CHAPTER-4

FEDERATION OF OFFICERS’ ASSOCIATIONS
IN SBI
ALL INDIA BANK OFFICERS' CONFEDERATION

For all the Supervisory cadre of employees in the financial sector as a whole, AIBOC has been a forerunner in championing the cause of the working class amongst supervisory cadre employees.

When the supervisory workers were exploited on the plea that they are part of the Management and cannot form Unions, officers started organizing themselves into a collective force and formed a Federation to consolidate the trade union movement of officers in different banks under one umbrella. Thus All India Confederation of Bank Officers' Organizations (AICOBOO) came into existence.

The idea of national Centre for Bank Officials was engaging the attention of All India State Bank of India Supervising staff Federation. During 1965–1968, they have experimental various forms of protest action except strike for improving their working conditions. The
success gained in their struggles and emergence of officers Associations in Bank of India, UCO Bank and Canara Bank (in private sector) gave confidence." An organization "All India Bank Officers' Associations' (AIBOA) was founded by Mr.CHAKRAVARTHY of Bank of India and Mr.B.P.BAJPAI of Bank of Bihar. However, this could not make headway because none of the Bank Officers had the support of the Associations.1

Basic principles for formation of this august body were to remain as an apolitical and independent Trade Union Organization and not to seek affiliation with any political party nor will it be subscribing to any particular political ideology. The Confederation has to be led by the serving employees and will not have any affiliation to any foreign union.

The striking feature of the historic 17 day strike was that the Government could not intervene because officers were not covered under Industrial Disputes Act. Though Banking Industry was declared as Public utility Service under this act, Labour Ministry could not also intervene. In the absence of assistance by Government, both the Federation and management had to use mediation of industrialists who were vitally affected by the Strike. Chambers of Commerce evinced interest and settled.

Within 22 days after the glorious strike, 14 major private banks were nationalized by the Government because of a major crisis in the ruling party. By 1970, officers organization of various Banks have approached for affiliation with National Confederation, in 1971, a representative convention of bank Officers organizations was called in

1 History Of AICOBBO and Bank Officers Movement. L V Subramanyam, Secretary General, AICOBBO, Supervision
Vol XIII December 15, 1983 Pp 1-6
Bombay and a constitution with slight modifications was adapted. Invitation was extended from Minister of Finance for discussing industrial relations problems. The representatives of various banks agreed to the identification of the General Secretary of the Confederation to be the Chief Spokesmen. (For convenience and to make an impact.) At this meeting, number of issues relating to terms and conditions of Service were raised and reconciled, which was the beginning of recognition of AICOBOO.

In 1970, AICOBOO did not participate in wage negotiations, but only individual organizations. In 1972, Government appointed Pillai Committee to standardize Service Conditions of Officers. AICOBOO placed its views before the Committee Finance Ministry addressed a letter to AICOBOO that it would not be unfair to officers and the bipartite relationship would continue even after Pillai Committee gives its recommendations. Later this letter proved a Weapon when Government violated source of the recommendations beneficial to officers the report were placed before the cabinet for approval in May, 1977. It proposed to implement the terms unilateral by the Boards without consultation. AICOBOO gave a call on 27th September 1977 which was the first strike in nationalized sector by Bank Officers. Bipartite dialogue started - continued till April, 1978 with IBA and government. State Bank of India Officers Federation were in forefront always and acted as pioneer.

However, debacle of AICOBOO started with insurgence of the personality differences in the leadership, which are in no way linked to policy programmes. Internal fights for leadership, regional factions and effort of some leaders to move towards political alienation eventually led to the downfall of AICOBOO. The main office bearers of AICOBOO have struck discordant notes between themselves and were unable to move together. Their effort to protect themselves and retain
their hold on further damaged the issue. Some wanted to sabotage the cause of the officers by assiduously practicing false games. They have organized rival meetings and announced different dates for action and 'no holds bar' position was reached.2

The extinguishing AICOBBOO gave way to the formation of AIBOC at New Delhi on the 6th October 1985 with clear cut objectives and priorities.3 The AIBOC commits itself totally to the policy of independent trade unionism. The confederation shall not involve itself, influence or be influenced by party politics. The Confederation, however affirms its faith in democracy and socialism which form the bedrock of the Constitution of India.

The internal organizational system and functioning of the Confederation shall be guided by established trade union principles and democratic discipline. The Confederation shall make continuous efforts to promote values of voluntary discipline.

The Confederation believes that trade union movement should not only be protected from politicalisation, but also be protected from commercialization. The dangers of commercial activity overshadowing the basic trade union activities very much exist in such situations. As a matter of policy the Confederation would therefore discourage its constituents from diversifying their activities in to commercial fields.

The confederation shall not seek affiliation with any Central Trade Union in India having political leanings. The Confederation shall endeavor to promote an independent Central Trade Union of Officers. The Confederation shall not seek affiliation with any foreign

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1. D. V. Ramadas, General Secretary of BBI OA (HYD CIRCLE)Supervision Vol XIV, No 22 Hyderabad September 15, 1988
2. AIBOC's Central Office is functioning from Bangalore in State Bank Buildings. Supervision Vol XV, No 4 Hyderabad October 14, 1988
based trade union. The Confederation shall be led by serving bank officers only.

The Confederation fully subscribes to the objectives for which 28 banks have been nationalized. It shall be the endeavor of the Confederation to see that the objectives of banks are achieved in fullest measure.

The Confederation shall also work for reorganization of structure of public sector banks and modernization of systems and procedures in banks so as to attain greater efficiency and better customer service.

The Confederation shall not support large scale computerization which in the opinion of the Confederation will have adverse effects on employment and industrial relations. The Confederation believes that bipartitism is the only method of resolving disputes and conflict situations. The Confederation shall endeavor to develop friendly and cordial relationship with working class organization and extend cooperation in defending basic trade union rights of working class in general and bank employees and bank officers in particular. As a matter of policy on issues of mutual interest to the bank employees and officers the confederation shall collaborate on reciprocal basis with organizations of workmen with majority following in respective banks.

Confederation would endeavor to have structured relationship with the Indian Banks Association, at industrial level. Such a structure should provide for (a) procedure for determining the bargaining agent, (b) forum for negotiation of demands, (c) forum for resolution of conflict situations.
Though Indian Banks Association is the representative organization of bank managements, the Government is vested full powers and authority in the Indian Banks Association to enter into binding agreements on service conditions of Bank Officers. The Confederation is of the opinion that this situation very seriously impedes the process of collective bargaining and generates tensions and conflicts and that Indian Banks Association should be reorganized, if necessary by inclusion of a representative of the Government so that the Association may be in a position to deal effectively and expeditiously with Industrial matters in the Banking.

Government has freedom to nominate a person who is not a representative of the majority organization of the bank officers on the Board of Directors has led to unhealthy practices and splintering of the bank unions. The Confederation would work vigorously for ensuring those only true representatives of majority organizations of banks officers are appointed on the Boards of the respective banks. The Federation should impress upon the management of the Banks for introduction of the joint consultation machinery right from Government level to the lowest administrative unit of the banks.

The Confederation shall endeavor to establish healthy channels of communications with its constituency. As a part of this program State and District Units of the Confederation shall be established at all centers as early as possible a comprehensive program of meetings and conferences all over the country shall also be drawn up and implemented: A house journal shall be started to carry the message of the organization to all corners of the country. Priority shall be given to the revision of pay scales of private sector bank officers and all efforts shall be made to secure settlement as early as possible. Negotiations shall also be opened with the Indian Banks Association on other terms.
and conditions of service of bank officers including review of categorization norms.

During emergency, all trade unions and their activities had to lie in suspended animation. Because of non-political nature of AICOBBOO, it could not muster support from anywhere. So, as a strategy born out of survival concept, and after several deliberations and debates, the leaders took a decision to affiliate itself with INTUC. At that time, INTUC and TNTUC were only the two Central Trade Unions who had supported the emergency. As a result, AICOBBOO was given a representative Status and their representatives were included in National Industrial Committee on 26-06-1975. The facility to do trade union work (duty off) given to 4-5 office bearers was withdrawn along with workmen leaders and the Secretary General, in most part of Emergency, had remained on loss of Pay or on his earned leave. However, it can be seen that AICOBBOO could progress in Emergency also while other trade Unions closed their shops. Soon after lifting of the emergency, the Confederation disassociated itself from INTUC and remained nonpolitical ever since.

A new chapter has been opened in the Bank Officers movement in Andhra Pradesh on the 1st November, 1985, the anniversary day of the State also, with the formation of State Committee of All India Bank Officers Confederation (AIBOC). The meeting convened with the initiation and support of Shri Karanam Venkateswari, Assistant Secretary was attended by the delegates from all major Banks. In pursuance of the directive of the All India Bank Officers Confederation, delegates from the affiliated Banks gathered at the
Mess hall of State Bank of India Officers Association at Hyderabad for the State Conference.4

The meeting unanimously elected the following office bearers for the FIRST triennial period 1985-88.

