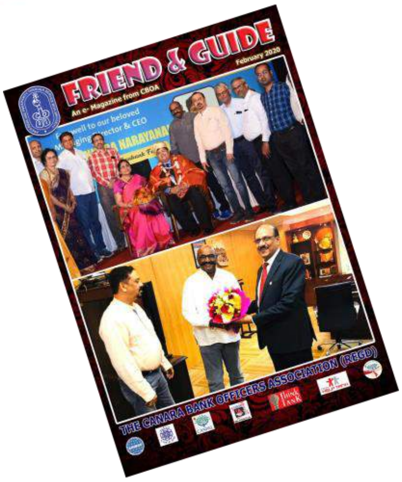
# FRIEND & GUIDE

An e- Magazine from CBOA

February 2020


## THE CANARA BANK OFFICERS ASSOCIATION (REGD)

AINBOF · A.I.B.O.C · CANPAL · CBOA BE POSITIVE · Think Tank · CBOA's HELP TANK




## CBOA FRIEND AND GUIDE
## ISSUE: FEBRUARY 2020

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## COVER

**Photo 1: CBOA Chairman, General Secretary, Central Liason along with other office bearers of Bangalore felicitating Sri. Sankara Narayanan, MD & CEO who retired from service on superannuation on 31.01.2020**

**Photo 2: CBOA General Secretary, Sri G V Manimaran along with CBOA Chairman, Sri Jagadeesh J S welcoming our New MD and CEO Sri. L V Prabhakar**

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## EDITORIAL

## INCLUSIVE GROWTH AND $5 TRILLION ECONOMY

India is the 5th largest economy in the world with the size of $2.8 trillion in 2019. Indian economy is growing at a rate of 4.7 as per the latest reports. Population size of India is 134 cr which is second largest. Even though these are the facts, India is not in a commanding position in the global market because of many reasons like, our output is mainly on service side not on manufacturing, larger size of import than export and most importantly our growth is not inclusive. Now the government has planned to take the economy to a higher position by making it a $5 trillion economy by 2024 and to have a bigger presence in the world market.

India has always been a centre for exporting refined human resource to all the part of the world, that many top MNCs are headed by Indians, we can't ignore the most valuable HR in India. The term $5 trillion economy may look like "unimaginably ambitious", the aim is set and the efforts will rise India to a commanding position if and only if the efforts are towards an inclusive growth, which means the growth should address the betterment of the people of all the economic categories of all the regions of India. It Should envisage a simultaneous growth in agriculture, manufacturing, service, technology, forestry, education, trade , export and all such important sectors.

Why inclusive growth is so important is that the total wealth of all Indian billionaires is more than the budget of India in 2019. India's richest 1% hold more than four times the wealth of 70% of the population of India. They had boom in their wealth in the last two years while a billionaire boom is not a sign of thriving economy but a symptom of a falling economic system. So the importance of distribution of wealth comes in front than the size of the economy.

A large sized economy can claim a lot, but if its people don't have a decent life, a meal in a day, a safe house, good education and a good transportation system then the claim is bogus. We should aim for stopping farmer suicide, ensure farmer are not being exploited by the middle men, famer has to get store houses at low cost and the real price of the produce has to reach the farmers. We have to implement mechanism for ensuring the basic need of people like pure air, water, food, medicine and a place for dwelling. It would be great if the $5 trillion economy ensure that there is not a single slum in the country.

Before aiming a bigger economy India has to strengthen public sector which aim for growth as well as social welfare. The present disinvestment gives a message that private sector, is being boosted, which aims for only profit but not social welfare. It has to address unemployment and ensure proper rule of law and order in nook and corner of the country.

We want India to be in the top three economic powers, for that we must ensure sustained growth, keep up the faith of the people, develop global standards in manufacturing as we did in service sector. It's always better to have a stable sustained growth that provide safety, happiness and prosperity to the common people.

**Regards**
**Editorial Team**

**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

While ushering in to the new year, let's have a little peep in to the past.

