BANK FLAG

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Editorial

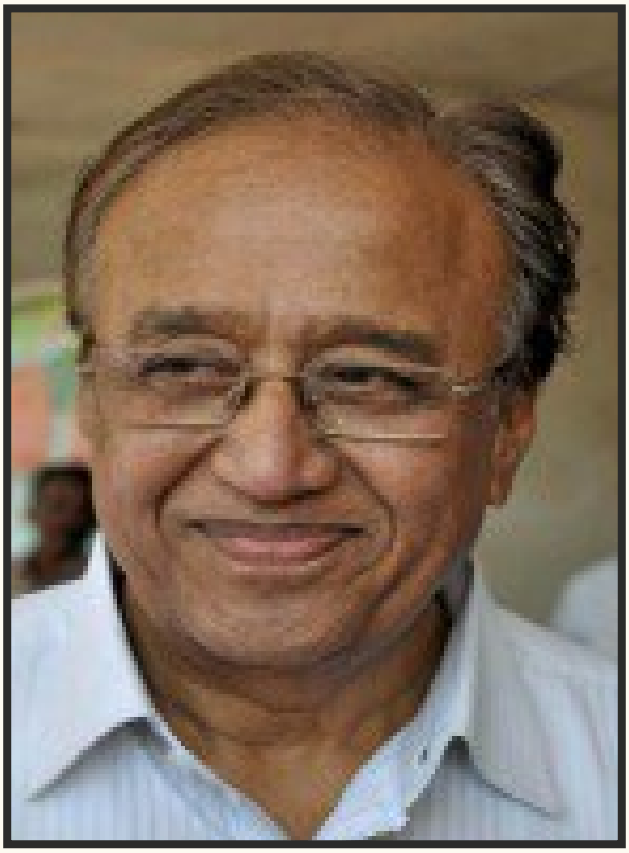
Festive season is on. A section of the people spends in abundance. But a vast section of our populace lives in darkness and in abject penury. Whatever may be the claim, economy is in tatters. Sliding of rupee continues unhindered. Imposition of tariff by the US President on Indian exports have further aggravated the situation and job loss is staring at Indian workers. The vast unemployed labour market in India is further going to be swelled. Tantrums of US President on Indian trade with Russia is not being rebutted firmly by Indian Government. Self-reliance does not come from heaven. It has to be practiced first then preached. And for that a shift in the economic policy is essential. An economy which pushes the major section of our society into darkness and increases the wealth, in a phenomenal manner, of a select few has to be reversed. Corporate loot of bank's finance is being allowed through write offs and haircuts in the name of settlement of overdue amount. The objectives of Bank nationalization have been relegated back. Through merger of banks and closure of bank branches, space is being created for new generation private sector Banks and market share of the new generation private sector Banks is increasing. This is in line with the political philosophy of the Government of India.

If we believe in self-reliant economy, we have to work for it. A robust economic sector with ownership of the government is essential for the planned development of our country's economy with well-defined social objective. The needs of the society have to be met. A united struggle is essential for the reversal of our country's economy.

Founder Editor - in - Chief : Late Tarakeswar Chakraborti

Editorial Board : Kamal Bhattacharyya, Rajen Nagar, C.H. Venkatachalam, Sonali Biswas

COM. SUDHAKAR REDDY IS NO MORE



With regret and grief, we record the demise of Com Suravaram Sudhakar Reddy, a veteran Communist, former Member of Parliament, former General Secretary of Communist Party of India and former President and later Chairman of Andhra Pradesh and Telangana Bank Employees Federation on the night of 22nd August, 2025 in a hospital in Hyderabad. He was 83 years of age.

Com. Sudhakar Reddy was a close friend and long-time well-wisher of AIBEA. He was an MP in Lok Sabha for 2 terms. During his tenure, he had taken up many issues of the banking industry and bank employees in the Parliament. He was Chairman of the Standing Committee on Labour when he contributed a lot on issues like social security for workers, schemes to improve working conditions of the labour, education of children of workers, etc.

He was earlier President of All India Students Federation and alter President of All India Youth Federation. He dedicated his entire life for championing the cause of the workers, the poor and downtrodden masses.

We dip our banner in memory of Com Sudhakar Reddy and pay our respectful homage. We convey our deeply felt condolences to his family and huge followers.

Prabhat Kar, the Titan

13th October, 2025 marks the 115th Birth Anniversary of our great leader Com. Prabhat Kar. Today when we are in the 80th year of AIBEA, we all feel proud that we belong to AIBEA, the pioneering trade union of bank employees in our country. This pride is because AIBEA is the champion of the cause of bank employees all these eight decades. Starting from a scratch, it hast today grown into a big banyan tree giving shade and protection to thousands and lacs of bank employees.

The achievements of AIBEA have been truly inspiring. It was no magic that AIBEA has grown into a mighty organisation that it is today. It is only through the unity of the bank employees and the militant struggles that AIBEA had launched in the past, that AIBEA has grown to this stature.

And, these impressive achievements have been possible due to three important factors:

1. Broad-based unity of the employees
2. Militant struggles
3. Visionary leadership

When we talk of leadership, the first and foremost name that comes to our mind is obviously Com. Prabhat Kar whom we revere as the architect of AIBEA.

Com Prabhat Kar joined Lloyds Bank as a Clerk in 1933. He came from a typical, ordinary middle class family. He was the only bread-winner and had his entire family to support who were dependent on him - mother, wife and children. But his mind was not on his career and the pathetic condition of his colleague employees became his concern. He was keen to do something for them. He decided to take the lead.

He sacrificed his entire life, lost his job due to victimisation by the Bank but yet he moved on with vision and mission to build a strong AIBEA.

His vision ended the Tribunals and brought Bipartite Settlements in the Banks. AIBEA has secured 12 successive bipartite settlements so far. His vision also brought nationalisation of the powerful private banks and in the last more than five decades, anyone could see the phenomenal contributions of the public sector banks to national economic development.

Today, when we see multiple challenges confronting us, his life and teachings will continue to inspire us in our onward journey to take our beloved AIBEA to greater heights.

Com Prabhat Kar amar rahen.



