FRIEND & GUIDE

An e- Magazine from CBOA

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THE CANARA BANK OFFICERS ASSOCIATION (REGD)

CBOA FRIEND AND GUIDE
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EDITORIAL

Derailed…

Wage revision of Bank Officers and Employees is due from 01.11.2017. Four Bank Officers Associations have jointly submitted Charter of Demands on 05.06.2017. The main Demands of the COD submitted were

- Wage revisions as per Principle / formula adopted in CPC and accepted by International Labour Organisation without linking to profitability, equivalent to Grade A Officers of Central Government.
- Introduction of 5 day week in full
- Merger of Special pay component with the basic pay
- Introduction of Running Scale of Pay.
- Scrapping of NPS and re-introduction of Defined pension payment scheme.
- Updation of Pension as per RBI Formula / Revision of family pension without any ceiling, quantum and percentage

The Charter of demand was well appreciated from all around and every officers association have given mandate for the same. Very unfortunately the discussion started in usual style and very unreasonably at 2% and MOU was signed for increase of 15% by Unions and IBA on 22.07.2020 with an understanding to settle the percentage of loading in various payslip components within 90 days.

Even though the increase of 15% with 2.5% percentage loading to basic was not acceptable to many associations and common members, many round of talks were held during this period for deciding the loading of remaining payslip components. As per AIBOC Circular no.2020/66 dated 17.10.2020 says *"On the advice of IBA, the representatives of officers associations reached Mumbai to commence the exercise on 15th and aimed to conclude the same within a weeks time. The progress made on 15th and 16th was in right direction. Having received the concurrence of IBA to hold the signing ceremony on 18th October, formal invitations were sent to representatives of our organizations across the country"*. The reason cited for not signing the joint note was failure in signing the costing exercise with the workmen unions.

Members and Member associations have given mandate to four Officers Association to negotiate based on the commonly approved Charter of Demands. But in what direction and on what basis are the settlement talks going on???

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

CASA 40% - Make This Our War Cry

Ref : GS/09/2020 dated Sep 28 2020

In our communication dated 26 06 2020 captioned “Thus We Did”, a detailed account of our Bank’s business achievements as at 31st March 2020 was presented, upon amalgamation of e-Syndicate.

One more quarter has since passed by. In business terms, the Q1 FY 2020-21 was the first quarter of reckoning the performance of the amalgamated entity. It is said that unity is strength and true to the saying, the power of the combined entity was amply demonstrated, which is reflected in business terms for June 2020:

- Operating Profit registered increase of 31.82% Y-o-Y
- Increase in Net Profit
- SB Deposits registered 14% Y-o-Y increase
- CASA Deposits up by 16% Y-o-Y
- Domestic CASA share improved by 244 bps Y-o-Y to reach 33.82%
- Retail Term Deposits increased by 13% Y-o-Y
- Non Interest Income up by 10.51% Y-o-Y
- Net Interest Income up by 21.11% Y-o-Y
- Gross NPA reduced by 144 bps to 8.84% Y-o-Y
- Net NPA reduced by 192 bps to 3.95% Y-o-Y

The positives are the increase in Operating Profit and Net Profit. The business growth is continuing in the current quarter also and with our foot firmly on the accelerator, we can expect improved levels of profit combined with further reduction in NPA by the end of September 2020.

The moot area or the grey patch in our business is admittedly CASA share. Our CASA ratio of 33.82% does not compare favourably with peer banks or even South-based banks, as evidenced below.

(June 2020)

Canara Bank	PNB	IB	Union Bank of India	BOB	CBI	IOB	BOI	SBI
33.82%	43.45%	42%	33.3%	39.49%	47.30%	41.02%	40.60%	45.34%

A cursory glance of the data reveals that 40% is the benchmark CASA share and our Bank is lagging far behind this level. While individual branches may have much higher CASA ratio, the Bank's level of 33.82% may have varied reasons.

