



**Canara Bank Officers' Union[Regd.]**  
[AFFILIATED TO ALL INDIA BANK OFFICERS' ASSOCIATION]  
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**CIR:CBOU/42/2020**

**DATE : 16-08-2020**

Dear Coms,

Recently I have come across a letter titled as

**“AN OBJECTIVE AND UNBIASED OPINION ON THE  
MINUTES OF ELEVENTH WAGE REVISION SETTLEMENT NEGOTIATIONS  
HELD ON 22.07.2020” dated 23/07/2020 and signed by the General Secretary of CBOA**

I am shocked and surprised at the knowledge level which the writer commands and still not able to believe that a *'tall'* personality of his stature could write such a letter. After going through the entire letter, it can easily be concluded that the sole purpose of the letter is only the **last highlighted line viz., “CBOA has decided not to charge LEVY for the wage settlement arrears as was done last time during the Tenth Bipartite Settlement in 2015.”**

The minutes have been signed by AIBOC also, of which, if I am not wrong, he is a senior vice president. In case of having any difference of opinion, the same could have been discussed in the house for taking up further as only the MoU on load factor and other financial parameters have not been signed. We get a sense of belief that he has not even been consulted during entire negotiating process on account of organisational indiscipline he has continuously shown in the form of demanding and misleading the youth in the name of CPC, court case etc.

Now let me come to the points mentioned in the above-captioned letter from Sl. 1, 4 to 15 (2-3 is excluded as they pertain to the contents of the MoU).

**Point 1:**

Though claimed as MOU it is recorded as minutes of the Meeting only.

**Correction:**

***The last line of the 2<sup>nd</sup> part of the Minutes wherein it is mentioned as MoU. The starting of the letter itself is an attempt to mislead the young minds.***

**Point 4:**

The impact of the above on the starting salary of an officer in Scale I officer would be as below. The impact on Basic Pay, DA, Spl. Allowance and NPS deduction only reckoned as these are only uniformly available to all officers irrespective of their place of posting.

| <b>Impact on the Salary<br/>for officers under NPS</b> |                               |  |                                |
|--|-------------------------------|--|--------------------------------|
| Particulars  | Existing<br>as on<br>01.11.17 | <b>REVISED</b><br>after DA merger @ 6352 points<br>(47.80%) &<br>With 2.5% load in basic |                                |
|  | DA @ 51.6%                    | Remaining DA @ 2.66%   |                                |
| Basic Pay  | 23700.00                      | 35904.32   | 35904.32                       |
| DA on basic  | 12229.20                      | 955.05   | 955.05                         |
| <b>Basic + DA</b>                                      | <b>35929.20</b>               | <b>36859.37</b>  | <b>36859.37</b>                |
| Spl. Allowance   | 1836.75                       | 2782.58  | 5385.64                        |
| DA on Spl. All   | 947.76                        | 74.02  | 143.25                         |
| <b>Basic + DA + spl. All</b>                           | <b>38713.71</b>               | <b>39715.97</b>  | <b>42388.26</b>                |
| Less NPS   | 3592.92                       | 5160.31  | 3685.93                        |
| NET Salary   | 35120.79                      | 34555.65   | 38702.33                       |
| Assumptions  |                               | Spl. All. – 7.75%<br>NPS Dedn : 14%  | Spl. All. 15%<br>NPS Dedn -10% |

**Corrections:**

*Seeing the above chart, I can only say **OMH!!** Assumptions are yet to be finalised between both the parties concerned to the Joint Note.*

**I am providing the following information for the knowledge of all:**

*\*Only management contribution is going to increase to 14%. Date of effect is yet to be decided.*

*\*Except Basic, load factor is not decided for any other parameters.*

*\*In the first assumption, only 2.50% load factor is considered which is agreed by in the MoU, where is the rest 12.50%???*

*\*In the second assumption, Special Allowance is increased from 7.75% to 15%, where is the rest 5.25%???*

### **Point 5:**

#### **Increase of Bank's Contribution to NPS and its impact**

- This appears to facilitate the Pension Fund Managers (PFM) and boost their Corpus maintained to offset their losses.
- This addition will be appropriated in the 15% allotment only and directly goes to the PFMs and will not be available for the employees.
- This will also be not beneficial to those who are under the pension option.