C.H. Venkatachalam

RELEVANCE OF BAPU TODAY

Special Correspondent



"He (Gandhi) stopped at the threshold of the huts of thousands of the dispossessed, dressed like one of their own. He spoke to them in their language, here was living truth at last, not quotations from books. For this reason, the 'Mahatma', the name given to him by people of India, is his real name. Who else has felt like him that all Indians were his flesh and blood?...When love came to the door of India, that door was open wide -at Gandhi's call, India blossomed forth to new greatness, just as once before in earlier time, when Buddha proclaimed the truth of fellow feeling, and compassion among all living creatures." The words are from Rabindranath Tagore, and in history, there were only very few like him, as Albert Einstein wrote about Gandhi, "Generations to come, will scarce believe that such a one as this, in flesh and blood, walked upon this earth.."

Every year, the second October has been an auspicious day for both India and the rest of the globe. Mohan Das Karamchand Gandhi, the father of the nation, was born on this day, and it is also recognized as the International Day for Non-violence to honor Gandhiji's lifelong promo-tion of the real spirit of non-violence. Gandhism begins with the well-known phrase, "Simple living and high thinking," and seeks to improve both the individual and the community. Gandhiji's contributions to the idea of nonviolent conflict, also known as civil resistance, make up the majority of what is known as Gandhism.

Second October is here, and yet the transition that has followed of-fers us today a world that is far from the same that we have lived in. Prime minister Narendra Modi, on his 75th birthday, has come up to cel-ebrate the day with a film that has been asked to be screened from September 17 to October 2, birthday of our Bapu, made on the life and childhood of PM Modi. The ministry of Education has asked all schools under the Central Board of Secondary Education (CBSE), as well as the Centrally-run Kendriya Vidyalayas and Navodaya Vidyalayas, to screen the non-feature film Chalo Jeete Hain, which is loosely based on Modi's childhood.

It is ironical that the ministry thought that not the life story of Ma-hatma Gandhi but that of Modi would teach students "moral reasoning" and help them "reflect on character, service, responsibility". All the values and virtues the ministry associated with the film on Modi are essentially those that have been taught by Mahatma Gandhi

through his words and deeds and are far from the reality of the days we are living in.

"Department of School Education and Literacy, MoE is implement-ing Prerana: An Experiential Learning Program which has successfully completed 65 batches covering 650 districts across the country. It is conducted from the historic Vernacular School of Vadnagar, Gujarat, established in 1888, the very institution where PM Narendra Modi began his educational journey," the letter said.

The film, which was released seven years ago, was awarded the National Award for Best Non-Feature Film on Family Values at the 66th National Film Awards, the letter said. "To promote experiential learning among participants, pedagogical tools such as value-based sessions, story telling, indigenous games, hands-on activities and audio-visual learning are being used in Prerana. One such tool is film screenings which help bring abstract values, life stories, historical contexts, ethical dilemmas and human emotions to life," it added.

In fact, the entire initiative appears to be an insistent effort to mop out the influence our Bapu has left on us, though packaging is almost Gandhian except the direction and purpose, which is dreadfully in con-trast.

The values that are the legacy of Bapu are relevant even across the borders. They have a continual relevance to our thinking and action on a broad sweep of issues, from environment to promoting justice, from education to equality. His teachings lead us towards themes that are eternally fresh and thought-provoking. The courage to take up the challenges in creating a culture of peace, in proving the effectiveness of non-violent non-co-operation, and drawing the world's attention to the gap between what we do and what we are capable of doing and then his emphasis on the importance of facing up to the truth with courage would be the living legacy he has left for us.

Bapu had the vision that included the inter-connectedness and the unity between all things, as well as the contrast among them. His politi-cal achievements included leading the movement that ended colonial rule in India, using peace, love and integrity to prevail. But his vision went far beyond politics to encompass human rights and sustainable develop-ment for all. He took up the theme of non-violence not just as a philosophy and a political strategy, but as a means to achieve justice and change.

Whatever we are witnessing since last more than one decade is the continual effort to promote Hindu authoritarianism. It is almost same as Nazi anti-Semitism, in contrast to Bapu's universal love, assimilating entire human kind, without any dividing line. Yet the political system of the Right is premised on the same old idea that India is a Hindu state and minorities must subscribe to Hindu primacy – a position that goes against the very idea of Mahatma Gandhi who believed that all citizens of every faith have equal standing.

The period has witnessed massive efforts to steer the national dis-course to treat Muslims as the 'other' by way of speeches. There is an attempt to push forward its Hindu majoritarian agenda, including a 2019 citizenship law seen to directly discriminate against Muslims as it fast-tracks citizenship for immigrants of six faiths but excludes Islam, have started eroding and subjugating Gandhi's vision of amity in a secular India with equal rights for all religions.

[We reproduce hereunder the UFBU circular dated 26/9/25 on discussion with IBA]

DISCUSSIONS WITH IBA ON 26-9-2025

UFBU CIRCULAR Dt. 26-9-2025: Further to the Strike Notice served by us on IBA on 5-3-2024, there have been few rounds of conciliation proceedings held by the Chief Labour Commissioner (Central), Ministry of Labour, Government of India. Various issues raised by us in the Strike Notice have been under discussion during the conciliation meetings and the details have also been periodically informed to our members.

One of the important issues taken up by us during these conciliation meetings was relating the PLI scheme advised by the Government applicable to Scale IV officers and above because this scheme was in total variance with the PLI scheme agreed by us in the Bipartite Settlement/Joint Note.

In the last round of conciliation meeting held on 11-8-2025, the CLC advised the Unions and IBA to discuss the issue bilaterally and submit the views so that the same be taken up for consideration by the Government.

Accordingly, IBA had invited UFBU for discussions today. After a lot of discussions, we submitted that while the Government's PLI formula may be iplemented for the Top Management with certain modifications on the quantum of PLI, it should be ensured that no one should be denied of PLI as is payable under the bilateral PLI scheme applicable the employees an officers.

We have also suggested that the existing quantum of PLI as per scheme available under the settlement should be adequately improved upon.

IBA agreed that our suggestions would be duly communicated to the CLC and DFS for their consideration and further discussions so that the issue can be amicably and bilaterally resolved.

Issue will be further discussed in the ensuing conciliation meeting with CLC on 15 th October, 2025.