I beseech Canpals to deeply introspect and initiate all measures to gradually push our CASA ratio up to the acceptable level of 40%. It is no secret that customer service is the differentiator for improving CASA ratio.

Our Bank is constantly endeavouring to improve CASA share by launching special campaigns, one such campaign viz., "Aadhya – The Beginning" is currently underway, till 30th September 2020. We have to adopt customer centric approaches to bring in new quality customers. The time-tested method of sourcing referrals from our existing satisfied customers can never be eclipsed.

While customers should be encouraged to avail banking services through digital platforms, this should not lead to a gap between the customer and the Bank. Digital platforms can never substitute the human smile and the warmth of reception customers enjoy whenever they visit the brick and mortar unit.

All these should not remain on paper. We should practice better customer engagement at least with the Top 10% CASA customers of the branch even if there is no specific business necessity, like wishing them on celebratory occasions, important days, or an occasional courtesy call, etc. This way, we can build better relationship and confidently seek more business in the form of CASA, Retail Lending, canvass Associate Party Products which are key to Non Fund Based Income, etc.

I earnestly appeal to all Canpals to not view this as sermon but to adopt it sincerely as a way of official life and make our customers see the difference, which should reflect in improved our CASA ratio towards achieving 40%.

Improved business leads to increased profits and gives us better ground for seeking better perks and benefits.

The growth of the amalgamated entities (CB, PNB, IB, UBI) will be under the constant scanner of the DFS and RBI. Else too, we have to display a highly competitive spirit and prove that among the amalgamated entities, Canara topped in surpassing all expectations of DFS, customer delight, and in terms of business growth.

I seek your continued commitment and increased involvement with distinct strategies in achieving this lofty objective.

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Ref: CBOA / GS / OCT / BPS / 2020 dated 9.10.2020
Letter to AIBOC General Secretary and President

Sub: Eleventh Bipartite Settlement - MoU signed with IBA

The Bipartite negotiations commenced during 1960s and first bipartite settlement was clinched during 1966. Right from those early days the negotiators were having the vision and resolve to clinch the best settlement for their members.

The then leaders put forth their demands according to the prevailing needs and the considerations of majority of members with an endeavor to achieve those demands at any cost. ***Similarly, they never shied away to changing course / taking corrective steps / demand improvements whenever required.***

As history tells, it all started with getting various types of allowances, then fought and got Pension as it was felt as a necessary social security, then building up for Basic to get better retirement benefits, battle for 2nd option of pension and sharing of pension load from the total load, the earlier leaders displayed tactical acumen and shrewdness to achieve their demands.

During the last settlement i.e.Tenth Bipartite Settlement at the fag end of the negotiations, ***new conditions were imposed on us like Introduction of Special Allowance and restriction on loading in basic, Medical Insurance Scheme etc.***

Though we were able to achieve our 5 day week demand by getting two Saturdays off, it is only partial and that too in lieu of working for full day on other Saturdays.

Considering the past trend and the circumstances prevailing then and the position of the banking sector, ***the then AIBOC leaders during 2017, gauged the situation and demanded salary revision in terms of the Minimum Wages Policy*** as it was felt necessary to meet the expectations and aspirations of the newly recruited officers in large numbers in the preceding years.

Besides, as ***recommended by the 7th Central Pay commission, Government of India had also implemented the same policy while revising the salary of the Central Government Employees based on which only, Need based minimum wages a***nd other demands were incorporated in the Charter of Demands submitted by all the four officer organisations.

When the final allocation of Rs.4513 Crores – a resultant of 15% - is termed inadequate now by the four officer organizations in their joint circular dated 21.09.2020, the approach of ***IBA to commence the negotiations with 2% increase was purely an expression of a non professional attitude on the part of IBA which should have been vehemently opposed but it was not done with required intensity.***

Further, ***even after all the banks had provided 15% in their respective balance sheet since March 2018***, still we went on negotiating and settled at 15% after almost three years when the patience of the cadres was running out.