After witnessed the success of Nationalisation for long, the banking industry also was subjected to the test of globalisation and thus to undergo reforms since 1991.

As a part of Structural economic reforms introduced in India in 1991, 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.

To facilitate the easy and continued flow of finance to corporates, the controllers brought norms like **Strategic Debt Restructuring and Corporate Debt Restructuring (SDR/ CDR)**. These restructuring models not only made private corporates eligible to avail bank finance, but also enabled the unpaid dues by the corporates to be ever-greened.

The NPAs, built over a period of time by the controller and Government directive through SDR / CDR measures, were advised to be provided for immediately in the 3rd quarter of 2015 by the controllers with the tools in their hand viz. **Asset Quality Review (AQR),** and instructed to brand all the re-structured assets as NPA in one go and advised the Banks to make provisions against those NPAs. Because of the huge provisions assigned towards NPA, most of the Nationalised Banks posted loss in December 2015 and in March 2016.

Canara Bank which had the legacy of having '**never posted loss'** reported a loss of Rs.2813cr in March 2016, in spite of achieving Total business of Rs.8.05 lac crores and Operating profit of Rs.7147 crores. "Reason –NPA provisioning of Rs.9959 crores against the operating profit of Rs.7147 crores."

Subsequently again in March 2018, our mother Bank posted a loss of Rs.4222cr (NPA provisioning of Rs.13770 cr against the Operating profit of Rs.9546cr), due to the Prudential and Provisioning directives of the controllers.

**Despite all the odds stacked against us, we the Canpals bounced back with renewed verve and posted profit in the very next quarter on both the occasions.**

We can take pride in claiming, that it is only because of (Y)our dedicated efforts and commitment to the bank, we realised our objective of "**THUS WE CAN-** achieving a total business of Rs.10 lac crores" in March 2019 and continue to sustain at the same rate.

During the recently held Joint Conference at Head Office, Bangalore, our **Respected MD & CEO Shri R A Sankara Narayanan** expressed happiness over the growth of the Bank that the total business sustained beyond 10 lacs crores mark and informed our Banks provision coverage ratio has improved to 72% and is expected to further expand to 75% during March 2020, signalling that the bad days are gone and we will be able to retain our incredible feat of continuously remaining in profit in the days to come.

Your CBOA which has the command of 30,000+ members in all the scales and 96% membership has the reasons to feel the pride of such achievements as we always kept the Business building of our mother bank as our USP.

Parallely, It is always the endeavour of your CBOA to clinch several benefits for its members in the past, and continue to demand more benefits for its members so as to keep the living conditions and work environment of officers better to bring more laurels to the Bank.

Some of the demands made during the Joint Conference are;

1. **REVISION IN LIMITS UNDER RENTAL CEILING.**
2. **INCREASING THE HOUSING LOAN LIMITS TO OFFICERS INCLUDING FOR REPAIRS/ RENOVATION AND REDUCING THE RATE OF INTEREST AND ALSO TO CONSTRUCT HOUSE ON THE LAND OWNED BY THE SPOUSE.**
3. **INCREASE IN BUSINESS DEVELOPMENT EXPENSES.**
4. **INTRODUCTION OF PRIVILEGE ALLOWANCE FOR BRANCH IN CHARGE.**
5. **INTRODUCTION OF LUNCH ALLOWANCE.**
6. **EXTENDING FACILITY OF REIMBURSEMENT OF MOBILE CHARGES TO ALL OFFICERS.**
7. **PROVIDING AMPLE & STRATEGIC OPPORTUNITY FOR SCALE I MARKETING OFFICERS TO GAIN EXPERTISE IN GENERAL BANKING DOMAIN ALSO, SO AS TO QUALIFY THEM TO SWITCH TO GENERAL BANKING ON ELEVATION TO SCALE II MANAGERS**

In addition to the above, good number of vacancies for promotion of Officers in all scales before the merger is also on cards.