Other issues: The following issues were also raised by us during the **discussion today.**

i. **Early introduction of 5 day banking**
ii. **Finalising the details of Leave Bank scheme**
iii. **Implementation of Ex-gratia in all private banks**
iv. **Exemption of GST on Group Medical Insurance premium**
v. **Option for remaining employees/officers/retirees to join pensionscheme**
vi. **Uniform DA rates for all pensioners at 8088 points**
vii. **Exemption of income tax on additional 4% of NPS contribution**
viii. **Increase in ceiling on Gratuity under the Act**
ix. **Recruitment of Substaff and Armed Guards**
x. **Advisory to Banks to advice Zonal/Regional Managers not to use abusive language on Branch Managers and others during meetings.**

Discussions on these issues will be further continued in the next meeting.

During the discussions, IBA informed that they have taken up the issue with DFS, CBDT and GST Council for exemption of income tax on the premium on Group Medical Insurance policy for retirees.

It was also mutually clarified that the new feature of Add-on facility under the Group Medical Insurance scheme for the retirees to include dependent physically/mentally challenged family member would be applicable only to the children of the retirees.

Group Medical Insurance Policy for 2025-26
For in-service employees/officers and retirees

Units are aware that we had taken up this issue with IBA under the banner of UFBU for renewal of the Group Medical Insurance Policy for the next year i.e. from November, 2025 to October, 2026. Units are further aware that in the bipartite talks held between IBA and UFBU on 13-6-2025, an MOU was signed wherein it was agreed that the Policy would continue to be a combined policy covering both in-service staff and retirees. It was also agreed to make some improvements and modifications on sum assured, buffer amount, inclusion of some ailments/ treatments, option to add dependents of retirees who are persons with physical/mental disabilities, top-up facility, etc.

On the basis of the above MOU, IBA has finalised the tender and the procedure has also been completed. National Insurance Co. continues to be the insurer, being the L-1 bidder with lowest quote of premium.

The following are the important improvements/modifications:

1. The sum insured for Award staffRs. 4.00 lacs(now Rs. 3 lacs)Officers upto Scale VRs. 5.25 lacs(now Rs. 4 lacs)Officers Scale VI & aboveRs. 7.00 lacs(now Rs. 4 lacs)Corporate Buffer Rs. 125 crores(now Rs. 100 crores)

Award staff	**Rs. 4.00 lacs**	(now Rs. 3 lacs)
Officers upto Scale V	**Rs. 5.25 lacs**	(now Rs. 4 lacs)
Officers Scale VI & above	**Rs. 7.00 lacs**	(now Rs. 4 lacs)
Corporate Buffer	**Rs. 125 crores**	(now Rs. 100 crores)

2. For Cataract operation, upper cap shall be Rs.40,000/- per eye.
3. Hormonal therapy for cancer and Immunotherapy for non-cancer to be included
4. Robotic surgery shall be considered in cases where the condition of patient warrants such treatment. This needs to be vetted by the treating doctor.
5. Thyroid cancer shall be included under critical illness
6. For retirees: Mentally/physically challenged Dependent family member shall be included by way of add-on. Premium to be paid by retiree/spouse.
7. Top-up options to be made available for Rs.1 lac, 2 Lacs, 3 Lacs and 4 lacs, the premium of which shall be borne by the retiree/spouse.

The following rates of premium has been accordingly finalized for the ensuing Policy for 2025-26.

In-service staff	Insurance cover	Premium
Workmen (clerical/Substaff)	4.00 lacs	31,001
Officers Scale I to V	5.25 lacs	40,231
Officers Scale VI and above	7.00 lacs	60,001

(Rates are Without GST)

Note: Premium for the in-service staff will be paid by the Banks. Additional premium for domiciliary treatment coverage, Ex-gratia amount for critical illness (Rs.1 lac) and Corporate Buffer (Rs.125 crores) amount will also be paid by the Banks.

Retirees (with spouse)	Insurance cover	Premium
Retired Workmen	3.00 lacs or 4.00 lacs	27,001 31,001
Retired officers upto scale V	5.25 lacs	40,231
Retired officers Scale VI & above	5.25 lacs or 7.00 lacs	40,231 60,001

(Rates are Without GST) (without Domiciliary cover)

Retirees (without spouse)	Insurance cover	Premium
Retired Workmen	3.00 lacs or 4.00 lacs	24,301 29,251
Retired officers upto scale V	5.25 lacs	37,181
Retired officers Scale VI & above	5.25 lacs or 7.00 lacs	37,181 48,001

(Rates are Without GST) (without Domiciliary cover)

Retirees TOP UP	Premium – with spouse	Premium – without spouse
Rs. 1 lac	12,501	10,621
Rs. 2 lacs	20,001	17,001
Rs. 3 lacs	29,301	24,901
Rs. 4 lacs	39,001	31,201

(Rates are Without GST)

Optional - Add on For Retirees - for dependent physically or mentally challenged family member	Premium
Insurance cover Rs. 3.00 lacs	10,001
Insurance cover Rs. 4.00 lacs	12,501
Insurance cover Rs. 5.25 lacs	15,001
Insurance cover Rs. 7.00 lacs	35,001

Optional - Add on For Retirees - for dependent physically or mentally challenged family member	Premium
Top up – Rs. 1 lac	5,001
Top up – Rs. 2 lacs	10,001
Top up – Rs. 3 lacs	20,001
Top up – Rs. 4 lacs	30,001

GST on premium: As per the decision of the GST Council/announcement by the Government, only individual Medical Insurance Policies are exempted from GST. From AIBEA/UFBU, it has been taken up with the Government to exempt GST on premium for Group Policy for the senior citizens.

