



United Forum of We Bankers

**(AN INDEPENDENT ORGANIZATION HERALDING BANK
WORKERS CAUSE)**

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WBA /2019 / STRIKE NOTICE

26th September 2019

FORM – L

NOTICE OF STRIKE

NAME OF UNIONS : WE BANKERS FEDERATION

Constituted by:

- 1. WE BANKERS ASSOCIATION, UTTAR PRADESH (REGD.)**
- 2. WE BANKERS OFFICERS ASSOCIATION, U.P. (REGD.)**
- 3. WE BANKERS STAFF ASSOCIATION, RAJASTHAN (REGD.)**
- 4. WE BANKERS OFFICERS ASSOCIATION, RAJASTHAN (REGD.)**
- 5. WE BANKERS OFFICERS ASSOCIATION, PUNJAB (REGD.)**
- 6. BANK OF INDIA STAFF UNION, U.P. (REGD.)**
- 7. PUNJAB NATIONAL BANK WORKERS UNION, U. P.(REGD.)**
- 8. UTTAR PRADESH BANK KARMCHARI SANGH (REGD.)**

Dated this day of 26th September, 2019

To

(1) The Chairperson,
Indian Banks' Association,
World Trade Centre,
Ministry of Finance,
Cuffe Parade, Mumbai.

(2) The Secretary,
Department of Financial Services
Government of India,
New Delhi

- (3) Sri Sanjeev K Bandlish,
Convener United Forum of Bank Employees,
C/o State Bank of India, LHO,
Plot No. 1, Sector-17A,
Chandigarh-160 017
- (1) Sri C. H. Venkatachalam, General Secretary,
All India Bank Employees Association,
Singapore Plaza, 164, Linghi Chetty Street,
Chennai-600001
- (2) Sri Sanjeev K Bandlish Convener,
General Secretary, National Confederation of Bank Employees
C/o State Bank of India, LHO, Plot No. 1,
Sector-17A, Chandigarh-160 017
- (3) Sri Soumya Datta, General Secretary,
All India Bank Officers Confederation,
6th Floor, E-Block, Samriddhi Bhavan,
1 Strand Road, Kolkata-700 001
- (4) Sri Debasish Basu Chaudhury General Secretary,
Bank Employees Federation of India,
70, Karbala Tank Road, Near Maniktala, Bazar,
Kolkata-700006
- (5) Sri Subhash Sawant, General Secretary,
Indian National Bank Employees Federation of India,
Bajaj Bhawan, 1st Floor, Nariman Point,
Mumbai-400021
- (6) Sri Upendra Kumar, General Secretary,
National Organization of Bank Workers,
542, Dr. Munje Marg, Congress Nagar,
NAGPUR-440012,
Corresponding Address: Ramani Mohan Garden,
Opposite Reliance Petrol Pump, Kalambagh Road,
Post-Ramna, District Muzaffarpur (Bihar)-842002
- (7) Sri S. Nagarajan, General Secretary,
All India Bank Officers' Association,
A. K. Nayak Bhavan, 3/23/2,
Thenupurieeswar Street,
Chitlapakkam, Chennai- 600 064
- (8) Sri K. K. Nair, General Secretary,
Indian National Bank Officers' Congress,
C/O Bank of Baroda,
3, Walchandra Hirachandra Marg,
Ballard Estate, Mumbai-400 001

(9) Sri Viraj Tikekar, General Secretary,
National Organisation of Bank Officers.
Kasturi 371-B, Shaniwar Peth, Pune-411 030

Sir,

In accordance with the provisions contained in sub-section (1) of Section 22 of the I.D. Act – 1947, we hereby give you notice that the members of all the constituent unions of United Forum of We Bankers propose to go on INDEFINITE CONTINUOUS STRIKE strike from 6:00 A.M. on 1st January, 2020 to till realization of demands on the following demands:

OPPOSING:

- **Present system of collective bargaining between IBA and UFBU**
- **Government's casual approach to wage revision for bank employees/officers**
- **IBA's condition to introduce Performance Linked Pay/Incentive**
- **Division of Bank Employees in the matter of extending the benefit of Uniform Pension to Bank Employees irrespective of banks and date of joining the bank**

DEMANDING:

- **Formation of Separate Commission for Bank Employees or else referring the matter to specially constituted National Tribunal for the purpose of achieving equality in the matter of Salary, Pension and number of days per week working at par with Central Government Bank Employees and other Public Sector Undertakings.**
- **20% Adhoc increase in salary from the reserves/provisions made by the Banks till such time demands relating to equality in Salary and Pension at Par with Central Government Employees is resolved by Commission/National Tribunal**
- **Abolition of Indian Banks Association as regulator for Public Sector Banks and bringing the Banks in direct control of Department of Financial Services, Ministry of Finance, Government of India and Reserve Bank of India**
- **Taking into account the complexities of representation of Banks by Indian Banks Association and representation of Bank Officers and workmen by United Forum of Bank Unions and its constituents and their possible opposition against abolition of present system of wage revision and improvement in service conditions claiming to be majority organizations, we demand that matter must be decided by Bank Employees themselves through conducting of requisition through secret ballot to decide whether they support the present system of collective bargaining between Indian Banks Association and United Forum of Bank Employees or want inclusion in**

Central Pay Commission/Formation of Separate Commission for Bank Employees giving right to all the registered unions of which they are members to represent them and offer suggestions in the matter of achieving equality in the matter of Salary and Pension at par with Central Government Bank Employees.

- **Deletion of Clause 31 of Bipartite Settlement dated 2nd June 2005 which permit Banks to utilize the services of staff for marketing and selling of different products of Banks / their subsidiaries / joint ventures or any other product of any agency / entity with whom the banks may have arrangements, based on their business needs and requirements. The situation under which such provisions may have been agreed no more exist and these provisions have adversely affected the working of Banks, resulting in additional workload and harassment of staff as also corruption at higher level of the Banks because instead of concentrating on Bank related jobs, top executives pay more attention on selling these third party products in order to earn by way of commission and other sources.**
- **Extension of Child Care Leave and other benefits which are available to Central Government Employees under Seventh Pay Commission**
- **Uniform Staff Loan and welfare Schemes for all employees in all the Banks.**
- **Revision of Family Pension in tune with Family Pension being paid to Central Government Bank Employees without any ceiling.**
- **Amendments in Pension Regulations in line with provisions of Payment of Gratuity Act, 1972 and Payment of Contributory Provident Fund providing for forfeiture of Pension to the extent of loss sustained by the bank as a result of proved misconduct resulting into punishment of removal, compulsory retirement, dismissal without notice etc. after quantifying of such loss in accordance with the procedure.**
- **Coverage and extension of benefits of Central Government Health Scheme (CGHS) to Bank Employees after retirement by making payment of Premium equivalent to the premium of Pradhanmantri Ayushman Yojna**
- **Probe into the Pension Fund and transferring of entire Pension Fund to Government of India**
- **Revision of Pension in accordance with revision done for Central Government Employees**
- **Payment of Pension through Treasury instead of Banks from where the employees got retired.**
- **Pay for the purpose of Gratuity and other Terminal Benefits must be the same as defined under Gratuity Act, 1972. For Services rendered beyond Thirty Years an additional amount equivalent to 45 days for each completed year of service must be**

paid as has been held by various Controlling Authorities in case of employees of Regional Rural Banks and upheld by various High Courts.

- All other demands put forth by existing negotiating Unions in their charter of demands.

The details of the programme and the Statement of the case are furnished herein.

(ASHISH MISHRA)
General Secretary

Encl : **1. Details of Agitational Programme**
 2. Statement of the Case

Copy to :

1. Chief Labour Commissioner (Central), New Delhi
2. CMDs/MDs/CEOs of All Banks
3. Chief Executive, IBA, Mumbai

AGITATIONAL PROGRAM

27.09.2019	We Bankers Memorandum to IBA
29.09.2019 to 31.12.2019	Release of Charter of Demands and Agitation Program for Bank Employees
02.10.2019 Gandhi Jayanti	Start of awareness campaign across the country
06.10.2019	We Bankers Memorandum to Members of Parliament across the country
07.10.2019 to 31.12.2019	Campaign to get written consent from employees for participating in indefinite strike
13.10.2019	We Bankers Memorandum to Finance Minister & Labour Minister
08.11.2019 onwards	Face Book and Twitter Campaign
22.11.2019	We Bankers Memorandum to Secretary, DFS, MoF, GOI
26-11-2019	Press Meet at important centres
12.12.2019	Demonstrations all over the country
16.12.2019 to 24.12.2019	Black Badge Wearing
26.12.2019	Centralized Demonstrations in all centres
30.12.2019	Demonstrations at all Centres
31-12-2019	Centralized Demonstration and issue of Press Note highlighting demands
01.01.2020	Indefinite Strike

STATEMENT OF THE CASE

GENESIS OF DISPUTE:

- (1) That present position of Bank Employees, who were getting fair wages as comparable to similarly placed employees of Central/State Government as also employees of other Sectors and were enjoying respectable position in the society has been degraded substantially as they are getting much less wages as compared to employees of Central/State Government as also employees of other Sectors. The marginal increase in Salary of Bank Employees as compared to other employees was due to risk factor involved while working in Banks. Such risk factors are comparatively less while working in other industry/sectors.
- (2) That present pathetic position of Bank Employees can conveniently be attributed to the changes taking place in banking industry and intentional unwillingness of the power hungry leaders occupying the key position in the Unions to bring necessary changes in the Unions to match with the changes in the Industry. Large numbers of Bank Employees have either retired or on the verge of retirement and new and fresh employees have joined and still joining the banks. At present, about one half of the total strength of the employees comprises employees who have joined banks in last 8 years. This has facilitated power hungry leaders to utilize the situation to their advantage as they have abolished the inner democracy and transparency with a view to occupy the principal post even after retirement either in utter violation and disregard of the Constitution of Unions or through their sinister acts of getting the bye laws/constitution changed which suit and facilitate them to remain in power.
- (3) That as part of their sinister attempt to deprive employees of their legitimate rights and to get undue benefits as also to retain their posts these Leaders who differ with each other in terms of ideology have united and combined themselves together and have formed United Form Of Bank Unions which is neither registered under Trade Unions Act, 1926 nor such formation has been got approved in general body meetings of such Registered Unions of bank employees to whom Bank Employees pay monthly subscription being members.
- (4) That Indian Banks Association representing employer banks which is also neither registered nor created by any statute representing employer banks is utilizing the present situation of Unions being headed by Selfish Leaders to its advantage and has colluded with these leaders and is negotiating with them and trying to enter into settlement to the detriment and disadvantage of the employees of the Banks.
- (5) That such situation has resulted in dissatisfaction amongst the employees who are members of these major unions. They keep voicing their anger and dissatisfaction at various forum of their unions as also on social media but their voice is being suppressed in connivance with the management of banks.

ABOUT UNITED FORUM OF WE BANKERS REFERRED TO AS WE BANKERS

The issues which have forced We Bankers to take an unpleasant decision of going on indefinite Strike with support from members of these unions are being highlighted here under:

- (6) That United Forum of We Bankers (hereinafter referred to as We Bankers) is newly established Organization of Bank Employees having membership all over India. By now it has its registered units for Officers and Workmen in the State of Uttar Pradesh, Rajasthan and Officers unit in Punjab and efforts are being made to get it registered under the provisions of Trade Unions Act, 1926 in other states. Few already registered unions operating in Punjab National Bank, Bank of India and few other banks have applied for affiliation with We Bankers. It has gained sizable membership of bank employees and support of about of 2.34 Lakh Bank Employees online which can be seen from its group operating at Facebook i.e. social media platform. Thus, We Bankers has power, competence, and authority and locus standi to raise all such issues on which Bank Employees as a whole have community of interest.
- (7) That unlike other unions, We Bankers is committed to attain at least equality in the matter of Salary, Pension and number of days per week working at par with Central Government and other public sector employees. It is also committed to strive to build one single non political and wholly democratic unitary Trade Union of Bank Employees with transparent working. It is because of its ideology of establishing one union that many bank employees irrespective of their union affiliation have extended their support to We Bankers.

THE SUBJECT MATTER OF INDUSTRIAL DISPUTE:

- (8) That subject matter of present industrial dispute is failure of existing system of deciding Salary and other service conditions of Bank Employees to maintain the same position for the Bank Employees in the society which they had attained through sustained struggles by achieving fair wages and decent service conditions as compared to Central, State and other Public Sector Employees.
- (9) That reasons for present pathetic conditions of Bank Employees can be attributed to the defects which have crept into present system operating in the name of collective bargaining through bilateral negotiations and settlement between Indian Banks Association representing member banks and United Forum of Bank Unions which is continuously proving to be insufficient and inadequate to redress the issues of Bank Employees in general and Public Sector Bank Employees in particular. The present machinery does not provide for procedure for investigation and settlement of industrial dispute by negotiations rather it has become a tool for compromise and surrender by certain persons having vested interests. The present system has utterly failed to take care of expectations and aspirations of Bank Employees in as much as that instead of improving their position in terms of Salary, Pension and other service conditions, it has relegated the position of bank

employees much inferior in the society as compared to Central and State Government and other public sector employees.

