AIRRBOF News Letter
June, 2015
Sky is not the limit, we cover it...
The Voice of All India RRB Officers' Federation
Vol - XXII SILIGURI No. 06

EDITORIAL

SHARED RESPONSIBILITY

India Inc should take a leaf out of the banking sector's book and seriously consider extending paternity leave to male employees. As reported in these columns, bank managements — albeit largely public sector banks and a few old private sector ones — have agreed to give their eligible male staff paternity leave on par with their Central government counterparts. The staff will now get 15 days of paid paternity leave. This is in addition to the existing maternity leave benefits extended to female employees under the Maternity Benefit Act 1961, which covers all government, factory, mine and plantation workers, as well as shops and establishments with more than 10 employees. This should not be seen as yet another concession extracted by militant unions in an already well paid and relatively pampered section of the organised sector workforce. Rather, it should be seen as a progressive move that recognises the reality of nuclear families and shared parenthood responsibilities. Paternity leave is granted freely in Europe. In India, it is restricted mainly to a few multinationals; others that have adopted this practice are largely in the technology space.

One could argue that two weeks is a mere token. But even a token gesture can help change mindsets. Childcare responsibilities continue to be borne mostly by women. Allowing fathers some paid time off removes a major barrier to their sharing more of this responsibility. Further, in a country where dependable childcare facilities are practically non-existent, this gives working women some flexibility in balancing work and family responsibilities. India's poor female workforce participation — only around 23 per cent of women in the working age group are either employed or seeking work, according to NSSO data — is worsened by high attrition due to marriage and family compulsions. According to talent consultancy AVTAR which runs a network to help women re-enter the workforce after a break, around 18 per cent of women employed in the corporate sector leave their jobs every year in India. Almost half the women who enter the organised sector, leave work by mid-career levels, with a majority quitting work between 25 and 35 years of age. This is a waste of skilled resources the country can ill afford. According to a study by UN Women, gaps in labour force participation are not only linked with lower growth rates, but, in South Asian economies, women missing from the workforce results in a reduction in GDP per capita by nearly 19 per cent.

The Centre took the first step by giving paternity leave as far back as 1999, but there has been little follow through at the policy level to ensure that women do not end up carrying the entire load of family and childcare. Existing laws and policies — both for the government and private sector, as well as India's vast informal sector — need a more family-centric makeover in order to unleash the full potential of India's demographic bounty.

ENRICH YOUR KNOWLEDGE:

TENANTS OF PREMISES OWNED BY BANKS

G.S.Dubey

{Syndicate Bank Vs Rama*chandran Pillai and Others (2014) 2 Supreme Court Cases (Civ.) 596}*

Recently the Securitisation Act has also made it lawful to bid for the immovable property on behalf of the secured creditor in a case where sale of an immovable property has been postponed due to want of a bid of an amount matching the reserve price. For premises owned by banks, Public Premises (Eviction of Unauthorised Occupants) Act 1971 makes provisions for a speedy machinery to secure eviction of unauthorised occupants from public premises. As opposed to the general law which provides for filing of a regular suit for recovery of possession of property in a competent Court and for trial of such a suit in accordance with the procedure laid down in the Code of Civil Procedure. The Act confers the power to pass , an order for eviction of an unauthorised occupant in a public premises on a designated officer and prescribes the procedure to be followed by the said officer before passing such an order.

It is relevant to note that there has been a criticism of the use of the powers under the Public Premises Act, and the manner in which they were used in an arbitrary way to evict the genuine tenants from the public premises causing serious hardships to them. Therefore, the Central Government issued the guidelines in 2002 to prevent arbitrary use of powers to evict genuine tenants from public premises under the control of public sector undertakings/ financial institutions.

Salient features of these guidelines are as under

(i) The provision of the Public Premises_(Eviction of Unauthorised Occupants) Act, 1971 should be used primarily to evict totally unauthorised occupants of the premises of public authorities or sub-letees, or employees who have ceased to be in their service and thus ineligible for occupation of the premises.

(ii) The provisions of the Act should not be resorted to either with a commercial motive or to secure vacant possession of the premises in order to accommodate their own employees, where the premises were in occupation of the original tenants to whom the premises were let either by the public authorities or the persons from whom the premises were acquired.

(iii) A person in occupation of any premises should not be treated or declared to be an unauthorised occupant merely on service of notice of termination of tenancy, but the fact of unauthorised occupation shall be decided by following the due procedure of law.

Further, the contractual agreement shall not be wound up by taking advantage of the provisions of the Act. At the same time, it will be open to the public authority to secure periodic revision of rent in terms of the provisions of the Rent Control Act in each State or to move under genuine grounds under the Rent Control Act for resuming possession. In other words, the public authorities would have rights similar to private landlords under the Rent Control Act in dealing with genuine 'legal tenants.

(iv) It is necessary to give no room for allegations that evictions were selectively resorted to for the purpose of securing an unwarranted increase in rent, or that a change in tenancy was permitted in order to benefit particular individuals or institutions. In order to avoid such imputations or abuse of discretionary powers, the release or premises or change of tenancy should be decided at the level of Board of Directors of Public Sector Undertaking.

(v) All the Public Undertaking should immediately review all pending case before the Estate Officer or Courts with reference to these guidelines, and withdraw eviction proceedings against genuine tenants on grounds otherwise than as provided under these guidelines. The provision under the Act should be used henceforth only in accordance with these guidelines.

These guidelines came under question before the Apex Court in the present case where the proceedings were started for eviction with the facts as under:

***Brief* facts**

One, Ramakrishna Pillai was in occupation of the shop in 1961 when the premises was purchased and he continued in such occupation and paid the rents regularly till 1997. The bank issued a notice on 5-2-1998 for demolition and reconstructions of the premises. As the demand was not met, proceedings were initiated for eviction of the unauthorised occupant by the Estate Officer in the year 2002. The case of the Bank was resisted by the legal heirs of Ramakrishna Pillai, taking the grounds:-

(i) That the premises was not a public premises; and
(ii) That they had become absolute owners under the provision of the Kerala Land Reforms Act, 1963.

An order of eviction was passed by the Estate Officer after negativing the contentions of the occupants. The said order of eviction was affirmed by the Appellate Authority.

The occupants did not raise the ground of violation of Central Government guidelines (already quoted above) either before the Estate Officer or before the Appellate Authority. It was not even raised in the grounds of revision filed before High Court. Reliance was placed on the Central Government guidelines (Quoted above) in the year 2009 before High Court during the course of argument. The High Court directed the bank to reconsider and review the case of the present occupants as required in the Government guidelines and to initiate fresh action if occupants were not enticed to the benefit of guidelines.