### **Corrections:**

- *Please study the NPS scheme. 60% of the corpus is to be returned to the employee at the time of retirement. Increase from 10% to 14% management contribution is going to hugely benefit those covered under NPS.*
- *Increase towards NPS is not at all related to the load factor of 15%. It is a wild imagination and an attempt to distract the attention of the members joined after 01.04.2010*
- *This has nothing to do with the pensioners/optees. Its only was related to those covered under NPS. Again an attempt to demoralise the employees by emphasising this point.*

### **Point 6:**

Other monetary benefits like HRA is not taken into account as the majority of the officers are availing leased accommodation and an increase in HRA will not be beneficial to these officers. This will in a way benefit the Banks only as the HRA deduction is made based on the standard deduction basis stipulated by the Government for that particular Scale and the banks will deduct more HRA as the basic will undergo a significant change with the addition of DA for the same accommodation without increasing the rental ceiling.

### **Corrections:**

*Except for the load factor towards Basic, no other factors have been decided. Then WHERE FROM this has become "objective and unbiased opinion". It seems that the letter was drafted much earlier and was in waiting for the MoU to be signed.*

*Regarding rental ceiling, its individual Bank's discretion and not a part of industrrry level Joint Note. The rental ceiling in our Bank has not been increased since 2012. Whose failure is this??? Deduction towards HRA for rental accomodation is a natural fallout of increase in Basic. Its simple arithmetic. If the members of the organization of the writer don't want increased Basic than its a different thing. **OMG!! again.***

### **Point 7:**

CCA is not available to all and only people residing in Cities will be getting it.

### **Correction:**

***It is like reminding us that we are working in Canara Bank. Surprised to learn that the members of the organisation of the writer do not know that CCA is available for urban branches also. I would only say WHERE FROM this has become "objective and unbiased opinion".***

### **Point 8:**

Encashment of accumulated Privileged Leave is also not much beneficial as in the initial years the officers would not be in a position to accumulate much leave due to leave availed by them or various purposes. Besides the encashed amount for 5 days works out approximately to Rs.7000/- as per the above calculation and after deduction of applicable tax the amount may be an insignificant increase.

### **Correction:**

***Its as massive benefit to one and all, young and old. When leave accumulation touches 270 days, no more leaves can be accumulated. Periodical and planned encashment of even 5 days every year would greatly benefit all. Right now, we have a system of encashing up to 30 days PL at the time of availing LFC (once four-year block) and at the time of retirement. New service condition is added***

***At present an officer drawing a gross salary of Rs. 50000/- would get Rs.50000/- if 30 days is encashed. Similarly, a senior officer drawing a salary of Rs. 100000/- would get Rs. 100000 if 30 days is encashed. So is the new system. It is only logical that if your salary is less you get a lower amount, and if your salary is high you get a higher amount. The calculation in this point is nothing more than a joke. Ha! Ha! Ha!. So sad that '95%' officers of Canara Bank do not know simple logic that they forwarded this letter like primary students. Shame Shame!!***

### **Point 9:**

Five Day banking is not a monetary benefit which cannot be compromised with. Though it is still open for discussion, the grapevine is that the PMO is not in favour of 5-day banking.

### **Correction:**

***Everybody knows that we are fighting for 5 days of banking. If PMO had agreed, why would we be fighting for it??? MoU is signed for financial matters only, 5 days banking is open for discussion. Whether present 2<sup>nd</sup> and 4<sup>th</sup> Saturdays Holidays was not a part of last Bipartite***

***Settlement or Joint Note??? But was it given at the time of Bipartite Settlement or Joint Note??? Please correct yourself, Sir.***

**Point 10:**

Regarding Updation of Pension the minutes are silent. Under the prevailing circumstances indicated in the minutes on the economic scenario of the nation and the financial position of the banking sector, it will be tough to accomplish.

