

# **UNITED FORUM OF BANK UNIONS**

## **(AIBEA-AIBOC-NCBE-AIBOA-BEFI-INBEF-INBOC-NOBW-NOBO)**

**UFBU/2026/LTR-1**

**Date : 16-1-2026**

**Chief Labour Commissioner (Central),**

Ministry of Labour,  
Office of the CLC,  
Shrameva Jayate Building,  
Sector 10, Dwarka,  
New Delhi 110075

**Dear Sir,**

**Reg: Complaint in anticipation of Unfair Labour Practices by Banks in connection with Strike Notice dated 08.01.2026 – Request for Immediate Direction to IBA to Advise Banks to Desist from such Unlawful Acts**

We, the United Forum of Bank Unions (UFBU), an umbrella organization of nine constituent unions representing more than seven lakh fifty thousand Bank Employees/Officers, submit this complaint in anticipation of imminent unfair labour practices being resorted to by certain banks in connection with our lawful strike action for which due notice has already been served.

### **Chronology and Background**

**On 07.12.2023:** A Memorandum of Understanding was signed between the Indian Banks' Association (IBA) and UFBU, pursuant to which the demand relating to implementation of a 5-Day Work Week in the Banking Industry and declaring the remaining Saturdays as Bank Holidays was recommended by IBA for Government approval.

**On 08.03.2024:** The above understanding was further provided in the Settlement/Joint Note dated 08.03.2024.

**On 21.03.2025 (Conciliation Meeting under your esteemed office):** The issue of Unfair Labour Practice in the Banking Industry was specifically discussed, and we take cognizance of your office's good advice for filing of complaints forcing appropriate legal action in such matters.

**On 08.01.2026:** UFBU duly served a Strike Notice in FORM-L, notifying that members of all nine constituent unions propose to go on STRIKE from the midnight of 26th January, 2026 to the midnight of 27th January, 2026, demanding approval of the Government for implementation of 5-Day Work Week in the Banking Industry and declaring the remaining Saturdays as Bank Holidays, as recommended by IBA based on the Memorandum of Understanding signed between IBA and UFBU on 07.12.2023, and as further provided in the Settlement/Joint Note dated 08.03.2024.

## **Present Situation and Anticipated Unfair Labour Practice**

Based on past experience and reliable information, we have strong reason to believe that certain banks are preparing to issue threatening letters/communications to officers in Scale IV and above, designating them as belonging to a so-called "Senior Management Cadre", invoking Section 36 AD of the Banking Regulation Act, 1949, with the mala fide intent to intimidate them from participating in the lawful strike action and from exercising their constitutional right to association.

We submit that such anticipated action is in direct contravention of the discussions and the context recorded in the conciliation proceedings held on 21.03.2025 under your esteemed office, wherein the issue of Unfair Labour Practice was specifically discussed.

It is also relevant that officers up to Scale V in many banks, and up to Scale VII in some others, are regular members of our organization, contributing subscriptions and taking active part in our collective programmes and representatives' forums. Denying these members their right to participate in strike actions, while continuing to treat them as association members for all other purposes and while they are governed by the same service conditions, is illogical and strikes at the root of trade union democracy. It creates an artificial division within the officer community, undermines the unity of the workforce, and contradicts the principles on which industrial relations in the banking sector have been built.

## **Legal and Procedural Position**

We categorically submit that any invocation of Section 36 AD of the Banking Regulation Act, 1949 against officers participating in lawful trade union activities is wholly misconceived and legally untenable, and amounts to gross misuse of statutory provisions.

Section 36 AD states:

"(1) No person shall, (a) Obstruct any person from lawfully entering or leaving any office or place of business of a banking company or from carrying on any business there, or (b) hold, within the office or place of business of any banking company, any demonstration which is violent or which prevents, or is calculated to prevent, the transaction of normal business by the banking company, or (c) act in any manner calculated to undermine the confidence of the depositors in the banking company."

The phrase "no person shall" is unequivocally general in its application and cannot be selectively enforced against officers in isolation from other employees. Where an action constitutes a collective endeavour involving all categories of staff, any differential treatment of specific segments amounts to impermissible discrimination and victimization, contravening principles of equity and natural justice.

Participation in peaceful strikes, conducted in strict adherence to due process, does not amount to "obstruction" of entry or exit. This is demonstrated by the routine ability of top executives and other personnel to access offices and carry

out work on strike days, evidencing the absence of any genuine impediment to movement or operations.

The provision in question pertains solely to demonstrations that are violent or that actively prevent the normal conduct of business. The history of banking trade unionism in India bears evidence to our activities as consistently peaceful and non-violent, aligning with democratic norms and legal safeguards.

Advocacy for legitimate service conditions and the faithful implementation of agreed settlements cannot reasonably be interpreted as undermining depositor confidence. On the contrary, such union efforts are designed to safeguard the long-term interests of banks, their employees, and all stakeholders by fostering stable and equitable industrial relations.

Further, Section 36 AD (2) explicitly limits applicability to instances absent a "reasonable excuse." Legitimate trade union activities, undertaken with proper notice, participation in conciliation proceedings, and adherence to statutory protocols, constitute such reasonable excuse.