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<th>Office</th>
<th>Name</th>
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<td>President</td>
<td>Shri V. Madhava Rao</td>
<td>State Bank of India</td>
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<td>Vice-President</td>
<td>Shri P.S.L.M. Hara Gopal</td>
<td>Punjab National Bank</td>
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<td>Secretary</td>
<td>Shri N.C. Mohanthy</td>
<td>Bank of India</td>
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<td>Asst. Secretaries</td>
<td>Shri T.L. Narasimha Rao</td>
<td>State Bank of Hyderabad</td>
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<td>Shri K. Venkateswarlu</td>
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<td>Asst. Secretaries</td>
<td>Shri N. Balakrishnan</td>
<td>Syndicate Bank</td>
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<td>Treasurer</td>
<td>Shri P.S. Moorthy</td>
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The Confederation reached its zenith during the early 1990s due to its commitment to the cause of the Bank Officers and sustained several struggles in consolidation of the Bank Officers movement under its banner. During the 1990s, it led a relentless struggle against the attempts of the Government denigrate the Public Sector and hand them over to the private sector. Women’s wing of AICOBBOO was started in Andhra Pradesh in a meeting of Women Officers in twin cities on 28-01-1984 with Ms. Anita Seth, as National Convener ad Ms. K. Parvathi as Convener of Andhra Pradesh

The Federation not only thwarted the initiative of the Government for privatization of the Public Sector Banks but also proved beyond doubt that the Public Sector Banks alone can deliver and perform in the interest of the country. The Indian Banking

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4 Shri M L Pat. all India Vice-President of (AIBOC) presided over the meeting. Sri V. Madhava Rao President. SBIOA HYD CIRCLE has been appointed as the Convener for the State by the all India body.
industry encompasses Public Sector, Private Sector, Regional Rural Banks and Co-operative Banks. AIBOC commands membership of over 2 lakhs, with an overwhelming majority in banking industry. It has affiliates in all Banks in Public Sector and 10 banks in Private Sector. Officers’ Organizations in 2 State-level Co-operative Banks, Regional Rural Banks and 4 other Financial Institutions are also affiliated to AIBOC. In order to accelerate the pace of consolidation, separate Federations have been set up for Officers of Private Sector, Co-operative Sector and Regional Rural Banks under the banner of AIBOC. Likewise, AIBOC has set up State Units in all States and Union Territories. These Units have, in turn, set up District Units all over the country.

All India Bank Officers’ Confederation is the largest national union of bank officers in India. Its membership comprising Officers and Managers is drawn from various banks - in the state sector, in the private sector, in the rural banking sector and in the cooperative sector. As on 31.12.2003 AIBOC had membership strength of over 2 lakh officers. They become members of AIBOC through their own unions in the respective banks they work for. Individual bank officers’ union is in turn affiliated to AIBOC.

AIBOC is an independent central union. It is neither affiliated to any political party nor to any party - controlled union. Its day to day affairs are looked after by serving bank officers. AIBOC follows a democratic tradition. Through its Triennial General Council meetings, representatives of the affiliates participate in major policy decisions. The General Council elects an Executive Committee with representation to every affiliate. The EC meets periodically and gives direction on the working of AIBOC. A smaller group, called Working Committee comprising senior office bearers, meets almost every two months to supervise and direct the Secretariat of AIBOC.
AIBOC generates its funds mainly through the affiliate fee contributed by the affiliated organizations. The affiliate fee is linked to the membership strength of each affiliate. AIBOC does not receive funds from any political party or organization. AIBOC has continuously strived to improve the service conditions of officers and their compensation system. Based on the feedback received from affiliated unions, comparison with other enterprises and study of relevant data, periodically AIBOC presents charters of demands to the Indian Bank's Association (IBA) which is the apex body of bank managements. Since 1985 regular bipartite meetings have been held between AIBOC and IBA on salary revision and other service conditions. Such revision has taken place in 1985 (retrospectively from February 1984), 1987, 1990, 1995, 1999 and 2005.

AIBOC has worked towards a participative culture in banks. This is done through two distinctive measures viz., interaction between affiliated union and the bank management on matters connected with a bank's working and participation at the level of bank's board through affiliate's nominee director as provided under law. In most banks, AIBOC affiliates involve in regular discussions with managements on developing new skills, improving the attitude and enhancing knowledge of the human resources. Efforts are continuously on to create a work environment conducive to greater efficiency.

It's predecessor, namely AICOBBOO had been in the forefront espousing the cause of social banking and bringing of the financial sector under public ownership was a demand of the bank officers' movement in the 1960's. After the nationalization of major commercial banks in 1969 and 1980, the banking industry's character underwent a sea change: the emphasis shifted from class banking to mass banking - banks became accessible to the masses. While supporting
the concept of social banking, AICOBBOO till 1985 and later AIBOC have laid great emphasis on professional autonomy to the banks without external interference in their working.

In the early 1990's AIBOC focused on the bulging non-performing assets of banks, the need for transparency in respect of large loan defaulters and a social audit of loan write offs. It also demanded legal reforms to enable the banks to enforce the securities without prolonged litigation. During the reforms period starting from 1991, on the altar of global integration, banks started moving away from the concept of social banking. Privatization of public sector banks was held out as a means to make them efficient. AIBOC, jointly with other national organizations has been campaigning against privatization. Seminars and lectures are held, papers and memorandums are submitted and trade union actions are organized to focus the public attention on the adverse impact of privatization on the economy.

AIBOC has laid great stress on the need for a social concern among the trade unions - particularly bank officers. Some of its affiliates are continuously involved in activities calculated to benefit the society at large. For example, SBI Officers Associations have a string of schools which provide quality education. Bank of India Officers' Associations have programs intended to help rehabilitation of street children in Mumbai. Indian Overseas Bank Officers' Association provided new school buildings in the State of Orissa in the aftermath of a devastating super cyclone in 1998-99 and one more to run a special school for the mentally and physically challenged children in the outskirts of Madurai. Corporation Bank Officers' Organization under its social action wing "SWASTI" helps orphanages, provides assistance in kind to schools in remote corners and renders support to institutes intended to rehabilitate mentally challenged. AIBOC also
organizes seminars, lectures and cultural activities with a distinct social message.

Within the banking industry there were vast sections of officers who were not unionized or who would not involve in union activities. All over the country 196 regional rural banks have been operating. They function in the remotest corners of every district in the country - with hardly two or three staff in each branch. To provide collective strength for the officers working in these banks, associations were set up in every RRB. These associations were federated into All India RRB Officers' Federation - which is a wing of AIBOC in strengthening unionism in this sector and in turn evolving plans to improve the loss making RRBs and restructure of the sector.

A number of private banks belonging to the old generation continue to operate outside the state sector. In these banks the managements follow different practices in relation to compensation, service conditions and treatment. The officers, there, are organized into officers' associations. These associations are federated to All India Private Sector Banks' Officers' Federation - which is a wing of AIBOC. AIPSBOF provides advice, guidance and assistance to the officers in the private sector banks.

Unionization in co-operative banking sector is slowly spreading. In a few states like West Bengal, Tamil Nadu and Goa, officers in state level co-operative banks are unionized. To provide them guidance and support they are also federated into All India Co-operative Banks' Officers' Federation which is another sectoral wing of AIBOC. The activities of the units of AICBOF have been able to inspire officers in many other co-operative banks.

Women constitute a sizable portion of the staff complement in the banking industry. They are no doubt members of the unions in
their respective banks. But, for long they remained in the backdrop without involving in union activities. Integrating them into the mainstream became necessary. In 1995 AIBOC set up a separate Women's Wing with a National Convener. Periodically the women's wing organizes programs for women officers and represents their issues before AIBOC so that they can be raised at the industry level. In many banks today women officers are better organized. They occupy important elective positions in the organizations.

Communication is a vital means of spreading awareness among the constituency. While many affiliates bring out their own periodical newsletters, bulletins and magazines, AIBOC has been publishing a monthly journal 'Common Bond'. It is sent to all affiliates and to members (on request). Common Bond contains a lot of useful information. With a view to strengthening the cadre, AIBOC regularly conducts training programs for its affiliates. The office bearers and activists have found such trainings very useful in improving their organizational effectiveness. Training inputs include leadership skills, communication, public speaking, defense in domestic enquiry and union management. Eminent speakers and trained resource persons are invited to support the training program.