Policy coverage:

The Policy will cover all the features and provisions as provided in the Scheme under the 10th Bipartite Settlement dated 25-5-2015 with subsequent modifications/improvements which includes the following:

i. Treatment for Age Related Macular Degeneration (ARMD) and Intra vitreal injections for eye disorders other than ARMD also.

ii. Approved targeted therapies for treatment of Cancer in Day Care and standalone basis (Immunotherapy – Monoclonal Antibody Cancer treatment on standalone basis).

iii. Hormonal therapy for cancer and Immunotherapy for non-cancer to be included

iv. Robotic surgery shall be considered in cases where the condition of patient warrants such treatment. This needs to be vetted by the treating doctor.

v. Thyroid cancer shall be included under critical illness for payment of ex-gratia of Rs. one lac.

vi. Domiciliary coverage will continue to be extended for serving employees and dependent family members.

vii. Retired workmen employees will have the option to take the base policy for Rs. 3 lacs or Rs. 4 lacs.

viii. Retired Scale VI and above officers will have the option to take the base policy of Rs. 5.25 lacs or Rs. 7 lacs.

ix. Employees will be permitted to add/update dependents during the currency of the Policy on account of birth of a child/marriage of the employee.

x. Substitution/change of dependents shall be allowed before the commencement of the Policy (1-11-2025) and not during the policy period.

xi. Corporate Buffer amount is increased to Rs. 125 cores.

xii. A Committee consisting of CGM-HR/GM-HR of 5 participating member banks will be formed to monitor the performance of TPAs on regular basis and will recommend to delist hospitals/medical units in the event of adverse feedbacks. If the performance of the TPA is found wating despite repeated observation of deficiency in the service, the Committee may recommend removal of the TPA.

xiii. Retirees who have not joined the Policy so far will be given an opportunity to join the Policy now.

Yours Comradely,

C.H. Venkatachalam
GENERAL SECRETARY

One more initiative from AIBEA
Pan-India Tie-up with
Vasan Eye Care/ASG Hospital Group
For concessional Eye check-up up and treatment

We are glad to inform our unions and members that in yet another initiative, pan-India Tie-up has been worked out with Vasan Eye Care/ ASG Hospital Group for free consultation for our members/ retirees/ family members and concessional treatments.

Benefits under the Tie-up:

a) Free consultation for employees/ retirees on their first visit. b) 15 % Discount on spectacles

c) 25 % Discount on higher investigations

d) 10 % Discount for Cash Surgeries

These facilities and concessions will be available in all their 140+ Clinics / Branches all over the country in various States.

How to avail this facility:

Those who wish to avail this facility i.e. employees including from RRBs and Co-op. Banks / members of AIBOA / retirees/ family members, can visit any of their hospital/ Clinics in the various locations and refer to AIBEA's Tie-Up arrangement along with their ID cards.

We are sure that this Tie-up would be found beneficial to our members.

AIBEA's National Convention of Private Sector Bank Unions
Call for agitational programme
Dharna before Parliament on 10th Dec. 2025

As informed earlier, Convention of our Unions in Private Sector Banks was held at Aluva in Kerala on 25th and 26th August, 2025. 160 delegates from all our unions in the private sector banks (Federal Bank, Karur Vysya Bank, Karnataka Bank, RBL Bank, Nainital Bank, CSB Bank, Dhanlaxmi Bank, Tamilnad Mercantile Bank, Kotak Mahindra Bank and HDFC Bank) participated in the Convention.

With the guidance of AIBEA and after full-scale deliberations, the Convention decided to launch agitational programmes on their demands as under:

Demands:

1. **Nationalise all private banks**
2. **Adequate recruitment of regular clerical and substaff cadre**
3. **Reverse victimisations in Federal Bank**
4. **Early wage revision in CSB Bank**
5. **Extend Ex-gratia to pensioners in all private Banks**
6. **Do not sell Nainital Bank. Merge it with Bank of Baroda**
7. **Extend retirement age upto 60 in Tamilnad Mercantile Bank**
8. **Convert all C2C employees as regular employees**
9. **CBDT exempted Pension Fund in private banks**

From 1st Sept. 2025	Campaign and explanatory meetings
20 to 30-9-2025	Memorandum to MDs of all Private Banks
7-10-2025	Badge Wearing
14-10-2025	Demonstrations in all centres under the banner of State Federations
3-11-2025	Demonstrations/Dharna before Head Offices of Banks
11-11-2025	Demonstrations in all centres under the banner of State Federations
17-11-2025	Deputation – Memorandum to IBA
8-12-2025	Demonstrations in all centres under the banner of State Federations
10-12-2025	Massive Dharna before Parliament
January, 2026	Announcing the date for All India Strike

Needless to say that all these demands are not only the demands of our Unions in private sector Banks, but are the demands of AIBEA as a whole. Hence all our Unions are requested to extend all possible help and assistance to our units in Private Sector Banks in the respective centres in implementing these programmes.

All our Unions and members are requested to participate in the demonstration programmes.

In the Dharna before Parliament being organised at Delhi on 10th December, 2025, all our State Federations are requested to participate in the programme without fail.

AIBEA CONFERENCE

[We reproduce hereunder AIBEA's Circular on AIBEA Conference]

Dear Comrades,

30th Conference of AIBEA

1. AIBEA Conference: As already informed, the 30th National Conference of AIBEA will be held at Bangalore in Karnataka from 19th to 22nd April, 2026 (4 days – from Sunday to Wednesday).

Inaugural Session will be on 19th April (Sunday). 80th Anniversary celebrations will be on 20th April, (Monday). Delegate Session will be on 21st and 22nd April.

The celebration on 20th April would consist of honouring the former leaders, commemorative cultural programmes from various States, special lecture, photo exhibition, release of publications, etc. etc. as would be finalised in consultation with the host Unit. State Federations can plan their participation accordingly.

It is also suggested that songs on AIBEA in different languages can be prepared and composed so that the same can be presented during the celebrations on the 20th April, 2026.

2. State Conferences: State Federations are requested to complete their Conferences wherever due so that the same can be completed well before AIBEA Conference.

3. Annual Fees: (Rs. 6 per member per year) - All State Federations are requested to remit the Annual Fees to AIBEA upto the year 2025. Federations need not wait till the Conference to remit the Annual Fees.

4. 12th BPS Levy : Federations are also requested to verify the details of 12th BPS Levy paid to them and AIBEA by their units and send us the details so that we can cross-check whether the Levy has been paid properly to AIBEA and State Federations.

With greetings,

Yours Comradely,



C.H. Venkatachalam
GENERAL SECRETARY

SELLING OF IDBI

Mother wants to sell the child !!!
Oppose sale of IDBI Bank to private-foreign investors
Oppose handing over Rs. 3 lac crores of savings of people to them

Repeatedly, the Government is pursuing its agenda to sell its share-holding in IDBI Bank to private hands. Government is hell-bent to dilute its share-holding in IDBI Bank from the present 45% to just 15% and also allow LIC to reduce its stake from the existing 49% to 19%.

