



# **Officers' Cause February -2022**



## Editorial

### BAD BANK

**T**he government has announced establishing Bad Bank last year. **Bad Bank** is expected to take over the stressed assets of ₹ 500 crores and above for resolution. Subsequently, the required license has also been issued to Bad Bank - **National Asset Reconstruction Company Limited (NARCL)**.

Bad Bank is a concept that has been experimented with by many countries world over. While few did succeed in achieving their objective, few failed also. The perception is that good and bad loans in the banking industry need to be segregated. Bad to be handed over, so that the Banks can concentrate on the good they have, thus ridding them of the headache of NPAs, Stressed Assets, and the cumbersome process of resolution/recovery.

Further, it is perceived that banks are good in lending, and may not have the finer acumen to recover/resolve the stressed loans. With stressed loans on handing over to Bad Bank, the balance sheets would be clean, the performance parameters and numbers become more impressive and this may unlock the value of the banks. The operating cost would be lower, profitability will go up and consequentially, this would make all stakeholders happy. These look fine on paper, so far.

**Bad Bank model** – The government is unveiling the concept with two entities –

**National Asset Reconstruction Company**

**Limited (NARCL)**

This is a corporate entity, incorporated under the Companies Act and licensed by RBI to function as an Asset Reconstruction Company (ARC). The ownership will be with Public Sector Banks as they will hold 51% of the stake.

It needs to be observed that NARCL is also an ARC. We have many ARCs already functioning. Perhaps, the necessity of NARCL is felt as the banking industry has stressed assets of very large volume and size and perhaps the existing ARCs may not be able to handle them for the reason that they (ARCs) are not biggies.

This also gives credence to the thinking that NARCL, being held by PSBs, and in Public Sector Area, has more capability, transparency and faith than the private peers. Further, NARCL is subject to regulatory control of RBI/CVC/CBI etc, unlike private entities. We must note that, though not told in words, the confidence of the Government and the Regulators is with the Public Sector Bodies.

The role of NARCL is expected to be of an aggregator of stressed assets. It takes over the Assets.

**India Debt Resolution Company Ltd. (IDRCL)- Manager and the Vehicle**

While the NARCL takes over and aggregates the Assets, IDRCL is an entity that operates. It will

manage the assets and does all – from engaging professionals to turn-around/resolution experts and the process to achieve resolution. This entity will be in private sector space. PSBs/FIs will have holding up to 49%, the rest is owned by private sector players.

**NARCL and IDRCL will have the mix of credibility of (Government arm – NARCL) and the flexibility of private entity (IDRCL) also.**

**NARCL is said to acquire stressed assets of about ₹ 2 Lakh crores. Expected process is that assets will be acquired through 15:85 models. 15% in cash and 85% in Security Receipts (SRs).** Once the NARCL and the IDRC have finally resolved the asset, preferably as a going concern and not through liquidation proceedings, the balance 85% held as Security Receipts would be given to the banks. A government guarantee is available only for 5 years. The five-year limit on the guarantee, with an increase in the fees charged for the guarantee every year, is an incentive for the resolution process to be completed at the earliest,

**Whenever an asset is taken over, along with NARCL, other ARCs are also allowed to bid. It is expected that this will infuse an element of competition for acquiring the stressed asset.**

**It may be observed that Government is providing a Guarantee upto ₹ 30,600/- crores for a period of 5 years. This is to impart credibility and for contingency buffers.** The guarantee shall cover the shortfall between the face value of the SR and the actual realisation. SRs are exempt from CRAR. A government guarantee can be invoked to cover the shortfall between the amount realised from the underlying assets and the face value of SRs issued for that asset, subject to an overall ceiling of ₹ 30,600 crores, valid for 5 years. As SR becomes a treatable paper, the secondary market may come up. This may give some liquidity, but with discounted cash flow.

While it looks good on paper, we have heard success and failures. There are grey areas that need attention. This will also raise many pertinent

questions.

- ➔ Are the existing laws, a new dispensation of IBC and a Resolution mechanism are ineffective? We have seen that DRTs meant to fast-track high-value suits did not really do so.
- ➔ Are there any amendments needed in SARFAEST ACT to quicken and strengthen the process of recovery?
- ➔ Did much-hyped IBC/NCLTs not enable banks to recover?
- ➔ Will this obviate deep haircuts?
- ➔ The Manger IDRC is a private sector player. Then is not the Government placing a huge volume of stressed assets (and the securities, assets underlying them) in the hands of private sector players? The private players are not subject to CVC/RBI/CIC/CBI etc. The money belonging to the PSBs [ as large advances are invariably from PSBs) are left in the wisdom of private players
- ➔ The entire process hinges upon the valuation of the borrower company/unit, its assets/infrastructure etc. These are again in hands of private players. How does the system ensure fair play is a million-dollar question.

