

ALL INDIA KARNATAKA BANK EMPLOYEES' ASSOCIATION (REGD.)



(Affiliated to A.I.B.E.A.)

AND

KARNATAKA BANK OFFICERS' ORGANISATION (REGD.)

(Affiliated to A.I.B.O.A.)



Circular Letter No. 02/2024

READ AND CIRCULATE

17.02.2024

Dear Members,

- ❖ CELEBRATING 100 GLORIOUS YEARS OF KARNATAKA BANK
- ❖ CHERISHING 100 YEARS OF HONEST SERVICE TO THE SOCIETY
- ❖ OUR BANK'S JOURNEY TO ITS SECOND CENTURY -
EMBRACING THE LEGACY AND CHARTING THE FUTURE

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You are all aware that the Centenary of our beloved institution is being celebrated on the **18th of February 2024**. A century of existence, with emotional involvement of the entire staff, growing, expanding and developing all over India, facing multiple competitions from giants in the industry and surviving with sublime popularity amongst the customers is not an ordinary event.

A century ago, at the time when our Bank was born, the entire old Dakshina Kannada district was agog with intense banking activities. When we were born in 1924, the Canara Bank and Corporation Bank were already operating from 1906, the Syndicate Bank came around 1925 and the Vijaya Bank started operations in 1931. Comrades can easily imagine how our Bank survived in a situation when four gigantic banks originated, functioned and were heavy competitor in our area.

Our Bank, a premier Private Bank in India incorporated on 18-02-1924 with a modest capital of Rs.11580/-. The Bank was founded by **Sriyutha B R Vyasraya Achar, Nellikai Venkat Rao, Pejavar Narayanacharya, K. Laxminarayana Rao, Udupi Venkat Rao, Pangal Subba Rao, Shesha Bhat Bhide, Naricombu Rama Rao and Kakkunje Sadashiva Adiga**, illustrious personalities of then undivided Dakshina Kannada District to cater the banking needs of common people like Agriculturists, Artisans, Traders, Self-employed people, small industries etc. The "**Doyen of the Bank**" **Shri. K Suryanarayana Adiga**" and subsequent leaders of the bank have taken our bank to a new horizon. The Bank has grown by leaps and bounds in key areas of banking thanks to its loyal Shareholders, Customers, Workforce and Well-wishers. The journey of Karnataka Bank over the past hundred years has been one of resilience, growth, and unwavering commitment to our customers, stakeholders, and the society we serve.

Today's generation of workforce of our Bank from the highest level to the lowest strata should understand how much devotion, dedication, determination, honest, timeless labour of our forefathers who built our beloved institution brick by brick in those days should be understood in a proper manner. An

institution consists of four parts, namely, the Management, the Shareholders, the Depositors who put their savings in the Bank with trust and confidence and the Borrowers who borrow the depositors' money, use it for their purpose and return the same. **But, all these four sectors cannot function even for one day without the 5th part, viz., the workers at all levels of the institution.** It is this commitment to work that is what is called the work culture. **But this work culture should be nourished and cherished, appreciated and respected by the other four parts of the institution mentioned above.**

It is this most important Banking Philosophy that everyone should understand. Prior to 1946, such a philosophy viz., **EXPAND BUT DO NOT EXPLOIT** was never understood or practiced in the entire banking industry. **Naturally, and inevitably this resulted in the formation of Trade Unions in the industry in 1946, when AIBEA was born.** In due course, in Karnataka Bank also a situation arose when rewards and remunerations for the workers were not forthcoming, but appreciation was there. As a result, the **KBEA (Now AIKBEA)** was born in the year **1964** and the **KBOO** came into existence in the year **1973**. From the beginning industrial relations were deliberately pursued with a positive angle, always taking care of the Bank's development and growth on the one side and facing a heavy competitive field on the other. The first 2 decades the Bank developed more and more in the Agricultural area and was affectionately called by many as Farmers' Friendly Bank. By the 4th and the 5th decade, National developments in all Banks was at its peak and in the Trade Union field which was fighting for removal of all types of exploitation like, unpaid apprentice period for two years, unlimited working hours, dragging the disputes to Third Party Adjudications and not implementing properly the recommendations of the Adjudicators. Naturally, our Bank also was not an exemption. Many anomalies crept in our service conditions. There was no policy regarding transfers or promotions and treatment of the higher ups towards the lower grades were also to some extent inhuman. The Unions naturally launched agitations and also litigations and then in the end, struggles and strike actions.