AIBOC has been working on building a larger platform of unions in banking. The first major break-through is in setting up a broad coalition of all unions in banks. Called United Forum of Bank Unions, the coalition meets regularly and tries to evolve a common strategy with reference to policy matters pertaining to banking industry. The second major step is in forming a coordination committee of unions in the financial sector (AICCUPS). At its periodic sessions AICCUPS discusses the strategies of the financial sector unions in relation to the changes in the sector.
The confederation can claim credit for three major developments in the trade union movement in the country. It was the only Trade Union organization which was not controlled by any outside forces including political parties and ideological groups. It takes its own decision on all major issues irrespective of the ideological difference involved or the group of trade unions that are politically connected. If the issue is concerning the working class, the Confederation is always ready to extend fraternal support or to participate directly in the struggle irrespective of the consequences of such struggles. The second achievement of the Confederation was its effort to consolidate the professionals / supervisory cadre workers under one banner. The third major contribution of the Confederation to the Banking Industry in particular is its initiative and efforts in bringing a broader forum for the unity of all the 9 unions in Banking Industry.

AIBOC in terms of its Working Committee's decision taken on 14th September, 2004, had set up an independent Commission on Banking and Finance Policies5. The Commission's terms of Reference included: to critically examine the Developments in the Banking industry from 1991, to study the implications of these developments on vulnerability of Banking and exclusion of large sections of people from the benefits of growth, and to recommend measures required to build a healthy, strong and socially responsive alternative plan of Banking.

The Independent Commission completed its sittings at major centers viz., Bangalore, Mumbai, Chennai, Kolkata and Delhi. In most of the centers, a number of distinguished personalities and thinkers shared their views. The Commission released its final report in a function held at Mumbai on 7th November, 2006. The Report,

among other things has made a strong case for continuation of the Public Sector Banks with added thrust and focus on social lending.6

The United Forum of Bank Unions7 is a broader forum consisting of 9 unions representing over one million workers and officers in the Banking Industry. It took birth in a very peculiar situation not due to the maturity and foresightedness of the leadership of the unions but as a response to the upsurge of masses to unite and fight against certain oppressive moves of the Government towards the Banking Industry. During the middle of 1990s the Government was following a reckless policy of opening up of the financial sector and forcing several Public Sector Banks to starve for want of capital and to push them into sickness due to accumulated non-performing assets and the new asset classification norms. The three public sector Banks viz. United Bank of India, United Commercial Bank and Indian Bank were declared as weak Banks by the Committee set up to study the financial strength of the Banks and they predicted collapse of these Banks at any time. As a proactive measure the management of these banks decided to reduce certain benefits and curtail facilities to the employees and officers working in these banks forcing them to commence protest action against these anti labor moves of the management compelling the leadership of all the unions to think in terms of forming a common forum. Thus the seeds of the United Forum of Bank Unions were sown and it ultimately became a strong industry level forum wherein the unity and solidarity of the entire banking industry is projected for achieving

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6 General Secretary of AJSBOF Com. G D Nadej, has rendered Secretarial support to the Commission.
7 United Forum of Bank Unions, is a joint forum of five workers unions (viz. AIBEA, NCBE, BEFI, INBEF and NOBW) and four officers' associations (viz. AIBOC, AIIBA, INBOC and NOBO)
several issues including working/service conditions of employees, which is dealt elsewhere in the report.

Forging unity amongst the 9 unions was not an easy task. There are 3 powerful unions viz., AIBEA\(^*\), AIBOC and NCBE\(^*\) with strong following in the banking industry, collectively representing overwhelming majority of the workers and officers. The other 6 unions have a small representation in different banks but have patronage of their political parties. The IBA has recognized all these 9 unions and have given them the representative character for the purpose of bilateral discussions on all manor issues concerning the banking industry. Hence, it was really a herculean task to bring unity amongst these unions, which were rival to each other when it was the question of consolidation of the bank employees' movement at the grass root level.

In the mid 90's there were major moves on the part of the Government to denigrate the banking industry and pave the way for its handing over to the private sector. It started in the name of customer service, low per capita performance and profitability in comparison with the Private and Foreign Banks, lack of capital, the huge accumulated NPA's etc. The UFBU had to relentlessly wage a battle against these attacks and to call for several agitations including stoppage of work on number of occasions. Due to the timely action initiated by the UFBU, the Privatization Bill was prevented to be introduced in the Parliament. The UFBU also succeeded in ensuring the existence of the 3 banks and restoration of same service conditions as was available to other member banks of the IBA. The Government had to concede that there cannot be any discrimination

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\(^*\) All India Bank Employees Association is the majority Union in 17 nationalized Banks.
\(^*\) National Confederation of Bank Employees is the major Union of award staff in State Bank of India with a membership of more than 99%
between the employees of one bank to another who have signed an agreement with the IBA in regard to their emoluments etc.

The success of the United Forum of Bank Unions as a powerful strong united forum also motivated others in the country, in particular the Reserve Bank of India unions and in the recent past the Oil sector employees, to think of a similar common platform for the sustenance of their agitations against the common issues affecting them as well as the country as a whole. The UFBU has come in to existence one and half decade ago and has been moving forward with greater determination and commitment towards the cause of the bank employees and offices at the same time ensuring that the interest of the nation and common man is always kept in view in all its initiatives and struggles.

The broader forum such as UFBU is the order of the day. With the mushrooming of political parties and the regionalism, etc. getting greater consideration, we are going to see the number of unions getting increased rather than reduced in the country. When there is multiplicity of unions on the basis of several considerations, a unifying force is necessary to defend the common interest of the workers, lest they are exploited by the various political parties, the industrialists and the Governments as well for their self gain.

The year 1991 saw a sea change in the outlook of the Government toward these banks. An attempt was made to reverse the trend and to hand over the banking industry once again to Private Managements. The major criticisms against the Public Sector Banks were:

a) The Public Sector banks are not capable of providing better customer service when there is tough competition:
b) The performance and per capita contribution of the employees in the matter of profitability, total business
etc., is far less than that of their peers in the private sector.

c) The technology platform is conservative and they are no match to the foreign and new generation private sector banks;

d) Consequently, their balance sheet is weak and does not stand the scrutiny of the international standards.

Thanks to the sustained struggles of the unions in the banking industry, the desire of the Government did not materialize. The Public Sector Banks emerged clear winners when it came to survival amidst tough competition. Employees and Officers together have answered all these criticisms through performance and lived up to the expectations of the people of this country in defending the Public Sector banks.

The Government has been making continuous efforts to implement its decision to reduce the number of Public Sector Banks in the name of consolidation through mergers and acquisitions amongst the Public Sector Banks from time to time, despite the stiff opposition by the UFBU and its continued agitation against all such moves. The stand of UFBU is very clear. It has been maintaining that there is no need to force the issue of consolidation through mergers and acquisitions, amongst the Public Sector Banks, since the current number of Public Sector Banks is not that big for a country like India, where the banking habits still need to be carried to the interior parts of the country, to provide basic financial resources to the teeming millions and millions of people who are looking for their livelihood through the economic activities locally available. There is a need to increase the number of Public Sector Banks through

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nationalization of the private sector banks and hence the UFBU is totally opposed to the so-called consolidation. The argument that the Indian Banks should be big enough in size to face the international banks is also baseless in-as-much as the size of the International Banks is far greater than all Indian Banks put together in India. The collapse of giant banks in US also strengthened our stand that size is not stability.

Due to the strong resistance by the employees and Officers under the banner of the United Forum of bank Unions the Government has been flexible in their public stance and has been maintaining that they are not directing the industry and it is for the banks to take a view in the matter of consolidation through merger and acquisition etc. Since 1960, there have been two mergers amongst our Public Sector Banks which led to a lot of frustration amongst the employees and officers. While the merger of New Bank of India with Punjab National Bank is yet to stabilize, the talking point of merger and acquisition amongst the Public Sector Banks have created a serious misgiving amongst the employees and Officers in the banking industry. It is in this background, the second merger of two more Public Sector Banks, the State Bank of Saurashtra with State Bank of India, was resisted by the unions and in particular the Federation and its affiliates who observed a series of strikes opposing this action.

Considering the role of the officers in the banking industry and capabilities of the officers’ associations, AIBOC proposes to work towards making banks more efficient to face the challenge of competition and to promote a collaborative culture in banks. It

11 C.H.Vankalachalam is the convenor of UFBU
intends to promote a larger coalition of unions which can give better strength to them and make them effective in influencing policy issues. Being part of the society, AIBOC will increasingly involve in social action through its affiliated organizations.

The All India Bank Officers Confederation (AIBOC) is affiliated to the Professional Workers Trade Union Centre of India (PWTUC) along with the National Confederation of Officers Associations of Central Public Sector Undertakings (NCOA) and NCOA workshop of women executives.

ALL INDIA STATE BANK OFFICERS' FEDERATION

The general perception in the management quarters was that the trade unions were meant for the lower level of workers, the supervisors were part of the management. Such a perception could hold good only when the service conditions of the supervisors are better than those of their subordinates. The Trade Union Act prescribed certain broad guidelines as regards the eligibility for the purpose of forming the trade unions by the workers and provided certain protection and immunity to the leaders of the unions. The professionals including the Bank Officers were definitely ineligible to form union and they were considered as part of the management by the framers of the Trade Union Act as well. This was the common perception in the middle of the 20th Century.

