



ALL INDIA BANK OFFICERS' ASSOCIATION

CENTRAL OFFICE
2nd Floor, 109/10, Angappa Naicken Street,
CHENNAI - 600 001



Ph: 25265511 / Mobile: 98406 45081 Fax: 044-25249081 / e-mail : aiboa.hq@gmail.com Website: www.aiboa.org

NOTICE OF STRIKE FORM L

Dated 11th March 2022

Name of the Union : All India Bank Officer's Association
Name of the Elected Representatives : 1- President Shri A.N. Suresh
2- General Secretary Shri S. Nagarajan

The Chairman
Indian Banks' Association
World Trade Centre Complex
6th floor, Centre I, Cuffe Parade
MUMBAI-400 005

The Chief Labour
Commissioner [Central]
Ministry of Labour Office of CLC
Shram Shakti Bhavan
NEW DELHI -110 001

Dear Sirs,

In accordance with the provisions contained in sub-section (1) of section 22 of the Act-1947, we hereby give you the notice that the members of All India Bank Officer's Association propose to go on strike on 28th and 29th March 2022 on the following demands:

- Opposing :**
- 1- Privatization of Public Sector Bank
 - 2- Sale of IDBI to Private Players
- Demanding :**
- 1- 05 Days Banking
 - 2- Updation of Pension
 - 3- Child Care Leave
 - 4- Scrap NPS
 - 5- Restoration of Old Pension System
 - 6- Remove anomaly in DA between LIC and Banks

**Extending : Solidarity to CTUS opposing Government's retrograde
Economic and Labour policies.**

The statement of Case is annexed

A handwritten signature in black ink, appearing to read 'S. Nagarajan', is written over a horizontal line.

**/S. NAGARAJAN/
GENERAL SECRETARY**

Enclosed: Statement of case

- Copy to:**
- 1. Secretary, Department of Financial Services, Ministry of Finance
Government of India, New Delhi**
 - 2. MD/CEO's of All Banks**
 - 3. Chief Executive, IBA, Mumbai**

STATEMENT OF CASE

1. Government of India, vide its office memorandum No 3/3/2020-DIPAM- II-B(E) dated 04th Feb, 2021 released the communication under the caption New Public Sector Enterprise (PSE) policy for Atmanirbhar Bharat.
2. The key features of the policy provides for the classification of strategic and Non-Strategic sectors. Under Strategic sector “Banking, Insurance & Financial Services” are also forming part. Further, in strategic sectors bare minimum presence of the existing Public sector commercial enterprise at Holding Company level will be revalued under Government Control. The **remaining enterprises in a strategic sector will be considered for privatization** or merger or subsidization with another PSE or for closure.
3. The merger of State Bank of Saurashtra in 2008, State Bank of Indore in 2010 and subsequently the five associate Banks in 2016 with State Bank Of India set the phase of mergers in the Banking Industry. In the name of rationalization of Branches, rural branches had been closed. Next dose of attack of mergers came in 2019 - ie; Bank Of Baroda, Vijaya Bank and Dena Bank and another in 2020 - ie;Canara and Syndicate Bank, PNB, Oriental Bank of commerce and United Bank of India, Indian Bank and Allahabad Bank, Union Bank of India, Corporation Bank and Andhra Bank. Thus, the number of Public sector Banks was reduced from 27 to 12.
4. Neither the Banks nor Government of India carried out a study about the ill effect of the merger exercise in the Financial system. Closure of Bank Branches, Reduction of Staff and raising NPAs, customer service disrupted mounting work load are the glaring facts readily available on the random check / analysis.
5. The government of India had announced in the last budget -2021 that they will privatize one non-life insurance company and two public sector banks. Niti Aayog, had already shortlisted the Public Sector Banks that are to be privatized. The requisite amendments to the Banking Regulation Act are likely to be shortly rushed through.
6. The role of Public Sector Banks in building the Nation between 1969 till today need not be elaborated . The latest one being the Financial Inclusion of nearly 44 crores accounts and collection of deposits of more than Rs. One lac crores under JanDhal scheme. During the Global Pandemic COVID - 19 public sector banks provided the human service to help Jan Dhan account holders The Parliamentary Standing Committee acknowledged the role of the work force in the banking industry as Front Line Warriors (FLW) as that of health workers.
7. Public sector banks are nation building instruments, these institutions are to preserved protected and promoted. The Government of India should shelve the idea of Privatization of Public Sector Banks forthwith. The bailout operation of Yes Bank by State Bank of India speaks Volumes about dangers of privatization and the continued need if securing the interest of the depositors.

Issue No. 02:- Sale of IDBI to private Players

Industrial Development Bank of India was established by the RBI in the year 1964 as an extended arm and owned by the Central Government. IDBI bank, a private entity was established in the fag end of the last century. In the year 2006 the IDBI bailed out private sector united western bank having the head quarter at Satara, Western Maharashtra through acquisition. Subsequently IDBI was merged with the IDBI Bank with the Govt. assuring Parliament to continue its equity investment at least 51% of more, for all times

IDBI a time tested developmental financial institution known best for the project finance and Infrastructure lending specialization is compel to undergo the stress due to accumulated Bad loans which was increasing year after year. These loans were as per the then Govt.s policies of infra sector promotion having no fault of employees or the workforce in the bank. The erosion in the capital provide by the Government of India compelled by the accounting standards, made GOI to direct the LIC to invest 51% and Government holding as on the date was mere 47% totaling to 98% of capital. However RBI has classified IDBI as a Private Sector Bank for no reasons or justification.

