



NATIONAL CONFEDERATION OF BANK EMPLOYEES

(Registered Under the Trade Unions Act 1926 - Registration No. B-2334)

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CIRCULAR NO: 03

Date: 18.01.2025

TO ALL AFFILIATES,

Dear Comrades,

UNITED FORUM OF BANK UNIONS MEETING HELD AT CHENNAI

We wish to inform all the affiliates, that the meeting of all constituent units of United Forum of Bank Unions was held on 11.12.2024 at Hotel Southern Comfort, Chennai as per the notice issued by Com. Sanjeev Kumar Bandlish, Convenor, UFBU. The meeting discussed various important issues concerning and confronting the bank employees and officers.

The following agenda were taken up for discussion:

- a) Residual Issues with IBA – follow-up
- b) Recent guidelines from DFS
- c) Adequate recruitment in Banks
- d) Additional Special Pay with superannuation benefits given in SBI for officers vis-à-vis Special allowance in Banks without superannuation benefits
- e) Deciding a New Convenor of UFBU
- f) Any other matter with the permission of the Chair

Residual Issues with IBA:

All the constituents of UFBU expressed their dismay that many issues are pending with the Indian Banks Association (IBA) and that the IBA has not taken proactive steps to resolve the same.

Recent Guidelines from DFS

Periodic Review of Employees: The Department of Financial Services vide letter No.4/1/22/2015-IR dated 26.09.2024 advised PSBs to conduct periodic review of the performance of employees as per the extant provisions and the schedule specified in Department of Personnel & Training (DoP&T's) O.M. No. 25013/03/2017-Estt.A-IV dated 28.08.2020, regarding periodic review of employees and provisions relating to pre-mature retirement in the Fundamental Rules and CCS (Pension) Rules, 1972. This directive is nothing but an example of micromanagement by the Government in the internal affairs of the Bank.

Transfer policy: The Department of Financial Services vide letter No.4/1/2/2024-IR dated 26.11.2024 advised Public Sector Banks for review of the Transfer Policy. This directive undermines the autonomy of Public Sector Banks, which is vital for their effective governance and functioning. The intervention of DFS in this matter is unnecessary and constitutes micromanagement of autonomous entities. Such actions will disrupt the harmonious relationship between management and employees Unions/Associations, which is essential for the efficient functioning of PSBs.

Adequate Recruitment in Banks

Over the years, attrition due to retirements has outpaced new recruitments, leading to staff shortages. Many senior employees, who joined PSBs during mass recruitment drives in the 1980s and 1990s, are now retiring. With an increasing customer base and the expansion of digital banking, existing employees are under immense pressure due to inadequate staffing. The workload imbalance negatively impacts customer service and employee well-being, leading to higher stress levels and sometimes a decline in operational efficiency. Government initiatives like financial inclusion (Jan Dhan Yojana), the expansion of rural branches, and schemes like Mudra loans have significantly increased banking activities. Between FY14 and FY24, state-owned banks saw their employee strength shrink from 842,813 to 764,679, while private banks more than doubled theirs, from 303,856 to 846,530. This stark divergence highlights the acute shortage of clerical and subordinate staff in public sector banks. During this period, public sector banks also faced significant mergers, reducing their number to 12, while private banks expanded to 21. This downsizing has disproportionately affected the “workmen” category, with numbers plummeting from 333,583 to 246,965, while private banks increased their officer numbers by over half a million. The gap in workforce structure has caused a considerable operational strain, with fewer staff expected to meet the same, if not higher, demand for services. Adequate recruitment in the clerical and subordinate cadre in all public sector banks including State Bank of India is essential to handle the rising volume of work, especially in rural and semi-urban branches.

Additional Special Pay with Superannuation Benefits given to SBI Officers

The introduction of Special Pay to officers in SBI is over and above the wage revision cost which would adversely affect the relativity, which needs to be maintained, in the benefits offered to various cadres of employees of the Banking Industry. It is important to note that eligibility of Special Pay for workmen staff and the subsequent improvements thereto were agreed upon at the Industry level as compensation towards the assignment of higher capabilities, additional working hours, duties and responsibilities. The introduction of Special Pay to Officers of SBI after the conclusion of the bipartite settlement has affected the relativity of benefits, between the workmen and officers, maintained all these years in the Banking Industry. The unreasonable, unjustified and biased approach of the Bank in providing the said benefit, over and above the benefits under the wage revision, would undoubtedly create ramifications not only in State Bank of India but also at the industry level.

Deciding a New Convenor for UFBU

As a consensus could not be reached on the election of a new UFBU convenor, the meeting will be reconvened shortly to finalise the decision.

Any other matter with the permission of the chair

The issues outlined below have been discussed at length by all the constituents of UFBU

- Filling of the workmen/officer director in PSBs.
- Amendment to Gratuity Act at par with Central Government employees
- DA scheme for all pensioners to be at the uniform Index of 8088 points i.e. Change of Base Year from (1960 = 100) series to (2016 = 100) series to all pensioners
- 5-day banking
- Restoration of Old Pension Scheme
- Skewed Payment of 5 days of Performance Linked Incentive (PLI) to Indian Overseas Bank Employees, despite 13.83% Operating Profit

The meeting concluded by lunchtime. The Constituents of UFBU, after due deliberations on the issues confronting the Banking Industry, have decided to short-list the issues, set

agenda for clinching long pending residual issues in time bound manner and to protect the hard-earned bilateralism in the Banking Industry.

DEMANDS:

- a) Adequate Recruitment in all cadres
- b) Implementation of 5-Day Banking
- c) Resolving pending residual issues
- d) Withdraw recent Government guidelines on PLI – Violation of 8th Joint note
- e) Stop Micromanagement of PSB's
- f) Safety of Bank officials/staff against assault/abuse by customers
- g) Filling the workmen/officer director in PSBs
- h) Amendment to Gratuity Act at par with Central Government employees with tax exemption
- i) Special Pay to be extended to all workmen and officers in the industry level at par with officers in SBI.
- j) DA Scheme for all pensioners to be at the uniform index of 8088 points vis-a-vis Change of Base Year from (1960 = 100) series to (2016 = 100) series to all pensioners


AGITATIONAL PROGRAMMES:

- a) Meeting of State Level Constituents
- b) Demonstrations
- c) Badge Wearing
- d) Memorandum to MP, MLAs, Honourable State Governors and Honourable State Chief Ministers
- e) Postering Campaign
- f) Dharna Before Parliament
- g) Strike date to be advised by consulting all the UFBU Constituents

We are confident in the strength of the UFBU and all the constituents together will address the aforementioned issues and achieve success under the banner of UFBU.

With revolutionary greetings,

Yours Comradely,



**(L. CHANDRASEKHAR)
GENERAL SECRETARY**

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UNITED FORUM OF BANK UNIONS	ZINDABAD
OUR SOLIDARITY	ZINDABAD
OUR UNITY	ZINDABAD
INQUILAB	ZINDABAD