

Memorandum Submitted to Regional Manager after making mass deputation to Regional Office during the first day of our three days strike from March 26 to March 28 announced by United Forum of RRB Unions.

To

Sri Arun Jaitley,
Hon'ble Union Minister for Finance,,
Government of India,
New Delhi-110 001

Through:

Regional Office
Pandyan Grama Bank

Re: Your kind intervention to provide equity and justice to RRBs and it's human resource.

Hon'ble Sir,

We, the staff of Regional Rural Banks (RRBs), have been working in remote rural area of 645 districts of the country and have undertaken all sorts of endeavour to make all the YOJANAs announced by the Government of India for socio-economic development of the nation, particularly rural India, on priority basis with a missionary zeal. As a result, RRBs have established a mile stone in achieving targets for opening accounts under PRADHAN MANTARI JAN DHAN YOJANA, SURAKSHA BIMA YOJANA, ATAL PENSION YOJANA and MUDRA YOJANA etc. and extending maximum credit to SELF HELP GROUPs and FARMERS under KISAN CREDIT CARDS. But, in spite of our best contribution in making all the aforesaid YOJANAs successful, we are deprived of getting equity and justice.

On the issue of pay structure of RRBs staff a National Industrial Tribunal (NIT) was constituted in terms of ORDER of the Hon'ble Supreme Court of India dated 01-09-1987 and after a prolong hearing the NIT had pronounced the following Award:

“ What flows from my findings is that Officers and other employees of Regional Rural Banks (RRBs) are entitled to claim parity in the matter of Pay scales, other allowances and other benefits on par with corresponding cadres of the sponsor banks w.e.f 1st Sept.1987.”

The apex court of the country had also upheld the said Award vide their Judgement dated 31st January, 2001, which reads as under:

“Hereafter, as and when the pay structure of the employees of the nationalised commercial banks get revised on the basis of any bipartite settlement, the Union Government should take a decision so far as the employees of the Regional Rural Banks are concerned, within a reasonable time and bearing in mind the conclusions, we have already arrived at, so that the so-called parity could be maintained.”

Sir, the NIT Award and the Apex Court orders are quite clear that **Bipartite Settlement** is to be implemented in RRB with retrospective effect. But, DFS, Ministry of Finance, GOI has not been allowing complete implementation of Bipartite Settlements in RRBs in its letter and spirit.

In 1993, Bipartite Settlement was signed in the Banking Industry level on pension issue which had got a shape of Pension Regulation 1995 and all Commercial Banks, irrespective of profit and loss, implemented Pension Scheme 1995, but we were deprived of. In this regard we have been pursuing the matter at MOF/NABARD and Sponsor bank level, but the benefit of pension parity was not extended to RRBs. Consequently, some Unions went to High Court for justice and subsequently Hon'ble Karnataka High Court and lastly Hon'ble Rajasthan (Jodhpur) High Court passed the orders for extension of Pension Scheme 1995 in RRB in line with Nationalized Commercial Banks(NCBs). But, instead of implementing the ORDERS, Department of Financial Services, MOF, GOI, filed a Special Leave Petition (Civil) 39288/12, before Hon'ble Supreme Court of India which is still pending for more than five years. In the mean while, hundreds of retired staff of RRBs have breathed their last facing acute financial crisis at the last moment of their life.

Further, it is to bring in your kind notice Sir that Apex Court had given direction to Union Govt.of India, on 26th Nov.2014, as follows:

“...parties are permitted to negotiate for an amicable settlement, without any preconditions. The learned Additional Solicitor General representing the Union of India shall inform all learned counsel representing the Federations/Unions the modalities of the negotiation process. So as to ensure an effective and meaningful result, managements of the RRBs and all stake holders be also taken on board during the negotiations.

In case, the Federations/Unions seek any documents in connection with the ongoing negotiations and furnish a list thereof, the same shall be provided to them.

In case parties arrive at a mutual settlement, the same shall be placed on the record of this case within three months from today.”

But, DFS did not take the ORDER of Apex court in its right perspective and no negotiation or settlement could arrive at causing undue delay in resolution of this issue.

We, therefore, urge upon you to **advise DFS to withdraw the SLP from apex court and kindly pave the way of implementation of banking industry level Pension Scheme 1995 in RRB** to save the retiral life of RRB's staff who have been

championing the cause of rural people of the country and making the Govt's sponsored entire Yojanas a grand success.

To stop privatization of RRB and issuance of IPO :

Regional Rural Banks (RRB) were established with a view to develop the rural economy by way of providing required finance for the purpose of development of agriculture, trade, commerce, industry and other productive activities in the rural areas, particularly to the small and marginal farmers, agricultural labourers, artisans and small entrepreneurs.

Another prime objective of its establishment was the eradication of MAHAJANI PRATHA (money lending by rich people to poor in rural region on higher rate of interest). But, once again, by way of giving license to payment bank/small banks and disinvestment of majority of share of RRB, this rural financial institution is planned to be handed over to corporate sector. We apprehend, by way of such changes the image/basic concept of these rural banks is to be ruined/tarnished.

Further, this action is against the interest of AAM ADAMI of nation particularly rural people of the country, who are the main customers of RRB's. Therefore, we demand termination of privatization of RRB and issuance of IPO.