**It is all possible, because we kept our mother Bank in a position to give.**

Shall we activate our efforts further to keep our bank in top among the Nationalised banks?

Though we are up in many parameters, our directed approach towards few gaps will ensure that all our efforts will result in the profit to be employed and enjoyed.

Dear Canpals, we have another 3 months to turn the tide in our favour.

**In the next three months to go we shall concertedly and constantly concentrate on**

**1.REDUCTION OF D4 and LOSS ASSETS**

You are aware any recovery from D4 and LOSS accounts adds directly to our bank's profit, thus by recovering even10% of the D4 and Loss assets which are fully provided will jack up our profit to be increased by Rs.3000cr-Rs.3500cr.

**2.NO FRESH NPA**

Arresting addition of fresh Non-Performing Assets, by identifying stressed accounts in advance and employ speedy recovery measures with strategies.

**3.ENSURE QUALITY LENDING**

Kindly note that our existing borrower customers are only about one crore from out of the 10 crores total customers, constitutes only 10%, from whom we are collecting about 70% of the total income as interest.

By adopting a strategy of converting additional 10% of the existing good, non borrower customers by every branch into borrowers, by granting an average quantum of Rs.1.00 lac per identified customer, by encouraging them to avail any one of our specially designed loan products, our bank's business will get an incremental one lac crore advances and will increase the net income by a minimum of Rs.2500 crores per annum.

Further, it is learnt that nearly 2279 branches are negative in CASA, 1343 branches are negative in Deposits, and 1383 branches are negative in Advances, comparing to the business figures of March 2019, which also may be brought up to reach March 2019 position.

**By hitting the above objectives with a structured approach by every one of 30000 members of CBOA, our TOTAL BUSINESS will cross comfortably above 11 lac crores and our mother Bank will be the NUMBER ONE BANK in terms of business figures among the NATIONALISED Banks as on March 2020.**

Needless to say, with greater profits, WE will be able to achieve all our demanded benefits.

**LET THE YEAR 2020 BE THE YEAR OF CANPALS TO POSITION OUR MOTHER BANK AS NO.1 AMONG THE NATIONALISED BANKS.**

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At the outset let me wish you and your family New Year full of happiness and prosperity.

We, the Canpals are constantly working with the betterment of our Mother Bank in mind and I appeal that we should sustain this good work in the coming years also.

Looking back, the year gone by was really a challenging one for the bankers and we have performed well in the face of adversity. The New Year is going to throw fresh set of challenges including the proposed merger and we should be in our elements to continue our tradition of doing well against the odds.

At organizational level we have successfully conducted our Triennial Conference in a majestic manner. The Chief Guest Shri.K.Pandiarajan, our Chairman Shri.T.N.Manoharan and our MD & CEO Shri.R.Sankara Narayanan were impressed by the show and expressed their appreciation on the stage itself. As is the tradition the election of office bearers unanimous and brought the discipline of the Canpals to the fore.

Reinforcing the motto "Helping Hands never hesitate to stretch beyond boundaries" Canpals donated liberally and helped the needy on various occasions right from extending assistance to the family of the Pulwama Martyrs to helping our own colleagues in distress. Canpals' compassion can be gauged by the fact that on one occasion as the required money of 25 lakh rupees for the organ transplantation was collected in a matter of a day and the beneficiary was made to appeal "not to send further donations".

For the Banking industry, the last year was a demanding one. Despite turning around of many banks and few banks coming out of the PCA framework the economic situation of the country remains under stress with muted GDP growth. Government announced mega merger of Ten Nationalized Banks into four banks despite of protests and no favorable benefits from the previous such exercises. Attacks on the Bankers especially officers is on the rise which is a cause for concern. Trade union rights are attacked by the Government by asking to introduce "On-line facility for recording / modifying employee mandate in HRMS package" questioning the very right of a trade union in admitting its members.

