notified that the Bank officers are equal to Group "A" officers in respect of their income and consequently their pay ought to remain equal on the lines of 7th central pay commission formula. **It is despite the 4th respondent AIBOC and the three other Apex level officers**

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Unions strongly advocated in the C.O.D., the Group "A" officers pay for Bank Scale-1 officers, the M.O.U., failed to consider the same and therefore the M.O.U. ought to be corrected.

13. **That para 12 of the memorandum of settlement on pension signed by the 3rd respondent IBA on 29-10-1993 specifically provides for the updating of pension.** But, bankmen pension remained static since its introduction retrospectively from the year 1986. The Bank officers legitimately expected the updation of pension in the M.O.U., But, by way of selective discrimination and without any rationale only the family pension is updated by ignoring the pensioners which is arbitrary. **Therefore, to remedy this illegality, the M.O.U., ought to be improved.**

14. That while so, the Code of Wages Act that came into force from 9-9-2019 and is applicable to Bank officers also. The need based minimum wages as per the Act has now become the **"crystalised legal right"** for Bank officers. The M.O.U., did not consider this crystalised legal right to Bank officers and is not in accordance with the Act and therefore M.O.U., ought to be rewritten in accordance with the Law.

15. That the Code on Wages Act specifically excludes the Provident Fund and the Pension allocations from the wage bill whereas the M.O.U. includes them also in the wage bill much to the loss of Bankmen and this illegality necessitates the M.O.U.'s recasting.

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16. That the IBA's acceptance to discuss salary revision upto scale VII only and not upto Scale VIII has raised serious doubts. Thus, in the light disintegration of the United Forum of Bank Unions, it is manifest that the M.O.U., was rushed to push on the bankmen against their free will, volition and consensus. Therefore, it is necessary that the M.O.U., ought to be redesigned taking into consideration of the C.O.D., by accommodating the all the trade Unions.

17. That pending the 11th bi-partite settlement as an interim measure one month gross salary is already disbursed to Bank Officers as Adhoc arrears. Members are unanimous that there is no urgency to overlook the notified Code on Wages Act and the Rules and to proceed for the M.O.U., in a hasty manner by ignoring the C.O.D., and without considering the crystalized legal right of minimum wage that too with the disintegrated UFBU thereby inviting a recurring loss of salary.

18. Admittedly the M.O.U., dt.22-7-2020 is subject to judicial scrutiny and review in view of the interim order of " Any decision taken is subject to the result of in this main W.P.(MD),No.21535 of 2019." This Miscellaneous Petition No.9093 of 2020 is filed by the petitioner praying for a direction to rework the flawed M.O.U., plagued with several illegalities impacting its root. In the past, settlements even after their implementation were revised and so the M.O.U. dt. 22-7-2020 is not a sacrosanct.

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CANARA BANK OFFICERS' ASSOCIATION

19. That the M.O.U., therefore ought to be tailored to suit the legitimate expectations and entitlements of the bank men that were presented through the C.O.D., and as per the Code on Wages Act. Moreover, the M.O.U., ought to be made in compliance of the Act and in accordance with the Law., by the parties having the legal status to represent and would not claim immunity from the Rule of Law.

It is therefore prayed that this Hon'ble Court may be pleased to pass an appropriate order in W.M.P.(MD)No.9093 of 2020 in the interest of justice and thus render Justice.

GENERAL SECRETARY
CANARA BANK OFFICERS' ASSOCIATION

Solemnly affirmed at Madurai on this 27th day of August - 2020 and signed his name in my presence	BEFORE ME ADVOCATE.

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COME
BECOME OUR ASSOCIATE

THE CANARA BANK OFFICERS ASSOCIATION (CBOA)
started in 1966 even before the nationalisation and has completed more than 5 decades of its existence. CBOA continues its never ending crusade for securing more lasgting facilities for all the officers in Canara Bank.

CBOA is the only Recognized Association representing Officers.

CBOA is the only Association that has no Political alignment

CBOA is affiliated to AINBOF & AIBOC, the largest National Organisation of Officers with absolute majority in Banks and representing 91% of the Officers in the Banking Industry.

CBOA holds periodical Joint Conferences with the Bank Management to lay down policies on promotion, transfers and other service matters of interest concerning the Officers community.

CBOA has sponsored and created a Thrift Society at Chennai and a Welfare Fund at Mumbai, granting death relief to members besides assistance to its members on Hospitalisation.

CBOA is authorized to nominate its representative to the Apex Body of the Bank - The Board

CBOA has been publishing its periodical e-magazine "FRIEND & GUIDE", a knowledge magazine called "Light Circle", "CBOA's Digest" & "Promotion Guides" for the benefit of members / non-members.

CBOA has been conducting systematic classes/mock interview sessions at all the important centres all over India along with Online Promotion Tests for JMG Scale I, MMG Scale II & III for the benefit of members / non-members.

COME BECOME OUR ASSOCIATE

EXTRA FACILITIES TO MEMBERS AVAILABLE ON JOINING CBOA OFFICERS' THRIFT SOCIETY

WELFARE SCHEMES FOR MEMBERS BY CBOA

PROGRESS AND PROSPERITY THROUGH SERVICE WITH SINCERITY

cb oa

The list of Welfare Measures by CBOA:

Death Relief of ₹10 **lakhs** to the family of the deceased member.

Reimbursement upto ₹2 **lakhs** on the disallowed portion of our Bank's Hospitalisation Reimbursement Scheme.

Gift of ₹5000 to the CanBandhan couples on the occasion of their marriage.

Gift of ₹1000 to our members on the occasion of their marriage.

Incentive for the toppers in the various promotion tests conducted by our Bank.

Clerical to Officer

All India Topper - 25000/- | Circle Topper - 10000/-

Scale - I to Scale - II & Scale - II to Scale - III

First Position ₹7000/- | Second Position ₹5000/- | Third Position ₹3000/-

Gift to our members on their retirement

₹20000/- who have completed membership of 5 years & above.
₹10000/- who have completed membership of 3 years & upto 5 years.
₹5000/- who have completed membership of less than 3 years.

Canpal Castle (CBOA Holiday Home) - At below locations

Functional - Amritsar | Chandigarh | Chennai | Coimbatore | Hampi | Kalaburagi Kolkata | Rameshwaram | Tirupati | Trivendrum

Proposed - Madurai | Kodaikanal | Velankanni | Bangalore | Gaya | Varanasi | Ajmer Delhi & Dharmasala

CANPAL