Thus the High Court set aside the order of eviction solely on the ground that the bank had not reviewed the pending case as per Para (v) of the guidelines to find out whether it should be withdrawn, and therefore the order of eviction should be set aside. The matter was placed before the Supreme Court by bank as an appellant. The Supreme Court declared that the order of the High Court being contrary to the well settled principals relating to the enforceability of guidelines is not sustainable. Even if the High Court felt that a review under Para (v) of the guidelines was necessary, it could have directed the appellant bank to undertake the exercise pending consideration of the revision petition instead of allowing the revision and setting aside the order of eviction. At all events, the very fact that the respondent / tenants claimed ownership in themselves and denied their relationship and status, should have been sufficient to hold that the respondents did not deserve any benefit under the guidelines, even if they were enforceable.

However, putting restrictions on banks against misutilisation of powers, the Supreme Court clarified that the Apex Court Verdict should not be construed as laying down a proposition that the public sector undertaking and financial institutions to which the guidelines were addressed, could willfully ignore or violate the same. Whenever any action is proposed to be taken under the Public Premises Act, the authorities concerned are bound to keep the said guidelines in view, to the extant possible on the facts and circumstance of the respective case, if any public sector undertaking or financial institution is of the view that any of the guidelines are contrary to the provisions of the Act or otherwise unworkable or impractical, they can also seek modification of the guidelines or have their own internal guidelines. What is held in this case is that an unauthorised occupant or tenant, against whom action is initiated under the Public Premises Act, cannot resist the proceedings on the ground of non-compliance with the said guidelines.

In the light of law laid down the appeal of Bank was allowed and eviction was ordered. The judgment is an example of a case where verdict is a lesson for both the Parties.

Courtesy: Common Bond, May 2015.

EXCERPTS FROM AIRRBOF CIRCULARS

Circular # 36:2015 11th May 2015

4TH BIENNIAL GENERAL BODY MEETING OF BANGIA GRAMIN OFFICERS' ASSOCIATION ON 9TH & 10TH MAY, 2015 AT KRISHNANAGAR (WEST BENGAL)

Bangia Gramin Bikash Bank is the 2nd largest Gramin Bank in the country next only to Kerala Gramin Bank. Naturally, the Biennial General Body of Bangia Gramin Bank Officers' Association (BGBOA) shall stand out as spectacular event. The venue of the Meeting, Com. Subrata Mitra Mancha, spacious Auditorium of Don Bosco School and its sprawling compound was tastefully decorated. Arches adorned the conspicuous corners of the city of Krishnagar. The city is associated with making of world famous clay model adored all over the world.

Delegates/Observers poured in from as many as 11 Districts of the state of West Bengal. General Secretary, AIRRBOF, Secretary, AIBOC, West Bengal State Unit, Asst. General Secretary of United Bank Officers' Association and Asst. General Secretary, SBI Officers' Association (Bengal Circle) were conspicuous by their presence. Prior to formal inauguration of the Conference, the flag of the Organisation was unfurled by Com. S.K. Bhattacharjee, General Secretary, AIRRBOF & Advisor, AIBOC. Thereafter, floral wreath was placed to Martyrs' Statue by different dignitaries as well as members.

With the President ushering in dignitaries in the Dias the open session of the 4th Biennial Conference got underway. The opening song was rendered by a renowed Rabindra Sangeet artiste of the city. The Conference was formally inaugurated by the address of Com. Bikash Ranjan Bhattacharyya, a renowed Advocate of the Hon'ble Supreme Court and Hon'ble High Court at Kolkata and former Mayor, Kolkata Municipal Corporation.

Com. Sanjay Das, General Secretary, Bank of India Officers' Association, Eastern India Branches & Secretary, AIBOC, West Bengal State Unit dwelt at length the different developments at the Industry Level and shared AIBOC's plan to thwart Govt. of India move to weaken Public Sector Character of

Indian Banks. Com. Biswajit Ghosh, Asst. General Secretary, United Bank of India Officers' Association shared with the participants the position of Sponsor Bank and the path ahead of UBI sponsored RRBs. He assured all cooperation to the comrades of RRBs in the days to come. Com. Surojit Chatterjee represented Com. Souyme Dutta, General Secretary, SBI Officers' Association in the meeting and rendered a short but highly spirited speech to highlight the relevance of AIBOC and need to march ahead unitedly.

The Chief Guest of the open session Com. S.K. Bhattacharjee in his address the history of pay parity in the RRBs drawing extensively from the pronouncement of Justice Obul Reddy Tribunal Award and Judgement of Hon'ble Supreme Court corum, Justice H.B. Pattanaik and Justice Ruma Pal. He shared the development in regard to RRB Act Amendment Bill, the issue of total parity in the ensuing salary revision, opposition to S.K. Mitra Committee Report and developments at the Pension Committee Meeting with Associations/Unions. He explained at length the fact that payment of Pension is feasible and AIRRBOF had already submitted papers to provide data to vindicate its position. He assured that no stone shall be left unturned to ensure pension parity and a total salary revision in RRBs. He called upon the membership in the great task of organisation development and enrolment of new members. Last but not the least the vote of thanks was rendered by Com. Goutam Bose before the curtains were drawn on the open session.

The delegate session took place on 10th May, 2015 at the venue. With the President calling the house to order the proceedings of the delegate session started.

General Secretary, BGBOA presented his Report on behalf of the Central Committee. The report was duly deliberated and the points of debate was taken note of and clarified by the General Secretary. Thereafter the report was passed unanimously. Statements of Accounts were placed by the Treasurer and were passed unanimously. Resolutions on all contemporary issues were presented and were passed unanimously. Thereafter the election to the Office Bearers & Committee Members of the Next Biennial Period were taken up. A Committee with Com. Subhas Basu as President and Com. T.K. Hazra as General Secretary were elected unanimously. The 4th Biennial Conference ended with a resolve to fight unitedly, build up a strong organisation and make the next Biennial Period most meaningful.

Circular # 37:2015 21st May 2015

PENSION COMMITTEE CONSTITUTED AT NABARD LEVEL HELD ITS SECOND MEETING WITH APEX LEVEL UNION/ASSOCIATION AT NABARD, HO ON 20TH MAY, 2015 – STEPS TO ARRIVE AT PENSION PAYMENT FEASIBILITY

The Pension Committee constituted by Govt. of India vide notification dated 2nd March, 2015 was given the task of ascertaining the feasibility of Pension Payment and hold negotiation with Apex Level Unions/Associations to arrive at a consensus.

Accordingly, in the 1st interaction of the Pension Committee with Apex Level Associations/Unions, the data presented by NABARD towards availability of Pension Corpus was disputed by us. It was pointed out by us that the PF/Pension Fund shown as available by respective RRBs is much on the lower side and it was agreed by NABARD, Chairman. He advised concerned Dept. of NABARD to explore collection of proper data and assimilation thereof. He also requested Unions/Associations to explore collection of latest data and share the same with NABARD. Accordingly, our Federation sent a detailed letter to NABARD along with data taking into consideration the Pension Corpus earmarked in different salary revision and the PF/Pension Corpus available with RRBs.