**Correction:**

***Updation of pension is still being pursued by UFBU and any up-dating would be over and above the agreed 15% load on payslip components. What present circumstances have been mentioned in the letter could not be located in the MoU even after going through it a hundred times.***

**Point 11:**

**Family Pension** - Though the beneficiaries may be less in numbers still this is appreciable but the real benefits cannot be enjoyed by the family pensioners without corresponding up dation of pension.

**Correction:**

***There is no mention of family pension also in the MoU. But it has found mention in this letter. It seems that the writer is confused between the MoU and the UFBU circular on the talks. Again an attempt on misleading the officers. A calculation chart is provided below to highlight the increase in family pension:***

| <b>TO THE FAMILY OF DECEASED EMPLOYEES WHO RETIRED/DIED<br/>DURING 10<sup>TH</sup> BPS – FROM NOV. 2012 TO OCT 2017</b> |  |   |                                  |
|---|--|---|----------------------------------|
| <b>(EXAMPLES TAKEN<br/>AT MAX. OF<br/>PAYSCALE)</b>   | <b>PRESENT<br/>FAMILY<br/>PENSION + DA</b> | <b>PROPOSED<br/>FAMILY<br/>PENSION + DA</b> | <b>INCREASE IN JULY<br/>2020</b> |
| <b>SUBSTAFF</b>   | <b>8367</b>                                | <b>12550</b>                                | <b>4180</b>                      |
| <b>CLERK</b>  | <b>11087</b>                               | <b>22174</b>                                | <b>11087</b>                     |
| <b>SCALE I OFFICER</b>  | <b>11087</b>                               | <b>22174</b>                                | <b>11087</b>                     |
| <b>SCALE II OFFICER</b>   | <b>12123</b>                               | <b>24248</b>                                | <b>12125</b>                     |
| <b>SCALE III OFFICER</b>  | <b>13585</b>                               | <b>27171</b>                                | <b>13586</b>                     |
| <b>SCALE IV OFFICER</b>   | <b>15611</b>                               | <b>31222</b>                                | <b>15611</b>                     |
| <b>SCALE V OFFICER</b>  | <b>16330</b>                               | <b>34864</b>                                | <b>18535</b>                     |
| <b>SCALE VI OFFICER</b>   | <b>16330</b>                               | <b>40380</b>                                | <b>24050</b>                     |
| <b>SCALE VII OFFICER</b>  | <b>16330</b>                               | <b>44855</b>                                | <b>28525</b>                     |

**Point 12:**

Medical Insurance Scheme – As per the Tenth BPS, it was believed that the premium will not be increased till Eleventh BPS. However, the premium has been increased on an annual basis without any corresponding increase in the insurance coverage though costs of medical facilities have shot up in the interim.

The increase in premium was facilitated to make up for the losses of the insurance companies but no benefits percolating to the Bank employees.

If at all employees are to be benefited, the Medical Insurance Scheme implemented in SBI should be made available to all the banks and the corpus can be managed on our own instead of paying premium and profits to the insurance companies.

### **Corrections:**

***SBI has not subscribed to the IBA Medical Insurance Scheme as SBI's existing medical scheme is far better than this. CBOA is part of the AIBOC of which SBOA is also affiliated. Banks have the flexibility to withdraw from it if they can provide better facilities than this. Whether this issue has ever been taken up with the management in any of the Joint Meetings??? The answer is a big NO. First, implement in our own Bank, then think about others.***

### **Point 13:**

Regarding the PLI, though it appears to be over and above the wages, it is indeed disheartening to note that the officers and employees are divided in the industry based on the profitability for which they are not responsible and it is more so when already there is a grudge of non-availability of uniform perks and facilities and some banks are permitting additional increments after the settlement, despite the entry into the banking sector is through a uniform and tough screening process.