It is well-known fact that IBC did not meet with the success as hyped. In fact, it has officialised the haircuts, and the top executives of the banks are insulated from the possible action against them (for writing off) since the process of haircut has undergone IBC/NCLT etc. IBC has not been able to bring any relief to the Banks, since the haircuts have been to the extent of 95%. This is nothing but loot by corporates. The defaulting corporates and their directors get a sigh of relief from possible suits/legal actions and branding as wilful defaulters; the buyers of NPAs will get the assets for a throwaway price, and banks end up writing off. At the same time, the buyers get

**SUCCESS AWAITS AT THE DOOR WHERE DILIGENCE IS**

financed by banks for acquiring, running the same Units.

The government needs to think about preventive and punitive actions also to obviate NPAs. We have been demanding that wilful default should be made a criminal offence. It is high time that Government should make suitable amendments in laws to include this. Though this is the lowest hanging fruit and a doable one, Government is hesitating to do so. Certain other measures like publishing defaulters names, impounding passports,

curtailing luxury amenities should also be enabled in the laws. Buyers under IBC/Resolutions mechanisms should be made to bring in higher-margin and mandated to increase their stake in the business. Else, these Resolutions will become the vehicle of loan shredder to the defaulters.

Lastly, Government should make it obligatory on the part of trade and industry bodies like FICCI, ASSOCHAM to prevail upon their members (industrialists) to keep their accounts in order.■

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## **PROMOTIONS UP TO MMGS III FOR THE YEAR 2022-23 HOLDING OF WRITTEN TEST/EXAMINATION UNDER COVID SCENARIO**

***Text of our letter No. 6517/01/22 Dated: 13.01.2022 Addressed to The Deputy Managing Director (HR) & CDO, State Bank of India, Corporate Centre, Mumbai – 400 021***

In view of the rapid spread of the Covid 19 virus and the subsequent imposition of restrictions by several state governments and UTs to contain the pandemic, we request your good office to revisit the decision of holding promotional examinations scheduled on 23.01.2022 and 20.02.2022. In the

backdrop of the exponential spread of the contagion, there is every possibility that many officers will not be able to participate on account of suffering from COVID infection which could impact their career prospects.

02. We, therefore, request you to dispense with the written test as was done last year. The interviews of shortlisted/eligible candidates may please be conducted through electronic mode.■

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## **VACATION POLICY GRANT OF SPECIAL LEAVE TO EMPLOYEES**

***Text of our letter No. 6180/02/22 Dated: 15.01.2022 Addressed to The Deputy Managing Director (HR) & CDO, State Bank of India, Corporate Centre, Mumbai – 400 021***

You are aware bank has introduced a "vacation policy" in terms of the RBI Circular on 09.07.2021 for the employees posted in sensitive positions. Accordingly, an officer under the category of sensitive position has to go on leave mandatorily for a period not less than ten (10) working days in a single spell every year. Such leave is debited to the individual leave account of the concerned employee. We have been given to understand that in a recent advisory issued on 20/11/2021, IBA has clarified that the period of leave, under the

RBI guidelines on Mandatory Leave, should be treated as special leave having no impact on the usual leave entitlement of the concerned employees. While some banks have already put in place the provision of special leave in their HRMS, the said advisory of IBA has not yet been implemented at our bank. Thus, the mandatory 10 days leave is being debited from the leave balance of the concerned official.

02. We would, therefore, request to your good office to kindly arrange for implementing the advisory of IBA in this regard at the earliest with retrospective effect i.e. 01.04.2021, so as to reverse the leave that has so far been debited to leave account of concerned officers.■

**ARISE, AWAKE, STOP NOT TILL THE GOAL IS REACHED**

## **MD RANKING MATRIX**

### **CHECKING OF OVVR ON T+1 BASIS**

***Text of our letter No. 6180/03/22 Dated: 15.01.2022 Addressed to The Deputy Managing Director (HR) & CDO, State Bank of India, Corporate Centre, Mumbai – 400 021***

We like to draw your kind attention to the fact that the bank has introduced MD Ranking Matrix in various parameters in order to excel in business and compliances. In operation areas, the bank has set a scoring target on VVR: Average pending percentage above T+1 days as at end of the respective month which are appended for your kind information:

VVR: Average pending percentage above T+1 days as at end of the respective month

SCORING LOGIC	CRITERION	<=0.50%	>0.50%
	SCORE	1	0

02. While we appreciate such initiatives taken by the bank as a measure of updating compliances, minimising risk and averting perpetration of frauds and detection of irregularities, there are a few issues that also should be given due cognizance while implementing the instructions in all earnestness.