- (10) That it is because of these defects that present system has utterly failed to secure industrial peace and harmony in Banking Industry and all types of bank employees whether working or retired always feel like cheated. In order to understand major defects in machinery and procedure for investigation and settlement of dispute being presently used between Indian Banks Association representing employer banks and United Forum of Bank Unions representing bank employees, it is necessary to first understand historical perspective and status of Indian Banks Association representing employer Banks and United Forum of Bank Unions as key players involved in the process of collective bargaining.

HISTORICAL PERSPECTIVE: THE STORY OF COMPROMISE AND SURRENDER

- (11) That initially Government referred the matters arising out of fixation of Salary and other service conditions of Bank Employees to special Tribunals constituted specifically to decide the Salaries and other service conditions of Bank Employees. The Awards that came into existence for pay fixation and to protect the privileges of Bank employees are:

Devatia Award – 1947

B.B.Singh Award – 1947

Gupta Award – 1948

Sen Award – 1950

Sastry Award – April 1953 to March 1959

Desai Award – June 1962-June 1965

The provisions of Sastry and Desai Awards still govern the service conditions of Bank Employees to the extent these provisions are amended and modified by subsequent Bipartite Settlements. A study of provisions of these awards makes it clear that in the matter of fixation of Salary comparisons were made with Salaries of Central Government and other employees with a view to attain equality and parity. The Indian Banks Association and United Forum of Bank Unions have got no power, competence and authority to deprive the Bank Employees from their right to equality which they attained through struggles and culminated through these Awards.

- (12) That in the 60's considering the strategic importance of the banking Industry and to resolve the growing hostility between management and unions, the government encouraged a bipartite relationship between the Bank Unions and the Management represented by Indian Banks' Association (IBA), as an alternative to adjudication by the tribunals and through its positive intervention a major breakthrough took place culminating in the first bipartite settlement on 19.10.1966.

(13) That Banking Industry has so far seen 10 Bipartite Settlements with last being signed on 25th May 2015 and negotiations for 11th Bipartite Settlement which is due since 01st November 2012 is still going on.

COMPETENCE, POWER AND AUTHORITY OF INDIAN BANKS ASSOCIATION TO REPRESENT EMPLOYER BANKS IN THE MATTER OF NEGOTIATION AND SIGNING OF SETTLEMENT

(14) That Indian Banks Association was established in September. 1946 as association of member banks formed by top executives of major banks. All major banks were nationalized in July 1969 and Govt. of India enacted 'Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970' (referred hereunder as **(Banking Companies Act, 1970)** to regulate the working of the banks as per Govt. policies. All nationalized banks have been classified as 'STATE' under Article 12 of constitution of India and became statutory authorities under law. All nationalized banks were conferred the authority of autonomous body. '**Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970**' does not recognize Indian Banks Association in any form or manner as authorized body to supervise and regulate the working of banking industry in India. In view of such major changes in banking industry, **IBA was automatically required to be abandoned.** However, the top executives of major banks have seriously erred in law in managing the continuance of unrecognized body i.e. IBA and rather promoted IBA in unlawful manner as Apex body of almost all banks in India and resultantly IBA replaced RBI unlawfully. IBA has not acquired any legal status under any law in force. **Thus in our country, IBA, being a non-statutory body is controlling all statutory bank authorities.**

(15) That Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, has given authority to individual bank to decide independently their policies, working conditions, and incentive schemes for employees. However, in joint association with top executives of major banks, IBA has unlawfully constituted its own body with representatives of various bank's officers and workmen unions in order to share their interest and as well as interest of IBA. In this way, IBA supports top executives of the banks in preventing large number of employees from their legitimate rights. As per Banking Companies Act, 1970, representatives of various unions of bank Officers and workmen are not authorized or recognized as body for framing any rules and regulations or any settlement. **Thus, IBA and trade union representatives are not recognized by Banking Companies Act, 1970 but both are completely involved in framing rules and regulations for employees of all banks on common basis which is bad in law.**

(16) That presently, top executives of more than 225 various banks of the country including private banks, Urban Co-operatives banks and foreign banks besides all public sector banks are member of IBA. IBA is neither a statutory body nor legal

entity nor registered under Trade Unions Act nor Registered under Society Registration Act, 1860 and is also not 'Employer' under Industrial Dispute Act, 1947. In a Writ Petition before Hon'ble High Court, New Delhi in Nov 2017, IBA itself has stated that it is neither Statutory Body nor it has been incorporated under any Statute. It has itself stated that none of their office bearers are appointed by Government of India. The IBA has further stated in the said Writ Petition that it is a voluntary association of like minded people, an unregistered body having no force of law. It is not a Public Authority under section 2(h) of RTI Act 2005.

(17) That it has transpired through replies given by various banks on applications filed by RTI Cell of We Bankers under Right to Information Act, 2005 that member banks pay huge amounts every year from their profits to IBA without proper procedure and authority of law. Thus, in aggregate several Crores of public money is diverted every year to IBA which could have been utilized for improving the service conditions of bank employees.

(18) That all public sector banks are 'STATE' under Article 12 of Constitution of India and they are liable to comply with the decision of Hon'ble Supreme Court of India under Article 141 of Constitution of India. The decision of Hon'ble Supreme Court of India is considered as 'Law'. But IBA which is a non-statutory body does not allow public sector banks to comply with the decision of Hon'ble Supreme Court of India unless management committees of IBA give concurrence with the decision of Hon'ble Supreme Court of India. **Thus, IBA, though a non statutory body, considers itself as superior authority to Hon'ble Supreme Court of India and Constitution of India. Various instances in which IBA has not allowed public sector banks to comply with decisions of Hon'ble Supreme Court to the detriment and disadvantage of bank employees would be placed on record, if needed, to prove that IBA keeps indulging itself in advising member banks to involve themselves in repeated frivolous litigation against the National Litigation Policy.**

(19) That Status of Indian Banks Association has been decided by Hon'ble Bombay High Court in Kishor S. Bhat vs. Indian Banks Association in Writ Petition No. 2796 and 1388 of 2006 decided on 6th September 2018 wherein after discussing and analyzing the rules of Indian Banks Association has held as under:

"The Association is a private body over which Government has no deep and pervasive control. Having given due consideration to the determinative tests laid down by the Apex Court and in the light of the settled legal position as well as the facts in the present case, we are of the view that Respondent Association is

not a "State" within the meaning of the Article 12 of the Constitution of India so as to make it amenable to the writ jurisdiction of this Court."

(20) That as per settled legal position, Public Sector Banks are state within the meaning of Article 12 of the Constitution of India, the Indian Bank Association representing these employer Public Sector Banks in negotiations and signing the settlement on their behalf is not "State" and not amenable to writ jurisdiction of Courts. Indian Banks Association is also not the employer of Employees & officers of Public/Private Sector Banks. The Dispute relating to revision of Salary, Pension and other service conditions is between employer banks and their workmen as per definition of "Industrial Dispute" in Section 2 (k) of the Industrial Disputes Act, 1947. How an Association which is not employer within the meaning of Section 2 (k) of the Industrial Disputes Act, not registered and not governed by any law or statute can negotiate and sign settlement as representative of employer banks under the provisions of Industrial Disputes Act, 1947?

(21) That Indian Banks Association acts on the mandates given by employer banks and hence has no power to go beyond that mandate. It has become known through replies submitted by various banks on applications filed by RTI Cell of We Bankers that Bank wise Unions have not been consulted by employer Banks while giving mandate to Indian Banks Association. Thus, employees of individual banks which are members of various unions are being totally neglected in voicing their grievance by way of inclusion in mandate.

COMPETENCE POWER AND AUTHORITY OF UNITED FORUM OF BANK UNIONS TO REPRESENT OFFICERS AND WORKMEN IN PUBLIC SECTOR BANKS IN THE MATTER OF NEGOTIATIONS AND SIGNING OF THE SETTLEMENT

(22) That handful of leaders occupying the key positions in the Unions of Bank Officers and Workmen has formed an Organization which is known as United Forum of Bank Employees, which they call as umbrella organization of Bank Employees. United Form Of Bank Unions so formed is neither a registered Organization registered under the Trade Unions Act, 1926 nor it has been formed after adopting resolution in the General Body meetings of the registered unions of Bank Employees giving it power, authority and competence to negotiate on behalf of bank employees. It's a creature of handful of persons who claim themselves as principal office bearers of Industry level Unions and Associations of workmen and officers. This organization UFBU exists only at the apex Industry Level and not at Bank or ground level. If it would have been an organization representing bank employees then Bipartite Settlement would have been entered into between IBA and UFBU but that is not the case. At the time of Signing of the Settlement these leaders show and sign the settlement as separate identity and put their signature as representative of particular unions.

(23) That while the status of "representative union" is decided by "THE NATIONALIZED BANKS (MANAGEMENT AND MISCELLANEOUS PROVISIONS) SCHEME, 1970 Published in the Gazette of India –Part II Section 3(ii), dated

28.11.1970 (subsequently amended and duly notified in Gazette of India) in accordance with the procedure provided in First Schedule of the said scheme, no union has been recognized for the industry in accordance with the procedure provided under the "Code of Discipline" adopted by Indian Labour Conference. Thus, unless and until Associations and Unions of Officers and workmen are decided through secret ballot as is done in other industries, these Officers Associations and workmen unions have no locus standi, right, power, authority or competence to negotiate and settle the demands of bank employees.

- (24) That persons who claim to be representatives of United Forum of Bank Unions call it as Umbrella Organization of 9 Unions and Associations of Bank Employees which consist of 5 workmen Unions and 4 Officers Associations. Thus, it is undoubtedly and evidently clear that United Forum of Bank Unions does not represent "workmen" in banks exclusively. The members of Officers Association clearly fall outside the definition of "workmen" given in Section 2(s) of Industrial Disputes Act, 1947. Majority Officers Association has been demanding inclusion of all officers up to the Scale VII to bring them within the purview of Bipartite Settlement. How top executives of the Bank can be regarded as "workmen" within the meaning of Section 2 (s) of Industrial Disputes Act, 1947?
- (25) That a large number of employees have joined the public sector banks from 01.04.2010 in respect of whom exclusion from existing Pension Scheme was settled illegally without any authorization and mandate from them as they had not joined the services of the Bank on 01.04.2010 and therefore were not members of the bank. These employees account for more than 50% of the existing workforce and there number would continue to increase because of rapid retirement of existing employees. It is estimated that by 2022, percentage of these employees in total number of employees would be around 75% and more.
- (26) That the Unions have not taken care to include representatives of this specific class of employees who have joined on 01.04.2010 or thereafter to take part in negotiation process.
- (27) That it requires investigation and scrutiny to find out whether leaders negotiating on behalf of bank employees are lawfully elected office bearers of the unions having authority and mandate to negotiate and take decision or not? Many of these leaders are those who have got retired. As per Constitution of these unions only those employed in respective bank can be an ordinary member of the Union. As regards outsiders becoming member of the Union, Constitution of Unions provides that except those who are ordinary members, anyone can be admitted as Special Member of the Union with the consent of the Executive Committee of the Union. Thus, it is evidently and undoubtedly clear that no one can be an ordinary member and special member simultaneously at one and same time. In other words, an Office Bearer of the Union ceases to be member of the Union the moment he gets retired from the services of a bank and consequently also ceases to be the office bearer of the Union. The question of becoming Special Member would arise only after retirement and for that such retired employee is

required to apply for special membership of the union as also consent of the executive committee of the union. Such decision of Executive Committee is required to be approved in the General Body meeting of the Union. How it is possible for an individual to remain principal office bearer of an Union once he retired from Bank Service without first stepping out from the post on account of not remaining the ordinary member of the Union?

(28) That those who were principal office bearer of the Unions for years together abolished the system of election in the union and introduced system of selection in a clever manner to gain control and hold over the Union. These influential and powerful leaders after gaining control over the Union make themselves special member of the Union before retirement. Such becoming of special member was in respect of non existing matter in as much as that question of becoming a special member would arise only when they get retired from the services of the bank and submit an application for becoming special member and executive of the Union considers such application and decides to admit them as Special Member. In this regard, reference may be made of the leading case of State Bank of India v. Sri M. R. Awasthi decided by Hon'ble Supreme Court of India in 1996 wherein in identical and similar situation, apex court held election of Sri M. R. Awasthi as invalid, illegal and inoperative.

(29) That Charter of Demands discussed at National Executive Committees of respective Unions has been changed by these leaders in the meeting of so called UFBU and they are calling it Common Charter of Demands. Thus these retired leaders are using this invalid and illegal Forum having no sanction of the members of the Unions for their own convenience and have changed the Charter of Demands without seeking consent of the members of the respective unions. Not only this they are not convening meetings of the National Executive to give details of the negotiations being done by them with IBA and deciding everything sitting in a Hotel and calling it as meeting of the UFBU. If Indian Banks Association is not objecting on such sinister combination of retired leaders in the name of UFBU it's because it is convenient for IBA to blackmail these leaders citing decision of Hon'ble Supreme Court of India in case of Sri M. R. Awasthi and threatening them that if they will not accede to its dictates it will refuse to negotiate with them. Thus, this Forum known as United Forum of Bank Employees does not really represent the Bank Employees and has become a forum to befool bank employees. These retired leaders are now working against the interest of the Bank Workmen in connivance with the Indian banks Association which is proved from the fact that position of Bank Employees is worsening with every successive Bipartite Settlement. Bank Employees who were at one time getting wages more than the wages of Central Government Employees because of bearing of more risk are now relegated to a pathetic place.