The Banks were nationalized to ensure that these institutions would function as an agency of the Government to take up the development of the economy. The first such take over took place in the case of the Imperial Bank of India in the year 1955. This was the period during which there were hundreds of Private Banks operating all over the country and indulging in a continuous exploitation of the workers in the banks. Thus emerged a strong and vibrant movement
of the Award Staff in the Banking Industry which subsequently played a major role in ensuring the emergence of a strong organized Officers; Associations in the public sector units.

Though by the middle of August 1946 Unions of employees had emerged in all the Circles viz Bengal, Bombay and Madras, there was no proper contact or co-ordination amongst them. The Bengal circle Association waged a lone battle, a marathon strike (the first indefinite strike) for 46 days from 1st August 1946 raising demands on the major issues:-

1. 40% general increase in salary of all clerical, cash department, subordinate and menial staff.
3. Free medical aid and payment of all medical expenses for treatment of employees; and the members of their family.
4. Promotion from Clerical and Junior Supervisory Grades to the Staff Assistants and other Grades.
5. Proper enquiry before entering remark in the Service book which might go against any employee.
6. Gratuity for non pensionable menial staff at the rate of one month for each year's service.
7. Compensation in cash for the loss of subsidy caused by reduction in the quota of cereal ration to enable the staff to purchase other food-staff.

The above Strike was the first known indefinite strike in the Banking Industry. The strike lasted for 46 days from 1st August to 15th September 1946. The More than 6,000 thousand employees of nearly 300 officers; (including branches, sub-branches and pay

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Shanthanju, The Birth of a Live Organization, Union is Strength, AISBOF, BANGALORE 2009, Pp 2-5

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officers) of Bengal, Assam, Bihar, Orissa, United Provinces, Delhi, Punjab and Kashmir were reported have been on strike. Bank Tribunal Award declared the strike as illegal. Supreme Court by a majority of four to three held the award of the All India Industrial Bank Disputes Tribunal as void on the ground that the Tribunal had acted without jurisdiction. Chief Justice Kania, Justice Mahajan, Justice Das and Justice Bose took the majority view, while Justice Fazal Ali, Justice Shastri and Justice Mukherjee dissented. The award was declared invalid chiefly on the ground that it was not the award of the originally constituted three man tribunal as the services of one of its members ceased to be available and the vacancy was not duly filled up.

The appellant banks challenged the legality of the award as Mr. N. Chandrasekhara Aiyar, one of the members of the tribunal was absent for certain period during the initial proceedings, but joined in at a later stage and signed the award along with other two members. The contention of the banks was that under the provisions of the Industrial Dispute Act, Mr. Aiyar ceased to be a member of the Tribunal, and his joining in at a later stage held vitiated the award. The respondent employees of the banks, however, stood by the award submitting that the temporary absence of a member of the tribunal was permitted and did not require a new appointment by the Government.

The Chief Justice in his judgment accepted the argument on behalf of the banks that in the absence of Mr. Aiyar, two members had no jurisdiction to hear anything without the appropriate notification by the Government. The Chief Justice held that the tribunal of three

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13 Justice N. Chandrasekhara Aiyar was also a member of Indo-Pak boundary commission; hence he could not attend all sittings of the Tribunal.
consisting of Mr. Sen, Mr. Mazumdar and Mr. Aiyar was a different tribunal from one consisting of two, namely, Mr. Sen and Mr. Mazumdar. Examining various relevant sections of the Industrial Dispute Act, particularly Sections 7 and 8, the Chief Justice came to the conclusion that the absence of Mr. Aiyar created a vacancy in the tribunal, and it was obligatory on the government to notify the contesting parties as to whether it intended to fill up the vacancy.

The emergence of unions during 1950's led to a series of agitations, strikes and disputes between the management and the workers in the banks. After frequent strikes, disputes and struggles, the Award State Federation in SBI went on an indefinite strike for over 21 days in the year 1960 which provided an excellent boost to the trade union movement in the State Bank of India. The Government had to appoint Tribunals to look into their grievances and we have seen a number of Awards given by these Tribunals until 1965. It was during the middle of 1960s, that the leadership of the unions decided to do away with the tribunals and go for a direct negotiation with the representatives of the Management. Thus the first bipartite settlement in the banking industry took place during 1967.

The Officers were facing a precarious condition in the banks. The emergence of strong award staff trade unions and the improvements in their working conditions which ensured them regulated working hours, payment of Dearness Allowances, Leave, Medical facilities etc., made their working conditions far superior to that of the Officers. This led to the discontentment amongst the Officers' fraternity all over the country. The State Bank of India was not an exception to this environment. The Officers who were promoted from the ranks began to dream of similar rights to the

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14 Hindustan Times April 10, 1951

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Officers; organizations as well. Thus, a number of Officers' organizations cropped up during the 1960s, the multiplicity of the emergence of the Officers' organization in the State Bank. It was during this period that the Officers of the Bombay Circle under the leadership of Com. L.V. Subramanyam the founder General Secretary of the Federation and Com. S.K. Mishra, the founder President of the Federation took initiative and consolidated the officers' movement in State Bank of India under the banner of AISBOF.

The Officers Federation had a big challenge before them. The first and foremost one was to bring all the splinter organizations under one umbrella. Thereafter, between 1965 to 1969, to consolidate the membership all over the country and commence struggle for the improvement of the working conditions of the Officers in the Bank, a number of soft type of agitations were conducted by the representatives of the Circle Associations and the Federation all over the country. The demand of the Federation included casual leave for the Officers, the protection of emoluments on promotion from clerical to Officer's Cadre etc., The Federation gave a call for non-co-operation to its members during the month of June 1969 in Bombay Main Branch. As a part of this non-co-operation, the Head Cashiers refused to hand over the keys to the Management and the Bank suspended 4 officers on 10th of June 1969, thus sowing the seeds of militant struggle which followed thereafter in the Bank Officers movement. A live movement thus took its birth. It was a saga of struggle and sacrifices by thousands of Officers all over the country who could come out openly against the imperial regime and show their collective strength to the Management who were drunk with power which they were enjoying during the 150 years of their existence and exploiting the Officers fraternity to the brink.
The four comrades who carried the burden of the cross by facing on the spot suspension have remained as immortal warriors in the history of trade union movement; they are Com. V.H. Khedigkar, who rose to the position of the General Secretary of Mumbai Circle Association during the subsequent years, Com. Banker, Com. Sajana and Com. Fernandez. The Bombay Circle jumped into immediate action on 10th June, 1969. All the branches in the City of Mumbai were closed on the same day spontaneously. On 11th the strike spread to the whole Circle. The Federation gave a call for an indefinite strike demanding the immediate re-instatement of the Officers suspended by the Bank for their legitimate trade union activities.

There was no adequate communication system in those days. The only communication system which was available at that time was the facility of Trunk Calls and the Telegrams but still message spread like a wild fire all over the country and the branches of State Bank of India all over India all over the country remained closed. It was a lightning indefinite strike the first of its kind in the world. There was a no strike notice, no circular, no massive preparations but the strike was a thunderous success. The strike continued up to 26th June 1969. The strike created a history for the supervisory cadre movement in the entire world. The only demand of the Federation was the reinstatement of suspended Officers and recognition of Officers' right to strike work. The Bank had to reinstate all the 4 officers and agreed to commence dialogue on the other issues raised earlier by the Federation.

Thus a strong and vibrant movement in State Bank of India had emerged. Under the able stewardship of- Founder General Secretary, the State Bank Supervising Staff Federation, officers resorted to militant actions and gave their best to the movement. Tin the historic 17 day Strike of 1969 in which 10,000 officers including Branch
Managers (in State Bank of India they were called Agents) and joint custodians participated. A combined organization for subsidiaries was formed in 1967. Initially, State bank of Indore did not join but followed the suit eventually. Initial argument of Shri L.V. Subramanyam was that the total number of officers did not exceed 3000 and Federal Set up would be expensive and the individual banks would tend to pull in different directions. By 1968, in most Banks, Officers' Organizations started. At that time only State Bank of India and its 7 subsidiaries were in public sector.

The 17 days indefinite strike was described by the BBC as the first indefinite strike by the supervisory cadre in the entire world. This was the first of its kind in the Banking Industry in the country. The Indian Institute of Management, Ahmadabad instituted a study to submit a thesis as to what went wrong in State Bank of India which forced the Officers to come to the street and raise the banner of revolt under the banner of the Federation. During the 17 days strike, State Bank of India has raised on absentee theory of individual accountability on the basis of service contract of Officers (which in law was based on Master-Servant relationship). Taking advantage of the Law / Contract, management experimented with threats, suspensions and charge sheets. This was the 1st managerial strike in India and the issue was

- Right to from unionse
- Right to agitate and protest
- Right to participate in trade union action

including work stoppage without the risk of being called upon to explain the conduct of defense. The strike was finally settled without any damage to officers who participated.