During today's Meeting we once again harped on calculation of PF/Pension Corpus @ 10% of BP (without ceiling) as admissible in all Sponsor Banks where RRBs employees were restricted to 12% of BP + DA with ceiling increasingly became 15000/- from 6800/- which caused lack of available funds in Pension Corpus. We suggested that unless the same PF formula is applied and RRB offer a Pension in lieu of CPF the feasibility of Pension Corpus shall never be there. We also told the Committee that RRB shown the PF/Pension available much on the lower side and the same need to be corrected. Actual Pension Corpus available with RPFC should be ascertained as in the year 2011 Labour Dept., Govt. of India agreed on principle to transfer entire PF/Pension to RRB whenever a better scheme is prepared by Govt. of India for Pension Payment.

After lot of deliberation it was agreed by the Dy. Secretary, DFS who attended the Meeting as a special invitee that he shall explore all means to get the data from EPFO. It was clarified by Dy. Managing Director, NABARD that these two Meetings were for the discussion purpose to exchange data and study feasibility of Pension Payment. Once the entire study is complete, NABARD shall call the Apex Level Unions/Associations for negotiation.

Friends, certain clear direction for Pension Payment is now visible. It was agreed by all the officials that officers and employees of RRBs deserve Pension Payment and there should not be any discrimination between RRBs in the matter of Pension Payment. Hence, it requires careful consideration of the facts for sustainable Pension Payment.

Friends, we expect to hear from NABRD shortly and we shall revert back to you thereafter. In the meantime all our affiliates should keep track with Management so that correct data is sent to NABARD.

Circular # 38:2015 — 21st May 2015

HEARTIEST CONGRATULATIONS!
COST SHEET/ DISTRIBUTION SHEET FOR
OFFICERS UNDER 10TH BIPARTITE SETTLEMENT SIGNED

We reproduce hereunder the text of All India Bank Officers' Confederation Circular No. 24 (Revised), dated 20th May, 2015.

"We congratulate all our members, as we are nearing finality in respect of our tenth Bipartite Settlement, which could not have been possible, without the collective strength of us all. Our members are aware that the challenges this time were many folds, the conditions were not conducive and it would not be an exaggeration to say that there had been resistance even from within, i.e. from some of the constituents, which could be due to different perception. However, after several rounds of talks held between the Negotiating Committee of Indian Banks' Association (IBA) representing the Managements of banks with the Authorised Representatives of the Officers' Associations on salary revision and other issues concerning service conditions for officers in Banks, a consensus has been reached over the construction of Pay scale, documented and signed today.

AIRRBOF News Letter June, 2015

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The Voice of All India RRB Officers' Federation

Vol - XXII SILIGURI No. 06

By signing of Cost sheet/ Distribution Sheet for 10th Bipartite Settlement covering Pay slip Component, clarity has emerged for our future stand and actions.

Salient features of the Cost Sheet/ Distribution sheet signed today with regard to Pay slip Component are as follows:

1. Scales Of Pay:

Scale I -	23700	980 7	30560	1145 2	32850	1310 7	42020
Scale II -	31705	1145 1	32850	1310 10	45950		
Scale III -	42020	1310 5	48570	1460 2	51490		
Scale IV -	50030	1460 4	55870	1650 2	59170		
Scale V -	59170	1650 2	62470	1800 2	66070		
Scale VI -	68680	1960 4	76520				
Scale VII -	76520	2120 4	85000				

2. Dearness Allowance: On and from 1.11.2012, Dearness Allowance shall be payable for every rise or fall of four points over 4440 points in the quarterly average of the All India Average Working Class Consumer Price Index (General) Base 1960=100 at 0.10% of Pay.

3. One additional stagnation increment for Scale II and III payable two years after the last stagnation increment drawn or from 01.11.2012, whichever is later and **one stagnation increment for Scale IV** are the special feature of this settlement

4. House Rent Allowance (w.e.f. 1.11.2012)

AREA	RATE
Major "A" Class Cities and Project Area Centres in Group A	9 % of Pay
Other places in Area I and Project Area Centres in Group B	8% of Pay
All Other places	7% of Pay

5. CCA: The maximum amount has been raised from Rs. 540 to Rs. 870, Rs. 375 to Rs. 600, for Area 1 and State of Goa and for Rest, respectively, without any change in the percentage

6. FPP: increment component of FPP has been increased from the range of 800/900/1000/1100/1200/1300 to Rs. 1310/1460/1650/1800/1960/2120, plus DA as applicable

7. PQP: raised from Rs. 410 to Rs. 670, and from Rs.1030 to Rs. 1680

8. Special Allowance : With effect from 1.11.2012, officers shall be paid D.A. carrying Special Allowance as under:

Scale I-III	-	7.75% of Basic Pay + applicable Dearness Allowance thereon
Scale IV-V	-	10% of Basic Pay + applicable Dearness Allowance thereon
Scale VI-VII	-	11% of Basic Pay + applicable Dearness Allowance thereon

9. Medical Aid: Officers in JMG & MMG Scales– Rs. 8,000 /-p.a.
Officers in SMG & TEG Scales – Rs. 9,050/-p.a.

10. Date of Effect: 01.11.2012

Regarding two Saturdays off, RBI has conveyed its NOC, which has been forwarded by IBA with its recommendations to the Government. Its implementation may take some time due to the technicalities involved. The matter is being continuously pursued by us.

Joint Note will be signed on 25th May, 2015. The details of other benefits, allowances etc. will be circulated to you immediately thereafter".

Circular # 39:2015 25th May 2015

A LONG DRAWN BATTLE CONCLUDES 10TH BIPARTITE SETTLEMENT SIGNED

We reproduce hereunder the text of All India Bank Officers' Confederation Circular No. 25 dated 25th May, 2015.

"FIRST THEY IGNORE YOU, THEN THEY LAUGH AT YOU, THEN THEY FIGHT YOU, THEN YOU WIN" – (Mahatma Gandhi). Precisely speaking these were the stages, we all witnessed while fighting our battle for a fair wage settlement. There had been umpteen numbers of roadblocks, resistances and backward pulls from many quarters in our road to reach final settlement. But, let us salute and congratulate our membership for the stoic solidarity, which made the 25th May, 2015, another historic day in the history of Trade Union Movement of the Banking Industry when the anxiety, apprehensions, restiveness thrusted upon us for more than two and a half years could be put to an end by signing of 10th Bipartite Settlement! Comrades, ultimately, clarity has emerged for our future stand and actions.

