



**ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION  
(A.I.B.P.A.R.C.)**



C/O BANK OF INDIA OFFICERS' ASSOCIATION  
(EASTERN INDIA BRANCHES)  
BANK OF INDIA, KOLKATA MAIN BRANCH  
23A, NETAJI SUBHAS ROAD, KOLKATA – 700 001  
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Circular number 46/20,

dated 01/07/20

**(for circulation among members of the Governing Council, State secretaries, Special invitees and advisors of AIBPARC).**

Dear Comrade,

Enclosed please find a letter written by AIBPARC on 30.06.20 to MD & CEO, LVB with copy endorsed to IBA on the subject of withdrawal of mandate by the said bank given earlier to IBA in respect of negotiation in 11<sup>th</sup> BPS

With Best Wishes,

Please stay safe with family

S.Sarkar  
General Secretary

Ref: AIBPARC/LVB/MANDATE/EMAIL/2020.

Shri S. Sundar  
Managing Director &CEO,  
Lakshmi Vilas Bank.  
No 4, Sardar Patel Road  
Guindy,  
Chennai – 600032

Dear Sir,

Sub: Withdrawal of Mandate of Salary Revision from IBA.

We are totally shocked and thoroughly disappointed to learn that LVB has withdrawn its mandate of salary- revision from IBA. While this decision would directly affect the employees and officers, it would have its impact on the retirees/pensioners too with regard to their terminal benefits such as PF, Pension etc besides IBA Medical Insurance Policy as it was introduced through Bi-Partite Negotiations and its renewal too is dealt by IBA. Your proposed decision to withdraw the mandate given has come at a time when the Bi-Partite Settlement has almost reached its finality and only formal requirements of signing are to be met. Needless to say that your decision of withdrawal of mandate at this stage will become a great demotivating factor affecting the best interest of the Bank and hence this letter requesting you to reconsider and reverse the decision. We request to kindly consider the following grounds which impels us to seek the reversal of the decision.

1..LVB, being an old generation Private Sector Bank with a proven record of customer friendly attitude and commitment to society has always been very close to the heart of the people at the area of its operations. The Employees and Officers of the Bank of the past and present times have always maintained a family- bonding with the institution. They have very effectively synchronized their personal well-being with the well-being of the bank. Such an ideal kind of HR climate should not be vitiated or thrown to the wind by a single stroke of this decision of mandate withdrawal.

2.We feel that the Authorities would have come to such a desperate situation of ignoring the sentiment of a committed and motivated workforce on any one of the following grounds:(a) The Board has not been properly briefed about the financial load that would have to be borne in future (b) Conditions might have been imposed by the proposed new investor(c)any other reason beyond our comprehension.

3.The Bank before sending such a shock wave to the entire workforce-past and present did not consider certain very important factors such as:

- (a) While sending the Mandate to IBA for the 11th BPS, the-then management had definitely applied it's mind over the subject and came to a reasonable conclusion. Had the negotiation would not have been halted for certain compulsive reasons, 11th BPS would have been finalized and implemented by now and the question of withdrawal of Mandate wouldn't have arisen at all. It may please be appreciated here that the employees and officers are governed by the Bi-Partite Provisions since the 3rd Bi-Partite Settlement.
- (b) Any withdrawal of Mandate does not speak on the credibility of the management and the concept of perpetuity in Management parlance. If such actions are merely based on authority, they do not stand to test of reason or credibility and fails of its own.
- (c) Bank failed to consider the fact that there are two sets of employees in the Bank-one section being guided by provisions of Industry -wise settlement and the other being governed by the concept of Cost to Company which is decided at Bank level. By such withdrawal, Bank put the interest of one section of employees at jeopardy.
- (d) Bank has failed to consider the objective circumstances which are largely responsible for the present state of affairs in the Bank - the merger proposal with India Bulls Housing Finance

which ultimately failed, the imposition of PCA by RBI, the resignation of the-then MD&CEO, the negative media reports in respect of a particular borrowal account, failure of certain Banks in the intervening period and above all the world wide CORONA scare. You will surely agree that the workforce - both past and present have virtually no role in the mentioned spheres.

- (e) As against this, the existing and retired employees have put their heart and soul to improve the performance of the bank at all times. They have walked extra miles to campaign for CASA, to go for aggressive recovery and also to reduce the cost in all possible ways and means. Such sentiment and efforts of employees should be honoured by any Management whoever be in the seat of judgement. It is an irony to note that this Bank introduced Employee Happiness Index as a measure to assess Employee-satisfaction in work situations. The situation with which LVB is now confronted is not anything new in the Banking Industry. Several years back, three nationalised Banks had faced a similar situation. Bipartite Settlement was signed in due course with the rider that the management of those three banks would sign memorandum of understanding with Union/Associations in the Bank to improve upon the overall performance of the Bank and implement the settlement after a mutual understanding. Relying upon the said precedent and lesson of history, we may come over the crisis.

Sir, we make an earnest appeal to you to consider the grounds stated above with sympathy and favour and without any inhibition and pre-determined bias. We, as elder citizens of the Industry with a long and proven record of handling HR matters from the side of Officers' organizations, will be very happy if you review the situation and withdraw your "mandate withdrawal" decision and go along with the people of your Bank.

With kind regards,

Yours faithfully.



K.V.Acharya  
PRESIDENT



S.Sarkar  
General Secretary

**Copy endorsed to:  
Chief Executive, IBA, Mumbai  
for kind information please.**



K.V.Acharya  
PRESIDENT



S.Sarkar  
General Secretary