15 Supervision Vol XIII, No 16 April 1, 1984
Striking feature of the strike was that the Government could not intervene because officers were not covered under I.D. Act though Banking Industry was declared as Public utility Service under this act. Labour Ministry could not also intervene. In the absence of assistance by Government, both the Federation and management had to use mediation of industrialists who were vitally affected by the Strike. Chambers of Commerce evinced interest and settled. Within 22 days after the glorious strike, 14 major private banks were nationalized by the Government because of a major crisis in the ruling party.

The Industrial Relations machinery was established in a structured manner at Corporate Centre as well as the Circles after this historic strike. The Bilateral Relations got strengthened during the next decades and the mutual trust and respect amongst the leadership of the Federation and the Executives of the Bank was built with the sole objective of ensuring the progress of the Bank. The Federation had struck work several times in between but the sensitiveness of the management was such that it did not allow the Federation to resort to longer agitation.

However, during the year 2006 yet another history was created by the Federation along with the Staff Federation by giving a call for indefinite strike from 3rd April 2006 to 9th 2006 demanding a comprehensive review of the superannuation benefits which included the Revision of Pension Ceiling to 50% of the last drawn Basic Pay, the Revision of Family Pension, Up gradation of Pension, uniform DA providing 100% neutralization etc., The strike was a unique one in the sense it was the first joint indefinite strike which brought total closure of all the branches in the Bank and was participated by over 2,10,000 workforce all over the country. The strike was applauded as a great saga of struggle and success in the middle of the globalization and the attack of the capitalists on the working class by the
International Conference of Trade Unions held under UNI at Geneva. Leadership of both the Federations were invited as special guests and honored. (Shantharaju)\(^{16}\)

The All India State Bank Officer’ Federation represents over 80,000 officers of State Bank of India and its six Associates namely State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Indore, State Bank of Mysore, State Bank of Patiala and State Bank of Travancore, (State Bank of Saurashtra got merged with State Bank of India in the year 2008.). Membership of the Federation extends to Officers belonging to Junior, Middle level as also senior Grades performing functions of over 18,000 Branches / Offices of the State Bank Group throughout the country.

It has 15 affiliates consisting of 14 circle Associations and ABOA representing 6 Associate Banks with a total membership of over 80,000. Its Central Office is presently at Bangalore. It has its office at 10\(^{th}\) floor, corporate centre, Mumbai, as well. The Federation is an apolitical and independent trade union. It is led by serving bank officers only. It is affiliated to All India Bank Officers’ Confederation, which is also an independent Trade Union led by serving officers. The Federation is a sole bargaining agent for officers and recognized by the Management. The Federation is a partner in bipartite and tripartite forums established in the bank for negotiations, consultations, customer service, community service banking, welfare schemes etc. The Federation is committed to the objectives for which the banks were nationalized. It actively participates in and supports all schemes

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\(^{16}\) Shantha raju, The Birth of a Live Organization, Union is Strength, AISBOF, Bangalore2009, Pp 2-5

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and measure initiated by the Government for ameliorating the poorer sections of the society and priority sectors of the economy.

The Central Office of the Federation at Bangalore is provided with all infrastructures which are necessary for maintaining efficient communication systems between the affiliates, membership, and the management in a most effective manner. Apart from sending out circulars and other communications to grass-root level membership, providing them with day-to-day information on the activities of the organization, the Federation has been publishing from 1981 a monthly magazine known as "Officers' cause" from its Head Quarters. Copies of the journal reach all the 12,000 and odd branches of SBI throughout the country keeping the members informed about the activities of the Federation. Apart from the publication of Officers' Cause, the Federation has also been instrumental in bringing out "common Bond" another monthly journal, the ownership of which was later on transferred to AIBOC.

In order to equip the union Office Bearers and activists with skills in defending their colleagues facing disciplinary proceedings, the Federation has launched a quarterly journal "Domestic enquiry", during the year 1997. Quarterly journal 'Social Concern' was launched in 1999 to cover the Social Welfare Activities of the Affiliates and "Labor Research" a Bi-monthly is launched in 2005.

"An Aide to Defense Representatives" is one of the most important publications for the benefit of those members who are entrusted with the responsibility of defending their unfortunate colleagues in the domestic enquiry. "Superannuation Benefits", a booklet on the Superannuation Benefits was published by the Federation for the benefit of retirees. One of the best publication in the recent past is the "Model Enquiry", a Screen Play utilized for the
documentary produced by the Federation namely "Domestic Enquiry" which is a runaway success amongst the entire trade union fraternity. Federation has come out with 3 beautiful documentaries so far namely "Heroes of 1969 Indefinite Strike", "Domestic Enquiry" and "Joint Indefinite Strike in 2006 - a watershed in our movement".

The office is fully equipped with computer system and latest technology. The Federation Office is one of the few trade union offices fully computerized long back. The computer system is fully networked and provided with connection of internet and also latest printers, Xerox machines etc., for functional efficiency. The aim of the Federation is to achieve through constructive co-operation with the management and the Government, maximum efficiency in banking operations, balanced spread of banking to different regions, high quality customer service, development of human resources, modernization of systems and procedures, prevention of wasteful expenditure and frauds and to promote stable and harmonious industrial relations. The communication system of the Federation is known for its speed and reach. Through electronic media-the communication reaches on line. With a view to facilitate the members all over the country to get detailed information about the Federation, a Web-site has been set up\(^{17}\). Similarly the Federation has an exclusive email for the benefit of our members\(^{18}\).

The trade union movement in India has a history of over 128 years. The seeds of Unionism were sown along with freedom struggle. The Britishers who brought the Industrial Revolution with them also brought in its ill effects such as exploitation of the labor class, discrimination between men and women, hostile working conditions, perpetuation of child labor etc, which gave rise to emergence of

\(^{17}\) \url{http://www.aiabof.com} \\
\(^{18}\) \url{aiabof@indiatimes.com}
unions. The workforce employed in Postal and Railway Departments as also in Textiles, Jute and other industries organized trade unions and contributed their mite to the freedom struggle.

The trade union movement in the Banking industry began in the yearly 40s with the active support of Central Trade Unions. The officers' organizations sprang up in the early '60s in State Bank and other Banks. During the last 44 years, the officers in the banking industry have consolidated their position and built up a strong industry level organization under the banner of AIBOC. The National Academy of Trade Union Research and Education (NATURE) is a wing of All India State Bank Officers' Federation. The Federation appointed a sub-committee for a review of its functioning and makes appropriate recommendations for widening Trade union activities. One of the recommendations was to set up an academy exclusively devoted for development of the Trade union activities. The launching of NATURE in the year 1991 was in response to the recommendations of the Sub-committee. Federation played the role of collaborator in the interest of the institution is furnished hereunder:

The Industrial Relations which developed during 1965 to 1990 were mainly towards bringing a balance of power between the Federation and Management to ensure that the Federation establishes itself as an institution meant to play the watch dog role in the interest of the Officers' community as well as the Institution. However, in the 1990s in the backdrop of changing banking environment with particular reference to unimaginable diversified activities that were undertaken by the management, a careful study of the environment and also the need for the change without sacrificing the interest of the Institution, was the need of hour. Hence at the time of the appointment of M/s. Mckinsey and Company by the Bank for the purpose of undertaking a study of the structure of the bank to come
out with a new design for the institution, the Federation insisted on the continuous dialogue. Federation interacted directly with the consultants and had three rounds of discussions before the final restructuring plan was accepted.

The Federation raised several issues with State Bank of India while creating major outfits in the name of diversification of the Banking activities. While there were outfits created for Housing, Mutual fund, Equity Market, Factoring General Insurance etc., the above institutions were to become a trend setter. The Federation gave a number of suggestions and there were extensive debates both in Central Negotiating Council as well as the Tripartite meetings. Many of the suggestions made by the Federation were accepted and implemented.

The Federation took keen interest in development of Tripartite Forum where full opportunity was provided to the leadership of both officers and Staff Federation and also the Circle Associations in understanding the trends in the financial market with particular reference to the banking industry. The first Tripartite which was held in the Staff College, Hyderabad in the year 1996, provided a new vision to the industrial relationship and made all the three partners namely, the Management, The officers’ Federation and the Staff Federation to come forward and understand the view point of each other to build a strong relationship, in the interest of the institution. The Conference was a unique one since it was the first occasion where the entire Top Executives of the Management and the Federations were involved in the 2 days debate on several issues affecting the Institution and the need for coming together to defend the Institution against the attack from the competitors. The challenges of the institution in the area of technology, the changing banking scenario, the sliding market share and the strategy that are to be adopted for
arresting the same and its improvement etc., were debated with an open mind and solutions were also found in the Tripartite Conference.

Some of the achievements of the tripartite structure and regular Bipartite meetings are: detailed as under 19.