Please refer to our last Circular No. 2015/24 dated 20.05.2015, whereby, we had apprised our members about signing of Cost Sheet / Distribution Sheet for Officers under 10th Bipartite Settlement on 20.05.15. The salient features with regard to pay slip component were also highlighted in that circular. However, we would like to clarify that the additional stagnation increments for Scale II and Scale III and one for Scale IV would be made effective from 01.05.2015 only. The dates mentioned in our Circular No. 2015/24 were because of a mistake in the Cost Sheet. However, the contract of stagnation increment has been as per the prevailing practice followed in the past.

We would also like to mention that there have been many representations regarding reduction in the pension amount for those retired after 01.11.2012. Let us clarify that with merging of D.A. amount and 2% load, the basic pay has increased substantially whereas, DA amount has reduced.

Therefore, the commutation amount also works out higher, leaving the residual pension lesser than the pre-revised salaries. However, we took up the matter with IBA and they have agreed to incorporate a clause to give option to the retirees to choose the percentage of commutation in the arrears payable as per their choice to keep the residual pension not lesser that the earlier one.

We had also advised our members that joint note will be signed on 25.05.2015. We are happy to advise our members that the process has been concluded today by signing of joint note. The copy of joint note is being attached with this Circular.

IBA has agreed to advise the Government to permit the banks to make payment of arrears as ad-hoc amount, pending amendments to the regulations".

Circular # 40:2015 26th May 2015

AIRRBOF PLACED DEMAND FOR SALARY REVISION TO GOI

We reproduce hereunder the text of the letter written by the Federation on the captioned subject to Shri Hasmukh Adhia, Secretary, GOI, DFS & endorsing a copy to the Chairman, NABARD today demanding immediate Salary Revision to the officers of RRBs in line with Salary Revision extended to the officers of Banking Industry.

Ref no.2022:40:2015 26th May 2015

To
Shri Hasmukh Adhia,
Govt. of India,
Ministry of Finance,
Dept of Financial Services,
Jeevan Deep,
New Delhi

Sir,

SALARY REVISION IN BANKS – EXTENSION OF SALARY REVISION TO RRBs

We beg to draw your reference to the judgement of Hon'ble Supreme Court which directed that as and when the Salary Revision shall be effected in the Banking industry, the same shall be made available to the officers of the RRBs. The agreement of salary revision for the officers working in the Banking Industry was entered into between IBA & Officers' associations on 25th May, 2015. In enclosing the copy of the agreement as per Annexure – A, we would request you to extend Salary Revision in full to the officers of RRBs. We trust that your direction to the RRBs in this regard shall be within reasonable time.

With regards,
Yours faithfully,
(S.K. Bhattacharjee)
GENERAL SECRETRY

Circular # 41:2015 30th May 2015

59TH MEETING OF THE CENTRAL COMMITTEE HELD AT DARJEELING IN THE HERITAGE CONFERENCE HALL OF TOURIST LODGE ON 24TH MAY, 2015

Office bearers & Central Committee members had long desired to hold a Central Committee Meeting in the Himalayan setting of Darjeeling which is the District Head quarter of our Federation Central Office located at siliguri. Therefore, preparations were made since conclusion of our 10th Triennial Conference. Lot of Central Committee Members made arrangements for their coming and it was expected that it would be the highest attended Meeting of the Central Committee. However, the severe earthquake of 25th April, 26th April and subsequent aftershocks measuring over 6.5 to 7.5 in the Richter scale damned the spirit to some extent. However, a majority stood their ground and attended the Meeting. The venue of the Meeting was chosen to be the Conference Hall of heritage building of Tourist Lodge which played host to all DCC/DLRC Meetings since inception of the Lead Bank Scheme. The venue overlooks the peaks of Himalayas. However, the spirit was to some extent dampened as Com. S.K. Bhattacharjee who was undertaking frequent organisational tours in the last three weeks was attacked with POX while attending Pension Committee Meeting in Mumbai on 29th May, 2015. Despite of such serious illness, Com. General Secretary reached Siliguri on 21st and left for Darjeeling on 22nd May despite of protests from family & comrades. He attended Meeting on 24th and participated in deliberations with obvious physical discomfort and displayed his rare ability to lead from the front. Com. G.V. Manimaran, Chairman sought his leave of absence because his required presence in the Negotiating Committee of AIBOC on 24th afternoon for signing Salary Revision agreement on the following day.

The Central Committee Meeting began with President, Office bearers, Central Committee Members and invitees taking their respective chairs. The welcome address was rendered by Com. Amar Dey, AOPGB, WB who welcomed all participants to Darjeeling and wished meaningful deliberation in the Meeting. The agenda wise discussion of the Central Committee got underway. The detailed report of the General Secretary outlining all the developments that had taken place in the intervening period was placed before the house.

Several Members participated on the Report of the General Secretary. Notable amongst them were Com. Mrinal Kanti Bhowmik(TGBOA), Com. B.S. Bhagel(CRGBOA), Com. M.V. Karer(KVGOF), Com. S. Pal(AOPGB), Com. K.M. Shukla(CGBOA), Com. J.D. Jha(JGBOA), Com. R.K. Barman(BRGBOA). The following new points emerged from the deliberations:

i) In order to press for total salary revision, protest GOI negative attitude in regard to compassionate appointment, to press for extension of parity in PF & Pension and other immediate issues common movement including strike is called for.
ii) The problem to fill up higher posts by way of promotion was discussed. Immediate relaxation in promotion criteria is needed. However, GOI is playing a passive role.
iii) The approach of pension Committee cannot be termed as positive. NABARD is apathetic to views expressed by our Federation and other Trade Unions.

After deliberation it was decided to advise General Secretary to coordinate with UFRRBU to go for agitation programme including strike. The frustration among young officers for lack of promotional scope and non-availability of other allowances were taken due note of. Federation shall take up the issues with GOI & NABARD.

The house placed on record the appreciation of the role played by the Leadership of AIBOC and its Negotiating Committee for satisfactory Salary Revision. They have also resolved to demand from Govt. of India to pass on the Salary Revision with all components. Accordingly, the GS shall write to GOI, DFS immediately after signing of the Joint Agreement on 25th May, 2015.

The issue of nomination/co-option to the posts of Office bearers/Committee Members came up for discussion in the Meeting. It was unanimously decided to take following nomination/co-option:

1) Vice President	–		Com. A.N. Chippa, VKGBOA in place of Com. B.P. Saha since superannuated.
2) Dy. General Secretaries	–	(i)	Com. M.K. Bhowmik, TGBOA in place of Com. A.N. Chippa.
		(ii)	Com. V.S. Chauhan, GBAOA in place of Com. J.K. Singh.
3) Central Committee Members	–	(i)	Com. Sanjib Kumar Debbarma, TGBOA in place of Com. S. Bardhan.
		(ii)	Com. V.K. Verma, GBAOA
		(iii)	Com. P.K. Pandey, GBAOA
		(iv)	Com. P.K. Mishra, GBAOA

The Central Committee nominations are in addition to existing Central Committee Members.