It is really deplorable that in 2003 when IDBI Act was repealed, the then BJP Finance Minister Jaswant Singh assured the Parliament that at anytime in future that Government will hold a minimum of 51% of the capital of the Bank, but going back from this solemn assurance given on

the floor of the Parliament, the Government is ready to reduce its stake to mere 15% and allow 66% of the capital to be handed over to private hands. This simply means privatisation of IDBI Bank.

Originally, IDBI was started as a DFI – Development Finance Institution to cater to the needs of industrial development in our country. Unfortunately, the reckless policies in IDBI landed them in huge bad loans and hence it was converted into a commercial Bank by merger with its own subsidiary IDBI Bank in 2005. Government had to use a lot of tax-payers money to sustain its capital adequacy ratio. Now the Bank has turned the corner and is doing reasonably well. It is in continuous profit.

Atpresent, the Bank has a **total Deposits of about Rs. 3,00,000 crores**. If the Bank is sold to a private investor, this entire savings of the people would be handed over to private investor.

Similarly, in the last three years in 2023, 2024 and 2025, the Bank has earned **Operating Profit of about Rs. 30,000 crores**. Such huge profits would be enjoyed by the private investor.

On the one hand the Government talks of Atmanirbhar and on the other hand, they are busy in handing over public savings to private hands. Since Government off-loaded its share-holding to LIC, on technical grounds, RBI classified IDBI Bank as a private bank. But fact remains that Government and LIC together hold 94% of the share capital of IDBI Bank. The Government proposal would bring this down to 34%. Very rightly, our AIBEA-AIBOA unions in IDBI Bank observed a successful strike on 11th August, 2025. We extended our full support to the strike.

But shamefully, in the conciliation meeting held yesterday (29-8-2025), DFS has submitted in writing that since RBI has classified IDBI Bank as a private bank, they have no say in any matter relating to IDBI Bank.

If this is so, will the Government answer the following questions ?

When the Government says that IDBI Bank is a private Bank,

- **How the Government has said that Reservation Policy will continue in IDBI Bank**
- **How IDBI Bank still comes under the jurisdiction of Right to Information Act**
- **How CVC Guidelines are still applicable to IDBI Bank.**
- **How IDBI Bank is coming under the scrutiny of the Standing Committees of the Parliament**

It is very strange that the mother is disowning her child.

With greetings,

Yours comradely,

(C.H. VENKATACHALAM)
GENERAL SECRETARY
AIBEA

(SANJAY KUMAR KHAN)
GENERAL SECRETARY
AIBOA

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eF. No. 6/8/2014-IR
Government of India
Ministry of Finance
Department of Financial Services

3rd Floor, Jeevan Deep Building,
Parliament Street, New Delhi-110001
28th Aug. 2025

To
The Deputy Chief Labour Commissioner (Central),
Office of the Deputy Chief Labour Commissioner,
Shiv Shrusti Marg, Eastern Express Highway,
Sion (East), Mumbai-400022.

Subject : Notice served by All India IDBI Officers' Association (AIIDBIOA) & All India Industrial Development Bank Employees Association (AIIDBEA) against the management of IDBI Bank Ltd. – Reg.

Sir,

Please refer to the office of the Deputy Chief Labour Commissioner (Central) letter No. B.ALC(C)III/8(46)/2025-B4 dated 21-08-2025 on the above subject.

2. In this regard, it is stated that 'IDBI Bank Ltd.' has been categorized as a 'Private Sector Bank' for regulatory purposes w.e.f. 21.01.2019 vide Reserve Bank of India's press release dated 14.03.2019 (copy enclosed). Being a private sector bank, all matters related to the human resources of IDBI Bank Ltd., including service conditions of its employees fall under the purview of the management/Board of IDBI Bank Ltd. Accordingly, the matter relating to the abovementioned conciliation meeting may not fall within the purview of this Department. Hence this Department has no comments to offer.

3. This issues with the approval of the Competent Authority.

Yours faithfully,
Sd… Vijay Shankar Tiwari
Under Secretary to the Government of India

PAGES FROM HISTORY

71 YEARS AGO

P. S. Sundaresan

The event happened 71 years ago, on the 23rd of September 1954. The various developments that took place around that time are indeed not only fascinating but throws much light upon the class character of the rulers of this country around that time. It is also very unfortunate to note that even after 71 years this confrontation between the Capitalistic Class and the Exploited working class continues in one form or the other even today.

The AIBEA which was born in 1946 was facing in all Banks a barbaric, brutal exploitation of the unorganised Bank Employees working there. When they all became organised naturally disputes surfaced and demands were made for improvement of our service conditions. As per the then available machinery viz., the Industrial Dispute Act, National Industrial Tribunals began adjudicating on our demands. For the next seven years the AIBEA was fighting our cause before these Tribunals and against several provisions of the Awards of the Tribunal, imposing wage cuts and reduction in our Salary. Litigation after Litigation followed by struggles and strikes surfaced.

One Award after implementation became null and void on some technical ground. Another Award was not even implemented in some big Banks. Many Banks deliberately mal-implemented the provisions. Just imagine the workers seeking justice and reasonable wage increase being rewarded by wage reduction. It was always noted that the ruling Government in one way or another was supporting the Bankers only.

The Government wanted the Banking Industry to make available around 187 crores of rupees for supporting the Five year Plans of development. The Bankers in turn were asking concessions under the plea that they will otherwise incur heavy loss. AIBEA pointed out that Banks are making enormous profits.

At one point a Committee of Bankers headed by Sri. A D Shroff, a Director of Bank of India Limited, even recommended that the existing salaries of Bank employees should be reduced and Banks should be taken out the purview of the Industrial Dispute Act. Those were the times when Monopoly Capital was the dominant owner of all Banks, represented by big industrial houses. Sri.G D Birla, Sir. H P Modi, Sir. Cowasi Jahangir and leading Chettiyars from Tamilnadu were all the owners of the Banks.

Around such a dim atmosphere on the 28th April 1954, the Labour Appellate Tribunal gave its Award. The Tribunal consisted of Justice Jeeji Bhai and two other eminent judges from the highest Judiciary were the members of the Tribunal. In those days for labour disputes the LAT was the highest judicial forum available equivalent to that of Supreme Court for Labour. The Tribunal clearly admitted that earlier Tribunals, particularly the Sastry Award have done great injustice to the Bank Employees.