The core-banking solution reaching over 11,000 branches of State Bank of India and more than 5000 branches of the Associate Banks, within a record time, is a unique achievement due to the active support of Officers working throughout the country. All branches of State Bank of India and its Associate Banks are now in the core banking platform. Single Window was implemented with missionary zeal before net-working and connectivity was taken up under Core Banking solutions. The leadership of the Federation inspired the rank and file across the country to ensure that the targets are achieved despite the difficulties of shortage of staff, lack of infrastructure, inadequate training, in the face of the growing competition etc., so that the Bank is able to maintain its premier position in the country. The Federation took the view that mechanization would eventually liberate them from the dependency on the award staff. There is no match to State Bank of India as regards the ATM net work. It is a leader in the industry.

The pro-active role did not end up with the collaboration with the Management of Bank alone. The Federation explored the possibility of bringing all the forces in the Bank together under different forums to take full advantage of our intrinsic strength and potential, for the success of the bank as well as the industrial relations in the bank.

The State Bank has two powerful unions, one representing the Award Staff and the other for Officers working in the Bank. These Federations share a common view on several issues including the ideological approach on trade union related issues. Both have got their own reputation as most powerful trade unions in the banking industry. These Federations had forged unity amongst themselves two decades ago in order to pursue certain common issues. The first occasion which compelled the Federations to think in terms of joint movement and come together was when the Management, at the behest of Government, was attempting to support the political led unions to open their unions in the bank. Then both the Federations came together and decided to fight out the issue. That is the beginning of a meaningful joint movement in the bank. Since then they have been able to remain together and march forward on various common issues. This joint forum also provided an opportunity to effectively agitate on several common issues affecting the employees and officers as well as the Bank and such activities drew lot of respect from trade union fraternity in the banking industry.

At times, the internal conflicts / developments within these two Federations have had its impact on the effectiveness of functioning, causing serious frustration amongst the rank and file, resulting in blow hot and blow cold situation affecting the joint movement. However, these are temporary phenomena, but the long standing relationship and continuous respect by the leadership towards the joint forum are the real strength of the movement. However, the task of cementing of relationship of two different constituencies, with different conflicting roles and responsibilities was not an easy task. The conflicting situations at the grass root levels have been a great impediment and have often led to cynicism and resistance not only at the grass root level but at the leadership level as well.
The Co-ordination is not yet structured despite the best efforts of both the Federations due to various reasons. As such there is no compulsion for the Federations to have the co-ordination on a continuous basis with the same spirit and strength. Often, difficulties are encountered in carrying forward the joint struggles to the logical end since both the Federations may not share the same intensity on each and every issue taken up for the struggle. Thus, on several occasions there were embarrassing situations for the officers’ Federation when the missions were left in the middle and there was sudden vacuum in the approach on the issues taken up for the joint struggle.

The Federation has been advocating the following ever since its formation:-

a) The Joint Movement is need of the hour and there is a need to ensure its continuation;

b) There has to be a structure relationship with definite code of conduct for both the Federations to ensure sustenance of the Joint Movement.

c) The Joint Movement will have to continue with mutual respect, trust and conviction on each issue taken up. Both the Federations are committed to stand by the basic objectives and principles that they have been following since the foundation of the organization. Both the Federations will strive to maintain the independent approach of the organizations, commitment to the internal leadership and avoid any link with the political parties or affiliation.

d) The Joint Movement should be used for strengthening each other and ensuring the continuation of the existing ideological identity.
The spirit of co-operation, mutual trust and respect which developed between both the Federations paved way for the creation of a Tripartite forum for the benefit of the Bank as a whole. The initiative for creation of Tripartite forum again came up with the active involvement of leadership of both the Federations. Thus the forum was towards joint collaboration and co-operation for retaining premier position of the Bank at any cost and achieving the goals for which State Bank of India stands. Leadership was conscious of their role and responsibility and this forum was never used for bargaining activity, rather it was fully utilized to discuss and debate on the corporate concerns, the strategies that are required to pursue the corporate goals. This is a unique forum which encouraged several other institutions in the country to follow suit.

After the successful conclusion of the 3rd Tripartite Meeting, there was a period of lull and uncertainty, creating doubts about utility of the forum. The new initiatives and fast developing diversification at times was a big challenge to the Federations in the matter of the service / working conditions etc. A realization arose on the part of the top management in the midst of new trends in market and tremendous advancement in the area of technology and the need for harmonizing these initiatives for better performance of the institution. Thus, a new initiative resulted in convening of the famous journey forward Jodhpur Conclave - a trend setter in the tripartite relationship.

The tripartite initiative which were in limbo for quite a considerable time, was given a new lease of life by the leadership of the Management when they realized the continuous co-operation and collaboration of both the Federations is a necessary prerequisite in facing the adverse trends in banking industry. It is in this background, Shri O.P.Bhatt, the Chairman, took keen interest to revive the
Tripartite Forum and involve the leadership of both the Federations for developing certain strategies in order to retain the Number One position of the Bank. Sri T.S. Bhattacharya and Yogesh Agrwal, the then Managing Directors of the Bank and Deepak Chawla, Anup Bannerjee and Shri Abhijit Datta, the then Deputy Managing Directors of the Bank participated in the conclave. The Tripartite Conclave which commenced on 15th December 2006 and concluded on 17th December 2006 had resolved that the premier position of the bank should be defended and enhanced through active involvement of the employees, officers and executives together, under the banner of all the three institutions in the Bank. It was also decided that the resolution in regard to "Samaya" has to be adopted and implemented in all the circles by the end of March, 2007. General Secretaries of all the Circle Associations have participated. Similarly, the team of the staff Federation was led by the then President and General Secretary.

One of the developments in the 1990s onwards has been the sharing of the corporate concern by the Management and its initiative to involve the leadership of both the Federations in ensuring the achievement of the targets. The Bank took yet another initiative wherein it involved the entire workforce within a targeted period. It was an unique event in the history of our bank where over 2,10,000 employees were provided the benefit of participating in a specially designed program with a view to create an awareness about the current trends in the banking industry and the challenges that are ahead of us, with the help of our learning Centers. Federation provided a number of suggestions to the "Parivartan" Programme.

The Bank is passing through an unprecedented phase of formidable challenges and its premier position as the "Number one Bank in India", is threatened by the competitive pressures. Over the years SBI has been steadily losing market share from about 35% in
1970s to around 16 per cent in 2006. Bank's vast net work is failing to attract the new and demanding young customers. New technology platform and various new BPR initiatives are still in the process of implementation. Business per employee and profit per employee are among the lowest in the industry.

The active participation of the leaderships of both the Federations in ensuring the success of the corporate goals without sacrificing the interest of the respective constituencies, led to the creation of another forum for the purpose of sharing of information. The Chairman and the Managing Directors took initiative to introduce a system of sharing of information with the leadership of both Federations in respect of the various corporate concerns at the time of the completion of the quarterly results. The forum initially started in an irregular manner and thereafter was being convened immediately after conclusion of the Board Meetings.

The creation of this forum gave an opportunity to the top leadership of both the Federations to understand certain intricacies of the performance of the bank and parameters in the background of stiff competition. It also provided an insight to the leadership of both the Federations to understand the complicated situations with regard to the quarterly / half yearly and annual results and the intrinsic strength and challenges encountered by the bank from time to time.

Periodical introspection and internal debate amongst the top leaders of the Circle Associations and the Federation provides an opportunity for the assessment of the strength and weaknesses of the organization in relation to the changes that are taking place in the environment. The recent trends in the labor field with particular reference to the systematic attack on trade union rights and the attempts of the Government as well as the Management agencies to
de-unionize the managerial staff; in the name of the accountability and responsibility; by denying them their legitimate dues, creating a situation where the membership gets alienated from the organization are concerns of the Federation. It was in this direction, the Nagpur conclave of the Presidents and General Secretaries of the Circle Associations and the Federation was held on 5th and 6th February 2009. The meeting provided for an in-depth debate on several issues concerning the Bank, Circle Association, the Federation, the Trade Union movement and the society at large. The services of Mr. Britto, were obtained as moderator.

The Programme has helped the participants to review the performance of the Federation and the Circle Associations, to assess the expectations of the members and the Management and to plan for future strategies to achieve the goals. It has also been decided that similar exercise has to be initiated at Circle level for office bearers with a follow up session after few months to review the progress. One of the major decisions of the conclave is to take the organization to the door steps of membership through conduct of Cadre Development Programs all over the country.

The National Academy of Trade Union Research and Education, a wing of AISBOF popularly known as NATURE amongst the trade union fraternity all over the country, is the first dedicated institution run purely on trade union perspectives for the benefit of the trade unions in the country was established in the year 1991. The academy founded by Com. R.N. Godbole, the former General Secretary and activated and nurtured for over nearly one and half a decade by Com. Shantharaju, the former General Secretary, and now continued

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10 Mr. Britto, is a renowned industrial relations consultant.
by Com. G. D. Nadaf, General Secretary supported by comrades from SBOIA Karnataka Circle.

The NATURE is active throughout the year. In order to meet the aspirations of all such members the NATURE moves itself to different parts of the country and conducts programs for the benefit of those members. The NATURE is fast moving to conduct its historical 100th program in the near future.