The issue of Fund position came up in detail in the Meeting. Several affiliates did not pay their due subscription for this year and also have arrears. Pension Levy was also not paid by several affiliates. The house resolved to condemn the approach of such affiliates and advised them to pay their dues shortly. The office bearers of respective region shall follow up and President shall monitor. The issue of fixing of Salary Revision Levy was discussed. It was emphasised that all affiliates have to pay dues whether they can raise from members or not. The amount of levy shall be Rs. 1500/- per members to be paid within two months from salary revision circular.

At the concluding stage Com. V.S. Bhagel placed his vote of thanks for the nice arrangement for the Meeting and specially thanked the GS to remain present despite of obvious physical discomfiture.

NEWS ROUNDUP:

BRICS BANK: KAMATH TO TAKE CHARGE SOON

Eminent banker KV Kamath will take over as the first president of $100 billion BRICS bank in the next 10 days after he resigns from various board positions he holds, Finance Secretary Rajiv Mehrishi said on Thursday.

The New Development Bank will become functional sometime next year, he told reporters here.

Source-The Hindu Business Line 15th May, 2015.

GOVT LINES UP 12 PSUs FOR Rs 41K CR STAKE SALE IN 15-16

Government has shortlisted about a dozen PSUs including IOC, National Fertilizers, MMTC, Hindustan Copper and ITDC for stake sale to achieve the current financial year's disinvestment target for Rs.41,000 crore.

The Department of Disinvestment (DoD) plans, to divest 5-15% government stake in these state-owned companies, and has already floated a draft Cabinet note to seek nod for stake sales in certain PSUs, sources said. As per the road map, 10% stake each would be diluted in Engineers India Ltd (EIL), Nalco, NMDC and IOC.

As much as 15% stake would be up for sale in National Fertilizers Ltd, Hindustan Copper Ltd, ITDC, State Trading Corp and MMTC, sources added. Besides, the government plans to dilute 5% stake each Bhel, NTPC, Rashtriya Chemical and Fertilizers and Dredging Corporation, the sources said.

They added that the stake sales are scheduled for current fiscal and DoD has already secured Cabinet approvals for stake sale Bhel, NMDC and Nalco. Although a 5% stake sale in ONGC has also been approved by the CCEA, a delay in fuel subsidy sharing road map could defer the Rs. 14,000 crore stake sales, sources said. A stake sale in IOC would garner about Rs. 9,000 crore, while that of EIL Rs. 700 crore, Nalco Rs. 1330 crore and NMDC (Rs.5,300 crore) as per the current market prices.

Source-The Indian Worker, 1st May, 2015.

NASIM ZAIDI APPOINTED NEW CEC

President, Pranab Mukherjee has appointed Syed Nasim Ahmed Zaidi the Chief Election Commissioner (CEC). He will assume charge in his new position on April 19, an official statement said. He succeeds CEC, Harishankar Brahma who demits office on April 18.

Courtesy: Officers' Voice, May, 2015

CVC TO DECIDE ON SANCTION IF MINISTRY WON'T

The Central Vigilance Commission will decide on whether to grand sanction or not to prosecute a government servant if a concerned ministry will not decide on the same within three months after CBI seeks its nod. Till now CVC used to hold joint meetings with CBI and concerned ministry to resolve differences on whether sanction should be given to prosecute officials. Henceforth, CVC will not hold such joint discussions. The move is of first-track the decision on grant of sanction for prosecution against errant officials, after a Supreme Court ruling.

"The Commission has observed that generally no new facts are brought out during the meetings and there are considerable delays on the part of departments/organizations concerned in adhering to the laid down time limits for various activities for examining such requests for sanction for prosecution and in making a reference for consultations with the commission of advice", CVC said in its order.

Courtesy: Officers' Voice, May, 2015

GOVT. ALLOWS INVESTMENT OF 5% EPFO CORPUS IN STOCK MARKETS

The Government has allowed retirement fund body EPFO to invest 5% of its corpus in exchange traded funds (ETFs) which will result in an inflow of around Rs.5000 crore to stock markets this fiscal. The Labour Ministry has notified the new investment pattern for the Employees' Provident Fund Organisation (EPFO) which allows the body to invest 5% of its funds in ETFs.

Courtesy: Officers' Voice, May, 2015

PRESS CORNER:

INCLUSION, MODI STYLE

A year into the NDA regime, one area where it clearly scores over its predecessor is in delivering financial inclusion to India's disadvantaged. The difference lies in its 'mission mode' execution capabilities which have led to the opening of 12.5 crore bank accounts and the issue of life, accident and pension plans to over six crore subscribers in short order. NDA's inclusion initiatives — the Jan Dhan Yojana, Jeevan Jyoti Bima Yojana, Suraksha Bima Yojana and Atal Pension Yojana — are also better designed to cater to the needs of savers, while avoiding an undue burden on the exchequer.

The NDA's approach to financial inclusion differs fundamentally from the UPA's on three counts. Its initiatives have been more pragmatic in delivering basic savings, credit and protection products. The UPA in contrast, focused too much, and unsuccessfully, on coaxing small savers into equities through schemes such as the Rajiv Gandhi Equity Savings and the CPSE Exchange traded fund. Other products such as inflation indexed bonds and the National Pension Scheme also failed to recognise that the primary entry barrier to financial access in India is the extra-ordinary complexity of financial products and their onerous KYC rules. Modi's recent schemes offer one-step KYC, attractive pricing and assured benefits to boot. No doubt, the freebies and low costs have played their role in making people queue up for these plans. Jan Dhan dangled carrots such as a zero balance bank accounts and free insurance cover. The recently launched Jeevan Jyoti Bima offers a Rs. 2 lakh life cover for just Rs. 330 a year, while the Suraksha Bima holds out a Rs. 2 lakh accident cover for a trifling Rs. 12 per year. Such pricing is not unviable for insurers, contrary to popular assumption. Online term plans from private sector insurers are available at costs as low as Rs. 170-300 for a Rs. 2 lakh cover and Modi's schemes leverage economies of scale by pooling risks for thousands of subscribers.

Yes, though the Centre has asked banks and insurers to offer these schemes on a 'voluntary' basis, it is the public sector insurers, piggybacking on the public sector bank network, that have so far opened the bulk of these accounts. To avoid an unfair burden on them from its inclusion drive, the Centre should now allow the issuers of these plans to tweak their future premiums and pricing, based on their experience with customer transactions and claims. But even State-owned firms stand to reap long-term benefits from Modi's inclusion drive given that it is planned around delivering sustained credit and financial access to the poor without State intervention. One may recall that it was the public sector banks that shouldered a disproportionate burden for the UPA's quixotic and largely ad-hoc efforts at providing a social safety net by interest subvention schemes and farm loan waivers.

