



ALL INDIA UNION BANK PENSIONERS AND RETIREES FEDERATION
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Dear Comrades,

8th August , 2017

News of Interest 8th AUG

MOTIVATIONAL QUOTES

**“ADOPTING THE RIGHT ATTITUDE CAN CONVERT A NEGATIVE STRESS INTO A POSITIVE ONE. “
HANS SELYE**

HIGHLIGHTS

- 1. ONE MN BANK STAFF TO GO ON STRIKES ON AUGUST 22 OVER PRIVATISATION, MERGERS**
- 2. PSU BANKS WROTE OFF RS 2.49 LAKH CR OF LOANS IN 5 YEARS: FINANCE MINISTRY**
- 3. SYNDICATE BANK TO RAISE RS 3,500-CRORE EQUITY CAPITAL**
- 4. BANKERS REVIEW PROGRESS OF 12 LARGE NPA ACCOUNTS UNDER IBC**
- 5. PNB INTRODUCES BIOMETRIC ATTENDANCE REGISTER**
- 6. IBA PANEL ASKS WORKMEN UNIONS TO KEEP DEMANDS AT A 'REASONABLE LEVEL'**

Business Standard

1. One mn bank staff to go on strikes on August 22 over privatisation, mergers

UFBU strike call also due to write-off of corporate NPAs, criminalisation of willful default

T E Narasimhan

Around one million bank employees and officers will go on strike on August 22, following a call by the United Forum of Bank Unions (UFBU), which consists of all the nine bank unions.

The UFBU is criticising the government's decision to privatise public sector banks, mergers and consolidation of banks, and write off corporate Non-Performing Assets(NPAs) and demanding to declare willful default of bank loans as a criminal offence, implement recommendations of the parliamentary committee on the recovery of NPAs.

The Union also wants the government to ensure accountability of top Management/executives for bad loans and put in place stringent measures to recover bad loans and withdraw proposed financial resolution and deposit insurance (FRDI) Bill, abolish Banks Board Bureau and not to pass on the burden of corporate NPAs on bank customers by hiking charges.

C H Venkatachalam, general secretary, All India Bank Employees Association (AIBEA) said UFBU has observed that instead of taking urgent remedial measures to recover the alarmingly increasing bad loans which are threatening to drive the banks into a serious crisis, the steps like MOU, PCA, FRDI Bill, NPA Ordinance, IBC, etc. are only aimed to clean the balance sheets at the cost of the banks which represent the hard earned savings of the people rather than to recover the money, he alleged.

While denying the Public Sector Banks of adequate capital thus restricting their business expansion, licences are freely being given to the corporate houses to open private banks, small banks and payment banks, thus weakening the Public Sector Banks, Venkatachalam said.

The Union urged for tough measures, including criminal action on willful defaulters to recover the huge bad loans given to the corporate houses, big business and top industrialists.

"It is also observed that the burden of the corporate NPAs are put on the shoulders of the common public and banking clientele in the form of hike in fees, charges, penalties, etc. for every type of normal banking services. Recently, SBI and Bank of Baroda have reduced the rate of interest on savings deposits," said the Union.

2. PSU banks wrote off Rs 2.49 lakh cr of loans in 5 years: Finance ministry

The gross NPA of public sector banks was 12.47 per cent of gross advances as on March 31, 2017

Press Trust of India

Public sector banks have "written off" nearly Rs 2.5 lakh crore loans in the last five financial years, the finance ministry said quoting RBI data.

As many as 27 public sector banks, including SBI and its five associates, in 2016-17 have written off Rs 81,683 crore, the highest in the last five fiscals. The amount was 41 per cent higher than that in the previous fiscal.

SBI and its erstwhile associates alone have written off Rs 27,574 crore in 2016-17, according to the RBI data on "write offs" done by public sector banks. SBI merged its five associate banks with itself from April 1, 2017.

The written off amount by PSU banks soared from Rs 27,231 crore in 2012-13 to Rs 57,586 in 2015-16 and further to Rs 81,683 crore in 2016-17.

During 2013-14, write off figure was Rs 34,409 crore which rose to Rs 49,018 crore in the subsequent fiscal.

So, the cumulative amount written off in the last five fiscals ending March 2017 was Rs 2,49,927 crore.

Punjab National Bank has written off Rs 9,205 crore, followed by Bank of India (Rs 7,346 crore) and Canara Bank (Rs 5,545 crore) in 2016-17.

Among other PSU banks, Bank of Baroda has written off Rs 4,348 crore, followed by Corporation Bank (Rs 3,574 crore), Indian Overseas Bank (Rs 3,066 crore) and IDBI Bank (Rs 2,868 crore).

As per the RBI norms, loans are written off after making adequate provisions to take advantage of tax benefits. In respect of technical write-offs, the RBI has permitted write-offs at headquarter level while recovery efforts are still continued at branch level.

It is to be noted that the gross NPAs of public sector banks were 12.47 per cent of gross advances as on March 31, 2017. Gross advances were Rs 51.42 lakh crore while gross NPAs were Rs 6.41 lakh crore.

As on March 2016, gross advances were Rs 51.04 lakh crore while gross NPAs were Rs 5.02 lakh crore. So as a percentage it works out to be 9.83 per cent.

The CPI(M) has demanded an explanation from the BJP on state-run banks loan write off to the tune of Rs 81,683 crore in 2016-17.