03. It is imperative to mention that a few holidays which are declared under N. I. Act by the local State Governments/UT are applicable in the concerned states only. In such cases, checking of VVR on T+1 day should be treated as Transaction + next working day. In absence of any specific instruction in this regard, the appropriate authority is in practice to reckon the scoring on VVR

checking taking into account as T+ next day ( i.e. ignoring the holiday as declared by the local State Government/UT).

04. Sir, you are aware that our fraternity has been rendering their best possible services during these trying times to keep the wheels of the economy moving and take our esteemed institution forward. Thousands of officers have since been infected in the third wave of the pandemic, which is spreading exponentially. However, in course of discharging their duties with utmost sincerity, at times especially due to vouchers generated through trickle feed, are generated late in the day and after completion of day end process, which are invariably checked on the very next working day. However, we have received feedback that controllers are enforcing the branches to complete the pendency of VVR on the very next day by opening branches though it happens to be a holiday declared under N.I Act. This summoning of officers to complete the VVR checking on holidays are causing angst amongst the officers as the work-life balance is affected. In fact, we are also receiving feedback that many controllers are insisting on checking of OVVR on T+ 0 basis, which is creating additional burden on the branch functionaries.

05. We are of the considered view that bank should take a call on the matter and give cognizance to the State Holidays, while arriving at the T + 1 time span and a clear advisory in this regard.

We, therefore, request your good office to kindly look into the matter so as to resolve the issue at an early date.■

## **PROMOTION POLICY FOR THE YEAR 2022-23**

***Text of our letter No. 6517/04/22 Dated: 21.01.2022 Addressed to The Deputy Managing Director (HR) & CDO, State Bank of India, Corporate Centre, Mumbai – 400 021***

We refer to the eCirculars - No.CDO/P&HRD/9/2021-22 and CDO/P&HRD/92/2021-22 dated

21.01.2022 (today) revising the Promotion Policies for MMGS II/III, and SMGS IV/V respectively, wherein certain changes have been made in the eligibility criteria to the existing policy.

02. In this context, we note that the number of

**WORK IS WORSHIP , DO YOUR DUTY**

years of service in the present grade (as on the date of eligibility) has been extended from 2 years six months to 3 years for MMGS-III. Consequently, in every Circle, hundreds of candidates, who had been issued hall tickets for the ensuing examination scheduled on 23rd January'22 have been "disqualified". Similar changes have been made for SMGS IV and V officers. Many of the 'ineligible' candidates have been preparing for months for their career advancement despite several constraints in these trying times of the Covid 19 third wave. While we understand the rationale for changes in the policies, our expectation is that the announcement and implementation of any policy have to be well in advance after proper discussion. The sudden announcement at the 'eleventh hour' has caused widespread angst and resentment amongst the 'ineligible' candidates, which we feel is humiliating and unwarranted. This would also demotivate thousands of bright officers, who have been instrumental in fostering the growth and development of our esteemed institution.

03. Secondly, we also like to draw your kind attention to the fact that virtually the entire batch of PO & TO 2016 was confirmed in MMGS-II grade in January 2019 and are subsequently eligible for appearing for the ensuing examination for MMGS-III scheduled on 23rd January'22. However, it is a matter of irony that officers of PO 2014 and PO 2015 batch confirmed as Scale-I and promoted to

scale II on 25th April 2019 have been rendered ineligible for promotion to MMGS-III in the current promotion year. This would also have an irreversible effect on the career prospects of both the senior batches in the future.

04. Thirdly, the eligible officers have been listed under three categories depending on status regarding completion of mandatory assignments. There are several officers who were not eligible for promotion till yesterday and now they stand eligible due to the introduction of list B and list C. Here, it is important to note that mandatory pre-promotion training has also not been conducted for some of these newly eligible candidates as they prepare to appear for written examinations. Also, other 'newly eligible' candidates will not have any time to prepare for the examination which will be an injustice to them. All these aspects may pose a risk of likely litigations on the entire promotion exercise.