Source-The Hindu Business Line 16th May, 2015.

BANK MERGERS ARE NOT A SMOOTH RIDE

Meeting the capital requirements of public sector banks has been of concern to the authorities for the past 25 years, but a sustainable resolution has been elusive. Official committees have advocated that the minimum 51 per cent government holding in PSBs be brought down. Governments of different political hues have considered reducing the minimum share of government below 51 per cent but the body politic has turned it down.

When the government recapitalised PSBs in the early 1990s it was felt this would be a one-time burden. This was belied, and year after year the government has had to recapitalise PSBs. The weaker the bank the larger the capital infusion. This has resulted in stronger and weaker banks growing at more or less the same pace.

The Basel III capital norms will require PSBs to raise equity tier 1 capital of about Rs. 2.4 lakh crore by March 2019. It is estimated that if the share of government in PSBs is reduced to 52 per cent, Rs. 1.61 lakh crore can be raised from the market. The government would need to provide only Rs. 79,000 crore, and net of dividends the requirements would be only Rs. 44,000 crore.

It would appear that an 'open sesame' approach has resolved the financing requirements of PSBs. The snag is that the stronger banks have already brought down the percentage holding of the government while those banks which still have a very high government proportion are invariably the weak banks which may not be able to access the market.

From time to time the government has mooted the merger of weak PSBs with stronger banks. The experience of the New Bank of India with the Punjab National Bank (PNB) in the 1990s was not without a massive drain on the exchequer besides a drain on the PNB which took years to recoup from this.

More recently, it is reported that the working group on consolidation and restructuring of PSBs has proposed that with a view to increasing profitability, PSBs could consider sharing infrastructure, including back office space, and IT and telecom contracts through shared services.

It is also stressed that PSBs should improve risk management, shift to profitability-linked performance metrics, leverage technology, and develop capital-light business models. Small PSBs are to exit from areas which are unprofitable, according to news reports. The target group of small banks (with less than Rs. 2 lakh crore loans plus investments) which need to be taken over are Andhra Bank, Bank of Maharashtra, Dena Bank, Punjab and Sind Bank, Vijaya Bank and United Bank.

The stronger banks which have capabilities for taking over small PSBs include Bank of Baroda, Bank of India, Canara Bank, PNB and Union Bank. The working group rightly stresses that that any consolidation should be driven by market forces and the decision should be taken independently by the boards of these banks. But the way boards are presently constituted, their independence is a mere fig leaf. The track record is that voluntary mergers without strong intervention by the government just do not take place. Where the majority owner (government) is passive, unions can effectively block such mergers.

Mergers invariably involve bloodshed and the bank undertaking the merger expects compensation from the government; this is precisely what the government wants to avoid. As rightly pointed out in the editorial, 'Mix, but also match' (April 25), bank mergers in India have all along been used to bail out weak banks. Thus, voluntary mergers of weak PSBs with larger PSBs are unlikely to fructify.

Given the relatively small size of Indian banks and the increasing globalisation of finance, the merger of strong PSBs would be desirable. The Bank of India and the Union Bank did consider a voluntary merger but in the absence of explicit government support the proposal was aborted. The merger of strong PSBs would not resolve the government's financing problem of recapitalising weak banks.

At present, PSBs account for a little over three-fourths of the commercial banking system. If the government is willing to allow the share of PSBs to gradually decline to, say, 65-70 per cent, there could be a significant reduction in the burden of recapitalisation.

What could be considered is that government would restrict its capital injection into each PSB equal to the bank's dividend to government. Under such an arrangement, with a proviso that government's share would not fall below 51 per cent, the government should treat holdings in PSBs of public sector units as part of the government's 51 per cent holding.

Since the weaker PSBs would not be able to generate adequate profits they would have to ensure that their loan portfolio grows at a rate substantially below that of the system. These banks would restrict their lending to very safe lending, government securities and money market instruments such as commercial paper. Moreover, the weak PSBs should ensure that they raise deposits at the lower end of the deposit interest structure. In other words, the weak PSBs should be required to operate as narrow banks.

It is appreciated that at the present time neither the government nor the regulator are enamoured by narrow banking. It would be recalled that in the 1990s, a number of weak banks came out of the red precisely by resorting to narrow banking. The choices before the government are clear. Either the government accepts a continuing drain on the fisc of periodically recapitalising the weak PSBs, or the weak banks are directed to go back to narrow banking. A viable third alternative just does not exist.

Source – The Hindu Business Line, 1st May, 2015

BANKING SYSTEM'S BAD LOANS ON THE RISE: RBI REPORT

Bad loans of the banking system have risen alarmingly in fiscal year 2015 due to continued economic slowdown, according to the Reserve Bank of India.

The stressed assets ratio (gross non-performing assets plus restructured standard advances to gross advances) for the system as a whole rose to 10.9 per cent at the end of March 2015 compared with 10 per cent in March last year.This means that nearly Rs. 7.05-lakh crore worth of bank loans now fall in the stressed category compared with Rs. 5.91-lakh crore last year.

According to the central bank's Financial Stability Report, five sub-sectors — infrastructure, iron and steel, textiles, mining (including coal), and aviation — had significantly higher levels of stressed assets.

S.S. Mundra, Deputy Governor, RBI, in a recent speech, had said that though on the whole the banking system remained resilient, its asset quality was under pressure due to continued economic slowdown.

When a loan account ceases to generate income for a bank, it is termed a non-performing asset (NPA). NPAs and restructured assets eat into the profitability of banks as they have to set aside money to cover defaults in loan repayments.

As per preliminary data received by the RBI, the gross NPAs have increased to 4.45 per cent of gross advances for the banking system from 4.10 per cent in March-end 2014. The net NPAs (after making provisions) have also climbed to 2.36 per cent of net advances from 2.20 per cent.

"When seen in isolation, the NPA ratios do not appear very distressing. However, if we add the portfolio of restructured assets to the GNPA numbers, this rises alarmingly," explained Mundra.

He also pointed out that the level of distress is not uniform across bank groups and is more pronounced for public sector banks (PSBs). The gross NPAs for PSBs as on March 2015 stood at 5.17 per cent while the stressed assets ratio stood at 13.2 per cent, nearly 230 basis points more than that for the banking system.

Mundra referred to the observations made in the IMF's Global Financial Stability Report that 36.9 per cent of India's total debt is at risk, which is among the highest in the emerging economies while India's banks have only 7.9 per cent loss absorbing buffer, which is among the lowest.

"While these numbers might need an independent validation, regardless of that, it underscores the relative riskiness of the asset portfolio of the Indian banks," he said.