Financial Express

3. Syndicate Bank to raise Rs 3,500-crore equity capital

Syndicate Bank on Monday has said it is planning to raise up to Rs 3,500 crore through the equity capital market route, besides mopping up another Rs 2,000 crore through other routes

By: [FE Bureau](#) |

Syndicate Bank posted a net loss of Rs 263 crore for the quarter ended June, as against a net profit of Rs 79 crore for the year-ago period. (Source: PTI)

Syndicate Bank on Monday has said it is planning to raise up to Rs 3,500 crore through the equity capital market route, besides mopping up another Rs 2,000 crore through other routes. Melwyn Rego, managing director & CEO, said the bank is planning to raise Basel III compliant additional tier-I bonds of up to Rs 1,000 crore and tier-II bonds of up to Rs 1,000 crore during 2017-18. Syndicate Bank posted a net loss of Rs 263 crore for the quarter ended June, as against a net profit of Rs 79 crore for the year-ago period. The net loss was primarily on account of a 79% year-on-year increase in NPA provisioning. Its operating profit for Q1, however, increased 26% to Rs 980 crore, as against Rs 774 crore during the same period last year.

Economic Times

4. Bankers review progress of 12 large NPA accounts under IBC

PTI

Leading bankers today reviewed the progress on the 12 large stressed accounts named by the Reserve Bank resolution for action under the Insolvency and Bankruptcy Code (IBC) here.

The Internal Advisory Committee (IAC) of the Central bank had on June 13 directed the banks to refer 12 non-performing accounts to the National Company Law Tribunal for possible liquidation process.

These 12 accounts were -- Essar Steel, Bhushan Steel Electro steel Steels . Amtek Auto, Bhushan Power and Steel, Alok Industries, Monnet Ispat and Lanco Infra, Era Infra, Jaypee Infratech, ABG Shipyard and Jyoti Structures. Together, they account for a quarter of the total Rs 8 trillion of NPAs.

"It was a stock-taking exercise. We want to smoothen the co-ordination among all the stakeholders," said a banker.

Out of these 12 accounts, nine have already been referred to the NCLT, while Lanco Infra, Jaypee Infratech and Era Infra are yet to be admitted.

The IAC has referred all accounts whose fund and non-fund based loans are greater than Rs 5,000 crore, with 60 per cent or more classified as non-performing assets by banks as of March 2016, to the NCLT.

Business Line

5. PNB introduces biometric attendance register

VINSON KURIAN

Punjab National Bank (PNB) has introduced biometric attendance in the place of the existing system of signing attendance in the attendance register.

The biometric attendance system has already been integrated with the in-house human resources management system, a circular from the bank's HR department said.

Immediate effect

The new system of marking attendance will be implemented in branches/offices with immediate effect, the circular issued on August 3 (Thursday last) said.

The biometric attendance device will capture the attendance along with the time of marking the attendance. Rules with regard to marking of attendance after the prescribed time and leaving the office before the prescribed time have already been made available in separate circulars. Guidelines regarding marking of attendance in the context of introduction of the biometric system are as follows:

Every employee shall, immediately on arrival and also while leaving the branch/office, mark his/her attendance in the biometric attendance device.

Manual attendance system will run parallel up to August 31, to streamline the process. It is required of every employee to be punctual and mark attendance in time.

In exceptional cases, but in no case more than three occasions in a month, an employee may be permitted a grace margin of up to 15 minutes, that is, within 15 minutes of the prescribed time. After the grace margin in a month is exhausted, the employee will be considered late and marked absent.

Reporting/exit timings will be uploaded in the HR system automatically, the circular added.

6. IBA panel asks workmen unions to keep demands at a 'reasonable level'

VINSON KURIAN

The sub-committee set up by the Indian Banks' Association (IBA) to discuss the service conditions of a non-financial nature for workmen employees has completed its first round of discussions.

The discussion was held at the IBA office in Mumbai on August 2, said CH Venkatachalam, General Secretary, All-India Bank Employees' Association (AIBEA).

Two sub-committees

Earlier, the sub-committee to discuss service conditions of a non-financial nature of officer employees of banks too had held its round of discussion.

Business Line had reported that the IBA had set up separate sub-committees to discuss the next round of wage revision with the United Forum of Bank Unions (UFBU). This was decided at a meeting between the Negotiating Committee of the IBA led by RK Takkar and the UFBU leaders.

It was agreed that the negotiating committee will discuss the common demands and issues of employees and officers having direct financial implications.

The sub-committees will take up other demands relating to service conditions which are of non-financial in nature.

Rakesh Sharma, chairman of the sub-committee for workmen employees, said that the IBA would like to expedite the whole process of negotiations as early as possible.

He appealed to the unions to keep their demands at a reasonable level, looking at the present situation of banks' performance.

A more or less similar demand had been made by Prashant Kumar, chairman of the sub-committee for officer employees, while addressing the union representatives.

To Sharma's appeal, the workmen unions responded by stating that they too would like to conclude the settlement expeditiously and would adopt a reasonable approach to resolve demands amicably.

The demands taken up at the meeting included: introduction of five-day banking; improvement and better management of medical insurance scheme; appointments on compassionate ground as per government guidelines; allocation to a staff welfare scheme based on operating profits of banks; intra-cadre career progression scheme; and improvement in compensation on transfer of employees.

According to Venkatachalam, meaningful discussions were held on these issues and it was decided to continue them with further inputs in order to reach a consensus on them.

On its part, the IBA team too wanted to discuss among themselves some of these issues before the same could be taken forward.

It was decided that more issues could be taken up at the next round of discussions scheduled on August 23.

With kind regards,

Yours Comradely,



(N. GOVINDRAJULU)
GENERAL SECRETARY