05. Apparently, this last moment decision has been taken without giving serious thought to several implications it would have on the career of the concerned officers as well as its negative impact on the morale of the entire workforce of the Bank.

We, therefore, urge upon your good office to revisit the decision and defer its implementation for the current promotion year (PY 2022-23).■

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**STAFF: OFFICERS**  
**TRANSFER/REPATRIATION OF SMGS-IV/V GENERALIST OFFICERS**  
**ONLINE PORTAL REQUEST FOR CORPORATE CENTER/CC ESTABLISHMENT**  
**INTER CIRCLE OPTIONS FOR THE YEAR 2022-23**

***Text of our letter No. 6543/05/22 Dated: 27.01.2022 Addressed to The Deputy Managing Director (HR) & CDO, State Bank of India, Corporate Centre, Mumbai – 400 021***

We refer to the e Circular - No.CDO/P&HRD/9/2021-22 and CDO/P&HRD/88/2021-22 dated 14.01.2022 outlining the policy of inner-circle transfer of SMGS wherein certain changes have been made in the eligibility criteria.

02. In this context, we note that SMGS officers, who have been transferred to another circle on administrative grounds and intend to seek repatriation to the parent circle will be required to submit their request through online Portal in the 5th year of their stay in the circle. It has further been made a precondition that the officer should be below the age of 55 years, apparently implying thereby, if an officer is transferred to another circle on administrative grounds at the age of 51

**LET CUSTOMER SERVICE BE OUR MOTTO**



and above he/she will not have the option to seek repatriation to their parent circle as they will attain the age of 55 years when they complete 5 years of stay in the transferee circle. We are of the view that the said clause is anomalous and therefore needs further clarification that the age criteria of 55 years should not be applicable to such officers who have been transferred on administrative grounds and seeking repatriation.

03. Secondly, though the tenure in NE Circle has been retained as 2 years of stay in Circle, the cut-off date for calculation of eligibility has been shifted from 30th June to 31st Dec'21. The shifting of base date for being eligible to seek repatriation will make their stay 3 years instead of 2 years as, generally, the officers are transferred to NE circle on promotion and they report to the circle in the month of May and June. We, therefore, request that the base date should also be retained as 30th June'22.

04. Thirdly, as regards to stipulation of a minimum period of 5 years in the transferee circle is concerned, we would like to bring to your kind notice that till 2019 (Circular no. CDO/P&HRD/71/2018-19 dated 01.01.2019) the minimum stay for seeking repatriation where an officers was transferred on administrative grounds was 3

years which was enhanced to 4 years vide circular no. CDO/P&HRD/CM/69/19-20 dated 06.01.2020 and further to 5 years vide circular no. CDO/P&HRD/CM/71/20-21 dated 31.12.2020. In this connection, we are of the considered view that any change in policy should have prospective effect and therefore the officers who were transferred till 2018 should be allowed to submit their request on completion of 3 years of stay in the transferee circle.

05. Fourthly, the officers having place of domicile in Mumbai Metro and posted in Maharashtra and vice-versa, will be requiring to submit ICT requests in the portal following the creation of Maharashtra Circle after carving out from erstwhile Mumbai Circle. We feel that the movement of SMGS officers between Mumbai Metro and Maharashtra should not be routed through the ICT portal as it will diminish the chances of repatriation of such officers. Instead, there should be a separate guideline for the movement of officers between the two circles to facilitate seamless transfer/repatriation.

We, therefore, urge upon your good office to revisit the decision and issue necessary clarification in the aforesaid cases. ■

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## **MANDATORY LEARNING FOR EMPLOYEES UP TO SMGS-V STOPPAGE OF 5-IN-1 BENEFITS**

***Text of our letter No. 6180/06/22 Dated: 01.02.2022 Addressed to The Deputy Managing Director (HR) & CDO, State Bank of India, Corporate Centre, Mumbai – 400 021***

We refer to our earlier letter No.6180/44/21 dated 22.11.2021 (copy enclosed) wherein we had urged upon your good office to rescind the draconian circular instructions to link our 5-in-1 benefits with the completion of mandatory learning and certification courses. The matter was discussed threadbare at the last CNC meeting held on 29th December'21 at SBIRB Hyderabad, wherein your good office had agreed to revisit the decision.