Implementation of Banking Industry Level Complete Bipartite Wage Settlement in RRBs at par with Sponsor banks:

Sir, the Nit Award is quite clear and apex court order is also logically obvious that **Bipartite settlement** is to be implemented in RRB with retrospective effect and no where it has been mentioned that Bipartite should be implemented **halfway**. But, MoF has not been notifying complete implementation of Bipartite settlement in its letter and spirit. Therefore, we have been demanding full implementation of Bipartite settlement without any omission and commission.

We, therefore, urge upon you to please advise the concerned authority to withdraw the SLP from apex court, in larger interest of RRB's staff who have been championing the cause of rural people of the country and making the entire Prime Minister's Yojana a grand success.

Implementation of Sponsor Bank's Service Regulation in RRBs in the interest of equity and justice:

RRB was established under RRB Act 1976 for an avowed objective and to operate at district level with its confined area of operation, but slowly and gradually its structure, functioning and area of operation have been expanded. Now, there is no basic difference in functioning of RRBs and its staff members in comparison to sponsor banks & its personnel. Both institutions are functioning under same statutory obligations of BR Act as well as NI Act.

Qualification/eligibility/agency for recruitment in Commercial banks and RRBs is almost same but general human resource policy as well as promotion policy is quite

different. Consequently, the newly recruited staff members frequently resign from the services for want of ample opportunity of career progression and use to join Commercial banks where they get promotion within a short period.

We, therefore, humbly request your honour to please direct Department of Financial Services (MOF) to extend same Service Regulation, Leave rules, disciplinary policy , PF and Pension scheme, Recruitment and promotion policy including gratuity rules in RRB.

Gratuity Act is operative in all institutions without any exception and in said act all eligible staff is termed as **EMPLOYEES**, but in RRB Officers and Employees are treated differently in payment of gratuity. This anomaly must be removed and same provision should be made applicable for Workmen Employees as well as Officers Employees.

Payment of Minimum wage to daily waged workers in terms of apex court orders pending their regularisation:

Sir, about 15000 daily waged workers are engaged by RRBs in sub-staff cadre but they are not being paid even minimum wage. Recently, Hon'ble Supreme Court of India has given a judgement to pay proportionate wage to daily waged workers payable to permanent staff of the same cadre.

In sub staff cadre most of the vacancies are outsourced which is detrimental to security and integrity of financial institution. Branches of RRBs are mostly located at remote rural sensitive centres where most illiterate and less educated customers are dealt with. The out sourced personnel having no statutory obligation to the institution or customers may be quite irresponsible to the cause of institution as well as customers and they may jeopardize the objective of establishment of RRBs. Therefore, outsourcing must be stopped.

To Scrap Mitra Committee HR recommendation:

At the time of constitution of Mitra Committee recommendation it has been told that the Committee has been constituted to recommend post computerization HR planning in RRB, but unfortunately the report has unilaterally been submitted without considering the views of representative (Trade Unions) of human resources of RRB and also imposed unilaterally affecting career of human resources/growth of the institution. The said Committee has under estimated the practical situation prevailing in RRBs and hypothetically fixed up the business for categorization of RRBs.

The basic fact is, per branch number of deposit as well as loan accounts are more than Commercial banks which needs more man-power for extending better customer services. This aspect has deliberately been ignored by the Mitra Committee and imaginary recommendations are submitted/implemented. Therefore, we demand scrapping of Mitra Committee recommendation and to evolve a judicious Man Power planning for RRBs.

IBA should be declared as apex level negotiating Forum for RRBs too:

RRB was established under RRB Act 1976 for an avowed objective for development of rural economy and to operate at district level with its confined area of operation, but slowly and gradually its structure, functioning and area of operation have been expanded. Now, there is no basic difference in functioning of RRBs and its staff members in comparison to sponsor banks & its personnel. Both institutions are functioning under same statutory obligations of BR Act as well as NI Act. So far as the main ingredient of Service Regulation, ie. Pay structure etc, are also having parity. Therefore, there is no need of separate Service Regulation for both banking institution in the interest of equity and Justice.

With regard to formation of apex level separate negotiation forum for RRBs concerned, it is pertinent to mention here that after the implementation of NIT Award as well as Equation Committee recommendation, NABARD, on direction of GOI, had constituted an Working Group headed by Sri RC Gupta, CGM, NABARD for removal of anomalies cropped up due to pay fitment in Sponsor bank's pay scales. This Working group, after considering all the aspects, recommended as follows:

“ The Working Group examined this issue and felt that in view of parity being established, it follows that with every change in the pay scales, allowances and other benefits etc; in Sponsor banks, similar changes may be necessary in the case of RRB staff also, notwithstanding the fact that both organisations are represented by different trade unions. The Working Group, therefore, recommends that the RRBs may be made Associate members of the Indian Banks Association to enable them to participate in negotiations.”

Presently, Joint consultative Council (JCC) has been set up for RRBs under the Chairmanship of NABARD, but it is mere a consultative council having no authority for any decisions and its recommendations to the MOF/DFS are not seriously considered rather kept pending for years together. Therefore, JCC is quite irrelevant and it does not play the role of apex level negotiating forum as IBA undertakes.

It is, therefore, demanded to declare IBA as negotiation forum for RRB too in the interest of institution and to avoid so many legal litigations and industrial unrest at various level.

Thanking You

Yours faithfully