Trainee’s Training Program for Cadre Development, a unique program was developed as a part of the decision of Nagpur Conclave that the Federation and the Circle Associations should take up the Cadre Development Programs on priority basis throughout the country. It was decided by the Federation that the NATURE should train over 60 faculties for the purpose of conducting these Cadre Development Programs throughout the country under the auspices of the respective Circles. Accordingly, there were two programs from 19th to 21st April 2009 and from 24th to 26th April 2009 at Bangalore wherein over 68 members of the various affiliates of the Federation participated and were given a lot of inputs and guidance for working as faculty on behalf of the NATURE and to conduct the program on a massive scale. The NATURE has come out with a special publication "Union is Strength" for the benefit of our cadre was released by Com. R. N. Godbole, the doyen of Officers’ Movement.

The unique social contribution made by the National Council of SBIOA Educational Institutions is in establishing over 20 schools in different parts of the country under the jurisdiction of the various affiliates of the Federation. The Chennai Circle Association is the pioneer in the field of providing such excellent educational institutions for the benefit of the society. The total number of students studying in the various schools set up by all the affiliates is roughly estimated to

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be around 45,000. These schools are considered as the best educational institutions set up in their respective areas. The SBIOA schools in Tamilnadu State are the oldest ones amongst the educational institutions set up SBIOA. Some of the students who passed out of these institutions are holding the highest positions in several organizations including the Government Departments as IAS, IFS, and IPS officers throughout the country. They carry the banner of the image of these great educational institutions wherever they move and remember the great contribution made by SBIOA Educational Institutions. They are run on the basis of the resources mobilized through the membership and the management is fully under the control of the Circle Associations.

The Co-operative movement is one of the powerful avenues for mobilization of common citizens for mutual benefit and co-operation, discovered through the inspiration provided by the father of the nation. The Staff Unions and Officers' Associations in State Bank of India are the pioneers in bringing the co-operative movement in the Bank for the benefit of their members. The Circle Associations in Ahmadabad, Hyderabad, Bengal, Chennai, Karnataka, Orissa etc., have made very substantial contribution for establishment of a strong co-operative movement in their respective circles by establishing Housing Co-operatives, Credit Co-operatives, Consumer Stores etc.,

In order to give fillip and also provide a centralized guidelines and direction to the activities of the co-operative societies, the National Council of SBOA Co-operatives was set up during the beginning of 1990's. The Council took up several activities including the guidance for setting up various types of co-operative societies and exhaustive training programmes with the help of the State Governments Co-operative Training Centres at Chennai and Bangalore. It also provided a forum to those co-operators who are in
charge of the societies in different circles and exchange views and information for the common benefit of all the people.

Yet another initiative for the purpose of serving the public cause undertaken was the establishment of Diabetes Confederation of India with a view to create an awareness amongst the general public as well as our own members in regard to the Diabetes which is considered as the major health hazard in our country. It received a tremendous appreciation from the public at large and a number of organizations came forward to join hands. The Circle Associations are to take up the requirement of setting up of the Local Chapter. This activity enabled the Federation to go beyond the trade union issues and take up social cause with a lot of enthusiasm.

The All India State Bank Officers’ Federation is one of the few trade unions to foresee the necessity for establishment of a separate Social Welfare Fund for the purpose of taking up social activities. A corpus was created and the Circles were advised to undertake the social welfare activities and contribute their best in the interest of the society. The Federation has also been subsidizing the activities and expenditure incurred by the Circles in this regard. Some of the Circle Associations who have been conducting these activities throughout the year are Bengal, Ahmadabad; Bhubaneswar, Bangalore etc., and they are able to make the presence felt by the public at large about the activities of the Federation. These social welfare programmes conducted for the benefit of the society and the common man, apart from fulfilling the social obligations has also enhanced the image of the associations / Federation.

The Federation is rendering a yeomen service in the consolidation of the supervisory cadre in the banking industry and to some extent in motivating and inspiring the supervisory cadre in all
the public sector units. The Federation is also home for the Confederation which is the major industry level organization in the Banking Industry. Federation firmly believes that the financial sector has moved from the mere manual to the technology driven performance. The diversification in the Banking is such that a mere conservative banking knowledge alone cannot make us competitive bankers. The banks are manned by the knowledge based workers today. The seniors will have to be inducted to the same environment so that they are not outdated. Hence, the Federation firmly believes in understanding and learning the new subjects which are becoming part of the banking activity. Federation has adapted the technology driven communication in tune with the Bank which has very substantially moved towards a paperless functioning with the help of core platform and has tremendous capacity apart from being used for banking transactions.

The history of State Bank of India, in particular the last 44 years, will be complete, only with due reference to the role of the Federation in ensuring the premier position of SBI and taking it to the current level as one of the leading Asian banks. The All India State Bank Officers' Federation is a live organization capable of playing an effective role at the time of crisis and going all out in support of State Bank of India when it comes to the question of facing the outside challenges. During the last two decades, the Federation has been an integral part of the growth of the Bank and in facing the changing banking climate during which period State Bank of India emerged as one of the strongest banks in the world.

The Federation has kept the interest of the organization uppermost in its agenda during all its forward movement. It has been playing a watch dog role, questioning each and every move of the management to ensure that the interest of the common man and the
nation as a whole is protected. In the field of Paperless Banking Sector i.e., full computerization and Net-Banking State Bank of India is in the most advanced stage as compared to other Banks. The Core Banking Solution reaching over 11,000 branches of State Bank of India and more than 5,000 branches of the Associate banks, within a record time, is a unique achievement due to the active support of officers throughout the country. All branches of State Bank of India and its Associate Banks are now in the core banking platform. The leadership of the Federation inspired the rank and file across the country to ensure that the targets are achieved despite the difficulties of shortage of staff, lack of infrastructure, inadequate training in the face of growing competition etc., so that the Bank is able to maintain its premier position in the country.

There is no match to State Bank of India as regards the ATM network. It is leader in the industry. It started in a slow and steady manner and the customers had their own doubts about the ability of the bank to cater to their needs. Today the scene is completely different. The hits which were initially low are now highly encouraging and the Bank is thinking in terms of 20,000 to 30,000 ATMs and is able to manage it very effectively. This is possible only due to active support and co-operation extended by officers in the operations.

The tripartite initiative which was in limbo for quite a considerable time was given a new lease of life by the present leadership of the Management when they realized the continuous cooperation and collaboration of both the Federations, a necessary prerequisite in facing the adverse trends in banking industry. It is in this background, Shri O.P.Bhat, the Chairman, took keen interest to revive the tripartite forum and involve the leadership of both the Federations for developing certain strategies in order to retain the number one position of the Bank. The historic journey commenced on
15th December, 2006 and concluded on 17th December, 2006 with a solemn resolution that the premier position of the Bank should be defended and enhanced through active involvement of the employees, officers and executives together, under the banner of all the three institutions in the Bank.

The Bank took yet another initiative wherein it involved the entire workforce within a targeted period. It was a unique event in the history of State Bank of India where over 2,10,000 employees were provided the benefit of participating in a specially designed programme with a view to promote awareness about the current trends in the banking industry and the challenges that are ahead of us, with the help of learning centers. The Federation did provide a number of suggestions to the "Parivartan programme which were well received by the management.

Due to constant efforts of the Federation, the management has gone ahead with the recruitment of clerical staff as well as officers in a big way. Bank has recruited around 24,000 clerks and around 5,000 Probationary Officers during 2008 and 2009. The Federation demanded recruitment of 10,000 more offices to take care of the shortage. The process is on.

The Federation had given a strike call on 20-10-2008 opposing merger of Associate Banks with State Bank of India and demanding various improvements in superannuation benefits, implementation of MOU of 25-02-2008 and extension of benefits at par with State Bank of India to the officers of Associate Banks. The management as usual issued circular cautioning officers against participating in the strike. But this circular was different. The management tried to influence the

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Senior Management Grade Scale IV and V Officers and urging them not to participate in the strike, also advised them not to be members of Association where Scale I to III are members. Individual letters were served to senior officers to stay away from the strike action. In this situation, the Federation issued a letter to the management urging them to advise functionaries from Corporate Centre to desist from issuing such threats. It is to the credit of Scale IV and V officers of the Bank that they stood like a rock behind the Federation and ignored the circular.

One of the issues which have been spearheaded by the Federation jointly is the issue of Business Process Re-Engineering and also the attitude of the management to effect certain structural changes unilaterally. The Federation by constantly reacting to such situations has been playing a watch dog role so that the management will not get away with unilateral imposition of the changes that are being suggested by the consultants in the name of BPR initiatives. The issue of the Circle redesign was comprehensively addressed by both the Federations and the Corporate Center had to hold separate discussions and make a detailed presentation to the leadership of both the Federations and also to seek views and suggestions in the matter.