02. Sir, we are constrained to inform you that

from today onwards i.e. 1st February'22, the officers who were unable to clear the mandatory learning/certifications courses have been unable to apply for the 5-in-1 benefits. It appears that the retrograde and egregious instructions to stop the legitimate benefits have been implemented by the bank despite our reasoned arguments to delink the same from the e-learning procedure.

03. At the cost of repetition, let us make it abundantly clear that the allowances of 5-in-1 consist of reimbursement of expenses incurred for use of official mobile SIM for official works, reimbursement of the cost of cleansing materials and casual labors for maintenance of furniture & fixtures and accommodation provided by the bank,

**BE TRUTHFUL, BE FEARLESS**

conveyance allowances for attending official duties and newspaper is provided to use it as a tool for the development of our bank with recent development and changes particularly in financial and banking sectors with government policies. Bank has extended the 5-in-1 allowances in order to boost the officers to perform their duties in a convenient way so as to enable them to concentrate on the growth and business of the bank. If 5-in-1 facilities are withheld or forfeited, the day-to-day functioning will be seriously impeded as our members will be compelled to surrender the official mobile SIM and other assets.

04. Sir, 5-in-1 allowances were long pending issues that have been achieved through protracted persuasion by the Federation for the benefit of our fraternity which acts as enablers. The benefits are the hard-earned rights of the officers' fraternity.

Hence, we strongly denounce the above decision as it is conflicting with the bilateral understandings. The unilateral and pernicious decision to stop the payment 5-in-1 allowances is grossly unfair, regressive and iniquitous. It has created widespread resentment, angst and frustration amongst the officers' fraternity, who is the driving force of our esteemed institution and could potentially snowball into a major IR issue.

05. We, therefore, urge upon your good office to kindly rescind the decision forthwith and allow the reimbursement of 5-in-1 of all officers. We also urge upon your good office to revisit the extant procedure of examination to formulate the mandatory learning exercise in a realistic and favorable manner to the officers who are toiling hard to render services relentlessly at branches



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## HR ISSUES: ETHICAL PRACTICES AND BEHAVIOUR

***Text of our letter No. 6305/07/22 Dated: 04.02.2022 Addressed to The Deputy Managing Director (HR) & CDO, State Bank of India, Corporate Centre, Mumbai – 400 021.***

With deep consternation, we would like to bring to your kind attention the rampant violation of ethos and values of our esteemed organisation by some controllers across the country who, in their pursuit to attain the number one position in the MD Ranking parameters, are using unwarranted pressure tactics forcing the branch functionaries to adopt unfair and unethical practices to achieve targets. These unethical practices deeply tarnish the image, goodwill and legacy of this two-century-old premier financial institution of the country, which takes pride in being the torchbearer of business ethics and transparency in the entire banking industry. We, as an important stakeholder and being a whistleblower on behalf of the entire officers' fraternity, deem it as our bounden duty to raise all these disquieting happenings before your good office for your kind information and necessary remedial action.

2. Sir, it is pertinent to point out that the officials at the branches, more particularly the Branch

Managers whose performance in different parameters might not be considered 'up-to-the mark' by their respective controllers, are subjected to tremendous humiliation in open fora in presence of their peers, seniors and junior officers. The controllers often use abusive and derogatory language, which is in direct violation of the code of ethics of our bank. Various tactics and coercive tools are employed to harass such officers. We have been witness to several cases of premature transfers, frequent deputations at remote centers, cancellation of leave, withdrawal of staff from the branch, calling for an explanation for trivial reasons, posting a photograph of the unfortunate Branch Managers on social media branding them as "non-performers", withholding of increments, refusal to approve legitimate bills, etc., which are all punitive measures to satisfy the ego of the powers that be. All these incidents have caused irreversible and irreparable damage to the psyche of officers which is inimical to the interest of our esteemed institution in the long run. This also infringes the fundamental right of any citizen "to life with human dignity" as enshrined in our constitution under Article 21. The angst, frustration and humiliation caused to the officers often drive them to depths of despair.



This is a matter of grave concern for all of us collectively as we do not want to witness any unfortunate incident in our esteemed institution which could sully its image.

3. It is extremely unfortunate that a toxic culture of resorting to unethical practices is gradually encompassing the Bank, which was never witnessed or heard of earlier. It will not be an exaggeration if we say that this is a colonial mindset of working where the subordinate officers are treated like slaves and not co-workers. This breed of controllers needs to be counseled and reined in for the greater good of the bank.