The Tribunal agreed with the arguments of the Lawyers of AIBEA led by Mr. A. S. R. Chari that the Salary Package of higher officials were disproportionately very high compared to the employees. The AIBEA published a Document that while the Bank Clerk was being paid Rs.96/- the General Manager of the Bank was getting a Salary of Rs.20,001/-, just a rupee more than the salary of the Last Viceroy of India. Added to this the Executives were also getting a Dog Allowance of Rs. 300/- per month. All these disparities were admitted by the Tribunal also. However, when the recommendations of the Tribunal were published, it was not satisfactory and upto our expectations. Still the AIBEA decided to put an end to the seven years of adjudication and accept the LAT Award and move ahead. But the Top Bankers decided to pressurise the First Prime Minister of India Pandit Jawaharalal Nehru and some how persuade him to interfere and alter the Award.

One by one steps were taken in this connection. As per the Industrial Dispute Act an Award once given should be implemented within 30 days of its publication. The Government brought an Ordinance providing 120 days grace period for the Bankers to implement the Award. This was the first indication of collusion between the Government

and the Bankers.

The Bankers through the Media cautioned the public that all Banks will incur heavy losses if the revised wages of the LAT were implemented. Another Committee of Bankers recommended rationalisation of staff strength and consequential loss of jobs. The Associated Chamber of Commerce brought out an interesting Pamphlet and widely circulated the same. The Chamber argued that as a consequence of increasing the wages of Bank Employees, all Banks will naturally increase the interest rates of borrowers proportionately. Consequently all Bank Borrowers have to pay more interest on their loans. The result would be increase in prices of all articles of consumption by the public. People of India will all have to pay more as a result of wage revision for Bank Employees. What they forgot was just because 80,000 Bank Employees are going to get after 7 years a little wage rise will affect around 40 crores of Indian People. There cannot be a more misleading propaganda than this.

Around this time another development took place. Before the LAT the Government pleaded that the recommendations of the LAT should not apply for all Bank Employees who are working throughout India in places with a population of 30000 and below. The anger of the Bank Employees could not be controlled. That too the Government itself is interfering in the Industrial dispute. At Bombay, while the earlier LAT was sitting, mighty massive demonstrations were held and the Court Hall was overflowing with employees from all Banks. Ofcourse, the LAT rejected this plea of the Government but the double standard of the Government was exposed.

The Foreign Banks categorically told the Tribunal that they are not prepared to incur losses by increasing the wages of their employees. The Foreign Banks literally had a monopoly of all Foreign Exchange business in those days. They never invested as capital a single rupee in India. They treated the Indian workers with a contempt. They were allowed to transfer all their profits abroad. Despite many concessions they argued for exemption from LAT Award.

In such a situation an unexpected development took place. The Cabinet at the initiative of Pandit Nehru, the Prime Minister, modified the Award of the LAT which as we mentioned earlier was the highest labour forum. Never before in any industrial dispute a ruling Government has so nakedly interfered, sided the Capitalistic Class

and altered or modified a judicial verdict. The entire working class fraternity was shocked. Spontaneously throughout India demonstrations broke out before all Banks. The Central Committee of AIBEA met at Nagpur on 8.9.1954 and decided to accept the challenge.

The Committee declared that plans for an indefinite strike will be considered and before that a One Day Token Strike will take place on 23rd September 1954 in all Banks, condemning the action of the Prime Minister of India. Mean while, Shri. V V Giri, Central labour Minister openly disagreed with Pandit Nehru's action and with tremendous moral courage resigned his position as Central Labour Minister. His courageous action was hailed by the entire working class. The resignation came as a big booster for AIBEA. The Government warned and cautioned the Bank Employees against going on one full day strike, the first of such a kind in our Industry.

The Strike was a splendid success. The AIBEA knowing fully well that the organisation itself has not covered all over India and we are still in the formation stage in many interior areas. Somehow decided that we should go on one day strike despite such problems. As we said earlier, the Strike was total in all major cities and District Head Quarters, etc. Everywhere where processions were taken out, Bank work remained paralysed. Com. Prabhat Kar expressed his great happiness when he received a telegram from Dibrugarh located in the eastern most part of Assam, a place where no employee has ever gone at that time. The Telegram conveyed total strike there also. Another Telegram came from a place called Alleppy in southern Trivandrum District in those days. Com. Prabhat Kar was delighted. He declared that this is what AIBEA is viz., Bank Employees in unorganised remote corners of India responding to the call of the organisation.

Similarly, there was another incident a few days before the One day strike at Agra, a huge procession was taken out consisting of family members of all Bank Employees in Agra. Workers from several Factories in Chennai and Calcutta expressed their readiness to go on strike along with Bank Employees. Hundreds of Telegrams reached the Prime Minister opposing his action in modifying an Award.

Another development took place. The AIBEA noted that for the first time Bank Customers and the members of the public are being approached by all Chambers of Commerce and other monopolistic media giving false information about the Bank Employees and their work load. The AIBEA brought out a meticulously prepared ten-page pamphlet giving all detailed particulars regarding the salaries and perks of the higher officials and comforts they enjoy. The public came to know that apart from Dog Allowance mentioned earlier, in many Banks entire monthly provision bills of Top Executives are being reimbursed from Bank's funds.

Slowly the Office of the Prime Minister came to know that most of the information given by the Bankers were misleading and that no Bank will incur any loss after implementing the Award. But the influence of the monopoly capital was very tight. However, the success of the one day strike unnerved the Government. The New Labour Minister and

the Cabinet sub committee invited AIBEA to meet them and appraise them of our problems. The meeting took place during the first week of October but without any success.

Later the Conference of AIBEA held at Chennai during the last week of October gave a call for indefinite strike from 10th December 1954. Subsequent events, enormous preparations, grim determination of the Bank Employees to go ahead with theindefinite strike despite all threats, all these resulted in Pandit Nehru relanting and announcing another Tribunal mandated to give its opinion regarding the implementation of the LAT recommendations and capacity of all Banks to bear the load. Of course, it is a matter of history that subsequently the stand of AIBEA was totally vindicated.

But the significance of the one day strike on 23rd September 1954 came out glaringly. The attitude of the Prime Minister in modifying the Award of a

Tribunal was a clear instance of a clash between monopoly capital versus the working class in India.