Still some organisations are projecting as if this increase of 15% itself is a big deal under the prevailing circumstances which is a joke since 15% was provided way back in 2018 itself by the banks. Only thing is that it took more than two years to realize this.

Merging of special allowance, Five days week and Updation of pension are few of the very important demands as far this settlement was concerned. However, no ultimatum was given to IBA on these demands and till now no head way had been made.

Shri.Anurag Singh Thakur, MoS Finance, while replying to an unstarred question, had categorically stated in the lok sabha that "***In exercise of the powers conferred by section 25 of the Negotiable Instruments Act, 1881, Government vide notification dated 20.8.2015 had declared the second and the fourth Saturdays of every month as public holiday for banks in India. No change in the same is currently under active consideration of the Government."***

Similarly, **Hon'ble Finance Minister Smt.Nirmala Sitharaman,** in her reply to Dr.Manmohan Singh's letter regarding revision of pension had asserted that Pension is a funded scheme in Public Sector Banks (PSBs) and was introduced in lieu of the Contributory Provident Fund on the basis of consensus arrived at between bank unions / associations and IBA on behalf of the participating banks.

She had also stated that Pension is payable as per the agreement arrived at between bank unions / associations and the banks thus implying that Government has no role in the

matter. This is a direct hit on the Trade Unions and puts the ball squarely on the court of the unions / associations.

Generally murmurs / grumblings used to arise after every settlement as it will be difficult to appease every member and those who are affected used to talk about it for a while and on few occasions have some have gone to court also.

But this is the first negotiation which has been seeing lot of issues from the beginning itself. Majority of the employees have disliked the progress of the negotiations, approach of the IBA and the reluctance of Officer organisations to pursue their Charter of demands.

Many cases have been filed in the High Courts wherein the Judiciary had grasped the genuineness of the demands and issued notices to the respondents. ***In one of the Cases, the court had ordered that "Any decision taken on the negotiations is subject to the result of the writ petition"***

Even ***IBA went to the court and submitted an affidavit stating that it is merely a facilitator, it has no power or authority of its own to either agree or decide in fixing the salary or retirement benefits of the bank employees.***

Before signing of the MoU itself , disapproval has been expressed by majority of members in many forums including social media which Trade unions have failed to take note of.

BEFI refrained from signing the MOU while other two organisations namely INBEF and AIBOA though signed the MoU subsequently expressed their reservations and the strong arm tactics adopted to sign the MoU.

The pay parity for officers with Central Government Officers, established by Pillai committee recommendations has come down over the past two decades and to set right the anomaly, a novel demand was made by the Officer Associations in their charter of demands to bring back that parity. However, now it is not being pursued vigorously for reasons best known to the negotiators and brought the officers again into the lower wage bracket.

Further, the issue of merger of Special Allowance was also not taken up in right earnest. The injustice carried out during the last settlement could have been redeemed by the above, had it fructified.

Similarly, Medical Insurance Scheme, as per the joint note itself, 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.**

However, the reality is that ***banks are at a loss by paying more premiums for same amount of coverage, retirees paying exorbitant premiums and employees and officers have to put up with low insurance coverage. It is unclear, for whose benefits the scheme was introduced.***

Already your good self, along with other officer organisations, have submitted a ***joint letter dated 21.09.2020 to UFBU convener stating that the quantum of Rs.1155 crore for allocation of construction of new pay scales is inadequate for working out the new pay scales. Besides, our concerns on various other issues like 5 day week, updation of pension have also been shared.***

Now it is very clear from the statement of Shri.Anurag Sing Thakur, that 5 day banking is not under the active consideration of the Government of India. As already stated, Finance Ministry has absolved itself stating that Updation of pension is a matter between Trade Unions, IBA and Banks.

Under these conditions, we demand that the General Secretary of AIBOC should come out with a White Paper on the discussions held during negotiations on the above issues in detail and the stand of AIBOC, if the five day banking and updation of pension are not considered.