4. While officers are committed to doing their sincere best for sustainable growth in the bank, it is also worthwhile to mention that growth potentiality varies from place to place. It is common knowledge that allotment of the budget is being done in a perfunctory top-down method. An unrealistic and unachievable budget is assigned to a branch where potentials are minimal. Nevertheless, the Branch Manager is expected to achieve the budget at any cost else he will be subjected to humongous pressure and humiliation throughout the year. Instances are galore where the hapless Branch Manager, being a junior and inexperienced officer of the bank, often succumbs to such undue pressure and eventually relies on middlemen to source unviable proposals with an objective to achieve the targets in order to avoid humiliation and harassment. Quick mortality of assets, frauds and resultant charge sheets, infliction of penalty/punishment thus becomes natural concomitant of such loans sanctioned under pressure.

5. There has been a sea change in as far as marketing and promotion of products is concerned. However, the value of ethics in garnering remunerative business has to be cultivated in every organization irrespective of its size. Whether it is practically possible for a single-man branch to achieve all the targets on a particular Maha-login day and also on multiple login days; that is, one log inset by the GM, another set by the DGM and the third by the RM, has never been questioned as long as the

numbers are achieved by any means. Relentless pressure by the Controllers to attain number one position in the ranking to source Current Account customers even in a captive branch on the particular 'log- in' day (that too assigned very frequently), compels the officials to open Current Accounts on the login day without obtaining proper documents. Unfortunately, the controllers turn a blind eye to all these facts which are in their knowledge, thus tacitly endorsing the unfair practices adopted, which not only dent the Bank's reputation but also invites unwarranted disciplinary action as has been mentioned earlier.

6. Ethical governance is the right and justified conduct of activities of an organization but we are pained to observe that daily ethics tutorial mails from the desk of the Chief Ethics Officer of the Bank have literally ceased to have the desired impact. It is mainly due to unethical behavior at various levels which is often triggered by pressure from higher management to achieve a score in MD ranking in every field ranging from business parameters to mandatory learning without analyzing the ground realities.

7. In view of the foregoing, we would urge upon your good office to urgently address this serious issue, which assumes profound significance in employee well-being of our bank. We would also request you to put in place the necessary guidelines and a proper window of addressing such matters peremptorily in view of the ramifications.

8. Sir, you will surely appreciate that everyone in the bank deserves to be treated with respect and dignity, irrespective of cadre, grade or scale. Unethical behavior that goes on without being reprimanded undermines the moral fabric of an organization. Management has to play an important role in inculcating workplace ethics in employees. The officials displaying such traits need to be weeded out and appropriately counseled and trained on the importance of ethical behaviour. The bank urgently needs to reinforce consequences for unethical behaviour in the workplace across all levels of the organization. Let us work in unison to create policies and practices which promote good ethical behaviour.

**LET US BUILD A STRONG AND SELF RELIANT INDIA**

## **COMRADE K K NAIR, FORMER CHAIRMAN UFBU AND FORMER GENERAL SECRETARY INBOC IS NO MORE**

***Text of AIBOC Circular No. 2022/03 dated: 17.01.2022***

We are profoundly shocked at the news of the demise of Com K K Nair, former Chairman of UFBU and former General Secretary, INBOC today evening. A veteran Trade Union leader, Com Nair had worked for espousing the cause of Trade Union till 2019, when he stepped down due to health-related issues. The undersigned had the opportunity to work in tandem with Com Nair during the last salary revision talks and held him in the highest esteem for his acumen, dedication and affable nature. We pay our respectful tribute to the memory of Com Nair and offer our deepest condolence to the members of the bereaved family as well as to INBOC. In this context, the circular issued by UFBU is appended.

***Text of the UFBU circular dated 17.01.2022***

We deeply regret to inform our unions and members that Com K.K. Nair, former General Secretary of Indian National Bank Officers Congress and Chairman of All India BOB Officers Association and who was the Chairman of United Forum of Bank Unions from July 2013 until 2019 when he stepped down due to his failing health, passed away this

evening at Mumbai. He was suffering from old-age ailments for the last two years.

Com Nair was one of the leaders who had been associated with UFBU right from its inception in 1997. He used to attend all the meetings and contributed a lot in arriving at united understandings in the meetings. He used to emphasise in our meetings that because UFBU consists of different Unions, we should always discuss and deliberate different viewpoints but at the same time, strive to take collective decisions to move forward.

Both during discussions and negotiations with the IBA as well as during UFBU meetings, Com. Nair used to make practical suggestions to find amicable solutions to various issues. He endeared himself to all our colleagues in UFBU due to his amiable and affable nature.

