



ALL INDIA BANK OFFICERS' ASSOCIATION

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To:

ALL UNITS / STATE COMMITTEES

Comrades,

- **Fixed Pay component increased from 6% to 8%**
- **Introduction of variable pay – rejected**
- **Direct Action on 26.12.2018 [Wednesday] opposing the amalgamation of three Banks**

After a gap of seven weeks, yesterday, one more round of talks on wage revision was held by IBA. Consequent upon the superannuation of Shri R.K. Takkar, former Chairman, Negotiating Committee, IBA, Shri Rajkiran Rai.G, MD and CEO of **Union Bank of India** led the IBA team comprising of Shri P.S.Jayakumar, MD and CEO, **Bank of Baroda**, Shri Shyam Srinivasan, MD and CEO, **Federal Bank**, Shri Prashant Kumar, DMD, **State Bank of India**, Shri Mukesh Kumar Jain, MD and CEO, **OBC**, Shri V.G.Kannan, CEO, IBA, Shri G.Rajkumar, Deputy CEO, IBA, Shri S.K.Kakkar, Sr.Vice President, HR & IR, Shri K.S.Chauhan, Advisor, HR & IR besides officials of HR Department. The representatives of nine constituents participated in the Negotiation.

2. Chairman, Negotiating committee, IBA while reiterating their standpoints on their earlier offer, proposed to increase the offer from 6% to 8% on payslip components. While this will be made available to all the workforce in the Industry, the variable pay of 8.2% would also be made available [ie;] as per their earlier presentation, variable pay would depend upon Return on Assets [ROA] and operating profit. Vijaya Bank and Indian Bank are the two Banks governed by the condition stipulated.

3. While **rejecting** the offer of **variable pay** in toto, the representatives made an emphatic demand to improve IBA's revised offer from 8% upwards. In the same stretch, it was also placed that the mandate should cover all seven scales in all Banks. At this point, IBA expressed that the issue of mandate is not the subject matter before this negotiating committee. One of the Officers' organisation has opted out of the discussion at this point time. The whole exercise came to an abrupt end.

4. The meeting of the nine representatives met immediately in IBA office itself to take stock of the situation due to sudden turn of events and subsequently at MSBEF office, Fort. Com.Narendra Kotiawala, DGS, and Com.V.Ramabhadran, Secretary, Convenor, Wage revision Committee and Com.V.Viswanathan, CC member participated besides the undersigned. While the time is the essence of any advancement, it was felt the issue of full mandate and also wage revision talks to proceed on the parallel line. At the end of the meeting, the debates were completed, but with no forward movement on our approach.

5. 17th September 2018, the Government's decision to amalgamate the three banks Vijaya, Dena and Bank of Baroda, had thrown a new challenge to the entire workforce. "Merger of Banks" is the only unimplemented agenda of Narasimham Committee I and II. **Merger** of Banks in **2008, 2010** and 2017 led to pains and strains in the Industry. Closure of branches, forced exit due to redeployment and closing the door for new recruitment are some of the main points on the staff side. Mergers have led to accumulation of bad loans in the Banks. The demonstrative example before us is SBI -increase bad loan portfolio.

Hence it was decided to observe "**ONE DAY ALL INDIA STAY OUT STRIKE**" on **26th December 2018**, opposing the amalgamation of the three Banks.

Yours comradely,



**/S.NAGARAJAN/
GENERAL SECRETARY**

**Who controls the past controls the future
Who controls the present controls the past**

=George Orwell=

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**Mangaluru
03.12.2018**

Sd/-
**(K. RAGHAVA)
GENERAL SECRETARY**