

All India Oriental Bank Officers' Association (Regd.)

(Affiliated to AIBOA)



Central Office:

C/O Oriental Bank of Commerce
Corporate Office: Plot No. 5, Sector – 32,
Institutional Area, Gurgaon -112 001

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27th February, 2017

Circular for All Members

Dear Comrades,

28th Strike a total success Hats off to you all Improvements in Gratuity under Gratuity Act

Comrades! Our hats off to you all for getting the strike done with a total success and tremendous. We are proud of our membership for their active participation in the struggle programmes. We reproduce hereunder three joint circulars issued by AIBEA and AIBOA offices. One circular is prior to the date of the strike however, the same is being reproduced to complete the link of the other circular issued after the strike. Please go through the contents and circulate among our members surrounding you.

With greetings,
Yours comradely,

A handwritten signature in black ink, appearing to read 'S. S. Shishodia', with a horizontal line underneath it.

(S. S. Shishodia)
General Secretary

28TH FEB. ALL INDIA STRIKE

We are sure that all efforts are being taken by all our units in all the States and in every Bank to make the UFBU's call for All India Strike on 28th February, 2017 a total success. In the light of the increasing attacks on account of the Government's anti-public sector policies, defending public sector banking is very important. Fighting back all attempts to privatise the PSBs is a paramount duty.

When Banks are facing challenges, Government has announced recapitalization of just Rs. 10,000 crores in this year's Budget. This means that either the business of the banks will get choked or Banks will be compelled to tap private capital from the market thus diluting public sector character.

We have seen how the Government is bulldozing all protests and opposition by issuing Gazette notification on merger of 5 Associate Banks with SBI unmindful of its adverse implications.

Similarly, while bad loans are bulging every quarter without any let up, no stringent measures are being taken to recover the NPAs but efforts are afoot to float a Bad Bank to whitewash the books of the Banks and to conceal and camouflage bad loans from public attention.

Instead of filling up the vacancies of employees and officers with permanent staff, every effort is being made to outsource regular jobs aimed at crude exploitation of the unemployed youth. There are intensified proposals to amend all labour laws to suit the employers and private corporates.

Even on the issues and demands pertaining to employees and officers, the Government's attitude is negative and managements' approach is also casual.

When the whole country had witnessed the outstanding work done by the employees and officers during the post-demonetisation rush period in the branches by working day and night, even the compensation to be paid to the staff is not paid in full. There are many other important issues which are being ignored by the management and the Government.

Hence, UFBU has given the call for this All India Strike.

Conciliation meeting on 21st Feb. by CLC:

Based on the strike notice served by UFBU on IBA, the Chief Labour Commissioner of the Central Government had called for a conciliation meeting at Delhi on 21st instant. In this meeting the Finance Ministry and IBA did not take any initiative to resolve the demands and hence it was decided to go ahead with the strike. The CLC advised the Finance Ministry and IBA to initiate the dialogue with the UFBU for amicable settlement of issues, so that proposed strike is averted.

IBA's negative stand: In view of this advice of the CLC, the IBA reluctantly wrote to UFBU offering to hold a discussion but on the condition that the strike should be withdrawn first. UFBU replied that meeting can be held before the strike and if solutions are worked out, strike can be avoided. But IBA deliberately insisted on their stand and thus thwarted any discussions with UFBU.

Make the strike a total success: The only way we can respond to this negative attitude of IBA-Government combine is to make the strike a massive success with all our unity and strength.

Instructions:

- All our units should ensure that all our members participate in the strike enthusiastically.

- All our members should be mobilised to participate in all the rallies, demonstrations being organised at the respective centres.
- United Forum of RRB Unions has also given the call for strike in all the RRBs.
- All India Co-op. Bank Employees Federation has also given the call and hence all employees and officers in the Co-op. Banks will also participate in the strike.
- Reports should be sent by all our Unions to us about the observance of the strike, participation of our members in the programmes, etc.

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**TODAY'S ALL INDIA STRIKE TOTAL SUCCESS
CONGRATS TO ALL OUR UNIONS
RED SALUTES TO ALL OUR MEMBERS**

The All India Strike today at the call of United Forum of Bank Unions was a total success in all the Banks all over the country. Nearly 10 lacs of employees, officers and Managers of Public sector banks, old generations private banks, foreign banks, Regional Rural Banks and Co-op. Banks participated in the strike. We convey our greetings to all our unions and members for leading the struggle from the front and contributing for the splendid success of the strike. It was a massive success, indeed.

Strike success in all centres: As per reports reaching us from various centres like Mumbai, Delhi, Kolkata, Hyderabad, Bangalore, Bhopal, Ahmedabad, Pune, Jaipur, Nagpur, Bhubaneswar, Patna, Jammu, Rajkot, Agartala, Jamshedpur, Cochin, Patiala, Ambala, Agra, Dehradun, Guwahati, Raipur, etc. as well as from various parts of Tamilnadu, the strike has been overwhelmingly and enthusiastically participated by the employees and officers. Most of the branches remained totally closed down. Normal banking services like receipts and payments, remittances, cash transfer to and from currency chests, money market operations, Government treasury operations, clearing operations, etc. were severely affected. Despite attempts of RBI to defeat the strike by keeping clearing houses to function, the major clearing operations in the country were disrupted.

The strike became necessary because of the Government's ostrich-like approach in understanding the demands and coming forward to resolve the same by discussions. Even very reasonable demands like payment of overtime wages for extra hours worked during demonetisation period has not been settled.

Adequate capital denied to Banks: The strike was to protest against the continued attempts to privatise the Public sector Banks which are the main engine of growth of our country's economy. When everyone admits that our Banks need more than Rs. 2 lac crore capital, in this year's Budget, only Rs. 10,000 crores has been announced. Thus, Banks will get crippled and starved of capital and business growth will be adversely affected. This is a game-plan to privatise the Banks.

