

# ALL INDIA UNION BANK EMPLOYEES FEDERATION

C/o Union Bank of India  
15 India Exchange Place  
Kolkata - 700 001  
Fax No. : 033-22420690  
Email : [aiubefhome@gmail.com](mailto:aiubefhome@gmail.com)

28<sup>th</sup> May 2018

## Circular No. 47/XVI/2018

To All Units and CC members &  
Woman Sub-Committee Members

Dear Comrades,

### Curtailment in welfare measures to employees & retired employees

You have come to know that the Management have decided to curtail the facilities of welfare scheme. We have today written a letter to the Managing Director & CEO lodging our strong protest against the decision and demanded restoration of the schemes in full. Full text of our letter is reproduced overleaf for your information. We call upon all the members through our respective units for implementing the following programme for registering instant protest against anti-employee decision for curtailing the amount of Canteen Subsidy and other welfare measures.

**4<sup>th</sup> June 2018 (Monday)** : Demonstration in branches wherever possible but compulsorily before RO/FGMO

**19<sup>th</sup> June 2018 (Tuesday)** : Submission of Memorandum to MD & CEO by each and every member

In addition to the above, meeting should be held to educate and prepare the members for intensified programme.

Ultimately the cat has come out of the bag. The General Secretary of AIUBEA claimed in his circular no. GS 3/114/17 dated 10<sup>th</sup> July 2017 that he had ensured in the MOU signed by him that there would be, “**no compromise in staff benefits and staff welfare.**” But, now there has been reduction in the amount of Canteen Subsidy and withholding of welfare measure for health check up and reimbursement of tuition fees of the ward(s).

Said General Secretary also stated that the MOU signed by him in our Bank was not ‘Turn Around’ programme. In his own language as appeared in his above circular:

***“For other Banks the MOU is for Turn Around programme where as our Union Bank’s MOU is for efficiency improvement. When the MOU for other Banks envisages achieving industry standards, Union Bank MOU envisages for improving its performance. Thus the purpose and object of our MOU have been clearly and distinctly made different.”***

But, the General Manager (HR) in Staff Circular No. 6805 dated 18.05.2018 wanted to assure the employees with the words, “*All the Schemes related to welfare of Staff may be reviewed after*

*September 2018, if there is a turnaround in the performance of the Bank.” Why did he not say, “..... if there is improvement in the efficiency.”*

Another interesting fact has also come out. Board meeting was held on 18<sup>th</sup> May 2018. Management issued the Staff Circular on 18<sup>th</sup> May 2018 itself giving the news of curtailing benefits in welfare scheme but did not upload the circular in the system till 22<sup>nd</sup> May 2018. On 21<sup>st</sup> May 2018 taking advantage of a meeting on Bank’s Business plan, vision 2020 and its Strategy and Action Plan, Management could successfully convince the representatives of AIUBEA and AIUBOF about the justification behind curtailment in welfare schemes. On the same day the General Secretary of AIUBEA in his circular no. GS 3/123/18 took up the responsibility for mind setting the members to acclimatize themselves with the curtailment. Then, on 23<sup>rd</sup> May 2018 the Staff Circular dated 18<sup>th</sup> May 2018 was uploaded in the system.

With Greetings,

Yours comradely



Jagannath Chakraborty  
General Secretary

**Full text of the letter written to MD & CEO :**

“ This has reference to the Staff Circular No. 6805 dated 18<sup>th</sup> May 2018 issued by the General Manager (HR) on STAFF WELFARE SCHEMES - Allocation of Budget for 2018-19. He has stated therein that since the Bank has reported net loss for the Financial Year 2017-18, there is no amount available under Staff Welfare Fund for the F.Y. 2018-19 and accordingly the Management has decided to (a) reduce Canteen Subsidy by 62.5%, (b) put on hold the expenditure on reimbursement of expenses for health check up till further review and (c) put on hold the expenditure on reimbursement of School Fees till further review.

Management have justified the decision under the garb of guidelines issued by Government of India, Ministry of Finance in the light of Khandelwal Committee recommendation that public sector banks with business mix of over Rs.300,000 crores and employee strength above 30,000 can allocate 3% of its net profit with a maximum ceiling of Rs.25 crores to welfare fund.

Naturally, it is an obvious question before the employees why despite huge amount of operating profit earned by them the Bank has reported net loss for 2017-18. Management might not have found it convenient to tell the truth that due to provisioning for NPA accounts for an amount surpassing the amount of operating profit the Bank has reported loss. This inconvenience itself of the Management is the manifestation of the reality that employees are not at all responsible for the net loss. Then, why the employees should be subjected to suffer in their entitlement for food, health and education of the ward(s).

We hereby lodge our strong protest against said anti-employee decision of the Management and demand immediate withdrawal of the decision so that there should not be any curtailment either in amount or in scheme of welfares so far being enjoyed by the employees. We also demand stringent steps against the willful big defaulters and for fixing accountability on them who sanctioned such big advances that ended in NPA.”