On wage revision front, the negotiations are progressing and the latest offer was mere 12% increase callously ignoring our genuine demands for a respectable wage revision. Code on Wages Act, 2019 came into force and as per its provisions, Bank employees are covered under it. But the Government itself is reluctant to admit that fact.

Already three writ petitions are pending in Madurai High Court on the issue of wage revision. One more Writ was filed by one of our retired Senior Manager Mr.Pounraj and appreciating the merits of the case the judiciary has issued notices to IBA, Ministry of Finance and ordered that "Any decision (on wage revision negotiations) is subject to the outcome of this Writ Petition". Responding IBA has filed an affidavit stating that it is only a facilitator in the wage negotiation talks and it has no legal status conveniently ignoring the fact that it was the party to the last ten settlements and ongoing negotiations since 2017.

CBOA is the only organization fighting for wage revision based on "**Minimum Wages Principle**" which can bring the salary of the bank officers' on par with the Grade "A" officers of Central Government and We will continue to fight for this demand till we succeed. Canpals, As pledged during the "Promise to Our Patrons" on the occasion of Golden jubilee of Bank Nationalization, we should continue to offer best service to our customers and strive for bringing Glory to our Mother Bank

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# AINBOF

## All India Nationalised Bank Officers' Federation

**Ref : GS/JAN/2020/01/NYG dated 01.01.2020**

As we step into a new decade, let it bring jubilation to all the bankers and smile in their faces. With the onset of economic reforms in the 90s, the banking sector has transformed in many ways in the last three decades. While the first decade witnessed INTRODUCTION of reforms, the second decade was about CONSOLIDATION of the same and the third decade just ended with IMPLEMENTATION.

It is the job of the trade unions to ensure that the fourth decade beginning today does not end up in CULMINATION of that agenda which started in 1991 and that can be achieved only through our concerted and united efforts. That's the reason trade unions are attacked and the recent salvo being Government's directive to all Scheduled Banks including SBI to introduce "On-line facility for recording / modifying employee mandate in HRMS package" thus questioning the very right of a trade union in admitting its members.

Banking industry witnessed a very tough environment in the past year. Despite of the improving NPA problem, Banks coming of the PCA framework, Turning around of the few banks the performance and growth remained challenging on account of the sluggish economic growth particularly in the last two quarters. The deepening NBFC crisis brought the Nationalised banks to the fore with the Government providing partial credit guarantee to PSBs for lending to Private NBFCs.

The Government of India's announcement of mega merger of ten nationalised banks to create four entities fully discounted the fact that the earlier mergers have not any perceivable brought benefits to the various stake holders and on the contrary worsened the situation for the merged entities only.

On wage revision front also, the negotiations are not progressing as demanded by us and the latest offer of mere 12% increase belittles our genuine demands for a respectable wage revision.

While the Government enacted the Code on Wages Act, 2019 covering the managerial, supervisory and administrative cadre in the Banking and Insurance companies, it stopped short of admitting that the act covers the Bank employees in reply to an RTI query which indicates their intentions clearly.

Already three writ petitions are pending with judiciary on the issue of wage revision as per our Charter of Demands, implementation of "Code on Wages" for Bankers, Salary revision on the principles of Minimum Wages formula. One more Writ was filed by a retired Senior Manager Mr.Pounraj and the court appreciating the merits of the case the judiciary had issued notices to IBA, Ministry of Finance and ordered that "Any decision (on wage revision negotiations) is subject to the outcome of this Writ Petition".

Responding to the writ petitions IBA filed an affidavit to the court admitting that

a. IBA is merely an association of Indian Banks but not an institution of either Government or Quasi Government.
b. IBA has no power or authority of its own either to agree or decide in fixing the salary or retirement benefits
c. IBA acts only as a facilitator for Banks and facilitates negotiation for wages based on mandate given by banks

IBA had conveniently ignored the fact that it was the party and signatory to the last ten settlements and had conducted almost three dozen meeting s during the on-going wage negotiation talk since 2017.