(30) That from what is stated here in above, it is evidently clear that UFBU does not represent the Bank Employees and it is nothing but an association of retired leaders who are no more espousing the causes of bank workmen or working for their betterment. These leaders are communicating the outcome of the

negotiations to the members in the form of 2 or 3 line SMS. They are reducing the demand for increase in wages as per their sweet will without discussing the same in meeting of the union and without seeking authority and consent of members. They are more interested to serve their own interest in connivance with Indian Banks Association than that of bank employees.

(31) That any wage revision/pay commission negotiation process should be finished before it is due, for example, Pay Commissions have been formed much before Government Employee's pay revision is due, so that they do not remain deprived of Constitutional Right of fair and equitable salary. But In case of Banks, this process starts very late and goes on for years after it is due. Because of inordinate unexplained delay, after years of waiting impatient bankers agree to unjustifiable meager salary hike. The nexus between UFBU and IBA knowingly delays this process in order to lower negotiability of general banking class. Delayed wage revision also results in Increased Levy extracted by unions out of arrears which is UNCONSTITUTIONAL UNDER ARTICLE 21 OF CONSTITUTION OF INDIA.

(32) That recently Hon'ble Supreme Court of India while disposing Civil Appeal No. 5525 OF 2012 Bank of Baroda & Another Vs. G. Palani & Others has held that "Joint Note" signed between Indian Banks Association and 4 Officers Association is illegal and without any force of Law. The Hon'ble Supreme Court further held that Bipartite Settlement signed between Indian Banks Association and 4 workmen Unions is in contravention of Pension Regulations, 1995 and other Central Statute passed by the Parliament. These observations by Hon'ble Supreme Court of India undoubtedly and clearly establish that in the matter of signing of Joint Note for Officers and Settlement for workmen of the Banks, both IBA and UFBU keep ignoring the law.

(33) That Hon'ble Supreme Court has struck down the Joint Note/BPS arrived between IBA & UFBU because it is an executive fiat which cannot over-ride Bank Employees Pension Regulations 1995 & Bank Officers Service Regulations 1979 which are Statutory in nature. The text of SC order-

"First we come to the rigor of the Regulations. The Regulations have statutory force, having been framed in exercise of the powers under Section 19 (2) (f) of the Act of 1970 and are binding. They could not have been supplanted by any executive fiat or order or Joint Note, which has no statutory basis. The Joint Note of the officers also had no statutory force behind it and could not have obliterated any of the provisions of Act of 1970 or the existing Regulations. Thus, Joint Notes could, not have taken away the rights that were available under the Pension Regulations of 1995 to the Officer."

(34) That IBA & UFBU enter such settlement to create multiple litigations which is against the National litigation Policy. The Hon'ble Supreme Court has commented **"Will it not be a fraud Bipartite Settlement? Obviously it would be** (on 8th BPS signed in May 2005), in most celebrated case of Bank of Baroda Vs S K Kool, the Hon'ble Supreme Court had imposed a cost of Rs. 50000/- on the Appellant Bank.

In spite of specific orders of the Hon'ble Apex Court, **IBA filed a review petition before the Supreme Court which was finally dismissed.** Late Shri S K Kool, an employee of BOB, was not allowed to taste the fruits of his legitimate pension during his lifetime. That subsequently IBA issued Circular clarifying the position emanating from Judgment of Sri S. K. Kool (supra) and Girish Shukla and in that clarification IBA advised that Regulation 22 of Pension Regulation 1995 requires modification so far as workmen employee are concerned thereby clearly depriving the Officers from the benefits of Hon'ble Supreme Court and inviting them to litigate and claim benefits citing cases of workmen.

- (35) That in recent case, the Hon'ble Supreme Court on 15.02.2018 has imposed a cost of Rs. 1 lakh on the Appellant UCO Bank for indulging in frivolous litigation and causing avoidable hardship to the respondent retired official.
- (36) That both Indian Banks Association and United Forum of Bank Unions don't fulfill the requirements of Section 36 of the Industrial Disputes Act, 1947 to represent employer banks and workmen employed in these banks and as such they must not be invited to participate in conciliation proceedings, proceed with negotiations and enter into settlement rather notices must be issued to them not to negotiate and enter into any settlement in as much as that the issues on which these organizations are negotiating for the purpose of signing a settlement are the issues which tantamount to "Industrial Dispute" within the meaning of Section 2(s) of the Industrial Dispute. Any settlement if signed must not be registered under Section 2(p) of the Industrial Disputes Act, 1947 for giving it a binding effect.
- (37) That Hon'ble Supreme Court has held in Nandini Satpathy Vs Dani 1978 AIR 1025 dated 07/04/1978, the:

“Decency, security and liberty alike demand that government officials shall be subjected to the same rules of conduct that are commands to the citizens. In a government of laws, existence of the government will be imperiled if it fails to observe the law scrupulously. Our Government is the potent, the omni-present teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a law-breaker, it breeds contempt for the law, it invites every man to become a law unto himself, it invites anarchy.”

Since both IBA and UFBU are committing continuous crime by entering into settlements without having any powers, authority or competence, the Government must intervene into the matter for preventing further crime through signing of 11th Bipartite Settlement by these unregistered and unrecognized bodies to deprive bank employees from the benefits of equality and parity in the matter of Salary and Pension at Par with Central Government Employees.

- (38) That Unions registered under the Trade Unions Act, 1926 and operating in various banks at State and All India Levels are having separate entities in terms of their bye-laws/constitutions. Bank Employees are members of these unions and they make payments of monthly subscription to these unions. As such these

Unions must be responsible and accountable to bank employees in the matter of revision of Salary and improvement in service conditions and resolving the grievances of the bank employees. Neither these Unions convene any meetings/conferences to allow bank employees to speak on their demands relating to Salary, Pension and other service conditions nor these Unions are consulted by Bank-wise All India Unions and Industry Level Unions to which such unions are affiliated in the matter of raising of demands, negotiations made by sending signed minutes of the negotiations nor before signing of the Settlements. Most of the banks in reply to applications filed RTI Cell of We Bankers have submitted that minutes of the negotiations held between leaders of United Forum of Bank Unions are not communicated to them. Same is the case with these Registered Trade Unions in as much as that they are not provided with the copies of minutes of the negotiations held between 12-13 persons claiming to be representative of United Forum of Bank Unions/Representatives of Industry Level Federations of Bank Officers and workmen and all major decisions are being taken by these 12-13 persons by keeping the bank employees in dark. Thus, there is no democracy, transparency, responsibility and accountability in the present system and a game being played in the name of collective bargaining where there seems to be complete unity amongst United Forum of Bank Employees when they sit on negotiating table, issue uniform messages and circulars on negotiations held but once settlement is signed later on there appears to be total disagreement and disunity amongst these 12-13 persons in as much as that they involve themselves into the game of taking credit of whatever positive has been achieved and criticizing others for whatever has been surrendered to the detriment and disadvantage of bank employees. Thus, this so called United Forum of Bank Unions works as shelter to cover misdeeds of one another rather than safeguarding the interest of bank employees.

FAILURE OF UNITED FORUM OF BANK EMPLOYEES AND ITS CONSTITUENTS IN MAINTAINING AT LEAST EQUALITY AND PARITY IN SALARY

(39) Broadly, the wage structure can be divided into three categories the basic "minimum wage" which provides bare subsistence and is at poverty-line level, a little above is the "fair wage" and finally the "living wage" which comes at a comfort level. It is not possible to demarcate these levels of wage structure with any precision. There are, however, well accepted norms which broadly distinguish one category of pay structure from another. The Fair Wages Committee, in its report published by the Government of India, Ministry of Labour, in 1949, defined the "living wage" as under:

"the living wage should enable the male earner to provide for himself and his family not merely the bare essentials of food, clothing and shelter but a measure of frugal comfort including education for the the children, protection against ill health, requirements of essential social needs, and a measure of insurance against the more important misfortunes including old age."

The Committee's view regarding "minimum wage was as under:

"the minimum wage must provide not merely for the bare sustenance of life but for the preservation of the efficiency of the worker. For this purpose the minimum wage must also provide for some measure of education. medical requirements and amenities."

The Fair Wages Committee's Report has been broadly approved by Hon'ble Supreme Court in *Express Newspapers (P) Ltd. v. Union of India*, [1959] SCR 12 and *Standard Vacuum Refining Co. of India v. Its Workmen and Another* [1961] 3 SCR 536.

(40) That the Tripartite Committee of the Indian Labour Conference held in New Delhi in 1957 declared the wage policy which was to be followed during the Second Five Year Plan. The Committee accepted the following five norms for the fixation of 'minimum wage':

"(i) In calculating the minimum wage, the standard working class family should be taken to consist of 3 consumption units for one earner; the earnings of women, children and adolescents should be disregarded.

(ii) Minimum food requirement should be calculated on the basis of a net intake of calories, as recommended by Dr. Aykroyd for an average Indian adult of moderate activity.

(iii) Clothing requirements should be estimated at per capita consumption of 18 yards per annum which would give for the average workers' family of four, a total of 72 yards.

(iv) In respect of housing, the rent corresponding to the minimum area provided for under Government's Industrial Housing Scheme should be taken into consideration in fixing the minimum wage.

(v) Fuel, lighting and other 'miscellaneous' items of expenditure should constitute 20% of the total minimum wage."

Hon'ble Supreme Court in *Standard Vacuum Refining Company's case* (supra) has referred to the above norms with approval.

(41) That it was incumbent upon the leadership of All India Bank Employees Association claiming to be in absolute majority to incorporate the decisions of Indian Labour Conference held in 1957 in its Charter of Demands and insist for settlement as per such decisions. But it ignored these decisions to negotiate with Indian Banks Association and signed settlement agreeing to principle of paying capacity/profitability for reasons best known to them.

(42) That the concept of 'minimum wage' is no longer the same as it was in 1936. Even 1957 is way-behind. A worker's wage is no longer a contract between an

employer and an employee. It has the force of collective bargaining under the labour laws. Each category of the wage structure has to be tested at the anvil of social justice which is the live-fiber of our society today. Keeping in view the socio-economic aspect of the wage structure, Hon'ble Supreme Court considered it necessary to add the following additional component as a guide for fixing the minimum wage in the industry:--

"(vi) Children education, medical requirement, minimum recreation including festivals/ceremonies and provision for old age, marriages etc. should further constitute 25% of the total minimum wage."

Hon'ble Supreme Court has held that wage structure which approximately answers the above six components is nothing more than a minimum wage at subsistence level. The employees are entitled to the minimum wage at all times and under all circumstances. **An employer who cannot pay the minimum wage has no right to engage labour and no justification to run the industry.**

A living wage has been promised to the workers under the constitution. A 'socialist' framework to enable the working people a decent standard of life has further been promised by the 42nd Amendment. The workers are hopefully looking forward to achieve the said ideal. The promises are piling-up but the day of fulfillment is nowhere in sight. Industrial wage looking as a whole has not yet risen higher than the level of minimum wage.

(43) That Government of India has issued Notification on 08.08.2019 with regard to Code of Wages Act, 2019 (No. 29 of 2019) after both the houses of Parliament passed Code on Wages (Bill No. 163 of 2017) and President of India gave his assent to consolidate and amend the laws relating to wages and bonus and matters connected therewith or incidental thereto. The Act extends to whole of India and is applicable to both organized and unorganized sectors. It covers Banking and Insurance Company or a corporation or other authority established by a Central Act or a Central public Sector undertaking. The Act has delinked profit and paying capacity from wages and has provided that no employer shall pay to any employee wages less than the minimum rate of wages notified by the government for the area, establishment or work in line with Judgment of Hon'ble Supreme Court (supra). Thus, there is no justification to link Wage Revision in Banks with profitability or paying capacity of the Banks.

(44) That question of paying capacity in the matter of determination of Salary and other benefits has been considered by the Hon'ble Supreme Court in **All India Regional Rural Bank Officers Federation vs Govt. Of India & Ors decided on 7 March, 2002** where in Hon'ble Supreme Court has held:

"Even though the financial position of the banks may not be disputed, but having regard to the directions issued by this Court, while disposing of the civil appeal and having regard to the circumstances under which such directions had been given, it would be difficult for us to sustain the plea of the Union Government that the

Notification is in compliance with the judgment and directions of this Court. The financial capacity of the Government cannot be pleaded as a ground for non-implementation of the directions of the Court inasmuch as even in the matter of determination of the pay- scale of the employees of the Regional Rural Banks and maintenance of parity with their counterparts, serving under the Sponsor commercial banks, Justice Obul Reddi had not accepted the said plea and that award reached its finality. Since the financial capacity of the employer cannot be held to be a germane consideration for determination of the wage structure of the employees and the Parliament enacted the Act for bringing into existence these regional rural banks with the idea of helping the rural mass of the country, the employees of such rural banks cannot suffer on account of financial incapacity of the employer."

The principle applied by Hon'ble Supreme Court of India in the above noted case squarely apply in the matter of determination of Salary and other benefits of bank employees at par with Central Government Employees and representatives of United Forum of Bank Unions have utterly failed to maintain the parity even after acceptance of equivalence of posts by Government of India and still negotiating and determined to sign settlement on paying capacity of the Banks.