Source-The Hindu Business Line 7th May, 2015.

NPAS OF INDIAN BANKS TO TOUCH RS. 4-LAKH CRORE IN FY16: CRISIL

Total bad loans or gross non-performing assets (NPAs) of Indian banks will rise by Rs. 60,000 crore to Rs. 4 lakh crore in FY16, according to a Crisil Ratings report.
"Bad loans are seen rising mainly because of withdrawal of regulatory forbearance on restructuring, and high slippages from restructured assets...The gross NPAs are seen edging up by 20 basis points (bps) to 4.5 per cent of advances.
"Weak assets (including slippages and restructuring) are expected to stay high at 6 per cent (Rs. 5.3 lakh crore)," the report said, adding that the exposure of banks to vulnerable sectors is expected to remain high.
Pawan Agrawal, Chief Analytical Officer, Crisil Ratings, said, "Going forward, the latitude now afforded to flexibly structure project loans (under 5/25 scheme) will enable lower slippages from large exposures. However, it can partially mask asset-quality pressures as reported NPAs may not be a true reflection of the extent of stress in banks."
Crisil's calculations show that about Rs. 80,000 crore of stressed loans could be structured under RBI's 5/25 scheme during 2015-16. Given all these, banking-sector profitability will remain weak.

Further, the slowdown in growth of PSBs will have a beneficial rub-off on reducing their capital requirement by Rs. 30,000 crore. In all, PSBs will now have to raise Rs. 2.6 lakh crore and private banks Rs. 1.1 lakh crore, up to March 2019, Crisil said.

"Generation of capital won't be easy for PSBs, given their muted profitability and difficulty in diluting the government's stake because of poor valuations. Also, investor appetite for non-equity Tier I instruments is yet to be fully tested. Consequently, we expect PSBs to grow at half the pace of private banks for the next four years," said Rajat Bahl, Director, Crisil Ratings.

Source-The Hindu Business Line 13th May, 2015.

NPAS: BANKS GET 2 YEARS TO SPREAD LOSS ON SALE OF ASSETS

To encourage banks to purge their books of bad loans, the RBI has extended incentives, whereby the shortfall arising in cases where the sale value is lower than the net book value can be spread over two years, for sale of assets up to March 31, 2016.

Earlier, this facility of spreading over the shortfall was available for bad loans sold up to March 31, 2015.

This is, however, subject to necessary disclosures in the Notes to Accounts in the Annual Financial Statements of banks.

The move to extend the incentive comes in the backdrop of continued pressure of bad loans in the banking system, especially public sector banks.

Thus, if the sale of a bad loan to an asset reconstruction company is being done at a price below the net book value (i.e., book value less provisions held), the shortfall in recovery can be provided for over a two-year period.

Credit rating agency Crisil has assessed that in the current fiscal, gross non-performing assets (NPAs) of Indian banks will edge up by 20 basis points to 4.5 per cent of advances — or rise by Rs. 60,000 crore to Rs. 4 lakh crore. Further, weak assets are expected to stay high at 6 per cent (Rs. 5.3 lakh crore).

Source-The Hindu Business Line 22th May, 2015.

15% SALARY BONANZA FOR BANK EMPLOYEES

Salaries and allowances of bank employees will increase by 15 per cent after bank unions and industry body Indian Banks' Association (IBA) on Monday signed a wage deal.
The agreement was first announced in February after years of negotiations between the UFBU (United Forum of Bank Unions), an umbrella of nine unions, and the IBA.

The wage revision will be effective from November 1, 2012 and will benefit about 10 lakh employees from public sector banks, old private banks and some foreign banks. This will result in an additional salary burden of Rs. 4,725 crore per year on banks. With additional provisioning for superannuation and other benefits, the outgo goes up to Rs. 8,370 crore annually. Following the wage revision, the scale of pay for officer-level employees goes up from Rs. 14,500- Rs. 52,000 to Rs. 23,700- Rs. 85,000, including special allowance and dearness allowance.

The scale of pay of workmen — non-subordinate staff — has been revised from Rs. 7,200- Rs. 19,300 to Rs. 11,765- Rs. 31,540, while that of subordinate staff goes up from Rs. 5,850- Rs. 11,350 to Rs. 9,560- Rs. 18,545, including allowances, IBA Chairman TM Bhasin said.

AIRRBOF News Letter June, 2015
Sky is not the limit, we cover it...
The Voice of All India RRB Officers' Federation
Vol - XXII SILIGURI No. 06

The wage settlement also includes a medical insurance scheme for the families of employees and additional holidays on the second and fourth Saturdays of a month. The first and third Saturdays will be regular working days.

Source-The Hindu Business Line 26th May, 2015.

FROM JULY, PSBS NOT TO WORK ON 2ND, 4TH SATURDAYS

The wage-settlement pact between bank unions and industry body Indian Banks' Association (IBA) includes, among others, additional holidays on the second and fourth Saturdays of a month. Cash and transfer transactions will take place as per the operations of individual banks, but RTGS, NEFT and other clearing functions will not be available on second and fourth Saturdays and other notified holidays.

The RBI has given in-principle approval for the Saturday holidays and it is expected to come into effect by July after approval from the government and the Law Ministry. The medical insurance will cover 100 per cent reimbursement for self and dependents in the staff's family as against the earlier 90 per cent and 70 per cent, respectively. "Now, we also have a consolidated policy from four public sector non-life insurance companies which gives Rs. 4 lakh and Rs. 3 lakh as a floater cover for the family," IBA Chairman TM Bhasin said.

He added that for workmen, the arrears up to May 31 will be given immediately. For officers, the arrears will be equivalent to the DA and basic payable to them. They should get this in the June salary payable in July. Prior to that, it will be given as an ad-hoc measure, subject to approval.

"Since, the Government is on the same page, we hope to get the approval soon. Usually, the revision of officers' service regulation takes about four to six months," Bhasin said.

Source-The Hindu Business Line 26th May, 2015.

PASSAGE OF TIME CANNOT BE AN EXCUSE TO DENY COMPASSIONATE APPOINTMENTS: SUPREME COURT

The Supreme Court has ruled that claim of compassionate appointment under the scheme of a particular year cannot be decided in view of a subsequent scheme that came into force much after the claim was made.

Justices R Banumathi and TS Thakur ruled this while upholding a High Court ruling to allow a related petition against Canara Bank. It directed the bank to consider the claim according to its own scheme in vogue in 1993 when death of the employee concerned occurred.

The court rejected the bank's contention that 'dying in harness scheme' is a non-statutory scheme and is in the form of a concession and it does not create a vested right in favour of the claimant/respondent.

