



## STATE BANK OF HYDERABAD STAFF ASSOCIATION

(Regd. No. 269)

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CIR. NO. SA-CO/ 07/2013

DT: 31.05.2013

To

**ALL THE MEMBERS:**

Dear Comrades,

We reproduce hereunder the **CIRCULAR LETTER NO. 27/17 /2013/29, dated: 27TH May, 2013** issued by our National Organization – AIBEA for your information.

With Greetings,

Yours Comradely,

**(JAGDISH M BHAVTHANKAR)  
GENERAL SECRETARY**

**TEXT OF AIBEA CIRCULAR LETTER:**

Dear Comrades,

- **Agitation and All India Strike in Bank of Maharashtra against vindictive attacks by top management**

Vide our Circular Letter No. 14.26 dated 16-5-2013, we had informed our units about the vindictive attacks and denial of basic trade union rights in Bank of Maharashtra because our union tried to question some of the business decisions of the management. Hence, our union – All India Bank of Maharashtra Employees Federation has given the call for agitation including **All India Strike on 17<sup>th</sup> June, 2013** followed by further two strikes in July and August, 2013. We have also advised all our unions to extend their support and express their solidarity with the agitating employees of Bank of Maharashtra.

We have taken up the matter with Mr. P. Chidambaram, Finance Minister, Government of India seeking his intervention the matter. The letter written by AIBEA to him in this regard is furnished herein for the information of our units. We have also taken up the matter with Reserve Bank for India.

The matter will be further discussed in our ensuing Central Committee meeting at Delhi on 29<sup>th</sup> May, 2013 for further course of action since the management is trying to throttle and strangulate our voice of concern about the health of the Bank.

With greetings,

Yours Comradely,

**C.H. VENKATACHALAM  
GENERAL SECRETARY**

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## ALL INDIA BANK EMPLOYEES' ASSOCIATION

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**AIBEA/ GS/2013/89**

**25<sup>th</sup> May, 2013**

**To**

**Shri. P. Chidambaram, Hon. Minister for Finance, Government of India, North Block,  
New Delhi**

Dear Sir,

**Reg: Business affairs in Bank of Maharashtra and vindictive attitude of the top management**

We take the liberty and seek to encroach on your precious time to keep you informed of the following matters of concern in the business affairs of Bank of Maharashtra and the vindictive attitude of the top management in the Bank for taking remedial measures to correct and safeguard the interest of the Bank.

You are aware that Bank of Maharashtra founded in 1936 was nationalised in 1969 and has been growing as an important banking institution under public sector. The Bank had a total Deposits of less than Rs. 100 crores at the time of nationalisation but over the years the Bank has grown and has crossed nearly Rs. 95,000 crores as of now and with more than Rs. 75,000 crores of advances. It is operating with more than 1,700 branches.

Our AIBEA's affiliate in Bank of Maharashtra, viz. All India Bank of Maharashtra Employees Federation is the recognized majority union in the Bank and is well-known that our union is fully committed to the growth, progress and well-being of the Bank. Right from 1970, the leaders of our Union have been successively appointed by the Government as Workman Directors on the Board of the Bank and their positive contributions inside the Board is also undisputed.

The present General Secretary of All India Bank of Maharashtra Employees Federation, Shri. D.R. Tuljapurkar had also served as Workman Director of the Bank from 2004 to 2009 and his significant contributions as a member of the Board of Directors can well be ascertained from the Government's nominee Directors of that period.

Our affiliate, All India Bank of Maharashtra Employees Federation has always sought to play the role of constructive criticism against any deficiencies in the business policies of the management so the Bank is able to run on proper rails.

In this background, after the taking over charge of the Bank in February, 2012 by the present CMD, Mr. Narendra Singh, our Union has been trying to meet him for discussing their viewpoints on the business

development of the Bank. But the initiatives of the Union was being deliberately spurned by the top management.

Alongside, it was observed that the Bank was over-concentrating on credit expansion without a matching deposit base thus present a situation of mismatch. Further the loans to the corporate sector which were being sanctioned were of long term nature with substantial holiday period for repayment and a risk of becoming bad loans sooner or later. The cost of funds was going up and the yield on advances was getting shrunk. Since this would obviously credit stress on the profitability of the Bank, our union was concerned about it and naturally worried too. But the CMD of the Bank was unwilling to discuss these issues with our Union.

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And, there was no sign that the top management would realise this and retreat the trend as the same was being continued further. Since, the top management was not willing to discuss these matters of concern with our union, we had advised our Union to bring the same to the notice and attention of the Reserve Bank of India.

In October, 2012, as per the advice of AIBEA, our Union wrote a letter to the Government, RBI ( Copy enclosed) drawing his attention to the issues of concern regarding the business ongoing in the Bank.

It is learnt that the RBI had forwarded our letter to the Bank for their comments, etc. Some RBI team had also been deputed to the Bank for investigations the allegations made by us.

In July, 2012, a news item appeared in The Hindu alleging informations about irregularities in the advances to United Spirits of Vijay Mallya. The report also attribution the information to whistle blower.

The CMD started doubting every possible person in the Bank. He has already vindictively treated various officials who were dealing with the file of United Spirits including unwarranted transfers, denial of promotions, etc.

Irked by these developments arising out of the letter by the Union to the RBI, the management, at the instance of the CMD, issued a show cause memo to our General Secretary in January, 2013 threatening disciplinary action. The memo was suitably replied explaining the fact that the communication was sent on behalf of the union having regard to the concern for the Bank's health.

In February, 2013, as against the age-old practice of field level officials performing the functions of Disciplinary Authority for taking actions on employees, the CMD suddenly changed the procedure in February, 2013 making an official directly working under him as the sole authority to decide on disciplinary authority.

And, after changing the procedure, the CMD has now caused a Charge-sheet to be issued by that official to the General Secretary of our union on baseless and unfounded charges backed up by half-truths but couched with vindictiveness. A motivated FIR filed against our General Secretary by some unscrupulous elements 20 years ago in 1994 has now been excavated to be the basis of the charge-sheet. A copy of the letter written by our union to the Bank ( Copy enclosed ) would explain the details in this regard.

There are many other activities and decisions of the top management that need further investigation and we are prepared to provide further details in this regard.

To cut short the story, we wish to state that the present CMD of the Bank is proving to be anti-Bank and anti-trade union and needs urgent attention and action by the Government. Hence this communication to you with a request to intervene in the matter to save the Bank from unhealthy business policies and to prevent vindictive actions on the Union leader by the present CMD.

Thanking you,

Yours faithfully,



**C.H.VENKATCHALAM**  
**GENERAL SECRETARY**