71 years have gone. The AIBEA has grown. Prime Minister after Prime Minister have come and gone. Even ruling parties have changed. But Bank Employees should note one thing has not changed at all. That is the perpetual struggle and battle between monopoly capital and the working class. That is the tragedy of a great country like India.

Take the Nationalisation of Banks. It was described as a second independence revolution. So much it has achieved, so large it has expanded, so huge it has ensured the savings of the people to mind-blogging levels, so much credit it has deployed in the Industrial Sector and Agricultural operations, that instead of strengthening the Public Sector ownership of the Industry, the rulers of the country to whichever party they belong to are steadily and slowly diluting their ownership and even had announced eventual privatisation of this glorious people oriented National Asset and Public Sector owners.

Thus when Bank Employees observe the 23rd September 2025 as a day of remembrance of the 23rd September 1954 Strike should note that AIBEA have no choice but to struggle and struggle, strike and strike, irrespective of results opposing privatisation of Banks. Bank Employees are aware that the rulers of this country have now started a new game viz., declaring the IDBI as a Private Bank by a notification even though the overwhelming majority owners are public sector Government enterprises. At this rate of duplicity and double standard, suddenly a pucca Public Sector Bank like Central Bank or Indian Bank may be declared by a notification that it is classified as a Private Sector Entity.

It looks as though that even after 71 years we cannot rest and relax for 7 minutes as otherwise the class character of the rulers of the country will overwhelm everybody and India itself may become an India Private Limited, as once said by the late true socialist, Jurist Justice V. R. Krishna Iyer.

There is only one way out. Eternal vigilance and ever readiness to struggle and struggle, strike and strike to ensure that India's Banking Industry for ever remains owned by the people.

[The above article is written by Com P S Sundaresan, former Vice President of AIBEA and the seniormost veteran leader of AIBEA available with us today.

He became Central Committee Member of AIBEA in 1956. He was elected as Vice President of AIBEA in 1968 and continuously re-elected for the next 28 years upto 1996 when he volunteered to step down.

He was the General Secretary of Karnataka Pradesh Bank Employees Federation for 37 years from 1956 to 1993, President of KPBEF from 1993 to 1998 and then as Chairman of KPBEF from 1998 to 2003. Thus, he was the leader of KPBEF was 47 long years.

Born in August, 1929, he has completed 96 years and is now running 97.

We salute him for writing this article with such admirable commitment and passion even at this advanced age to educate the members of AIBEA. We request all our members to read the article.]



Com. P.S. Sundaresan, presenting garlands to Mrs. Indira Gandhi, the then Prime Minister of India when she came to Bangalore after Nationalsation of Banks during July 1969.

Opening the Door to Foreign Ownership of Banks?

Prabhat Patnaik

THE Reserve Bank of India has a limit of 15 per cent on ownership by non-residents of the equity of an Indian bank, a limit that is augmen table on a case-to-case basis but remains on the statute books to this date. And yet in 2018, the Mauritius-based Holding Company of the Canadian company Fairfax was allowed to purchase 51 per cent of the equity of the Catholic Syrian Bank of Kerala. Neither the central government, nor the Reserve Bank has explained why the 15 per cent limit was violated in 2018, while in the year 1994 (within the neo-liberal period itself) the attempt made by the Thailand-based S S Chauwala group to acquire control over 34 per cent of the equity of the same bank was, quite rightly, rejected.

What is more, moves are reportedly afoot to sell the IDBI bank too, to a foreign-owned private entity. Though it is not classified as a public sector bank, the government-owned Life Insurance Corporation of India has majority equity ownership of it since 2019.

Notwithstanding protestations to the contrary, therefore, a quiet shift appears to be taking place towards allowing foreign entities to take control of Indian banks. Why this should be happening is never explained. Even the argument that this is a way of attracting foreign finance, which is the usual excuse advanced for such major policy shifts, has not been advanced in this case. This excuse of course would not stand scrutiny in the present case: the financial inflow on account of the purchase by the foreign entity itself is quite minuscule: Fairfax acquired ownership over the Catholic Syrian Bank with a paltry sum of Rs 1,200 crores, of which they even recouped almost half, Rs 592 crores, in June 2024 by selling a mere 9.72 per cent of the equity; and as for foreign ownership of banks creating an ambience that is conducive to the inflow of finance, that is an utterly facile argument. The strict implementation of the RBI's 15 per cent limit after all had not deterred financial inflows earlier; and if financial inflows are being replaced by outflows at present, the reasons for it lie elsewhere (for instance Trump's tariffs) and cannot be negated by the sale of a few banks. Why then is foreign ownership of banks being quietly allowed when its implications are widely recognised as being extremely deleterious for the economy (for otherwise the 15 per cent ceiling would not have been imposed in the first place)?

It would of course be argued that the deleterious effects of foreign ownership per se of banks are greatly exaggerated. The Reserve Bank of India has rules about Indian banks' holding of foreign assets, which generally restrict such holding, and as long as these rules are followed, who owns the bank does not matter as much. Even if we accept this argument, it still does not answer the question of why an Indian bank should be given over to foreign control. And the argument that foreign ownership would improve the management of the bank is utterly invalid; in fact foreign control, as the example of the Catholic Syrian Bank shows, eliminates credit to small borrowers, who are supposed to be the beneficiaries of the priority sector lending scheme, while enhancing greatly the emoluments of the top management.

Besides, foreign ownership of banks becomes precisely the instrument for exerting pressure to remove the existing restrictions on Indian banks' holding of foreign assets. The removal of such restrictions, by enhancing the holding of foreign assets, will also enable foreign-owned banks to become more involved in financing speculative activities.

Such activities are more risky, and for that very reason more profitable on average in an ex ante sense. When the going is good, and speculation is paying well, banks engaged in such activities earn high profits, from which not a penny however accrues to the depositors; but when speculation ceases to be paying and banks incur losses, and even face bankruptcy, it is the depositors who have to face the prospects of losing their accumulated savings. From the point of view of the

mass of depositors therefore a bank engaged in financing speculative activities is much worse than a bank engaged in non-speculative lending; and foreign ownership of banks, by pressurising the RBI to remove restrictions on their holding foreign assets, will also expose the Indian depositors to the dangers of speculation from which they have nothing to gain but everything to lose. This is not just idle guesswork. When the housing "bubble" burst in the US in 2008, banks from all major metropolitan capitalist countries were exposed to have been involved, directly or indirectly, in financing that bubble, and were consequently saddled with large amounts of "toxic assets", that is, assets that had become worthless. They had to be rescued by massive government bail-outs; but such bail-outs still entailed substantial losses for depositors. The one country where the financial system remained unscathed by the collapse of the housing bubble was India. The magnitude of foreign assets in the balance sheets of Indian banks was minuscule; and within their foreign assets the magnitude of toxic assets was even more so. It is only the ICICI bank that had some foreign and even toxic assets, but the public sector banks were almost totally clean. Such a situation may not recur in future, and the Indian financial system may not retain whatever robustness it had, if foreign ownership of Indian banks is allowed.