The bank had argued that compassionate appointment is justified when granted to provide immediate succour but cannot be granted on the passage of time. In all the cases that the court considered in a batch, the employee concerned died about two decades ago. The High Court was not justified in directing the bank to reconsider the claim of the respondent. The bank also cited a scheme formulated by the Indian Banks' Association (IBA) on February 2, 2005, based on the guidelines issued by the Centre.

By virtue of this, banks scrapped compassionate appointments and introduced the new scheme of ex-gratia payment. The contention was that the new scheme of 2005 applies to all pending applications for appointments on compassionate ground.

According to the new scheme, they are only entitled to ex-gratia payment in lieu of compassionate appointment. "The main question is which of the two — the 2005 scheme providing for ex-gratia or the one in vogue in 1993 providing for compassionate appointment — is applicable to the respondents," the court said.

It was here that it mentioned the Jaspal Kaur case where it was ruled that the claim of compassionate appointment under the scheme of a particular year cannot be decided in the light of the subsequent scheme that came into force much after the claim.

The court observed that the 2005 circular is of the nature of an administrative/executive order and cannot have retrospective effect so as to take away the right accrued to the respondent in the scheme of 1993. Also, the 2005 scheme providing only for ex-gratia payment stands superseded by the scheme of 2014 which has revived the scheme providing for compassionate appointment.

As on date, the scheme in force is to provide compassionate appointment. Under these circumstances, the bank is not justified in contending that the application of the respondent cannot be considered in view of passage of time.

Source-The Hindu Business Line 26th May, 2015.

FORMER SECRETARIES SUMIT BOSE, GC CHATURVEDI SET TO BECOME CHAIRMEN OF PUBLIC SECTOR BANKS

Former Revenue Secretary, Sumit Bose is likely to be the new Chairman of Delhi-headquartered Punjab National Bank. The Appointments Committee of the Cabinet, headed by Prime Minister Narendra Modi, is set to clear the first names for appointing chairmen in nationalised banks after splitting the post of Chairman and Managing Director on December 31, 2014. It was also decided to re-designate the post of Managing Director as Managing Director and Chief Executive Officer.

According to sources, former Petroleum Secretary, G.C. Chaturvedi is tipped to be the new Chairman of Oriental Bank of Commerce, while RBI's Executive Director, G Padmanabhan and former Bank of India, CMD, M Balachandran could become Chairmen of Bank of India and Indian Overseas Bank, respectively.

Five more nationalised banks are expected to get Chairmen soon. Under the new system, the Chairman will be a part-time board member, would preside over board meetings, but will not be an Executive Chairman. At present, there are 27 public sector banks in India, comprising 20 nationalised banks, State Bank of India and its five associates, and IDBI Bank.

The decision to split the post took place after serious governance issues arising out of the Syndicate Bank bribery case, following which the Government terminated the service of the bank's CMD SK Jain.

Source-The Hindu Business Line 30th May, 2015.

UNIONS OPPOSE CHANGES TO LABOUR LAWS

Trade unions are up in arms over the Labour Ministry's proposals to allow firms with up to 300 workers to retrench employees without prior permission of the government and make it tougher to form a trade union.

The proposals are part of the draft Labour Code on Industrial Relations Bill, 2015, prepared by the Labour Ministry to combine Industrial Disputes Act, 1947, the Trade Unions Act, 1926, and the Industrial Employment (Standing Orders) Act, 1946.

Central trade unions, including the BJP-backed Bharatiya Mazdoor Sangh (BMS), are planning to protest strongly against the proposals. "We will protest against this provision under which firms will not have to take prior permission for retrenchment under draft Labour Code on Industrial Relation Bill 2015," Bharatiya Mazdoor Sangh Zonal Organising Secretary Pawan Kumar told PTI.

At present, firms employing 100 or more workers are required to seek government's permission for retrenchment under the Industrial Dispute Act. "We will also oppose the proposal to make it tougher to form trade unions. Our President BN Rai will attend the tripartite consultation on the bill on May 6. The union is unanimous on opposing the government's proposal," he said.

At present, any seven or more members of a trade union can apply for registration of the Trade Union. The proposed provision in draft code provides that 10 per cent of workers shall apply (be applicant) for registering a trade union.

In cases where 10 per cent of workers is less than 7, at least seven workers are required (to apply) for the purpose and where the 10 per cent of workers exceed 100, hundred workers shall be sufficient for registering the trade union.

"We have been opposing this when this was being implemented in Rajasthan. We will oppose it on May 6 meeting. They cannot make law stringent for forming trade unions," Hind Mazdoor Sabha Secretary A D Nagapal said.

"When Rajasthan Government had sent the state bill with the provision (retrenchment) for Presidential assent, then Labour Minister Narendra Singh Tomar has assured us that it will not be done. But now they want to amend the central law, which would be applicable to entire country," he added.

All India Trade Union Congress Secretary DL Sachdev said, "We will strongly oppose the proposal to exempt firm with up to 300 employees from seeking permission from the government to retrench and new provisions which would discourage formation of trade unions in India."

He suggested that government should constitute a tripartite committee with employees' and employers' representative on board along experts to study the bill in detail before firming up the draft bill."

Source-The Hindu Business Line 4th May, 2015.

TWO CANARA BANK RRBS LAUNCH IMPS SERVICE

Customers of Kerala Gramin Bank (KGB) and Pragathi Krishna Gramin Bank (PKGB), the two Regional Rural Banks (RRBs) sponsored by Canara Bank in the South, can now utilise the immediate payment service (IMPS) to make instant inter-bank electronic fund transfer using mobile handsets, Internet and ATMs.

The two RRBs of Canara Bank became the first rural banks in South India to offer the IMPS service for their customers on Wednesday.

IMPS is the real-time payment system provided by the National Payments Corporation of India.

Unlike NEFT, which is available only during banking hours on working days, IMPS is available anytime, 24 hours a day and seven days a week.

Launching the IMPS, PS Rawat, Executive Director and Acting MD and CEO, Canara Bank, said mobile banking holds the key to the success of mass retail banking. Canara Bank is initially offering the IMPS service free of cost to customers of KGB and PKGB.

Three RRBs in the North — Kashi Gomti Grameen Bank, Maharasthra Grameena Bank and UP Grameena Bank — are the others that have adopted the IMPS service.

“Mobile payment system is here to stay and largely adopted by the urban consumers. There are about six lakh transactions a day. The launch of IMPS by RRBs would be a game changer and would be more useful for migrants to send money back home,” said M Balachandran, Chairman, National Payments Corporation of India.

Kerala Gramin Bank, which operates in all the 14 districts of Kerala with a total business of Rs. 20,940 crore tops the list of 56 RRBs in the country.

The Pragathi Krishna Gramin Bank, which operates in the 11 eastern districts of Karnataka, with a business of Rs. 19,467 crore ranks second among the RRBs in the country.

Source-The Hindu Business Line 11th June, 2015.

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