

**KARUR VYSYA BANK
EMPLOYEES' UNION**
(Affiliated to AIBEA)



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Circular No. 38 / 10 / 2025

March 15, 2025

Dear Comrades,

We append hereunder the text of our letter dated 14.03.2025 written to our Management in respect of **1.Request to cease seeking explanations from Customer Service Associates regarding Non-Acceptable Gold Items in Jewel Loans & 2. Discussions with IBA on Residual Issues. (AIBEA Circular No.29/171/2025/18)**

With greetings,

Yours comradely,

**T . SEKAR
GENERAL SECRETARY**

KVBEU / 38 / 15 / 2025

March 14, 2025

The Chief Human Resources Officer,
Human Resources Department,
Karur Vysya Bank Ltd.,
Central Office,
Karur.

Dear Sir,

Subject: Request to cease seeking explanations from Customer Service Associates regarding Non-Acceptable Gold Items in Jewel Loans.

We refer to the ongoing matter concerning jewel loans extended on "non-acceptable gold items" and the subsequent letters being issued to our Customer Service Associates (CSAs) seeking explanations for carrying out such transactions.

We had previously addressed this issue in our letter KVBEU/38/11/2025 dated 03.02.2025, wherein we represented our concerns to our Human Resources Department. However, we note that the Human Resources Department continues to send letters to the CSAs, stating that they have initiated transactions by accepting ineligible jewel items, including gold coins beyond the specified limit, and seeking their explanations for not adhering to the Bank's circular instructions.

In this regard, we would like to reiterate the following points:

1. Role of Customer Service Associates: The primary work of the CSA is data entry work in respect of Jewel Loan account opening. They enter the details of jewel items as provided in M-342 Form duly verified by the Jewel Loan Officer. The CSAs do not have access in the system to verify the Gold items that are eligible for sanction of loan and strictly follow the instructions given by the Jewel Loan Officer.

2. Circular Instructions: While the Central Office has issued circulars outlining the norms for "non-eligible jewel items" and specifically minted gold coins, it is beyond the scope of the CSAs duties to verify or validate these items. Their role is limited to correctly enter the data provided to them.

3. Fixing Accountability: Holding the CSAs accountable for violating the Bank's circular instructions is unjust, as they do not have the access to verify the gold items that are eligible for loan and also it is beyond their scope of work. Further, seeking explanation from them and placing their reply in their personal files as a remark could unfairly impact their records and morale.

In view of the above, we request the Human Resources Department not to seek explanation from the Customer Service Associates on this matter. The CSAs are merely performing their assigned duties of data entry based on the information provided by the Jewel Loan Officer and do not have the authority or access to verify the eligibility of jewel items.

We trust that our concerns will be taken into account and appropriate steps will be taken to address this issue.

Thanking you,

Yours faithfully,

Sd/-
T. Sekar
General Secretary

TEXT OF AIBEA CIRCULAR NO.29/171/2025/18

Dear Comrades,

Discussions with IBA on Residual Issues

UFBU CIRCULAR NO.3 dt. 13-3-2025: Today there was a round of discussions between IBA and UFBU on the pending residual issues.

New Chief Executive of IBA : Mr. A K Goel, former MD of PNB has taken charge as Chief Executive of IBA. We extended our warm welcome to him and expressed the hope that he would take initiatives to resolve the important pending issues like 5 Days Banking and also ensure that there is adequate recruitment in the Banks. Mr. Goel assured that it would be his endeavour to find solutions to the problems raised by the Unions as employees welfare is the key to achieve business improvement.

Discussions on the issues: IBA team was led by Mr. Gopal Murli Bhagat, Dy. Chief Executive of IBA along with Mr. Brajeshwar Sharma, Sr. Advisor, HR&IR, IBA and a team of HR Heads from SBI, BOI, BOB, UBI and CBI. UFBU was represented by our constituent Unions.