It may kindly be noted that we had bad and bitter experience in the past on the issues marked to be discussed after the settlement as pending issues.

Being the largest body, representing the officers' community, your good self must respect the views of the majority of the members and echo their sentiments.

As General Secretary of AIBOC your good self should take a strong decision that without settling the issues of Five day banking and Updation of Pension you will not sign the Eleventh Bipartite Settlement.

We also request you to implead AIBOC as a respondent in all the court cases on Wage Revision issues and convey our stand clearly.

Wishing that you will take into account the sentiments of the members with regard to Wage Revision.

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Gist of Meeting with MD & CEO

Dear Canpals,

Pursuant to our meeting with MD on 21.9.2020, today (19.10.2020) our Chairman Sri. J S Jagadeesh and Central Liaison Sri. Uday Lodaya called on our respected MD & CEO and requested for considering some of our demands at the earliest in view of the impending festive season.

At the outset, Our MD & CEO has been very receptive on our demands and he appreciated the role of officers who are working in branches for the splendid performance of our Bank, especially the gold loan portfolio, which has zoomed to Rs.65000 crores surpassing many gold financing NBFCs and soon it would even surpass SBI in the coming days.

Regarding extending the revised furniture limits to all the officers, our MD has assured that it would be taken up in the ensuing board meeting and our MD **responded positively for our demand in improving the scheme on par with peer Banks.**

Regarding term insurance for our officers, MD & CEO has assured us that Bank **is coming out with a scheme shortly, which would cover all types of deaths.**

We requested for improving Business development expenses and additional limits for achievers and our **MD & CEO informed that Bank would come out with a scheme to reward branch heads and their spouses in the event of branches achieving the targets under CASA, NPA etc.**

In response to our demand for i**mprovement in Cleaning allowance, Lunch allowance and providing brief case/leather bag on par with peer Banks, MD responded positively to consider the same in due course.**

Friends, we have also brought the issue of acute shortage of officers at branches and the need for recruiting officers. **Our MD & CEO appreciated our demand and informed that Bank will be recruiting *3000 direct recruit officers* and indents will be placed to IBPS in this regard.**

Friends, the meeting was very cordial and our MD & CEO appreciated the role of CBOA and its members.

Further, he appealed to all the officers working in branches to extend *DIGITAL APPLICATIONS* like ATM cards, mobile banking and internet to all the customers and encourage the customers to withdraw cash through ATMs and to use our Mobile Banking app for transfer of money. He said it would really help our officers and employees immensely to combat the pandemic by reducing the footfalls at branches.

Friends, we also appeal to all the officers working in branches to take it as a goal/challenge to popularise our digital apps/issue ATM cards to all their customers and help the customers in downloading the same and educating them to adapt, understand and use it on a regular basis.

Though initially, our front line staff would need some time to make our customers familiarise with our digital apps but eventually it would help them by reducing the workload at branches and moreover, it would also reduce physical contact with the customers, which is very much needed to combat this COVID pandemic.

With Dussehra and Deepavali Greetings

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GS Message dated 24.10.2020

1. Trade unions must be present and settlements must happen through Bipartite settlements only.

2. In present day scenario when the officers are recruited through IBPS and 80% of the officers are young and directly recruited, there should not be any disparity in the pay and perks among the officers working in the various banks.

3. Parity must be settled among the officers irrespective the bank he joins.

4. This expectation gained momentum after 2009 when the direct recruitment of officers increased manifold and educationally well qualified Indian youths joined in the Banking sector.

5. Sensing this sensible expectations, the then leaders of aiboc during 2017 prepared a COD and got it signed by all four officers organisations.

Demanding

A. CPC and ILO model of calculation without linking to profitability.
B. Minimum wages formula
C. Equivalent to grade A officers
D. Updation of pension

6. The COD got all round appreciation and mandate from every members too.

7. Very unfortunately the discussion went round in usual style and very ridiculously started with 2%. when we opine even 15% is not sufficient.