Allowing foreign ownership of banks however is the direction in which neoliberalism will be pushing India. This is not only because neo-liberalism opposes all government restrictions (especially of third world governments) such as the 15 per cent limit on foreign equity ownership, but also because foreign ownership of Indian banks gives imperialism a leverage vis-à-vis the Indian economy (and neo-liberalism we must remember is an imperialist strategy): the foreign owner of a bank would have the backing of the foreign state, while the Indian owner of a bank would not.

Neoliberalism has already significantly reversed the forward steps taken by the Indian financial sector during the dirigiste period compared to earlier. For instance, even though priority sector lending norms remain in place and have not been done away with, the definition of priority sector has been so widened that those for whom such norms had been put in place in the first place, namely, the farmers, the small producers, the small businesses and other marginalised segments, are substantially excluded from institutional finance. As a study by the All India Democratic Women's Association shows, non-bank financial companies and micro finance institutions get loans from banks at no more than 10 per cent interest rate but lend to impoverished women borrowers at 26 per cent interest rate, in a manner reminiscent of the old village money lender of the colonial era (who also often accessed bank finance for his usurious moneylending). What is more, bank loans to NBFCs and MFIs are now counted as part of priority sector lending. The basic purpose of bank nationalisation, which among others, was to make bank finance directly available to marginal borrowers in sectors like agriculture, small industries and small businesses, by-passing all intermediaries, has been undermined.

On the other side, the entire banking system, including even the public sector banks, has become subservient to big business, even though the idea behind bank nationalisation was to break this nexus and to impose social control over credit disbursement. Big business not only corners the bulk of bank credit, but also defaults on its repayment obligations with impunity. Here again, in other words, despite the existence of public sector banks (though these too are nowadays characterised by a falling share of government equity), a situation similar to the old days when monopoly houses had close nexus with banks (in fact each house had its own bank), is being reinstituted. The movement again is away from the vision of social control over disbursement of credit.

This movement will get a further fillip from foreign ownership of Indian banks. The marginal borrowers will be further cut out from direct access to bank credit; big business will be further nourished with bank credit; and now, on top of all these, bank credit will flow towards foreign assets and speculative activities. This is no better than one expects from the fascistic elements that currently rule the country, but needs to be stoutly resisted.

AWARDING SCHOLARSHIP TO NEEDY STUDENTS BY BPBEA

Since long BPBEA is awarding scholarship to economically backward but meritorious student for pursuing Graduation level study. This year also is no exception. In a function held on 24 September, 2025 at BPBEA office in Kolkata, BPBEA awarded scholarship to 11 students studying in different streams at Graduation level.



Com. Prabhat Kar Memorial Scholarship,
Ms. Priyanka Barman, BA (English Hons)



Com. Tarakeswar Chakraborty Memorial Scholarship
Ms. Niharika Paul, BA (English Hons)



Com. Sushil Ghosh Memorial Scholarship
Ms. Shreya Das, BFAD, Fashion Designing



Com. Ajit Banerjee Memorial Scholarship
Ms. Tanishtha Ghosh, BA (JMC Hons)



Com. Naresh Pal Memorial Scholarship
Ms. Shrestha Ari, (Biotechnology)



Com. Manaranjan Bose Memorial Scholarship
Mr. Saqib Nawab, (Information Technology)



Com. Sadananda Ghosh Memorial Scholarship
Mr. Roni Das, B.Tech (Engineering Management)



Com. Jatin Bhattacharjee Memorial Scholarship
On Behalf of Ms. Shreyasi Biswas B.Tech (Computer Science).On behalf of Shreyasi her father collecedt the Cheque



Com. Tushar Chakraborty Memorial Scholarship
On Behalf of Ms. Shreeparna Bag B.Tech (Computer Science).
On behalf of Shreeparna her Mother collected the Cheque



A partial view of the audience

BPBEA'S DONATION TO SOS CHILDREN'S VILLAGE, KOLKATA



BPBEA's help to SOS Children's Village, Kolkata. Com. Rajen Nagar, President, AIBEA and General Secretary, BPBEA handed over a cheque to Shri Dipanjan Halder of SOS Village for the benefit of 4 children of SOS Children's Village.

ALL INDIA BLACK DAY



Rally by MPBEA in Bhopal on 22 September 2025 – ALL INDIA BLACK DAY – called by Central Trade unions

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"हम देखेंगे"

फैज अहमद फैज

लाज़िम है कि हम भी देखेंगे
वो दिन कि जिस का वादा है
जो लौह–ए–अज़ल में लिखा है
जब जुल्म–ओ–सितम के कोह–ए–गिराँ
रूई की तरह उड़ जाएँगे
हम महकूमों के पाँव–तले
जब धरती धड़–धड़ धड़केगी
और अहल–ए–हकम के सर–ऊपर
जब बिजली कड़–कड़ कड़केगी
जब अर्ज़–ए–खुदा के काबे से
सब बुत उठवाए जाएँगे
हम अहल–ए–सफ़ा मरदूद–ए–हरम
मसनद पे बिठाए जाएँगे
सब ताज उछाले जाएँगे
सब तख़्त गिराए जाएँगे
बस नाम रहेगा अल्लाह का
जो ग़ाएब भी है हाज़िर भी
जो मंज़र भी है नाज़िर भी
उट्ठेगा अन–अल–हक़ का नारा
जो मैं भी हूँ और तुम भी हो
और राज करेगी ख़ल्क़–ए–खुदा
जो मैं भी हूँ और तुम भी हो



Bankflag wishes all its readers
A Very Happy Festive Season

To

LONG LIVE AIBEA

From

BANKFLAG

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