(45) That 6th and 7th pay commission used the norms set by the 15th Indian Labour Conference held in 1957 and referred to herein above to determine the need-based minimum wage for a single industrial worker and his family. The Salary of various cadre of Central Government employees have been decided by applying scientific and objective formula based on minimum wages. International labour organization had passed a resolution on MINIMUM WAGES FORMULA in 1970 and about 93% of the member countries have implemented it already. In India, it has been implemented through sixth and seventh central pay commission which has increased the salary sizeable despite the deficit budget. Besides, Government of India is willing to adopt such MINIMUM WAGES FORMULA to the employees working in the Banking and insurance sector which was evident from the CODE OF WAGES BILL 2017 referred to herein above on which the Govt. through a parliamentary committee gathers views of the stakeholder and the views of the Banking sector was already gathered. The negotiators at apex industry level negotiating for and on behalf of Bank Employees have been continuously and still ignoring and neglecting the recommendations of Indian Labour Conference ever since First Bipartite Settlement for reasons known to them to the detriment and disadvantage of Bank Employees and have always agreed to negotiate taking into account the profitability/paying capacity of the Banks knowing well that an ordinary Officer or workmen has no say in major decisions of the higher management of the bank which adversely affect the profitability and in turn paying capacity. Thus, there is a need for inclusion of Bank Employees within the ambit of Central Pay Commission to attain equality in the matter of Salary at par with Central Government Employees.

(46) That conventionally Fixation of fair wages for Bank Employees was done after taking due care of nature of work performed by bank employees and element of

additional risk involved in performance of their duties. In the matter of deciding the wage structure, Justice Sastry has observed that:

“The rates of pay in certain departments of Government such as Posts & Telegraphs and in State Governments will also furnish material for the construction of pay scale for bank workmen. Above all we have the report of the Central Pay Commission which is now considered an authoritative and useful guide to problems relating wage determination at least among Government employees. There are several affinities between bank workmen and Government clerks, bank subordinates and Government menials. The Central Pay Commission had before them the very same clerical class and the class below it.” (Para 252 of the Sastry Award).

Justice Sastry went on to observe further: ***“In the matters of education, intelligence, social needs, family responsibilities, standards of living and outlook on life there is a fair degree of similarity between the clerks that work in a bank and those that work in a Government department.....We may nevertheless take the Government pay scales as an indication, however rough, of how the clerical class in general should be remunerated.....” (Para 259 of Sastry Award).***

Though the mandatory provisions of Sastry Award still govern the service conditions of Bank employees, the leaders of United Forum of Bank Employees have kept on ignoring the principle of comparison of salary of bank employees with that of Government Employees adopted by Tribunal headed by Justice Sastry to great disadvantage of bank employees. Hence, it is proved that system of collective bargaining has not taken care of reasonable rise in Salary as compared to Central Government employees and has been downgrading the bank employees in the society.

(47) That before 1979, salary of Bank Officers and Workmen used to be higher than the Group “A” officer and Grade-C Employees of Central Government. In order to attain parity with Government employees, Pillai Committee was constituted and as per the Committee’s recommendations the **pay scales of bank officers were rationalized and made at par and aligned with Pay Scales of Government Officers.** Such parity was distorted to the disadvantage of bank officers and workmen. At present significant differences exist in the comparative pay scales at different stages in the hierarchy. It has caused serious impact on the quality of recruits in a highly sensitive sector like banking which involves dealing with public money. Many State governments have adopted 6th and 7th Pay Commission recommendations and many Public Sector Undertakings have also adopted them as bench mark for salary revision which has created a huge gap between the bank employees on one hand and government employees and PSU employees on the other.

(48) That the Government of India, Ministry of Finance, Department of Financial Services vide Circular No. 19/4/2017 dated 06.12.2017 has conveyed the approval

of Government the principles for determining the equivalence of post as conveyed by DoPT's O. M. No. 41034/5/2014-Estt.(Res.) Vol. IV-Part dated 06.10.2017 confirming that Junior Management Scale-I Officer in Public Sector Banks would be treated equivalent to Group A in Government of India and Clerk/Peons in Public Sector Banks would be treated equivalent to Group C in Government of India. Though such norms have been approved for establishing equivalence of posts in Government and posts in PSUs, PSBs etc. for claiming benefit of OBC reservations judgment dated 16.11.1992 in WP(C) 930/1990 (Indra Sawhney case) by which Hon'ble Supreme Court had directed the Government to specify the basis, for exclusion of socially and economically advanced persons from Other Backward Classes by applying the relevant and requisite socio-economic criteria, it needs no argument that if there is equivalence of posts, there must be equivalence of Salary, Pension and other benefits also. The Leaders of United Forum of Bank Unions are neglecting such equivalence of posts decided by Government of India for demanding and agitating for parity in Salary and Pension with Central Government Employees.

(49) That Public Sector Banks are Public Sector Undertakings for all practical purposes since Government of India is having major share in the Share Capital of Public Sector Banks like other Public Sector Undertakings. Thus, it would be prudent to find out how the Salary and other benefits are decided in Central Public Sector Undertakings. In this regard, report of the 3rd Pay Revision Committee for Central Public Sector Enterprises published by MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES, (Department of Public Enterprises) vide RESOLUTION No. W-08/0005/2016-DPE (WC) dated 9th June, 2016 is worth mentioning. It is clearly provided therein in Para 2.2.7 that While finalizing its report, the Committee will also take into account the report of the 7th Central Pay Commission. Both IBA and UFBU have utterly neglected the report of Pay Revision Committee for Central Public Enterprises in the matter of determination of Salary and other benefits for the Bank Employees. Para 1.1.2 of the said Pay Revision Committee classifies Public Sector Undertakings (PSUs) as Public Sector Enterprises (PSEs), Central Public Sector Enterprises (CPSEs) and Public Sector Banks (PSBs). Thus, when Public Sector Banks are included in said classification, it is wholly unjust to deprive the employees of the Public Sector Banks from the recommendations of Pay Revision Committee for Central Public Enterprises which takes into consideration the recommendations of Central Pay Commission.

(50) That there cannot be any link to paying capacity of the banks because the gross profit of the Banks and the business are increasing year by year due to the contribution of employees as can be seen from the following table:

Profits of the Banks are increasing: Public Sector Banks:

Rs in Crores

	2013-14	2014-15	2015-16	2016-17
Gross Operating Profit	1,27,653	1,38,440	1,36,926	1,58,982

(51) That if not profit of the Bank is getting reduced due to mounting NPAs, the same can't be attributed to employees of the Banks. The United Forum of Bank Employees has been committing grave error to the detriment and disadvantage of the bank employees by continuously agreeing to negotiate and sign settlements on the basis of profits/paying capacity of the banks. Both IBA and UFBU keep playing percentage increase game for unduly long period. It is for the Government and Management to take steps by strengthening the Law to fix responsibility and accountability for Loans turning into bad and recovering of the amount in a speedy manner. Since ordinary employees have no control and are not responsible for major policy decisions, they can't and shouldn't be penalized for the acts done by higher management of the Bank by way of sharing the losses on account of bad loans in the form of reduced salary.

(52) The United Forum of Bank Unions have been committing grave error by accepting profitability and paying capacity as criterion for revision of Salary.

OPPORTUNITY COST OF GOVERNMENT DIRECTED SCHEMES

(53) That it is needless to reiterate the role of banks in ensuring the financial stability in the country and its role in executing the various promotional or poverty alleviation programs which has consistently improved standard of living of the downtrodden in India.

(54) That many of the developmental programmes like, yesteryears' IRDP, 20 POINT PROGRAM, SEEUY, SEPUP or contemporary JANDHAN yojana, PMEGP, STANDUP, MUDRA LOANS AND DEMONETISATION etc were successfully executed by the BANKS. But the costs borne by the BANKS in making the programs successful were enormous which never has been compensated by any of the implementing agencies.

(55) That when the Government speeded up financial inclusion, it is these Public Sector banks which have opened more than 25 crore Jandhan accounts and are in the process of giving credit. Again bulk of the Mudra loans and Stand up India loans are sanctioned by the public sector banks only. Even in the Swachh Bharat campaign lot of school toilets have been constructed by these banks. Considering the demographic advantage these banks are providing loans to students for their education.

(56) That these opportunity cost in the implementation of the Government sponsored schemes should be kept in mind while arriving at wage revision. The man hours spent on the implementation should be counted and monetized. The work undertaken during the demonetization and the huge expenditure incurred should be monetized and the Government should do justice with employees of Public Sector Banks by ensuring Equality in the matter of Salary, Pension and number of days per week working at par with Central Government Employees.

The Central Government employees versus the bank employees:

(57) That prior to the implementation of the Pillai Committee's recommendations the salaries of bank officers and employees used to be slightly higher than the officers and employees of the Central Government. This simple increase was justifiable keeping in view the

SALARY STRUCTURE IN BANKS				(Amt. In Rupees)	
SUB-STAFF		CLERK		SCALE-I	
BASIC	TOTAL SALARY	BASIC	TOTAL SALARY	BASIC	TOTAL SALARY
9560.00	17260.00	11765.00	20958.00	23700.00	41997.00
MAXIMUM BASIC	MAXIMUM TOTAL SALARY	MAXIMUM BASIC	MAXIMUM TOTAL SALARY	MAXIMUM BASIC	MAXIMUM TOTAL SALARY
18545.00	32987.00	31540.00	55518.00	45950.00	80609.00
SALARY STRUCTURE CENTRAL GOVERNMENT					
PEON		CLERK		OFFICER	
BASIC	TOTAL SALARY	BASIC	TOTAL SALARY	BASIC	TOTAL SALARY
18000.00	26030.00	25500.00	38790.00	44900.00	65562.00
MAXIMUM BASIC	MAXIMUM TOTAL SALARY	MAXIMUM BASIC	MAXIMUM TOTAL SALARY	MAXIMUM BASIC	MAXIMUM TOTAL SALARY
25600.00	36536.00	36400.00	53684.00	68000.00	96080.00

additional risk involved in the work of bank employees. The equality and parity implemented by the Pillai Committee is not continued by UFBU. The present pathetic condition of bank employees can be seen from the details given in following table:

The bank employees and the employees of Life Insurance:

(58) The pact of the Life Insurance employees is pending since 1-8-2017, is pending for the last three months by the Bank Employees' salary pact. There was a time when the protest of the labour union of the bank employees used to be so strong that it was crippling the entire economic condition of the country. Unfortunately our brothers in the Life Insurance and the General Insurance Unions had no such power. For their own existence and better pay and facilities they used to appreciate the bank employees' salary pact. And after 3-6 months of the execution of the bank employees' salary pact, they used to get through their own pact on its pattern only. That was the practice in currency ever since the first bi-lateral pact was executed. This very thing is applicable on the organizations of the general fields also where there exists the tradition of reaching to bi-lateral pacts on principles of joint bargain and talks. The bi-lateral pact used to be an ideal measure for them. Now we are trying herewith a comparison from 1983 to this date, between AAO of Life Insurance the basic pay of whom is believed to be on par with the bank's Grade scale: 1 officers.

	LIC AAO	Bank PO	Diff in %
1983	1175	1175	0
1987	2100	2100	0
1992	4250	4250	0
1997	7100	7100	0
2002	11110	10000	11.1%
2007	17240	14500	18.89%
2012	32795	23700	38.37%

- (59) It is notable to see what gains have the Life Insurance employees achieved in comparison to that of ours. It should be remembered that the salary pacts of the bank employees and the Life Insurance employees end with three months' gap every year. The Insurance employees today are nearing in achieving the pay-scales equivalent to the figure fixed by the pay-commission. What answer do we have to this?
- (60) The Life Insurance employees have already got the five days' a week facility. They also enjoy for their officers the annual benefit of performance linked with pay equal to 1% to 6%. We are still endeavouring to get five days a week system in every week of the month.
- (61) The analysis of the tenth pay commission as regards the Life Insurance and bank employees reflects the prompt and alert leadership capacity of the Life Insurance union leaders.
- (62) The rate of annual pay increment of the Life Insurance officers is Rs.1610/- while rate of pay increment annually for the bank officers is Rs.980/-
- (63) The last stage of pay-scale of the Life Insurance AAO is Rs.62315/- while the last stage of pay scale for the area manager of bank is even after including the pay stagnation increment is Rs.60920/-.

(64) The initial increment of the Life Insurance AAO is Rs.1610/- per month and the last increment is Rs.1745/-.

	LIC AAO	Bank PO	Diff in %
Starting Basic	32795	23700	38.37%
No of Increments	18	19	
Maximum Basic	62315	45950	35.61%
No of Stagnation Increments	0	4	
DA% (as at 30.09.2018)	46.55%	54.1%	
DA amount	15266	12821	
Special Pay (with DA) if Any	0	2829	
Gross Salary at first stage	48061	39350	22.13%
Gross Salary at last stage	91322	76296	19.69%

Whereas the last increment of area manger of a bank is Rs.1650/-

Introducing their intelligence, the leaders of employees' union of the Life Insurance, brought an end to the stagnation increment gave a new shape to the pay-scale due to which they achieved a comparatively bigger salary at the AAO stage and hence the gap between the pay of bank employees and the Life Insurance employees has become more wide. The bank scale for the class II officers has 18 increments and in the Life Insurance there are merely 13 increments.