He was Treasurer of INTUC for many years and thus was part of the Central Trade Union organisation.

His death is a loss to INBOC and UFBU and to the trade union movement. We convey our deep condolences to the bereaved family and pay our homage to the memory of our beloved leader Com K K Nair. ■

### **UFBU MEETING HELD ON 07.02.2022**

***Text of AIBOC Circular No.2022/05 dated 08/02/2022, reproduced the text of UFBU Circular No.2022/01 dated 07.02.2022.***

#### **UFBU MEETING**

A meeting of the United Forum of Bank Unions was held virtually today afternoon.

The meeting paid its homage to Com K.K Nair, former Chairman of UFBU who expired recently and recalled his immense contributions to UFBU.

The following issues were taken up for discussion.

**a) Banking reforms – attempts of privatisation of public sector Banks.**

**b) Undue delay by IBA on residual issues**

**c) Call for General Strike by Central Trade Unions on 28/29-3-2022**

**a) Banking reforms – attempts of privatisation of public sector Banks.** The meeting conveyed its congratulations and appreciations to all the unions and members for the massive success of the 2 Days Strike on 16th and 17th December 2021 and the overwhelming involvement and enthusiasm shown by the employees and officers in our protest against the Banking Laws (Amendment) Bill, 2021 which was slated to be introduced in the Parliament during the winter session of the Parliament. The meeting also noted that our struggle could emanate support from various political parties, trade unions and general masses. The meeting further noted that the Bank Privatisation Bill was not introduced during the winter session and the Bill is also not included in the agenda for the current session. However, the Finance Minister,

**DUTY FIRST, RIGHT NEXT**



as well as various officials of the Government, have been making statements that privatisation of banks continues to be their agenda.

As the second leg of the Budget Session will be held from the middle of March to the middle of April 2022, it was decided that we should remain alert and be prepared to launch agitation programmes including strike actions, if the Government would take any steps to move the Bill during that session. It was also decided that our campaign amongst the people should be continued.

**b) Undue delay by IBA on residual issues :** Participants in the meeting expressed their annoyance and dismay that many issues are pending with the IBA and that the IBA has not taken steps to resolve the same.

Many Banks have referred to various issues relating to the implementation of the 11th Bipartite Settlement/Officers' Joint Note for clarification. Even though IBA agreed to issue a clarificatory circular in the form of an FAQ, the same is yet to be issued. Consequently, the benefit of improvement in stagnation increments has not been properly extended to the eligible employees and officers.

Clarifications are also pending regarding the fixation of salary for Ex-servicemen employees. Guidelines

on revised fitment formula for promotees from sub staff to clerical cadre, clerical to officer cadre and officer to high officer cadres (from November 2017) are also yet to be issued to the Banks.

Similarly, the issues identified as residual issues like 5 DayBanking, etc have not been discussed further by the IBA by holding discussions with the Unions for an amicable solution.

While improvement in Family Pension has been approved and implemented by the Banks, other important issues like updation of pension, improvements in a pension scheme, etc. are also pending and further discussions have not been held by the IBA in the last 6 months. This has resulted in a lot of resentment amongst the retired employees and officers.

The meeting felt that IBA is not responsive and apparently not serious to address these issues and hence it was decided to launch agitational programmes on these sensitive issues. Circulars on these programmes will be issued separately.

**c) Call for General Strike by Central Trade Unions on 28/29-3-2022:** After discussion, it was decided that each constituent union may discuss the issue at their respective level and thereafter the issue will be discussed by the UFBU in the next meeting.■

**[2021 (169) FLR 582]  
(MADRAS HIGH COURT)  
SANJIB BANERJEE, C.J. and SENTHILKUMAR RAMAMOORTHY, J.  
W.A.No.605 of 2021  
March 10, 2021  
Between  
DRAVIDA THOZILALAR UZHIYAR SANGAM  
And  
DY.CHIEF LABOUR COMMISSIONER (CENTRAL) and others**

*Trade Union Election-Prayer of the appellant was to get permission to participate in the election-A limited direction by learned Single Judge-Hence, the instant appeal-Held, appellant-Union had been formed less than a year prior to election-Rules, however did not permit a Union to participate in the election whose formation was within one year of the date of election-No infirmity with the order of learned Single Judge-Appeal dismissed. [Paras 8 to 11]*

**JUDGEMENT**

SANJIB BANERJEE, C.J.- The matter pertains to the trade union elections in the Neyveli Lignite Corporation. The appeal is directed against an order of January 19, 2021 passed on a recent writ petition.