### **Parliamentary and Governmental Context (as already on record)**

The historical background of Section 36 AD is extremely relevant. When this provision was inserted through the Banking Laws (Amendment) Act, 1968 and opposed by trade unions, the Committee on Petitions of the 4th Lok Sabha observed in its 6th Report at Para 3.53:

***"The Committee would, however, like to emphasise that while applying these provisions it should be ensured that genuine trade union activities do not receive any set back and also the bank employees are not harassed in any manner."***

The Government accepted these recommendations, as stated in the 5th Report (5th Lok Sabha) on Action Taken:

*"The Ministry of Finance (Department of Banking) in their communication, dated the 12th March, 1970 stated that the Government accepts the recommendations of the Committee. The Reserve Bank of India has been requested to bring the recommendation to the notice of the banks for their guidance."*

Further, Shri Panampalli Govinda Menon, the then Law Minister, stated in Parliament on 24.03.1970 that "the Government had accepted the recommendations of the Committee on Petitions, and RBI had been advised to write to the Banks not to invoke Section 36 AD of the Banking Companies (Regulations) Act."

The Finance Minister, Shri K.C. Pant, stated on the floor of Rajya Sabha:

***"It does not deal with labour-management relations... nor does it affect legitimate trade union rights. It does not prohibit lawful strikes and other legitimate and peaceful methods of ventilating grievances... There is no infringement in rights to carry on legitimate trade union activity under this section nor even a curb on peaceful picketing."***

## **Constitutional and Industrial Disputes Act Position**

Article 19(1)(c) of the Constitution of India guarantees to all citizens "the right to form associations or unions." Any attempt by banks to intimidate or prevent SMGS-IV and V officials from participating in legitimate trade union activities constitutes an unconstitutional subversion of this fundamental right.

Such acts constitute Unfair Labour Practice as defined under Section 25(T) read with Schedule V of the Industrial Disputes Act, 1947, particularly where management interferes with, restrains, or coerces employees in the free exercise of their rights to organize, form, join, or assist a trade union, or threatens discharge/dismissal/adverse action for union activity, or discriminates against employees on account of union involvement.

We also recall the proceedings before the Chief Labour Commissioner (Central) during the conciliation meetings held on 21.03.2025 between UFBU and IBA, wherein discussions reaffirmed the representative character of recognized unions across officer scales. The attempt to now impose cadre-based restrictions negates the understanding reached in those conciliatory meetings and exposes the concerned banks to allegations of unfair labour practice.

As the designated negotiating body under the established bipartite system, IBA bears the responsibility to uphold the principles embedded in the Joint Notes and settlements signed with Employees'/Officers' Associations, including the 12th Bipartite Settlement/9th Joint Note, which recognizes the legitimate role of employees'/officers' associations in representing members across grades. The current practice of excluding sections of officers from exercising their collective rights is regressive and inconsistent with the spirit of these agreements.

In the light of the above facts, we urge immediate withdrawal of all communications and circulars prohibiting officers in Scale IV and above from participating in organisational strike actions.

## **Our Request for Immediate Intervention and Directions**

In view of the foregoing facts, circumstances, and the imminent threat of Unfair Labour Practice in connection with the lawful strike scheduled for 27th January, 2026, we most respectfully but firmly pray that your esteemed office may be pleased to:

1. Apprise the appropriate authority urging them to take immediate cognizance of this complaint and formally register it under Section 25(T) of the Industrial Disputes Act, 1947, in line with the advice tendered during the Conciliation Meeting held on 21.03.2025.
2. Issue forthright directions to the Indian Banks' Association (IBA) to promptly instruct all member banks to cease and desist from issuing any threatening letters or communications invoking Section 36 AD of the Banking Regulation Act, 1949, against employees and officers for participation in lawful strike action.

3. Direct all concerned banks to unconditionally withdraw any such letters or communications already issued, thereby rectifying the overreach and restoring compliance with statutory norms.
4. Explicitly warn the banks that any continued or future violations will attract stringent action as prescribed under the Industrial Disputes Act, 1947.
5. Mandate IBA to widely circulate the Parliamentary Committee's recommendations—along with the Government's formal acceptance thereof—to all member banks, ensuring strict and immediate compliance across the sector.

Further, UFBU reserves all legal and constitutional rights to challenge this discriminatory and unconstitutional practice before competent judicial and industrial forums if it continues. We demand that IBA and concerned banks forthwith stop this practice and issue written confirmation affirming that every officer who is a member of a recognized association enjoys equal rights in all collective activities, irrespective of grade or scale. Failing this, UFBU will be compelled to escalate the matter before the Ministry of Labour & Employment, the Department of Financial Services, and other appropriate authorities to ensure that the constitutional and trade union rights of employees/officers are protected in full measure.

It has always been our earnest desire to have congenial and cordial industrial relations in the banking industry. However, the continuing and anticipated unconstitutional and unfair labour practice in connection with the lawful strike action has compelled us to approach your esteemed office for immediate intervention and direction to IBA to advise banks to desist from such unlawful acts.

Thanking you,

Yours sincerely,

**AIBEA**

**AIBOC**

**NCBE**

**AIBOA**

**BEFI**

**INBOC**

**INBEF**

**NOBW**

**NOBO**

Enclosed: As above