For Scale 2 in banks total 18 increments for LIC it is 13 increments.

	LIC AO	Bank Manager
Starting Basic	44065	31705
Last Basic	65805	51490
Gross Salary at first stage	64577	52643
Gross Salary at last stage	96437	85495

For scale 3 in banks 9 increments for LIC 11 increments

	LIC ADM	Sr. Manager
Starting Basic	53725	42020
Last Basic	75005	51490
Gross Salary at first stage	78733	69771
Gross Salary at last stage	109919	85495

For scale 4 in banks 6 increments and for LIC 9 increments

	LIC DM	Bank DM
Starting Basic	65805	50030
Last Basic	86505	59170
Gross Salary at first stage	96437	83071
Gross Salary at last stage	126773	98247

LIC DM last stage or Rs. 86505/- is more than the last stage of Bank's General Manager of Rs.85000/-

	LIC DZM	Bank AGM
Starting Basic	79605	59170
Last Basic	102045	66070
Gross Salary at first stage	116661	83071
Gross Salary at last stage	149546	109704

	LIC ZM	Bank DGM
Starting Basic	89095	68680
Last Basic	110575	76520
Gross Salary at first stage	130568	114038
Gross Salary at last stage	162047	127055

	LIC ZM Selection Scale	Bank GM
Starting Basic	99835	76520
Last Basic	124295	85000
Gross Salary at first stage	146308	114038
Gross Salary at last stage	182154	141136

The scale 3 has considerably increased gap in pay-scale.

The pay-scale pact of the Life Insurance is pending since: 1-8-2017 and ours is pending since: 01-11-2017. The demand letter forwarded by the employees' union of the Life Insurance contains demand of the AAO's initial salary to be Rs. 62000/-

(65) That at present time the place of the senior employees, retiring from service is taken by the young bank employees. There is a period of high level send-off being given to seniors retiring from the bank service. The conditions have changed fast. The work of the senior employees are being performed by the young ones in comparatively lower salaries. It is fortunate that the total expenditure incurred on salary-head is dwindling down regularly. Presently there is no condition which would enable a clerk to stay on clerical post for any long period. The first Bipartite Settlement had assigned 25 years for pay-scales which during the second Bipartite Settlement was reduced to 20 years period. Under the present conditions it is necessary to curtail this period further. It is recommended that the period should be reduced to 15 years. The bank service can be made attractive for the young by offering 5 yearly pay increments during the pay scale period at initial stage after reducing 5 years' period. This would serve in one way, an incentive, in exacting the work from the young bank employees in place of the senior bank employees and by doing so there would not be any economic pressure on bank's salary-head too. under this kind of arrangement in pay scale it is necessary that in place of stagnation increments, the automatic Career Progression should be introduced in order to enable that an should avail of at least three opportunities of progress during service period automatically.

EROSION IN SALARY BECAUSE OF LOWER NEUTRALIZATION OF DEARNESS ALLOWANCE:

(66) That Dearness allowance is nothing but neutralizing the effect of the increase in the cost of living because of increase in prices of commodities and whole purpose is to give relief to the workers in meeting the increased cost of living. In Banking Industry Dearness Allowance is computed once in every three months on average rise and fall in All India working class consumer price index figures for

every quarter. Rise or fall of 4 points is considered as one slab. The scales of Pay except that of "Sub-staff" have eroded because of Lower Dearness Allowance neutralization. It is because of failure of negotiators at apex Industry Level through the process of collective bargaining that through all BPS, Bank Employees have got salary increase only due to merger of DA in basic pay and there has been no real hike in salary. Up to Vth BPS there has been constant erosion of wages to the level of 60 to 70%. It means that even inflation was also not fully protected; forget wage rise. The entire tapering of DA scheme (still applicable to pre Nov 2002 Pensioners) is unjust innovation of majority red flag union in Banking Industry and its acceptance by other unions without any visible protest.

(67) That the landmark Vth CPC (report in Jan 97; implemented w.e.f. Jan 96) re-oriented scales of all staff with historic 100% neutralization of DA and merger in Basic Pay. The commission opined and implemented the principle of notionally calculating scales of all (Peons to Secretaries) by giving 100% DA neutralization. The effect was that loss sustained by employees through tapering of DA was compensated resulting in reasonable increase in Salary. However, the leaders of United Forum of Bank Unions could not pressurize and struggled for 100% Neutralization of DA for compensating the loss sustained by bank employees over the years through the process of collective bargaining and from this point onwards the deterioration of bank scales in comparison CPC became evident. For Government employees injustice had stopped but for bank employees it has began, thanks to so called collective bargaining of achieving wage increase on the basis of profitability/paying capacity of the banks. It is, therefore, necessary to notionally calculate the scales of pay by giving 100% neutralization as has been done for Central Government Employees for removing the adverse impact of tapering of DA.

FAILURE TO PROVIDE FOR SCIENTIFIC AND OBJECTIVE TECHNIQUE FOR DETERMINATION OF THE STAFF STRENGTH OF THE BRANCHES GIVING ABSOLUTE RIGHT TO MANAGEMENT OF THE THE BANKS TO REDUCE NUMBER OF EMPLOYEES

(68) That both IBA and UFBU have failed to provide for an objective need based staff strength determination mechanism. The determination of staff strength at Branches and other Offices depend upon subjective judgment of Senior Officers/Internal Auditors based on their experience.

(69) That Volume of business and volume of work of the employees and officers have gone up enormously in the recent years as per our information as can be seen from Table below:

YEAR	DEPOSITS	ADVANCES	TOTAL BUSINESS
31-3-2012	47,90,000	36,97,000	84,87,000
31-3-2013	57,45,000	44,72,000	1,02,17,000
31-3-2014	65,90,000	51,00,000	1,16,90,000
31-3-2015	71,95,000	54,76,000	1,26,71,000
31-3-2016	74,86,000	55,94,000	1,30,80,000
31-3-2017	108,05,000	78,81,000	1,86,86,000
30-3-2018	114,75,000	86,50,000	2,01,25,000

(70) That Concurrent to this increase in the volume of business in the Banks, as the figures herein under Table II would reveal, the number of workmen employees has not kept pace with business growth.

(71) That Banks have stopped providing for additional staff as Leave Reserve. There are many branches where only One Clerk or Officer is posted. In the absence of additional staff for being deputed in place of employees requesting Leave, Management keeps refusing the leave applied on the ground of administrative exigencies thereby forfeiting the basic purpose for which provisions for leave have been made.

TABLE II
NO. OF WORKMEN IN PUBLIC SECTOR BANKS

YEAR	NO. OF WORKMEN
31-3-2012	4,51,634
31-3-2013	4,73,198
31-3-2014	4,99,593
31-3-2015	4,84,000
31-3-2016	4,79,000

(72) That with the concentration and focus on low cost Deposits, Jan Dhan Yojana Accounts to be opened and serviced, focus on small retail business involving more

number of clients, implementation of innumerable schemes of the Government, etc., the increase in volume of work is more than proportionate to the increase in business volume. But unfortunately, the number of employees have not gone up along with the growth in business volume.

On the other hand, the total number of workmen employees has come down from 5,00,000 as on 31-3-2014 to 4,79,000 as on 31-3-2016. This has obviously resulted in higher workload on the staff. Many a times, employees are required and found to be working beyond their stipulated working hours even to complete the day's routine transactions.

BUSINESS PER EMPLOYEE/PRODUCTIVITY ON THE INCREASE:

The Table III below, will also explain the increasing business per employee

YEAR	BUSINESS PER EMPLOYEE
31-3-2012	1879 lacs
31-3-2013	2159 lacs
31-3-2014	2340 lacs
31-3-2015	2618 lacs
31-3-2016	2730 lacs

More Branches are opened but due to lack of adequate recruitment, workload is going up:

YEAR	No. of BRANCHES in PSBs
31-3-2012	67,930
31-3-2013	74,000
31-3-2014	81,715
31-3-2015	87,303
31-3-2016	90,437

(73) That after the computerization there was a cut introduced in the size of the employees on basis of the officers' experience and proficiency. The salary and work remaining to be no longer alternative as the young employees flee the bank service by offering

their resignation letters. Despite there being increase in branches of banks and the profession there being a sustained diminishing number of the bank employees which has brought a disturbance in work load and the number of employees, as a result of which not only the quality of customers service was felt to have gone down but also the officers and employees are passing through a phase of unnecessary tension. They are bound to work long. There are also news of suicides being received regularly in respect of the officers and employees, and there are, besides, news coming up about there being attacks on them. There are adverse effects being produced on their will power and interest in work due to non-acceptance of their leave applications when necessary. The bank officers and employees have right to know on what ground and the need estimates of the number of employees settled; under what circumstances is a peon, guard, clerk or officer is allowed to join in an additional post, so as to enable them demand an additional employee when such a situation arises. It is the main necessity today that with the aid of experts, organizers and settlement, a crystal clear scientific and logical system should be developed.

(74) That United Forum of Bank Unions has remained a silent spectator on unilateral and arbitrary reduction of employees and seldom opposed such reduction in spite of mandatory provisions made in Industrial Disputes Act, 1947 vide Section 9-A read with Fourth Schedule requiring management to give at least 21 Clear day's notice of its intention to reduce the number of employees at branches giving reason thereof. These mandatory provisions are being violated continuously in a routine manner without there being any protest or raising of dispute which clearly points out that there is sinister understanding between leaders of the United Forum of Bank Unions and the higher management of the banks.

5 DAYS WEEK & COMPENSATION FOR EXTRA WORK:

(75) That Five Day week is already available in the international banking system. It is also available in our country in RBI, Central and State Governments, Public Sector Undertakings and Private Sector MNCs and IT Sector. Hence, it should be introduced immediately in the entire banking industry.

(76) That working hours should not exceed 36.5 hours in a week. The daily working hours should not be more than 6.5 hours in the normal course. Any working hours, more than 7 hours a day, should be compensated monetarily to the extent of twice the actual hourly salary in the normal course. This should be uniform for the Banking Industry as the Government directs banks to work late or on holidays often and we follow their directions but compensation varies between Banks. They should also be made eligible to take

weekly off to the extent of additional hours of duty rendered by them as rest is needed for recuperation.

The use of bank officers and employees' services being in use:

(77) That provisions of resorting to specified work for the products of various organizations through the services of the bank officers and employees were adopted in the bi-lateral pacts under circumstances when consequent to favoring the systems of computerization and CBS the number of existing employees had grown excessive. The condition today has changed; the banks are now confronted with problem of scarcity of employees. Under these changed situation the use, sell etc. of the products of banks and various organizations the provisions to use the services of the bank officers and employees have become useless. Therefore to cancel these provisions is a necessity today.

The IBA's proposal to implement Performance Linked Incentive:

(78) That IBA believes that the ambitious, educated youths are not being attracted to the bank services. The eagerness of these youths towards the bank services has ruined. Therefore in order to attract the ambitious, capable youths towards the bank services it has suggested to implement the Variable Pay Concept. How far is the honesty of IBA in its proposal the truth can be seen in the host of incentive schemes offered. In fact the selection of a youth, under these schemes, for reward matters, in most of the cases does not take place due to the performance contribution of the relevant youth, rather it come on the basis of some high level bank officer's liking the special employee. In one way it is IBA which is trick-fully trying to introduce sycophancy culture in banking industry with an objective to weaken the labour unions. The truth is that the IBA and the unions which hold talks along with IBA, representing the bank employees, these two parties have committed mistakes in the last five bilateral pacts, that is why the young generation today, are fully disappointed and disgusted by the bank's low pay scale, the work pattern and tension building conditions. But its solution does not lie in accepting IBA's proposed Performance Linked Incentive/Pay Concept alone, rather in order to change this state of disappointment and disgust it is necessary that the IBA and the other unions should honestly ponder upon their own mistakes, shortcomings and negligence; they should accept them and taking a lesson from it place their demands in perfect way. It is unfortunate that when the world has changed the conditions have changed too but the leadership in bank is not ready to bring a change in itself in line of the changed conditions.