Of late a trend has been noticed in the functioning of the Industrial Relations department that the issues affecting the employees and officers are not being raised with the Federations and have been taking unilateral decisions to suit the changes that are being considered in the name of BPR initiatives. In view of these emerging trends, both the Federations have submitted a Memorandum to the Chairman on the 17th February, 2009 bringing certain specific issues to the notice of the top management.
COLLECTIVE BARGAINING AND NEGOTIATING FORUMS

The Banking Industry saw the growth of militant trade unions getting themselves converted into a capable negotiators during the period 1950s' and 1960s. The paternal attitude of the Government, the successive participation in the presentation of their cases before the tribunals gave them enough strength to demand an independent forum for bilateral negotiations with the managements of the Bank and they could ensure the establishment of bilateral relations during the middle of 1960s, thus enabling the bipartite relationship to get strengthened and streamlines in almost all organizations.

The Officers; had no such past experience. They were straight away driven to the situation of confronting the management with their demand for negotiations on their issues. In the middle of 1960s, the Officers' Federation came into existence. The Federation began to submit memorandum / petitions etc., by way of appeal for rectification of anomalies that had cropped up between the Award Staff and Officers in their service conditions. The management was averse to the supervisory cadre organizing themselves as trade unions. In one of the meetings where the Management had agreed to meet the representatives of the Federation, Mr.Dehejia, the then Chairman was present in the meeting. One of the participants made a statement that the Officers are not enjoying the facility of casual leave and hence the Federation demands immediate introduction of the Casual Leave for Officer; "Demand" by the representatives of the Officers and the meeting got concluded with the Executive getting upset over the attitude of the representatives of the Officers. His remarks were: "How can an Officer talk in such a rude manner and use the word Demand
like a workmen". Since, then the movement has travelled over 45 years seeing several ups and downs ultimately ensuring a well placed structure for the purpose of negotiations.

For the purpose understanding the evolution of the negotiating forum to the present form there is a need to look at certain historical aspects: One of the past Chairmen of the Bank had declared openly that there is no question of the supervisory staff organizing unions - they are the part of the management and hence they can be recognized only on his dead body. The first struggle commenced with the mass Casual Leave applied by the Officers in Delhi Circle to protest against the victimization of the Officers by the Bank for their participation in the non-co-operation agitation in the Bank. The non-cooperation and work to rule that was observed by the Federation in pursuance of their demand led to the suspension of 4 officers in Mumbai leading to the historical indefinite strike in the year 1969, which paved way for the emergence of a strong and sound bilateral machinery in the Bank. The initial hesitancy, suspicion about the attitude of the Management and the Federation led to the use of the outsiders as umpires during the period of crisis. The Federation had the services of the industrial experts of those days, the prominent amongst them were Shri S.R.Mohan Das, Dr.M.K. Ghokale, Venkatachary and Dr. Chandra etc., who were working as consultants and were useful in case of crisis. The Banks over a period of 35 years has developed a well laid down negotiation forum to the current form.

Bank's endeavor is to resolve any dispute / problem through a process of consultation by observing the rules, awards and settlements, thereby building a healthy and mature bipartite

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Shantharaj, Collective Bargaining And Negotiating Forums, Union is Strength, AISBOF, Bangalore. Pp 30-34

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relationship. This process of consultation is provided for formally / informally at all levels. Disputes unsettled at lower forums will be discussed at higher level forums with the best intentions of resolving all reasonable disputes. Joint consultations form an important facet of Government's labor policy.

Consistent with this policy, a joint consultation scheme was finalized by SBI in consultation with All – India State Bank of India Federation in the year 1964 and in consultation with the Supervising Staff Federation in the year 1973. All India State Bank Officers' Federation and its 13 affiliate associations in 13 circles are accepted by the Bank as the Representative bodies of Officers at all India level and at circle level respectively. In the case of workmen staff, as per the Code of Discipline, All – India State Bank of India Staff Federation and its affiliated Associations / Unions have been recognized as the representative bodies. Discussions are held with the recognized representative unions / Associations both at the formal and informal levels. The formal machinery is operative for the present at Central Office and each L.H.O. level. The formal machinery has been divided into the negotiating machinery and the conflict resolving machinery.

The first ever bipartite agreement emerged was in 1970. In 1979 bilaterally reviewed Pillai committee recommendations came into force. However, between 1969 and 1979 there were many bipartite understandings between our Federation and the Management which yielded many perquisites, allowances and other monetary and non-monetary benefits etc.

**Negotiating Forums**

Central Negotiating Council is a forum operating at the apex level. The Management team is headed by the Deputy Managing Director (Personnel & Administration), (Industrial Relations) and other
concerned officers. The Officers' Federation is represented by one representative from each circle association and the principal office bearers of the Federation. All matters concerning officers in general are discussed in this forum. The Council should meet at least four times a year.

A small follow up Committee consisting of Chief Officer (Industrial Relations), Deputy Chief Officers (Personnel Administration), (Industrial Relations) and 3 or 4 representatives of the Federation has now been functioning since 1980. This is a quasi formal committee. No minutes are kept. The committee was originally conceived to discuss the follow-up of the decisions taken at the Central Negotiating Council. Gradually, the Committee has also taken the role of a mini central Negotiating Council. Most of the matters which formally come up for discussions at the Central Negotiating Council Meeting are first thrashed out at the Follow-up Committee meetings. This helps in understanding each other's view points better and it becomes easier to reach conclusions at the Central Negotiating Council meeting. Very often, clarifications etc. are issued based on the discussions held at the follow-up committee meetings.

At each circle, there is a Circle Negotiating Council. The Council is represented by the General Managers, Chief Regional Managers and Personnel Manager on behalf of the Management and an equal number of representatives from the supervising staff Association. The Circle Negotiation Council shall meet at least six times a year. The CNC shall discuss issues arising out of the implementation of all settlement and agreements reached at all India level and such other matters as may fall within the purview of the circle administration.
There is no formal forum at the regional offices but the management may hold structured meetings with the representatives of the Association as and when necessary to discuss the matters concerning officers of the respective regions. However Module Associations have been successful in persuading the management to hold these meetings at Zonal Office/ Administrative Unit level also on a regular basis.

Council designed for Officers Conflicting Resolving Machinery consists of Circle Management Committee members from the Management side and President, and two other representatives of Association. If a matter remains unresolved at the Circle Negotiating Council and is of such serious nature that if not resolved may lead to a conflict situation, the Circle Industrial Relations Council (CIRC) meets to discuss and resolve the matter. Any other dispute which is likely to threaten industrial peace in the circle may also be referred to CIRC by either of the parties.

Central Industrial Relations Council: at the apex level and consists of Central Management Committee members and the President, Central Secretary and two other representatives of the Federation. Any matter which is not settled at the Central Negotiating Council or remains unresolved at the Circle Industrial Relations Council and is likely to threaten industrial peace should be discussed at this forum.

Policy of SBI has been to appreciate realistically the Industrial relations eliminate in the Bank and to deal with it in a manner that will ensure cordial and mutually constructive relations with the staff. Similarly, the Unions / Associations are responsive to understanding and cooperating with the management on issues / concerns engaging the Management attention. The major concerns engaging the
Management in the areas of declining productivity and profitability, failing customer service and mounting housekeeping arrears and overall efficiency and discipline in the Bank have been frankly shared with the representatives of both the Federations. Appreciative of the need to strengthen the Management's efforts at toning up the areas of concern, the Federation representatives have joined the Management, many a time, in signing joint appeals to all employees, to sincerely co-operate with the management in the implementation of certain measures to tone up the health of the organization.

The basic policy approach of the Bank to Industrial relations in the Bank emanated from its philosophy of human resources management, which is based on the following aspects.

- to recognize that employees are our most valuable resource;
- to create a climate of mutual trust and confidence and to develop in the employees a feeling of commitment, belonging and achievement;
- to ensure optimum utilization and effectiveness of manpower;
- to recognize and respect mutual rights and obligations;
- to ensure high standards of discipline and decorum at the work place;
- to ensure prompt redressal of employee grievances;
- to provide opportunities to employees for personal development, self-fulfillment and career advancement;
- to conduct negotiations with the representative union on man – management policies and programs and to follow a policy of non – interference in the internal affairs of the unions;
to encourage gradually a consultative and participate style of management;

- to ensure uniformity and consistency in the implementation of awards, agreements and decisions arrived at various levels;

- to continuously strive for improvements in the quality life of employees and to encourage creativity and innovation.

State Bank of India believes that the most valuable asset is its human resources (staff) who develop business. Industrial Relations is a matter of attitudes. High productivity and efficiency is sought to be achieved by the Bank through sustained bipartite relationship and constructive participation by Federation of Officers / Award. On 30-05-2004, tripartite machinery was thought off and proposed in the central negotiating council meeting of AISBOF at Hyderabad. The basic idea was to clear off the arrears, to solve issues at central level and improve efficiency. Thus Central Tripartite Forum was formed.

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