8. On going through various writs filed and admitted, I understood to the best of my knowledge

   A. No writ has prayed for any settlement through court.

   B. All the writs prayed for directing the IBA to negotiate with trade unions on the lines of COD.

   C. Thus the aiboc also filed a counter supporting the petitioner in Madurai.

9. Meanwhile The code on wages bill was passed and gazetted.

10. The act was reflecting the demand submitted in the COD.

11. As I could understand, the petitioners invited the attention of the court to take note of the Act and direct the IBA to NEGOTIATE with the trade unions on demands made in the COD.

12. It was IBA, as claimed by our General secretary in the recent communication, adopted a Non professional behaviour and submitted a counter stating that they are the facilitator, no writs can be filed against them and not even be questioned under RTI act.

13. As I read from Mr Alex writ which is admitted, he prayed from the first respondent GOI to confer the legal status to IBA before negotiations so as to make them responsible for the agreement.

14. Again, it is IBA, instead of furnishing reply to the petitioner, why they are unable to consider as per COD, resorted to question his locus standi by calling him

A. As an individual who can't question

B. Indicated that the wage revision may not be implemented from Nov 2017.

C. Opening a Pandora's box by stating that an individual can decline the wage revision if he does not like and there by attempting to shatter the very existence of trade unions and Bipartite mechanism.

In my considered view, instead of trying to brand the petitioners as culprits, the senior leaders at the helm of affairs today can think of inviting the petitioners and hear them as THEY HAVE NOT PRAYED FOR ANYTHING OTHER THAN THE DEMANDS MADE IN THE COD AND THEY NEVER PRAYED FIR SETTLEMENT OUTSIDE THE BIPARTITE MECHANISM.

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Bathukamma Celebrations by CBOA - Hyderabad

General Secretary Sri. G V Manimaran addressing combined regional committee meeting at Coimbatore

CBOA Chairman Sri. J S Jagadeesh and Team Bengaluru Visit to Mysore RO and Branches

Felicitation of Retirees

General Secretary Sri. G V Manimaran visit to Nellore

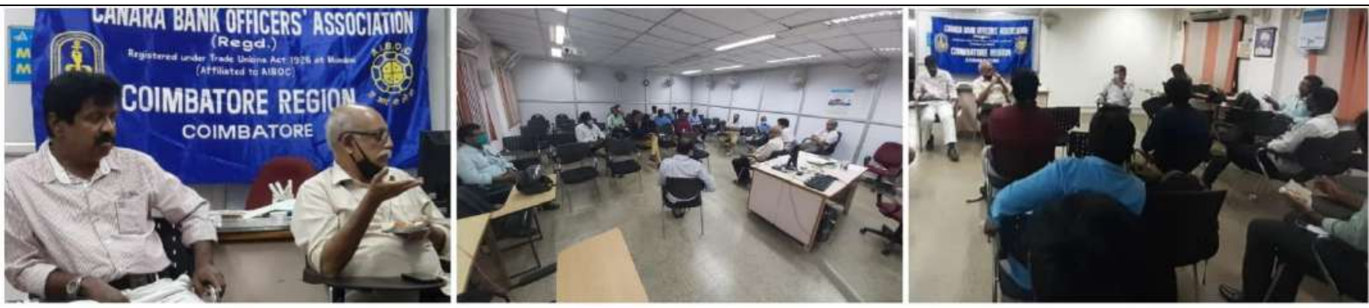
Inauguration of Automatic Hand Sanitizer machine made by our AGS Sri. Thimmereddy, Gulbarga

Branch Visit by CBOA Trichy

Members meeting at Ranchi

Branch Visit by CBOA Gulbarga

Yoga Session by CBOA Rajkot



Members meeting at Coimbatore

Members meeting at Gulbarga

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