Bad loan recovery, the only priority: The main and alarming issue of increasing bad loans in the Banks is also being overlooked by the Government. Bad loans are more than

Rs. 13 lac crores in the Banks. No effective measures are being taken to recover the bad loans. On the other hands, these bad loans are being sold at throwaway prices to private Asset Reconstruction Companies or are being written off from the hard-earned profits of the Banks. Thus bad loans have become a daylight loot by big corporate and industrialist. Our demand for taking criminal action on willful defaulters is being willfully neglected.

Recruit permanent staff – Don’t outsource: When nearly 2 lacs permanent vacancies exist in the Banks, instead of filling up the same through recruitment of permanent employees, efforts are afoot to outsource these jobs to contract employees. This is totally unfair for public sector banks to do.

During demonetisation period, employees and officers have strained to their maximum by working long hours till midnight but adequate overtime wages and compensation has not been paid so far. The entire cost of demonetisation is put on the head of the Banks which will affect our profits this year. In all fairness Government should reimbursed the cost to the Banks.

Even our reasonable demands to initiate the process for wage revision negotiations, improvements in gratuity and pension, etc. are being overlooked by the Government.

Hence the strike became inevitable. Today’s strike is a warning bell to the Government. If they do not come forward to resolve our demands amicably, further agitations and strikes will be planned and decided.

We once again congratulate all our units and members for making the strike a total success. Today’s strike has added one more chapter to the long history of our struggles. Let us get ready for more and more struggles in our onward march to meet the increasing attacks and challenges.

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Improvements in Gratuity under Gratuity Act

Our units are aware that Gratuity is one of the important retirement benefits for the bank employees and officers. In all Banks (except SBI), Gratuity is paid as per formula under BPS/OSR or under the Gratuity Act whichever is higher. (In SBI, Gratuity is payable under the Act only).

While there is no ceiling for Gratuity under BPS/OSR, under the Act, there is a ceiling which is at present Rs. 10 lacs. (from 25-5-2010). When an employee or officer retires from the Bank, his/her Gratuity entitlement would be calculated both under the Act and under BPS/OSR and the higher of the two will be paid.

- For example, a senior sub-staff / Daftary retiring after 40 years’ service would be eligible for (approx.) Rs. 5 lacs under BPS and Rs. 8 lacs under the Act and hence would be paid Rs. 8 lacs as Gratuity.
- A senior Clerk / Special Asst. would be eligible for Rs. 9.50 lacs under the BPS and Rs. 10 lacs under the Act and hence would be paid Rs. 10 lacs.

- A senior General Manager of a Bank retiring after 40 years' service would be eligible for Rs. 17 lacs under the OSR and Rs. 10 lacs under the Act and hence would be paid Rs. 17 lacs.

Due to continued inflationary trend and erosion in value of rupee, AITUC and all other Central Trade Unions have been demanding improvement/ removal of ceiling under the Gratuity Act. Due to their effort, the ceiling was increased from Rs. 1 lac to Rs. 2.50 lacs, and then to Rs. 3.50 lacs and to Rs. 10 lacs in May, 2010. They have been demanding for removal of ceiling on Gratuity under the Act.

AITUC and Central Trade Unions have been pursuing this issue for the last more than 4 years through various programmes and struggles.

20/21-2-2013	2 days national strike by all workers	AIBEA and AIBOA participated in this strike
6-8-2013	Central Trade Unions Convention	AIBEA and AIBOA participated in this Convention
25-9-2013	Satyagraha/jail baro programme	AIBEA/AIBOA leaders courted arrested at various centres along with the workers
12-12-2013	Massive Morcha to Parliament	20,000 members of AIBEA and AIBOA participated in this Morcha
15-9-2014	Central Trade Unions Convention	AIBEA and AIBOA participated in this Convention
5-12-2014	Protest Day Rallies	AIBEA and AIBOA members participated in the protest rallies all over the country
26-5-2015	Central Trade Unions Convention	AIBEA and AIBOA participated in this Convention
2-9-2015	General Strike by all workers	AIBEA and AIBOA participated in this strike
10-3-2016	Protest Day Rallies	AIBEA and AIBOA members participated in the protest rallies
30-3-2016	Central Trade Unions Convention	AIBEA and AIBOA participated in this Convention
2-9-2016	General Strike by all workers	AIBEA and AIBOA participated in this strike

Thus AIBEA and AIBOA have been part and parcel of all these programmes and strikes on the 12 Points Charter of Demands of the Central Trade unions which includes the demand for improvement in Gratuity Act.

AITUC and Central Trade Unions have been following up these demands with the Government and as a result, recently on 23-2-2017, the Central Government called for a Tripartite meeting on the issue of revising the ceiling on Gratuity. From AITUC, its Secretary, Com D L Sachdev participated and put forth the following suggestions.

1. **While there should be no ceiling for Gratuity, as an interim measure, Government's proposal to increase in ceiling of Rs. 20 lacs can be accepted.**
2. **The revised ceiling should be made effective from January, 2016.**
3. **Minimum service of 5 years for eligibility for Gratuity to be removed.**
4. **Gratuity to be paid at 30 days wage per year instead of 15 days wage as at present.**
5. **All factories/establishments to be covered by the Act irrespective of number of workers.**

All these matters have to be finally cleared by the Labour Ministry and then by Finance Ministry and then to be brought to the Parliament for amendment to the Gratuity Act.

Units are aware that improvement in Gratuity Act has been one of the demands of our strike on 28-2-2017. We are in touch with the AITUC and will keep our units informed of any further development in this regard.

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AIBEA – AIBOA Zindabad
UFBU Zindabad
Working Class Unity Zindabad