The writ petition was disposed of by giving a limited direction to the Deputy Chief Labour Commissioner (Central) to consider the request of the writ petitioner-Union, in consultation with all the stakeholders and make a decision as to whether the writ petitioner union could be permitted to participate in the election.

**NEVER BEND BEFORE THE INSOLENT MIGHT**

2. Admittedly, there is an embargo on any trade union which is registered for less than a year to participate in any election. The writ petition was directed against such embargo and the Writ Court did not undo the prohibition, but merely required the Labour Commissioner to consider the matter in consultation with other Trade Unions. In the appeal received from the order, the following direction was issued on February 25, 2021:

“Subject to the outcome of the present writ appeal, the union election shall be conducted, but the results alone shall be withheld. Post on 10.03.2021.”

3. In the context of the present appeal, there does not appear to be any justification to continue the wholly unreasoned order dated February 25, 2021 particularly in the light of vehement objection thereto by the rival Trade Unions.

4. The issue in the writ petition was whether a particular provision in the Code of Discipline had to be adhered to and whether a newly-formed union could enter the election fray without the mandatory waiting period of a year. The prayer was not entertained and a consensus was permitted to be arrived at so that if the other participants in the election did not have any objection, the writ petitioner union could also participate in such election. However, most of the trade Unions did not agree with the writ petitioner for the relevant provision not to be given effect to.

5. There are several reasons why the appeal is liable to be dismissed as it is utterly unmeritorious and without any basis. First, the writ petitioner has allowed the order under appeal to be worked out before prosecuting the appeal. It is elementary that when such a course of adoption is adopted, the appellant is precluded from proceeding with the appeal.

6. Secondly, there is a clear bar which is admitted and neither the Writ Court could have had the authority to remove the bar, nor can the other trade unions, which objected to the writ petitioner's participation in the election, be blamed for taking such a stand in accordance with the relevant provision.

7. Finally, the petitioner relies on an order dated December 11, 2007 passed in Writ Appeal Nos.502 and 503 of 2005 and places the operative part

thereof at paragraph 23. Clause (a) of the relevant paragraph of the judgment reads as follows:

“(a) the employer shall hold a secret ballot, under the supervision and control of the Regional Labour Commissioner (Central), Sastri Bhavan, Chennai, within a period of 3 months, to test the strength of all the Trade Unions.” (Emphasis supplied)

8. The appellant first suggests that the bar that the appellant now finds was not in place at the time when the judgment was delivered. This is clearly wrong as the Code of Discipline has contained the same prohibition from 1958, debarring newly-formed unions from participating in elections within one year of their formation.

9. The appellant further claims that the expression used in the order is “all the Trade Unions” and, therefore, whether or not a Trade Union has been formed less than a year prior to the election is not relevant in the context of the said order. Such contention has to be stated to be rejected. The order of the Court dated December 11, 2007 cannot be twisted out of context to imply that it undid a prohibition in the applicable rules by using the expression as underlined. The relevant words, “all the Trade Unions”, must be read to mean and imply “all trade unions entitled to participate in the election” and not otherwise.

10. The appellant also suggests that it would be undemocratic to disenfranchise a group of persons only because their union has been recently formed and the date of formation of a union may have no nexus with the right to participate in an election. Every election is governed by a set of rules. The rules in this case do not permit a union formed less than a year before the election is conducted to participate in such an election. The rule has been in vogue for a long and there does not appear to be any apparent arbitrariness in the prohibition that the appellant protests.

11. For the reasons aforesaid, W.A.No.605 of 2021 is dismissed. The order passed in this appeal on February 25, 2021 is vacated forthwith. There will be no impediment to the election being conducted if the process has not been completed by now, or in the results being declared.

There will be no order as to costs. ■

***Appeal Dismissed.***

**TIME AND TIDE WAIT FOR NONE**



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Oct 2021	124.9	4.63 X 4.93X2.88	8210.75
Nov 2021	125.7	4.63 X 4.93X2.88	8263.34
Dec 2021	125.4	4.63 X 4.93 X2.88	8243.62
<b>Total</b>			<b>24717.71</b>
Average 24717.71/3			8239.24
Rounded off			8239
Difference in excess of 6352 points			1887
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D.A. paid for the previous quarter on slabs			434
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