AINBOF has understood the importance of wage revision based on "Minimum Wages Principle" which can bring the salary of the bank officers' on par with the Grade "A" officers of Central Government and we will continue to extend our support for this demand till it is fulfilled.

We deem that merger of banks as a precursor to privatisation and we continuously oppose the move but the real fight should emanate from the customers and the general public. It is our bounden duty to make it clear to them on the need for the existence of Public Sector Banks in the Indian Banking System. The recent PMC Bank fiasco should also serve as a reminder. We need to carry forward our pledge, offering best service to our customers, taken during "Promise to Our Patrons" on the occasion of Golden jubilee of Bank Nationalization and ensure that they become the torch bearers in our crusade against Mergers and Privatisation.

Wishing you a wonderful year and wishing that we march on our path with united determination.

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**Ref : GS / JAN / 2020 / 6 / BPS dated 31.01.2020**
**Letter to IBA Chairman :** Sub : All India Bank Strike on 31st Jan and 1st Feb 2020 – Notice issued by IBA

Consequent upon no reasonable and acceptable headway being reached during the talks held on 30th Jan 2020 between the IBA and UFBU, the UFBU was forced to go ahead with the strike for two days i.e., on 31st January and 1st February 2020.

The wage revision for bank employees, which is due from November 2017, has not seen the light of the day even after protracted rounds of talks and after a lapse of 30 months.

Our reasonable expectations and justified demands have been clearly spelt out and tabled right from the first round of talks. That the IBA started with a pittance offer of 2% against our demand Wage revision based on Minimum Wages Principles adopted by Indian Labour Congress and implemented by 7th Central Pay Commission showed IBA's scant attitude towards bank employees and the trusted tradition of bipartite negotiations.

The IBA has claimed in the court of law that it is neither a registered Association nor a statutory body established under any special legislation and that it is only an autonomous body and plays the role of a facilitator.

Despite such claims of the IBA not being a statutory body, bank employees are left with no option than to knock at the doors of IBA through negotiated settlement for decent wage revision. With full faith in the IBA, the Unions have been responsibly, assiduously, and patiently following the path of negotiations through discussions for nearly 30 months expecting to strike a favourable settlement.

In this background, terming the unions' behavior as 'irresponsible' in the Notice issued by IBA, casts a deliberately wrong and misleading picture of bank employees / unions in the eyes of the general public and smacks of bad judgement.

It is also pertinent to point out the contradiction in the Notice issued by IBA. The second paragraph elaborately dwells upon our demand for 5-day banking and dismisses it by stating that '*adding 26 more holidays would create more problems for the public.'* The concluding paragraph states that for the convenience of the customers, Banks will keep alternative channels available and customers can utilize these alternate / digital channels of banking 24x7 for day to day banking. In as much as the alternate / digital channels of banking are even currently available 24x7, how will it 'create more problems' if 26 more holidays are added?

The Notice has caused deep hurt and anguish to the lakhs of members of bank unions. Though IBA may be within its right to inform the general public about the lock down in physical banking at branches, it could have been positively conveyed by explaining the availability of virtual banking facility of alternate / digital channels 24x7. We protest and condemn the abusive language against Unions and fervently desire that the IBA issues a clarification by another Notice.

We reiterate our avowed principle of continuing responsible discussions through negotiations and our unflinching commitment to serve the banking public despite our hardships.

We seek your early and corrective action to the Notice.

**Ref : GS / JAN / 2020 / 5 / BPS DATE :31.01.2020**

**Letter to Finance Minister : Sub : All India Bank Strike on 31st Jan and 1st Feb 2020 – Notice issued by IBA**

We invite and draw you kind attention to our detailed letter dated 29th January 2020, on the issues affecting Public Sector Bank Officers and settlement of Wage Revision

When we were eagerly awaiting a favourable response from your high office to the Indian Banks' Association, a Notice (copy enclosed) issued by them has dealt a severe blow. The Notice issued to the general public paints a one-sided picture and termed the Unions behavior as 'irresponsible', which is highly derogatory, objectionable, and calumnious.