FAILURE OF UFBU TO ATTAIN EQUALITY AND PARITY IN PENSION-COMMITTING SIN OF BREAKING THE UNITY OF BANK EMPLOYEES BY AGREEING VARIOUS TYPES OF PENSION IN BANKS

HISTORICAL BACKGROUND OF PENSION SCHEME IN PUBLIC SECTOR BANKS

- (79) That State Bank of India was established by special Act of Parliament in 1955 and was a Public Sector Bank. Employees of State Bank of India were entitled for -3- retirement benefits viz. 1. CPF (Contributory Provident Fund), 2. Pension and 3. Gratuity as per Payment of Gratuity Act.
- (80) That -14- Banks were Nationalized on 19.07.1969, -6- more Banks were Nationalized in 1980 thereby making a Total 20 Nationalized bank which were operating in India and the employees were entitled for -2- retirement benefits viz. 1. CPF (Contributory Provident Fund) and 2. Gratuity as per Payment of Gratuity Act.
- (81) That employees of these -20- Banks were demanding payment of pension as 3rd retirement benefit as applicable to employees of State Bank of India. The demand of Pension was raised before the Hon'ble Tribunal headed by Justice Sastry and vide Para 414 of the Sastry Award, Hon'ble Tribunal has clearly observed that:

“We have considered this matter very carefully. We find from the statement of accounts filed by the Banks in relation to this Fund that the apprehensions of the Bank on this part are not wholly justified. The position both in respect of its general profits as well as earnings out of this pension and Guarantee Fund is such that for some years to come the absence of employees’ contributions would not really create any difficulty for the Bank. The Bank also pointed out that contributory pension funds are not unknown in other countries and referred us to some institutions which provide for such contributory funds. This is no doubt true; but generally speaking a pension ought really to be independent, if possible, of any contributions from the employees. On a rough calculation, it appears that for 3 or 4 years after retirement the members own contributions generally suffice for payment of pension under the rules of the Fund. It is only thereafter that the general fund contributes towards employees’ pension fund. In other words, there is really no pension earned by the employees from the Bank’s Fund during the first 3 or 4 years. Agreeing with the view of Shri Gupta and also of the Sen Tribunal we are of opinion that the employee’s contribution should be stopped.”

- (82) That in 1993, Leaders of the Unions informed bank employees that Government of India/Ministry of Finance has declined the demand of pension as 3rd retirement benefit but has offered pension as 2nd retirement benefit in lieu of Management contribution to Provident Fund as an excuse for their inability to

fight for equality and parity in pension not only with Central Government Employees but with the Employees of State Bank of India, Allahabad Bank and few other Banks within the Banking Industry. Such situation of compromise and surrender would not have arisen if the issue would have been dealt by an All India Industrial Tribunal as can be ascertained from the National Industrial Tribunal Award in case of employees of Regional Rural Banks which granted them parity with employees of Public Sector Banks.

- (83) That on 29.10.1993 a Settlement got signed for providing the benefit of Pension and subsequent notification on 29.10.1995 after approval of the government and parliament. By then, Bank Employees except employees of State Bank of India, Allahabad Bank and few other Banks were getting Contributory Provident Fund and Gratuity as Terminal Benefits. Benefit of Pension has been provided to bank employees in lieu of Contributory Provident Fund. Interesting fact about this settlement is that it was made effective w.e.f. 01.01.1986. Perhaps it is the solitary instance when date of effect and applicability of settlements was made retrospective to go back by more than 7 and half years. Why this was done? Because, most of the leaders representing the bank employees in negotiations were the leaders who had retired during this time. Thus they were having self interest of benefitting themselves by way of benefit of pension.
- (84) That Indian Banks Association representing the Employer Banks took advantage of development of selfish interest in leaders representing the employees and blackmailed them to agree to link contribution to the pension fund from the wages, wage revision arrears and to the profits in lieu of making Pension Settlement effective w.e.f. 01.01.1986. This clever move and tactics adopted by Indian Banks Association in connivance with leaders deprived the Bank Employees from equality in the matter of Payment of Pension and also from the same principles Pension is being paid to Central and State Government Employees. Hon'ble Supreme Court has time and again has held that Pension is not bounty but a right to property under Article 300 A of Constitution of India.
- (85) That in Pension Settlement dated 29.10.1993 in Clause 2 (ii) it has been provided that Pension Fund will be constituted by transferring Bank's Contribution to the Provident Fund Account along with accrued interest thereon to the Pension Fund and there was no provision that employees shall have to pay any amount other than the one as provided in Clause 2 (ii)
- (86) That after the Pension Settlement dated 29.10.1995, the Government of India issued a Notification and thereafter member Banks of the Indian Banks Association published Pension Regulations for their employees, after consultation with Reserve Bank of India and with the previous sanction of the Central Government, which is known as Bank Employees Pension Regulations 1995, thereby making these pension regulations Statutory in nature. These regulations were titled as say "(XYZ) Bank Employees Pension Regulations 1995". (To be published in the gazette of India Extraordinary, Part III- Section 4).

(87) That in terms of Pension Settlement, Banks in 1993-1995 offered to their existing employees to exercise option either for joining the above pension scheme or continue with the existing CPF (Contributory Provident Fund). Large number of employees approximately 48% did not opt for the pension scheme and preferred to continue with the CPF due to following reasons:

- a. The interest rates of GPF/EPF/CPF prevailing at that time were as high as 12-13% p.a. so employees opted to continue with CPF as it was found to be more beneficial.
- b. Pension regulation contained a deadly provision of forfeiture of past service due to participation in a strike. (This provision was subsequently deleted in 2000). With the deletion of forfeiture of past service clause notified on 16.03.2000, the principle of natural justice demanded that the fresh option for pension should have been extended to those who have not opted for pension in 1993-95 but the basic principle of administration/good governance was not followed by the Banks. More ever the information about deletion of this 'forfeiture of service in case of strike' clause was not circulated by the banks willfully and with malaise intentions till date of notification on 16.03.2000.
- c. The Bank Employees Pension Regulations was implemented from 01.11.1993. The employees joining the banks on or after 01.11.1993 were compulsorily covered under the above Pension Regulation.

Thus, the leaders particularly leaders of AIBEA in connivance with IBA allowed creation of three distinct and separate Classes of Bank Employees i.e. 1. Employees of State Bank of India, Allahabad Bank and few other Banks which were getting Pension as third Retiral benefit, (2) Employees covered under above Pension Scheme in lieu of Contributory Provident Fund and (3) the employees who continued under CPF (Contributory Provident Fund). Such exercise was purposely done to break the unity of bank employees.

(88) That Chapter 3 of the aforesaid Regulations provide for provisions for Composition of the Pension Fund wherein Regulation 7 provides as under:

“The Fund shall consist of the following namely:-

The contribution by the Bank at the rate of ten per cent per month of the pay of the employee;

The accumulated contributions of the bank to the Provident Fund and interest accrued thereon up to the date of such transfer in respect of employees;

The amount consisting of contributions of the Bank along with interest refunded by employees who had retired before the notified date but who opt for pension in accordance with the provisions contained in these regulations.;

The investment in annuities or securities purchased out of the moneys of the Fund and interest thereon;

The amount of any capital gains arising from the capital assets of the Fund;

The additional annual contribution made by the Bank in accordance with the provisions contained in regulation 11 of these regulations;

Any income from investments of the amounts credited to the Fund

The amount consisting of contribution of the bank along with interest refunded by the family of the deceased employee”

From a perusal of above Regulation 7 of the Bank Employees Pension Regulation, it is clear that there is no provision for contribution of any amount by the employees other than the Bank's contribution to Provident Fund Account along with accrued interest thereon. Subsequent developments prove that employees were forced to contribute in the Pension Fund in utter violation of the mandatory provisions of Pension Regulations.

(89) That in terms of Regulation 11 of the Bank Employees Pension Regulations, it is mandatory for the individual member banks to cause an investigation to be made by an actuary into the financial condition of the fund every financial year on the 31st day of March and make such additional annual contributions to the Pension Fund as may be required to secure payment of benefits under these regulations. This regulation also does not envisage any contribution from the employees towards the pension fund and the entire responsibility of ensuring adequacy of funds solely rests on the individual banks.

(90) That in pursuance of the Pension Settlement dated 29.10.1993 and the Pension Regulations 1995, a number of employees opted for Pension and they became members of the Pension Scheme and they had to surrender only the Banks Contribution to the Provident Fund Account along with interest accrued thereon to the Pension Fund. As such from the employees who opted for Pension in the year 1993 and 1995, no amount other than Banks Contribution to Provident Fund Account along with accrued interest had been charged.

(91) That subsequent to the introduction of Pension Regulations, the bank employees had wage revisions on 14.02.1995 (6th BPS), 27.03.2000, (7th BPS), 02.06.2005 (8th BPS), 27.04.2010 (9th BPS) and 25.05.2015 (10th BPS) by way of Bipartite Settlements. During the 7th Bipartite Settlement, Indian Banks Association imposed that a share of the wage revision increases to be passed on to all the employees to augment the pension fund and the same was agreed to by these unions referred to above in utter violation of the Pension Regulations against the interest of bank employees as these Regulations don't envisage any contribution by the employees.

(92) That subsequently United Forum of Bank Unions kept raising demands for improvement in the pension scheme in their charter of demands with IBA in order to befool retired bank employees which is proved from the facts that instead of improving the pension scheme in Public Sector Banks as applicable to Central Govt. employees following distortions were created to the detriment and disadvantage of existing retirees as well as those employees who were going to retire in following years in Public Sector Banks through each BPS signed during 1997 to 2015.

DISTORTIONS DURING 7TH BIPARTITE SETTLEMENT

(93) That during the 7th BPS, the IBA pleaded that there is shortage in Pension Fund and accordingly it placed data before these leaders by which increased cost of pension was worked out to be 26.5%. After reducing the statutory contribution of 10% by the banks, these Negotiating Leaders agreed that balance of 16.5% would be shared between employees and the banks @ 8.25% + 8.25% (Fifty/Fifty). Thus from out of the wage revision offered, this pension fund gap was filled and the balance amount was offered as revised wages to the employees. Such sharing of Pension cost in utter violation of the Pension Regulations resulted in loss to both serving as well as retired employees. While Salary of the working employees was reduced by 8.25%, the pension of those retiring was also reduced. It is pertinent to note that even those who had opted for Contributory Provident Fund had to forego a portion of their wage revision for building up this pension fund as a result of connivance of the Indian Banks Association with the Negotiating Leaders.

(94) That scales for the existing employees were constructed with the merger of DA up to 1664 points of All India average consumer price index but for the retirees the pension was calculated with the merger of 1616 points of DA. Thus the pension of retirees who were eligible for full pension was reduced from 50% of Pay to 41%. This was in utter violation of Pension regulations because the Pension regulations prescribe the rate of pension to be 50% of average monthly emoluments for last ten months prior to retirement.

(95) That agreement was signed on 27.03.2000 which was effective from 01.11.1997. The employees retired during the period from 01.11.1997 to 27.03.2000 were denied the arrears of pension and also the difference of commutation amount due to difference in old and new basic pension. They were forced to give an undertaking that the pension on the revised scale will be paid only if the retirees will not claim the arrears of pension and commutation.

(96) **In the 7th settlement** D.A was paid at following rates:

- a. 0.24% of pay up to 7100/-plus
- b. 0.20% of pay above 7100/- and up to 11300/-plus
- c. 0.12% of pay above 11300/-

For the pensioners who retired in 7th settlement it was reduced by half from 1.5.2005 as under:

- a) 0.24% of pay up to 3550/- plus
- b) 0.20% of pay up to 5650/- plus
- c) 0.12% of pay up to 6010/- plus
- d) 0.06% of pay above 6010/-

It is not even half what was being paid. Have you ever heard reducing the Pension?

(97) That incremental cost of pension recovered from the employees as well as equal contribution by the bank was not deposited in the pension fund.

DISTORTION DURING 8TH BIPARTITE SETTLEMENT:

(98) That illegality of considering DA merger up to 1616 points for the purpose of pension calculation in the 7th BPS was rectified in VIII BPS signed on 02.06.2005. Again both IBA and UFBU committed the illegality of denying the arrears thereof and commutation difference to adversely affected past retirees.

(99) That Agreement was signed on 02.06.2005 which was effective from 01.11.2002. The employees retired during the period from 01.11.2002 to 02.06.2005 were denied the arrears of pension and also the difference of commutation amount due to difference in old and new basic pension. They were forced to give an undertaking that the pension on the revised scale will be paid only if the retirees will not claim the arrears of pension and commutation.

(100) That with an intention to deny the benefit of full pension the concept of incremental cost of pension introduced in 7th BPS by IBA and UFBU was continued in this settlement also and the additional cost of pension was calculated as 20.5% of the pensionable pay and employees forced to bear 9.25% of the incremental cost of pension, thus their revised per month wages was reduced by 9.25% resulting in payment of reduced pension. This was violation of pension regulations as the regulations do not have any provision of recovery of pension cost from the employees.

(101) That incremental cost of pension recovered from the employees (9.25%) as well as the 11.25% cost shared by the bank was not deposited in the pension fund by banks.

(102) That since the wages of both those who opted for contributory provident fund as well as those who opted for Pension were reduced (by 9.25% p.m.) to the extent of incremental cost of pension, whereas those who had opted for contributory provident fund were not entitled for pension benefit.

(103) That DA neutralization @100% was implemented w.e.f 01.02.2005 which should have been implemented from the date of settlement i.e. 01.11.2002. The benefit of 100% neutralization was also not illegally extended to retirees retired before 31.10.2002.

(104) **Not only this, the 8th settlement** created a new class of pensioner. All those who retired after 1.11.2002, were paid D.A @ 18% on full pay. No slab system as mentioned above. All those who retired before 1.11.2002 are still suffering the loss and appeals are pending in S.C.

DISTORTION DURING 9TH BIPARTITE SETTLEMENT

(105) That with an intention to deny the benefit of full pension the concept of incremental cost of pension introduced in 7th BPS by both IBA and UFBU continued in this settlement also and the additional cost of pension was calculated as 26% of the pensionable pay and employees were forced to bear 13.00% of the incremental cost of pension. Thus their revised wage per month was reduced by 13% resulting in payment of reduced pension. This was in utter violation of pension regulations as the regulations do not have any provision of recovery of pension cost from the employees.