In the 5th, 6th, 7th and 8th decades, Managements' attitude changed. And a positive, progressive and pragmatic vision dawned. Both the Trade Unions of workmen and officers entwined themselves, pursued vigorously every trace of exploitation and ensured the service conditions are improved substantially, promotional opportunities from Sub-staff to Clerical cadre, Clerical cadre to Officer cadre and Officer Cadre to Executive Cadre were all defined and systematically implemented.

The Management also shed their name as Farmers' Bank and began expanding to the farthest corners of India and thus today the Karnataka Bank is recognized by all as a Pan India Bank true to its tag line "**Your Family Bank, Across India**".

The following table will give a brief idea about the way the Bank developed and grew bigger and bigger. **At the same time, the Bank also earned public acknowledgement of the quality of service rendered by the employees at all levels. The Bank also developed a unique culture of being managed at the top level with its own efficient and eminent officials.**

Bird's Eye view of the decade wise growth of the Bank during the last 100 years

(Rs. In Lakhs)

YEAR	DEPOSITS	ADVANCES	NET PROFIT
1924	0.68	1.22	0.04
1934	13.48	14.82	0.25
1944	31.17	15.65	0.20
1954	72.43	42.22	0.96
1964	440.37	216.96	0.43
1974	3313.58	2209.23	10.76
1984	21133.88	12222.07	20.39
1994	106240.61	60604.20	812.67
2004	940693.68	466791.50	13316.75
2014	4058283.00	2834549.00	31103.00
2023	8736801.22	6130278.35	118024.28
31.12.2023	9219539.00	6974097.19	103204.09

The staff at all levels boldly faced all kinds of problems including image building of the Institution and they are united under the great banner of **AIKBEA** and **KBOO**. **In Karnataka Bank today, the AIKBEA and the KBOO represent 100% of the concerned staff.**

Now that we are in the Centenary year, our perceptions had to undergo some changes. On the one side the giants who competed with our Bank have all been taken over by the Government and nationalized, with several advantages including patronage of the Government. Whereas, we are still in the private sector not only facing challenges from the Public Sector Banks but also some of the very big and partially foreign owned new generation Private Sector Banks which will do anything and everything to halt our steady progress. The remedy does not lie in taking lesser remuneration or working beyond stipulated working hours or increasing the workload of the officials beyond toleration and threatening the staff with negative actions. With all our limitations our dear Bank can face all these challenges not only with unity and confidence, not only by offering the best and the prompt service to the customers, but within the institutions **a perfect, balanced, responsible, accountable and rewardable industrial relations.**

The attitude of the Top Management should be positive, should understand how the Bank was built brick by brick during the last one hundred years by the sacrifice, suffering, low wages, and heavy load of work. The Bank Management should also note that a positive industrial relationship will by itself enable the Institution to grow more, to attract the savings of the people in

an enormous way, and to lend that savings shrewdly and honestly to deserving borrowers and pursue and pressurize regular recovery. In an optimistic way, we describe a model industrial relationship should be similar to that of a husband and a wife, wherein, if both the parties agree, productivity increases, peace prevails and pressure submerges the couple. But to pursue such a positive relationship, patience, tolerance, elasticity of approach, give and take policy and a good patting by the superiors towards their subordinates are necessary. **As stated above, an industrial relationship of the type envisaged is very necessary in the coming period for the growth and development of our dear Bank.**

When the standard of living of the workers gets improves, the institution they work at increases in its grandeur and when institutions grow, eventually the Nation itself will grow. **We passionately hope that such a wonderful, peaceful, normal, productive atmosphere will prevail in our Bank in the coming Century.** That by itself will enable our dear institution to grow further and further more stronger which intern and in due course, **will ensure a better living standard and family contentment to all those who can today call themselves as employees of the Bank, from the Chairman's level to the last level of the staff.**

We are immensely proud of Karnataka Bank's legacy and accomplishments over the past century, and we look forward to the journey ahead with renewed enthusiasm and determination. In this momentous year, as we celebrate our past successes and look ahead to the promise of a second century. As custodians of this esteemed institution, we carry the responsibility of preserving its legacy while fostering innovation and adaptability to thrive in the years to come. **Let us continue to build upon the foundation laid by our predecessors, honouring their legacy by charting a course that is both visionary and inclusive.**



*With Centenary Year Greetings and
Good Wishes to All*



With warm greetings,

Yours comradely,

**(Paneendra K G)
General Secretary, AIKBEA**

**(Suresha Hegde S)
General Secretary, KBOO**

AII INDIA KARNATAKA BANK EMPLOYEES' ASSOCIATION ZINDABAD
KARNATAKA BANK OFFICERS' ORGANISATION ZINDABAD
OFFICERS - WORKMEN UNITY ZINDABAD