The role of Public Sector Banks in contributing handsomely to the nation's economic growth and the Himalayan role played in the implementation of the much-acclaimed Financial Inclusion programme of PMJDY leading to a world record stands clear testimony to our deep commitment. We thank our Hon'ble Prime Minister for acknowledging our *"unflinching dedication, sense of purpose and hard work."* He went on to add that the results far exceeded expectations.

On the successful execution of the Demonetisation exercise also, our Hon'ble Prime Minister lauded the performance of the Bank employees … *"I publicly thank all the bank employees. The amount of work which bank employees normally have to put in over a year, they have worked more than that in the last one week alone."*

Madam, it is no secret that the Unions have always been responsive and responsible and will ever remain so, despite attempts to marginalize and efforts to demotivate bank employees. The Unions have been the binding force to motivate the employees to rise to the call of the Government for enrolment under the JAM trinity. Our commitment and contribution to the nation's development will continue unabated at any cost.

In this context, the Notice issued by the Indian Banks' Association, branding the Unions' behavior as 'irresponsible' is uncalled for, slanderous, and deplorable.

The Indian Banks' Association, by its own admission, is neither a registered Association nor a statutory body established under any special legislation and that it is only an autonomous body and plays the role of a facilitator.

As the notice has caused deep hurt and anguish to the scores of loyal public sector bank employees, we seek the kind interference of the Hon'ble Finance Minister to restrain IBA from acting or publishing anything that will dent the morale of bank employees.

We reiterate our steadfast commitment to serve the banking public despite our hardships and such destabilizing attempts.

# EVENTS OF JANUARY

**Our General Secretary and other Canpals during the felicitation function of Syndicate Bank Officers Association General Secretary who retired from service on superannuation**

**Registration and Inauguration of Canpal Castle – CBOA Holiday Home at Gulbarga**


General Secretary Visit to Hyderabad


General Secretaries Visit to Mumbai


General Secretary addressing Members meet at Gulbarga


**CBOA President addressing Members Meet at Karnal**

**CBOA Chairman visit to Mysuru**

**CBOA Central liason visit to Shimoga**

**CBOA Gorakhpur Region distributing bags to students of village school**

**Blood donation camp by CBOA Chandigarh**


CBOA Bhopal region distributing Blankets in Hinotiya Village

CBOA Chennai helping the Cyclone effected farmers of Vellapadam. CBOA undertaken reclamation works of 113 acres of cyclone effected agri lands of 112 farmers. Also distributed seeds and saplings to the farmers.


CBOA Warangal Region supplying food and essentials to the inmates of an old age home

Circle Level Joint Meet (CLJM) between Circle Management and CBOA at Delhi

Circle Level Joint Meet (CLJM) between Circle Management and CBOA at Hyderabad

Cluster Meeting at Malappuram Region, Trivandrum


Members Meet at Alappuzha District, Trivandrum

Members Meet at Agra


**Members Meet at Bhopal**


**Members Meet at Gurgoan**


**Members Meet at Indore**


**Members Meet at Jabalpur**


**Members Meet at Jaipur**

Members Meet at Karnal Rewari District


Joint RC Meeting at Bhubaneswar

Joint RC Meeting at Ahmedabad

Cricket tournament at Jabalpur


**Women's meet at Bhopal**


**Makar Sankranthi Celebration by CBOA Pune**

**Joint RC Meeting at Ranchi**

**Branch Visit by CBOA Mangalore**

**Branch Visit and cluster meeting by CBOA Tirupur**

**Branch Visit by CBOA Bhopal**

**Branch Visit by CBOA Dehradun**

Branch Visit by CBOA Banglore

Branch Visit by CBOA Kottayam

Branch Visit by CBOA Shimoga


Glimpses of All India Bank Strike


Glimpses of All India Bank Strike