(106) That incremental cost of pension recovered from the employees (13%) as well as the 13% cost shared by the bank was not deposited in the pension fund by banks.

(107) That wage of both i.e. those who opted for contributory provident fund as well as those who opted Pension were reduced (by 13% per month) to the extent of incremental cost of pension, whereas those who opted for contributory provident fund were not entitled to benefit of Pension.

TREACHERY IN THE NAME OF ANOTHER OPTION TO JOIN PENSION SCHEME TO BOTH SERVING AS WELL AS PAST RETIRED EMPLOYEES VIDE SETTLEMENT DATED 27.04.2010

(108) That on 27.04.2010, Indian Banks Association and different apex unions of the UFBU entered into a Pension Settlement under the provisions of Industrial Disputes (Central) Act, 1947 in respect of extending 2nd option of Pension to those employees who did not opt for Pension in the year 1993/1995 and had thus continued to remain a member of Contributory Provident Fund Scheme.

(109) That Clause 1 & 2 of the terms of the Pension Settlement dated 27.04.2010 provides the relevant provisions for opting Pension in respect of working employees as on the date of the Settlement. Relevant provisions of the terms of the settlement are quoted below:

“(1) All workmen employees who are in the service of the Bank as on date of this settlement who exercise option to join the Pension Scheme in terms of this

Settlement will contribute from their arrears on account of wage revision in terms of the Settlement between the parties dated 27.04.2010 an amount of Rs. 878 Crores towards their share in the amount of Rs. 1800 Crores offered by UFBU towards 30% of the estimated funding gap of Rs. 6000 Crores. The said amount was worked out @ 2.8 times of the revised pay for the month of November 2007 for individual workmen employees.”

- (110) That leaders of constituent unions under United Forum of Bank Employees informed that an actuarial valuation of liability by actuaries appointed by mutual consent was carried out and the funding gap was estimated at Rs 3115 Crores for retirees and families of retirees. As per pension settlement 30% of Rs 934.50 Crores was to be paid by the retirees and Rs 2180.50 Crores was to be borne by Banks.
- (111) That retirees were forced to bear 156% of their PF Balance received at the time of retirement. This amount varied from retiree to retiree depending upon their date of retirement but they were given pension from a future date i.e. 27.11.2009 irrespective of the date of their retirement.
- (112) That this created a distortion in as much as that an employee retired on 30.11.2007 had contributed 2.8 times of the revised pay as on 01.11.2007 but the employee retired on 31.10.2007 was forced to refund 1.56 times of his PF accumulation.
- (113) That against this pension settlement of 27-04-2010, as many as 17 Writ Petitions were filed in various High Courts throughout the country by various groups of bank employees, questioning the constitutional validity of this settlement as it violated the sacred principle of “Equality before the eyes of the law”. All these writ petitions were subsequently transferred to Hon’ble Supreme Court and Hon’ble Supreme Court has remanded back it to Hon’ble High Court where these are still pending.

TREACHERY WITH THOSE WHO HAD NOT YET JOINED THE BANKS AND WERE NOT MEMBERS OF ANY OF THE UNIONS NEGOTIATING AT APEX LEVEL

- (114) That by Clause 2 of the Pension Settlement, IBA and these unions excluded the employees who joined the service of the Bank on or after 01.04.2010. Provisions of Clause 2 of the Pension Settlement dated 27.04.2010 is reproduced here under for your perusal and understanding:

“2 (i) The Existing Pension Scheme will not be applicable to those who joined the service of the bank on or after 01.04.2010.

(ii) Workmen/Officers joining the service of the bank on or after 01.04.2010 shall be eligible for the Defined Contributory Pension Scheme, the Bank will be introducing for them. The Defined Contributory Pension Scheme proposed to be introduced for them will be one as governed by the provisions of New Pension

System introduced for employees of Central Government w.e.f. 01.01.2004 and as modified from time to time. The Scheme shall be regulated and administered by the Pension Fund Regulatory & Development Authority (PFRDA).

(iii) The workmen/officers joining the service of the bank on or after 01.04.2010 shall contribute 10% of Pay & Dearness Allowance towards the Defined Contributory Pension Scheme and the Bank shall make a matching contribution in respect of these officers.

(iv) There shall be no separate Provident Fund for officers/workmen joining service of Bank on or after 01.04.2010."

Thus from what is stated here in above, it is evidently and undoubtedly clear that Indian Banks Association in connivance with these leaders entered into an exclusive settlement in respect of those who were not in existence at that time and were not members of these Unions, while they had a better beneficial settlement for themselves. As such these unions were having no locus standi, right or mandate from those employees who were to enter into the services of the bank on 01.04.2010 and thereafter and as such it is bad in law.

Amortization of pension cost in 9th BPS

(115) RBI allowed the Banks to amortize their contribution of Rs 4200 Crores for serving employees and Rs 2180.50 Crores for retired employees over a period of - 5- years though the recovery from the employees and retirees was made in one go. Thus the Pension fund was deprived of interest on this amortized amount of Rs 6380.50 Crores for a period of -5- years.

DISTORTION DURING 10TH BIPARTITE SETTLEMENT SIGNED ON 25.05.2015 FOR THE PERIOD 01.11.2012 TO 31.10.2017

(116) That during 10th BPS IBA and UFBU agreed on wage hike of 15% of the pay-slip load components amounting to Rs 4725 Crores. Out of this 15%, only 2% amounting to Rs 597 Crores was used for construction of Basic Pay after merger of 4440 point of DA.

(117) That IBA and UFBU introduced a special allowance @7.75% to 11% of load factor with malafide intention to deny pensioner/retirement benefits to retirees and serving employees retiring during 01.11.2012 to 30.10.2017 with rider that superannuation benefits will not be available on this special allowance.

(118) That special allowance so introduced was not applicable for PF deduction and also for deduction under NPS.

(119) That distribution of agreed percentage increase in 7th BPS was 12.25% out of which 7.85% was used for construction of pay scales & DA. Similarly in 8th BPS 13.25% out of which 6.85% was used for construction of pay scales & DA and in

9th BPS, it was 17.25% out of which 16% was used for construction of pay scales and DA.

(120) That pension stand reduced from statutory 50% of average emoluments of past 10 months to 46.13% to 44.50% due to non counting special allowance for superannuation benefits. Accordingly the commutation amount also stands reduced. The extent of maximum loss of pension is Rs 6250/- per month as on date and loss of lesser commutation amount is Rs 183000/- .

(121) That for employees retired during 01.11.2012 to 25.05.2015, their pension stand reduced due to exclusion of special allowance for the purpose of pension. Such employees have been given option to go for lower commutation amount to avoid reduction in pension in violation of pension regulations because there is no provision to change the option once exercised by the retirees.

TREACHERY IN THE MATTER OF PROVIDING MEDICAL AID AND HOSPITALIZATION SCHEME FOR BOTH SERVING AS WELL AS WORKING EMPLOYEES

BACKGROUND:

It is respectfully submitted that both United Forum of Bank Employees and Indian Banks Association did not care for the health of bank employees once they get retired from the services of the banks. There were no enabling provisions under the Bipartite Settlement for reimbursement of Medical Expenses to retired bank employees and their dependents for treatment of various deceases. It is to be recalled that Banks formulated and introduced facility of "reimbursement of medical expenses to retired whole time Directors of the Bank (Chairman & Managing Director, Executive Director) on the board of the banks w.e.f. 01.04.2005. Circulars were issued in Public Sector Banks in this regard in the year 2007.

Late Sri J. K. Sawhney, the then General Secretary of All India PNB Workers Federation affiliated to INBEF filed Civil Writ Petition No. 6744/2007 praying formulation of scheme for reimbursement of hospitalization expenses to retired bank employees and their dependent family members as has been given to whole time directors of the bank post retirement with effect from 01.01.2005. While dismissing the said writ petition, Hon'ble Delhi High Court made following remarks:

(a) "...Thus, the question to be addressed by the trade unions and management of various banks is:

Why so far and on what grounds, no provision has been made to grant medical reimbursement to the retired employees of banking industry.

(b) Undoubtedly at the same time, it is sacred obligation of any employer in a Welfare State to adequately take care of medical facilities of its employees. It is a Constitutional obligation of the state under Article 21 of the Constitution of India to safeguard the right to life of every person and such right to life is a right to lead

healthy life and not a life of mere animal existence. Grant of Medical Facilities, therefore, is a fundamental right to protect one's health and such facilities should not be denied by Government to a Government Servant after retirement. **So far banking industry is concerned, a duty is cast upon them as well to take care of medical facilities of their employees even after their retirement. Hence, it will be for the bank employees and the management of the banks to sit together and decide how best such medical facilities can be extended to retired employees."**

As negotiations for the 9th Bipartite Settlement at the Industry Level were going on when the said Judgment was delivered, the copies of the orders of Hon'ble High Court were sent to all the constituent unions of United Forum of Bank Employees requesting them to press demand before Indian Banks Association but UFBU paid no attention on the demand and the Orders passed by Hon'ble Delhi High Court. When no provisions with regard to reimbursement of Medical Expenses to retired employees were found mentioned in 9th Bipartite Settlement, Late Sri Sawhney challenged the Orders of Single Judge of Hon'ble High Court before Division Bench making Union of India, Ministry of Finance, Banking Division, Indian Banks Association and United Forum of Bank Unions as necessary parties. However, the said writ petition also got dismissed upholding the judgment of Hon'ble Single Judge.

Thereafter, Late Sri Sawhney moved to Hon'ble Supreme Court and Hon'ble Supreme Court of India had issued notices vide Special Leave Petition No. 18757 of 2011 titled J. K. Sawhney vs. Union of India and others in the matter of framing of policy of reimbursement of medical expenses to retired employees of the bank as paid to serving employees.

TREACHERY WITH RETIRED BANK EMPLOYEES THROUGH MEDICAL INSURANCE SCHEME VIDE SETTLEMENT DATED 25.05.2015

Above developments forced IBA and UFBU to look for providing reimbursement of medical expenses for the retired employees. According they enter into a sinister deal, they decided to pass on the reimbursement of Medical Expenses on retired employees by providing Medical Insurance Scheme in Bipartite Settlement dated 25.05.2015 to cover both serving as well as existing retired officers/ employees of the Banks and dependent spouse subject to payment of stipulated premium by them. As part of this sinister deal, services of a reinsurance broker viz. K. M. Dasture Reinsurance Broker Pvt. Ltd. were hired to extend the Medical Insurance Scheme with leading Insurer United India Insurance Co. Ltd. Initially, the Scheme provided as under:

INSURED AMOUNT	PREMIUM FOR EXISTING /RETIRED EMPLOYEES
RS 3 LAC	RS 6520 P.A.
RS 4 LACS	RS 7493 P.A.

As per the scheme given in Schedule IV of the Bipartite Settlement dated 25.05.2015, premium for serving employees were born by the banks whereas for retired employees, they

were required to make payment of above premium for both Cashless Hospitalization and Domiciliary treatment. As per Data published by UFBU revealed that Rs. 379 Crores was paid as Premium for 6, 50,000 serving employees and Rs. 123 Crores Premium has been paid by 2,05,000 retired employees during the fiscal year ending March 2016.

A CLOSE SCRUTINY REVEALS THE FOLLOWING IRREGULARITIES IN IMPLEMENTING THE ABOVE SCHEME:

- (1) The Indian Banks Association appointed M/s K. M. Dasture Reinsurance Broker Pvt. Ltd. as consultant purely on Adhoc basis without the mandatory requirement of inviting Tenders as laid down by Central Vigilance Commission (CVC) in its Circular No. 3L.PRC.1 dated 12.11.1982 and reiterated in Office Memorandum No. OFF 1 CTE 1 dated 25 November 2002.
- (2) The Indian Banks Association extended the Contract of Rs. 502 Crores (Rs. 379 + 123=502) as discussed above to United India Insurance Co. without following the mandatory Tender Procedure laid down by Central Vigilance Commission through its guidelines.
- (3) The United India Insurance Co. subsequently altered the terms of policy unilaterally by withdrawing the benefit of Domiciliary Treatment for retired bank employees. Indian Banks Association instead of cancelling the whole policy and initiating action against United India Insurance Co. for such unilateral and arbitrary change in terms and conditions in the Policy resulting into hostile discrimination between the serving employees and retired bank employees who are Senior Citizens and treating them differently even when the premium paid was identical.
- (4) That in order to forfeit the basic aim for providing reimbursement of medical expenses for retired employees and with a view to discourage retired employees, IBA and UFBU indulge into hostile discrimination by treating serving and retired employees differently by providing for uniform Premium for both but differing in terms of coverage. While coverage for retired employee includes self and spouse (Two Persons), coverage for serving employees include self, spouse and two children (2+2 persons).
- (5) That it is worth mentioning that another Public Sector Insurance Company viz. National Insurance Co. is offering similar insurance scheme through Bank of Baroda titled Baroda Health wherein the Premium for above coverage of Rs. 3 and 4 Lacs is as under:

INSURANCE COVER	PREMIUM UP TO 65 AGE	PREMIUM ABOVE 65 AGE
3 LAKH	RS. 4824	RS. 6030
4 LAKH	RS. 6018	RS. 7523

Similar products are available for customers of all Public Sector Banks. Thus, when an individual Public Sector Bank can and is able to negotiate with a Public Sector Insurance Co. to provide insurance cover to its customers at much lower premium, it creates serious doubts on both IBA and UFBU who could not arrange Insurance Cover for retired bank employees at more attractive and cheaper premium while taking credit of providing for reimbursement of medical expenses of retired employees.