Instead of encouragement, it may hurt/ demoralizing the officers.

### **Correction:**

***Please go through all the circulars of UFBU on the current negotiations. The Variable Pay Concept demanded by IBA was transformed to Performance Linked Incentive and that too over and above the agreed load. Banks are not charitable organisations nor are they Govt. departments. Moreover, PLI is on the operating profit and not the net profit. PLI is uniform for all. How the officers and employees would be divided based on PLI is a million-dollar question.***

***Regarding additional increments, except SBI, there are no other PSBs which are permitting additional increments. Interestingly CBOA belongs to the same AIBOC of which SBOA is also an affiliate. Why the leaders from SBI are not asked to forgo such discrimination as the writer also belong to the same organisation. Also, for the information of all, SBI is not recruiting through IBPS (hence not a uniform screening process).***

### **Point 14:**

No word on the running scale of pay which may result in the early stagnation of the salary of the youth as the promotional opportunities linked to increments will be shrinking due to amalgamation, automation and youth occupying higher destinations and designations.

### **Correction:**

***Once again, the writer has failed to comprehend the MoU. It is being interpreted as if the Settlement is over. Construction of Pay Scales, Distribution of Load and all related issues, non-financial matters- all will be discussed and finalised in 90 days. Please read the last two points of the MoU again.***

### **Point 15:**

Way out,

- A. Still, we can demand the introduction of the need-based salary which is the universally accepted model and is being adopted to fix salary for the government employees instead of linking to the paying capacity and profitability which is decided more by the Government policies than the contribution of the officers and employees and also the salary equal to group A officers as the officers are equated to them by the GOI.
- B. Government has published the code on wages act for the stakeholders response and there is an indication to bring it to action in September and so, we can demand after waiting for such implementation.
- C. The Indian youth joined in the bank with dreams may continue to sacrifice and work for the nation's welfare for some more time till the next wage revision talks are opened.

### **Corrections:**

- A. Bank employees are not Govt. employees. Please remember this. UFBU is very much capable to negotiate the needs of the Bank employees.***
- B. It seems that the writer is supporting the Codes on Wages Bill 2019 which the trade unions are opposing. Absurd. Absolute absurd. The writer has serious problems in understanding the Bill and as usual, advocating for the exploitation of the Bankers. The bill if becomes an act in its current form would be highly detrimental to our jobs.***
- C. Instead of cooperating in finalising the settlement by pushing the issues of officers in the appropriate forum, the writer is simply misguiding the youths by his absurdity, diverting them from the real issues, demoralising them by portraying the MoU and the progress made towards the conclusion of the 8<sup>th</sup> Joint Note in a derogatory manner.***

**For the information of the young canarites:**

The writer of the letter enacted a drama during the last bipartite settlement/joint note also when he declared that he has resigned from the negotiating committee of UFBU citing that he would never agree to a settlement below 19%. There was a massive circulation of this 'heroic news' among the canarites like the above-captioned letter. But when the last joint note was signed at 15% he was very much present at the site and was also affixed his signature on the 7th joint note. This time again he has started to enact his drama. He will do many stunts, however irrational and when members fume after the signing, he will declare the Joint Note as levy free and the members would be grateful as ever like Indians under British rule.

**“THOSE WHO WILL NOT REASON ARE BIGOTS, THOSE WHO CANNOT ARE FOOLS  
AND THOSE WHO DARE NOT ARE SLAVES (-LORD BYRON)”**

**!!!ARISE AWAKE AND CHOOSE A TRADE UNION INSTEAD OF A “TRADING  
UNION”!!!**

*Yours comradely,*

A handwritten signature in black ink, appearing to be 'H Vinod Kumar', with a large, stylized loop at the top and a horizontal line at the bottom.

**H VINOD KUMAR  
GENERAL SECRETARY**