Honorable Finance Minister of Government of India while presenting the budget to the Parliament made a categorical statement that LIC would be directed to withdraw the 51% capital in one go and simultaneously the Government equity of 46% would also be divested. The current move of the Government of India is not in the interest of the Country and the time tested 58 years old Financial institution would be brought to dust. Such identity selling of a veteran DFI is not in the long term nation interest.

As the Bank is gradually overcoming its NPA crisis the need is to strengthen it further and initiate vigorous exercise of recovering the sticky loans from the wilful defaulters instead of finding a solution attempting to pull down an institution is not in a right direction. Hence, the proposal of Govt./LIC stake sale should be shelved for once and for all.

Demands:

AIBOA along with other 03 officer's organization arrived at an understanding with IBA on 04th February, 2021 on residual issues. We submit the same for your records and perusal.

- a. 05 Day week:** with effect from 01-09-2015, Bank employees and officers were given 2nd and 4th Saturdays as holidays and in lieu of the same 1st and 3rd Saturdays were made full working days. It was categorically assured by the IBA representatives that after one year the same would be reviewed to have all four Saturdays as holidays. More than 06 years have passed and there is no forward movement in this regard. The officers are already putting minimum 10 to 12 hours of work in the Bank. ON week days as the option of alternate Banking channels / digital Banking are also available making remaining working Saturdays as holidays won't make much of a difference.. Last year, Government of India while announcing the wage revision for LIC employees was extended 5 Day week system in LIC also. It has been already there in RBI.

Bank employees and officers are declared as Front-line warriors (FLW) by the Parliament Standing Committee.

Hence, the remaining Saturdays in the month should be declared as Holidays in Banks so as to maintain the work life balance of the banking workforce.

- b. Updation of Pension:** With effect from 01.01.1986, the pension in lieu of Provident fund was introduced to Bank Employees by entering into settlements with negotiating unions at the industry level on 29-10-1993. The set of rules are prescribed were at par with RBI pension regulations. Nearly 30 years had rolled down, no revision has taken so far.

In the meanwhile, Government of India vide its notification dated 05-03-2019 had advised the updation of pension in RBI with effect from 01-01- 1986. Merger Of DA @4440 points with basic pension was also been introduced. The demand for similar pension revision in Banks is being raised by us since quite sometime.

IBA vide the MOU signed on 04-01-2021 with officers association had stated that an actuary has been appointed to examine the issue. However they said issue stands unresolved.

- c. Child Care Leave:** It has been categorically made in the floor of the Parliament by then MOS- Finance Shri Anurag Thakur that child care leave would be extended to public sector undertakings including Banks as available in Central Govt. services.. There is no forward movement of the resolution of the issue inspite of our repeatedly raising it with IBA.
- d. Scrap NPS and restoration of OPS:** NPS is not defined pension and uncertainty looms large. Market forces decide the whole earning on the funds also its safety. There is great resentment amongst Bank officers on this account. While fund accumulation, with effect from 01-04-2010 on retirement from services, the accumulation made by the individuals will not be providing safe living for the retirees.

Recently, some state Governments have restored back the old defined pension scheme. The restoration of old pension scheme brooks no delay.

- e. Removal of anomaly in DA between LIC and Bank employees:** In Banks after merger of 6352 points, with effect from 01-11-2017 for every slab of 4 points rise, the DA payable is 0.07%. Whereas, in LIC, the DA compensation has been stipulated as 0.08% for every slab of 04 point rise by Govt. of India.

We submitted a representation to DFS explaining the anomaly kept in due to the Government of India decision. The said letter is also placed for your records. Further, a confirmative chart is also submitted right from 01-11-2017 till 31-01-2022 taking the common basic pay of Rs.100/- it is .38 per slab in the

beginning and R.4.34 per slab in the month of Feb 2022. On accounting of this DA anomaly, for a scale-1 officer with the initial basic pay of Rs.36,000/- the loss on account of DA would be Rs 48,000/- nearly and at higher scale of Rs.1,29,000/- it is Rs.1,48,000/- for the wage settlement period.

This anomaly has already inflicted monetary loss to younger generation who joined the bank services with effect from 01-04-2010 in the matter contribution to NPS, serving employees as well as retired during the settlement period (01-11-2017 to 31-10-2022). Not only this, but also is construction of the new basic pay structure in the ensuing wage negotiation exercise. would also be adversely affected.

This needs to be rectified urgently.

Extending solidarity to CTUS in opposing retrograde Economic and Labour Policies-

The policy of Liberalization, Privatization and Globalization (LPG) has resulted in adverse living conditions for people at large in our country. Financial institutions are under severe attacks with non recovery of bad loans from wilful defaulters. Privatization of PSUs, sale of assets under NMP is weakening our core strength. Labour laws are being unilaterally altered. Workforce in organized and unorganized sectors are under great stress due to unfriendly Economic and Labour policies as articulated in National convention of workers Declaration held at New Delhi.

AIBOA extends solidarity to the CTUS and independent federations while observing the 02 Days strike call.



/S.NAGARAJAN/

GENERAL SECRETARY

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Mangaluru
12.03.2022



(Suresha Hegde S.)
GENERAL SECRETARY