- (6) That it is clear from the above tables that for 6,50,000 serving employees who are below the age of 60 years, Banks have paid 16.50% higher premium for 3 Lakh Insurance Cover and 24.50% higher premium for Rs. 4 Lakh coverage. Similarly, Retired Bank Employees up to the age of 65 years have been forced to pay higher premium. We fail to understand the rationale behind fixing higher premium specially when it is well known that for group insurance, the premium is substantially lower.
- (7) That in the Policy issued by Lead Insurer Indian Banks Association has been named as "insured" and the policy title bears the name of concerned Public Sector Bank for example "IBA A/c Canara Bank". Now a question arises as to whether IBA has been registered as Insurance Intermediary with IRDA as per requirement of the Law?
- (8) That details as to whether of Premium Discount offered to the group has been passed on to group members has not been disclosed. It is pertinent to know that Government of Punjab is offering similar health scheme of Rs. 3 Lakh Coverage to its employees and Pensioners by selecting Oriental Insurance Co. Ltd. through the process of inviting tenders at much lower premium and much wider coverage. Even Government of Tamilnadu implemented Health Insurance Scheme for their employees including Public Sector Undertakings. The United India Insurance Co., for covering Cashless Insurance Cover for Rs. 4 Lakh per family quoted very low premium of Rs. 1860 P.A. for the period 2012 to 2016.
- (9) That even Health Insurance Scheme offered by Government of India with the help of State Governments named as Pradhan Mantri Jan Arogya Yojna (PM-JAY) is much more attractive than the group insurance offered by Indian Banks Association for retired bank employees offering Rs. 5 Lakh cover at Rs. 1,110/ per family.

From the above, it is undoubtedly clear that Banks have failed to discharge their obligations towards their retired employees who have put in so many years of service by providing for their health. All that have been done is that they have been provided a Group Insurance Scheme, the premium of which has to be borne by retired employees themselves and that too at comparatively much higher rate as can be seen from the facts mentioned above.

RECENT DEVELOPMENTS WHICH HAVE FORCED WE BANKERS TO RESORT TO AGITATION:

- (1) That Bank Employees have experienced the system of Collective Bargaining through the process of negotiations ever since First Bipartite Settlement got signed on 19.10.1966. They have also experienced as to how an ideal system of

resolving the issues through bilateral negotiations without third party intervention can cause more harm than providing benefits because of defects of lack of democracy, transparency, responsibility and accountability and concentration of power and authority into a handful of persons.

- (2) That defects which have crept into present system of collective bargaining are such which can't be resolved immediately. These defects require detailed investigation by Government of India, Ministry of Labour and resolution by introducing reforms.
- (3) That Bank Employees have been subjected to 10 Bipartite Settlements so far and have gone through from a respectable position to worst position in the society. The 10th Bipartite Settlement/Joint Note was signed by the Indian Banks' Association with the Employees Unions and Officers Organizations in the Banks on 25-05-2015 covering revision of wages and improvements in other service conditions for the period from 1-11-2012 to 31-10-2017 and the operation of the said Settlement/Joint Note was to end by 31-10-2017.
- (4) That Bank Employees had the aspirations that United Forum of Bank Unions/Associations representing them would learn lessons from their mistakes and failures and would strive to take the bank employees to the position which they were enjoying prior to 1979.
- (5) That constituent Unions and Associations of United Forum of Bank Unions submitted common Charter of Demands to the Indian Banks Association in February, 2017 and May, 2017 with a plea to the IBA to take up the demands for discussions and early resolution so that the revised pay scales, allowances and service conditions can be implemented from the due date i.e. 1-11-2017.
- (6) That whereas the constituent Unions representing workmen submitted their common Charter of Demands in traditional style demanding percentage increase in Salary, the constituent Associations representing Officers submitted their common charter of demands demanding revision of Salary and other financial benefits on the basis of Minimum Wage Formula applied by the Central Pay Commission.
- (7) That Department of Financial Services, Ministry of Finance, Government of India advised all the Banks as well the Indian Banks Association to initiate the process of wage revision and conclude it prior to the effective date i.e. 1-11-2017 and having regard to avoid the delay in arriving at a settlement, the Department of Financial Services, Ministry of Finance, Government of India reminded the Banks and IBA several times with their reminder communications to complete the wage revision process without delay. These actions on the part of Department of Financial Services generated hope amongst bank employees that this time their Salary would be revised before the period of operation of 10th Bipartite Settlement.
- (8) That IBA commenced the discussions with United Forum of Bank Unions on 02.05.2017 with the assurance that the discussions would be completed by

October, 2017 and since then Negotiating Committee of the IBA has held negotiations with the Unions on several dates.

- (9) That instead of adopting a firm stand and demanding equality in the matter of Salary, Pension and number of days per week working at par with Central Government Employees, United Forum of Bank Unions started pleading with the IBA to make their offer on the extent of wage revision that would be offered by the IBA and IBA kept on avoiding the issue and never made any offer on the question of wage increase even though discussions have taken place on other non-financial demands of the United Forum of Bank Unions and during the negotiations held on 27-10-2017 the IBA assured that they would hold the next meeting of the Negotiating Committee shortly and would make their offer.
- (10) That thereafter negotiations were never called by the IBA and UFBU instead of pressurizing the IBA gave call for All India Strike on 15.03.2018 in February, 2018 and this is how the old game of giving one-two day strike call for playing the game of percentage increase in salary again started thereby causing financial loss to the Bank Employees by way of salary deduction for the period of Strike and helping employer banks financially through reduced expenses on account of deduction in salary.
- (11) That after the aforesaid call for All India Strike, IBA invited the United Forum of Bank Unions for further negotiations on 21.02.2018. However, suddenly, on the plea of developments relating to Nirav Modi fraud in Punjab National Bank, the IBA cancelled this meeting proposed for 21.02.2018.
- (12) That such exasperating and frustrating delay in negotiations generated dissatisfaction and anguish amongst Bank Employees because they had witnessed such delaying tactics in the past for the sole motive of collective huge amount by way of levy on the arrears of wage increase by the Unions.
- (13) That Bank Employees wanted United Forum of Bank Unions to take firm stand forcing IBA and the Government to resolve the issue of Salary revision expeditiously but United Forum of Bank Unions instead of acting as per aspirations of Bank Employees, kept on ignoring their sentiments by willfully delaying the process of salary revision.
- (14) That United Forum of Bank Unions decided to stage a Dharna on 21.03.2018 at Parliament Street, New Delhi as part of their drama of displaying eagerness for early revision of Salary.
- (15) That since We Bankers was aware of this drama, it also gave call for Dharna on the same date i.e. 21.03.2018 at the same place appealing Bank Employees to draw a parallel line across the line of UFBU to show their anger on the drama being played by United Forum of Bank Unions. The Bank Employees responded to the call of We Bankers enthusiastically and participated in Dharna of We Bankers in

such numbers which was many times the number of employees participating in Dharna of UFBU.

- (16) That presence of large number of Bank Employees at the Dharna of We Bankers was a signal and warning for the Leaders of United Forum of Bank Employees about the growing dissatisfaction and anguish of Bank Employees for ignoring the just demand of Equality and Parity in Salary, Pension and number of days per week working. The crusaders of We Bankers invited Leaders of United Forum of Bank Unions with respect to speak from the Dias of We Bankers and express their difficulties in demanding equality and parity. The Leadership of United Forum of Bank Unions avoided and neglected the frequent requests of crusaders of We Bankers.
- (17) That thereafter IBA invited the United Forum of Bank Unions for negotiations on 05.05.2018 and during the course of negotiations, making fun of just and reasonable demands of Bank Employees **IBA made an offer of 2% hike in the wage bill cost as on 31-3-2017 and IBA adamantly maintained that the negotiations on officers demands would be restricted up to Scale III officers only.** In order to substantiate their offer, IBA stated that the financial positio of Banks are not conducive to offer better wage revision and that the Banks profits have been eroded in the recent years.
- (18) That the offer made by IBA hit the dignity and self respect of Bank Employees badly as such offer had relegated their position to that of a beggar. Had leadership of United Forum of Bank Unions a little bit concern about the sentiments of bank employees, it would have boiled them with anger forcing them to give call for indefinite strike. But to great surprise and dismay of Bank Employees, these leaders of United Forum of Bank Employees did not behave in a manner they should have. Such attitude on the part of Leaders of United Forum of Bank Unions representing Lacs of Bank Employees raises serious doubts about their honest intentions.
- (19) That in between serious differences surfaced amongst the constituent Unions and Associations of United Forum of Bank Employees with AIBOC representing largest number of Bank Officers with NOBO decided to keep itself out of negotiations till mandate issue of covering Officers up to Scale VII is not resolved. The AIBOC and NOBO started talking revision of Salary on the basis of minimum wage formula applied by Central Pay Commission.
- (20) That subsequently Indian National Bank Employees Federation (INBEF) published a booklet "INBEF KI AWAJ" highlighting various mistakes committed by United Forum of Bank Unions over the years and describing the present position of Bank Employees in comparison to employees of Central Government, Life Insurance Corporation of India etc. requesting leadership of United Forum of Bank Unions to think about these mistakes and come out with a solution for placing the

bank employees in a respectful position. INBEF even offered reduction of span of pay scales by 5 years with automatic career progression.

(21) That under this backdrop IBA last invited United Forum of Bank Unions for negotiations on 29.08.2019. The two Officers Associations viz. AIBOC and NOBO which were henceforth boycotting the negotiations also decided to participate in Negotiations. This generated fresh hope amongst bank employees that at least now leadership of United Forum of Bank Employees would rise to the occasion demanding equality in Salary, Pension and number of days per week working at par with Central Government Employees. However, these hopes and aspirations soon disappeared when Indian Banks Association placed pre-condition for accepting Performance Linked Pay/Incentive for further negotiations and these leaders of United Forum of Bank Unions did not react in a manner they should have.

It is respectfully submitted that above situation has created volcanic situation in banking industry. There is growing resentment amongst the banks employees in general and young bank employees in particular over the way the drama of negotiation is being staged at the apex level. Under these circumstances, bank employees particularly young bank employees who have joined banking industry on or 01.04.2010 and thereafter have decided to lead from the front in an organized manner irrespective of their cadre or union affiliation.

It has been unanimously decided in the meeting of the representatives of the employees that all out efforts would be made for resolution of issues relating to bank employees in peaceful manner and involvement of Chief Labour Commissioner would also be sought. Representatives have been duly elected as per the requirement of the Industrial Disputes Act and it has been further resolved that in the event of Indian Banks Association and these leaders still fail in acceding to our demands, we will have no other alternative but to resorting the agitation which include indefinite strike from January 1, 2020 and for taking approval of Indefinite Strike, a convention of bank employees would be convened in November 2019.

Sir, main purpose of collective bargaining by means of negotiations is to maintain industrial peace and harmony. From what is stated here in above, it is evidently clear that the manner in which negotiations are going on is creating more unrest amongst the bank employees than ensuring industrial peace and harmony. If these negotiations are not stopped forthwith and these leaders having no authority and mandate from bank employees are allowed to enter into a settlement in connivance with Indian Banks Association against the expectations, wishes and aspirations of bank employees then there will be growing dissatisfaction, anger, anguish and frustration among bank employees and industrial peace and harmony would get disturbed in high magnitude.

We, therefore, most respectfully request to kindly seize the matter into immediate conciliation proceedings **invoking the provisions of Section 33 of the Industrial Disputes Act, 1947** and instruct the Indian Banks Association and United Forum of Bank Unions not to negotiate for and on behalf of bank employees because of the

absence of authority and mandate from bank employees during the course of investigation of the Industrial Dispute by the Hon'ble Authority. We also request you not to entertain or give your stamp of approval for any Settlement likely to be entered into between the IBA & the said constituent Unions/Associations of United Forum of Bank Employees with nefarious attempt to get it registered as valid settlement under Sec. 2 (p) of the ID Act, as we have a reasonable apprehension that any such Settlement likely to be entered behind our back is bound to be in utter violation of our rights to natural justice and our fundamental rights as enshrined in the Constitution.

For meaningful and purposeful immediate resolution of the industrial dispute, we demand, the representatives of constituent Unions/Associations of United Forum of Bank Unions may also be invited for conciliation proceedings for the purpose of investigation of the Dispute by the Hon'ble Authority and providing opportunity to all concerned involved in the dispute in the best interest of equity, justice, fair play and with a view to maintain industrial peace and harmony in banking industry. For the sake of convenience, we have given at the beginning the names and addresses of representatives of constituent Unions/Association of United Forum of Bank Employees.

We are confident that machinery provided under the mandatory provisions of Industrial Disputes Act, 1947 would discharge its functions and duties in an impartial and just manner with a view to find amicable solution of the grievances of bank employees.

Yours Sincerely,

(ASHISH MISHRA)
General Secretary