Some of the important issues discussed today are as under:

Recruitments: We demanded adequate recruitment of staff in the Branches due to lack of which the workload in the branches on the employees is very heavy. We pointed out how the number of clerical and substaff in the Banks have come down drastically over the years. We further pointed out that due to such shortage of staff, the officers are compelled to sit in counters to undertake clerical work which are otherwise not part of their duties and which in turns affects proper discharge of their own duties.

Further we pointed out that there are oral instructions not to go for recruitment of substaff and housekeepers because of which large number of persons are being engaged on temporary and casual basis which is not a healthy and desirable practice. We informed that all the existing vacancies should be filled up and preference should be given to the eligible temporary employees while undertaking the process.

We also explained to them as to how the inadequate staff in the branches is resulting in increasing instances of customers and banking public getting irritated over inadequacies in customer service and turning their wrath on the branch staff.

IBA in response stated that individual banks have their manpower policy according to which recruitments are made and hence the views of the Unions would be informed to the member Banks. We pointed out that Government as the major stakeholder has to urgently and effectively intervene in this critical issue to advise the Banks to provide adequate staff in all the Banks.

Leave Bank system: IBA had agreed in principle to introduce Leave Bank system by which employees can donate/contribute their leave to a common pool and which can be utilized towards sanction of leave to employees/officers who have exhausted their leave and who are undergoing treatment for very major ailments. The modalities were discussed and it was decided to further discuss the issue to finalise the scheme at the earliest.

Group Medical Insurance Scheme: To our demand for the Banks to bear the premium for the retirees, IBA informed that it needs further discussion to assess the cost aspect, etc. Regarding improvement in the Scheme like higher coverage, etc, it was decided to continue the discussions at the time of renewal of the current Policy.

Updation of Pension, Improvement in Ex-gratia : IBA informed that the issue is still subjudice. To our demand for improvement in the Ex-gratia, IBA suggested that the same could be discussed after the current financial year is over. We have requested the IBA to once again send a communication to the private sector Banks which have not implemented Ex Gratia payment to pensioners. To our demand for

including Special Allowance for superannuation benefits, IBA informed that the same is subjudice due to legal cases pending in Courts.

Improvement in Pension: We have suggested that the present pension scheme is to be improved upon like full pension after 20 years of service, calculation of basic pension based on last month's Pay or last 10 months average whichever is beneficial, additional pension for pensioners above 70, 80 and 90 years, minimum pension at Rs. 10,000, etc. and IBA requested us to provide a Note on the same for examination and perusal.

Changes in Disciplinary Action Procedure: We informed IBA that the existing procedure for workmen to be modified based on the discussions finalised in the Sub-Committee. IBA agreed to follow up the matter with the Negotiating Committee. Regarding officers, it was agreed to discuss the issue further in a Small Committee.

Uniform DA formula for all Pensioners: We demanded that the DA formula applicable to pensioners post-12th BPS/9th Joint Note be extended to all previous pensioners. IBA indicated that they are open to discuss the issue if the modification will be cost-neutral and without any additional cost to the Banks. Unions have been requested to submit a Note to IBA on this issue.

Compassionate ground appointments scheme: We requested that the present cap of 5% be calculated based on vacancies available instead of actual recruitment so that eligible pending cases can be considered. We also suggested upward revision of the Ex-gratia lumpsum amount being paid as an option in lieu of appointment. It has been agreed to discuss these issues further.

Monetisation of LFC for officers: IBA informed that the issue will be discussed further with the officers organisations.

Conciliation meeting by CLC on 18-3-2025: Since the IBA had arranged the meeting to discuss pending residual issues, our important agitational issues like introduction of 5 Days' Banking per week, Option to switch over to OPS from NPS, etc. were not taken up. In view of our Strike Notice, the Chief Labour Commissioner has called for a conciliation meeting at Delhi on 18-3-2025 when all these issues will be taken up for discussion. Outcome of this conciliation meeting will be informed to members in due course.

With greetings,

Yours Comradely,

Sd/-

**C.H. VENKATACHALAM
GENERAL SECRETARY**
