

**KARUR VYSYA BANK
EMPLOYEES' UNION**

(Affiliated to AIBEA)



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Circular No. 38 / 49 / 2026

August 13, 2026

Dear Comrades,

We append hereunder text of our letter dated 12.8.2026 addressed to the management regarding our **Representation against Entrustment of Joint Custody Responsibilities to Customer Service Associates Beyond the Scope of the 12th Bipartite Settlement.**

The said representation has been submitted with reference to **IAD Circular No. 210/2026_INF dated 05.08.2026**, and sets out our concerns regarding the assignment of such responsibilities beyond the scope and provisions of the 12th Bipartite Settlement. The contents of the representation are reproduced below for the information of our Members.

Yours comradely,

**T. SEKAR
GENERAL SECRETARY**

KVBEU/38/47/2026

August 12, 2026

To
The Managing Director & Chief Executive Officer
The Karur Vysya Bank Limited
Central Office
Karur

**Reg: Representation against Entrustment of Joint Custody Responsibilities to
Customer Service Associates Beyond the Scope of the
12th Bipartite Settlement.**

Ref: IAD Circular No: 210/2026_INF, dated 05.08.2026

Dear Sir,

For over a decade, Customer Service Associates (formerly Clerks) in Karur Vysya Bank Ltd have been holding the second set of safe keys in single-officer branches as an operational arrangement to facilitate smooth branch functioning. This practice, continued under Circular No. 72/2022, was adopted purely for administrative convenience and has never formed part of the negotiated service conditions of the workmen cadre.

With the implementation of the **12th Bipartite Settlement**, the duties and responsibilities of **Customer Service Associates (CSA)** and **Senior Customer Service Associates (Cash)** have been clearly codified. While the Settlement specifically creates the post of **Senior Customer Service Associate (Cash)** with enhanced Special Pay (Rs.1,970/- to Rs.3,050/-) for discharging identified additional responsibilities, it does not assign the responsibility of holding the second set of safe keys or functioning as a Joint Custodian to an ordinary Customer Service Associate.

Despite this, a large number of Customer Service Associates continue to perform Joint Custody functions and hold the second set of safe keys without being designated as Senior Customer Service Associate (Cash) or being paid the Special Pay as per the 12th Bi-partite Settlement. This has resulted in employees within the same workmen cadre performing unequal responsibilities without corresponding compensation, contrary to the spirit of the Bipartite Settlement.

The Union has repeatedly raised this issue during discussions and through Letter Circular Nos. **KVBEU/38/04/2024 dated 07.12.2024** and **KVBEU/38/25/2025 dated 28.11.2025**, seeking clarification regarding the duties and accountability of Senior Customer Service Associate (Cash) under the 12th Bipartite Settlement. However, the matter remains unresolved.

We fully appreciate the Management's commitment to maintaining the sanctity of the Joint Custody System. In this regard, Inspection and Audit Department Circular No. **210/2026 dated 05.08.2026** reiterates a **"Zero Tolerance"** approach and places responsibility on Joint Custodians for the custody and verification of all valuables kept in the safe room, including cash, jewel bags, title deeds, loan documents, bills, safe custody articles and security stationery. **The issue before us is therefore not the necessity of Joint Custody, but the category of employees upon whom such responsibility is imposed.**

The 12th Bipartite Settlement provides:

"Further to the provisions in Clause 5.14(11) of the Settlement dated 19.10.1966, the duties and responsibilities agreed to Customer Service Associate / Senior Customer Service Associate (Cash) / Special Customer Service Associate shall not be regarded as supervisory duties and the employees required to perform these duties and discharge these responsibilities shall continue to be regarded as 'workmen' under the provisions of the Industrial Disputes Act, 1947, irrespective of their emoluments, designation or nomenclature."

The above provision is significant. It recognizes only those duties and responsibilities **specifically agreed** under the Bipartite Settlement. The reference to Clause 5.14(11) of the Settlement dated 19.10.1966 reflects the consistent intention of the negotiating parties that workmen shall perform only such duties as have been mutually agreed through collective bargaining. Administrative instructions cannot enlarge the scope of negotiated service conditions or impose additional financial, legal or custodial liabilities beyond the Settlement.

For several years, Customer Service Associates have held the second set of safe keys only as a matter of established practice and operational necessity. Such practice cannot, by itself, create contractual obligations or impose liabilities not contemplated under the Bipartite Settlement.

If the recent circular is interpreted as making the Customer Service Associate by virtue of holding the second set of safe keys jointly responsible for the safety and verification of all valuables kept in the vault, it would impose financial and legal accountability far beyond the duties assigned under the 12th Bipartite Settlement. Such an interpretation would not only defeat the intent of the Settlement but also expose workmen to liabilities which were never negotiated or accepted.

The Union requests the Management to:

- 1. Ensure that Joint Custody responsibilities are entrusted only in accordance with the provisions of the 12th Bipartite Settlement and that Special Pay is uniformly extended wherever employees are assigned such responsibilities.**
- 2. Clarify that Customer Service Associates who are presently holding the second set of safe keys as an administrative arrangement shall not incur financial, legal or custodial accountability beyond the duties expressly provided under the 12th Bipartite Settlement.**
- 3. By mere holding of Safe Keys, the supervisory nature of work attached with the Officer/ Manager should not be transferred to the workmen.**
- 4. Ensure uniform implementation of the Settlement across all branches so that employees performing identical responsibilities receive identical designation, accountability and remuneration, thereby eliminating disparities within the workmen cadre.**

We are confident that the Management will uphold the sanctity of the Bipartite Settlement, honour the principles of collective bargaining and ensure implementation of its provisions in both letter and spirit.

We request your favourable consideration and an early clarification in the interest of industrial harmony and uniform application of the Settlement.

Yours faithfully,

Sd/-
T.Sekar
General Secretary