

**KARUR VYSYA BANK
EMPLOYEES' UNION**

(Affiliated to AIBEA)



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September 30, 2025

To

Shri.B.Ramesh Babu
The Managing Director & CEO
Karur Vysya Bank Ltd.,
Central Office,
Karur

Dear Sir,

We are enclosing herewith the Memorandum from our AIBEA's Private Sector Bank Unions' Cell on the various issues and demands in the Private Banks.

You will appreciate that all these collective concerns and demands are very genuine and most reasonable and hence we urge upon the management to take needful measures to resolve the issues amicably.

Thanking you,

Yours sincerely,

General Secretary



ALL INDIA PRIVATE SECTOR BANK UNIONS' CELL
(WING OF ALL INDIA BANK EMPLOYEES' ASSOCIATION)

c/o Federal Bank Employees Union
P.B. NO.10, ALWAYE - 683 101. KERALA

September 30, 2025

To

Shri. B.Ramesh Babu
The Managing Director & CEO,
Karur Vysya Bank Ltd,
Central Office,
Karur.

Dear Sir,

Our apex organisation, All India Bank Employees Association organised a national Convention of Unions of employees in the various private sector Banks who are affiliated to AIBEA. The Convention was held in Aluva in Kerala on the 24th and 25th August, 2025. The Convention deliberations were guided by Com. C.H. Venkatachalam, General Secretary of AIBEA and other leaders of AIBEA.

Delegates from all our Unions in Federal Bank, Karnataka Bank, Karur Vysya Bank, Nainital Bank, Kotak Mahindra Bank, RBL Bank, Dhanlaxmi Bank, CSB Bank, HDFC Bank and Tamilnad Mercantile Bank participated in the Convention and its deliberations.

The Convention discussed about the performance of the private sector banks in various business parameters and the need to accelerate their performance through further growth in business. The Convention also discussed the role our Unions and employees have to play to ensure further growth in business and better performance of our Banks. The Convention exhorted our members to further improve customer services in the Branches since it is an important tool for customer satisfaction and business growth.

The Convention had detailed discussions about the various problems faced by the employees and our Unions in the private sector Banks.

Arising out of these discussions, the Convention identified the following important issues and decided to pursue the same for amicable resolution.



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- i. **Adequate recruitment of regular clerical and substaff cadre**
 - ii. **Reverse victimisations in Federal Bank**
 - iii. **Early wage revision in CSB Bank**
 - iv. **Extend Ex-gratia to pensioners in all private Banks**
 - v. **Do not sell Nainital Bank. Merge it with Bank of Baroda**
 - vi. **Extend retirement age upto 60 years in Tamilnad Mercantile Bank**
 - vii. **Convert all C2C employees as regular employees**
 - viii. **CBDT exempted Pension Fund in private banks**
1. The Convention observed that while the workload in the branches have increased manifold, there is no adequate recruitment in the Bank matching with the business growth and enhanced volume of work. Instead of resorting to recruitment of permanent and regular clerical and substaff to fill up these vacancies, staffs are employed under cost to company basis on contractual basis. Hence there is imperative need to recruit adequate number of employees in clerical and substaff cadre under regular and permanent basis.
 2. Today there are also large number of staff already working under C2C basis without regular pay scales and other benefits and service conditions. Hence these C2C employees may be converted as regular employees under IBA pattern.
 3. The Convention also reiterated the demand for CBDT exempted pension Fund in the private sector banks as in the case of public sector banks since the same would result in reduced cost of funding the pension liability.
 4. You are also aware that when the Pension Settlement was signed in 1993, all the private Banks were also a party to the same. Again, in 2010, when the Settlement was signed for extending another option to join the Pension Scheme, all our private banks were a party to the Settlement. The new pension scheme was also implemented together for both public sector banks and private sector banks in 2010. But the Ex-gratia amount which has been settled under the 12th Bipartite Settlement in 2024 has not been extended to private banks except in Federal Bank, Nainital Bank and Jammu & Kashmir Bank. The pensioners and senior citizens in all other private banks are deprived of this ex-gratia benefit which you will appreciate is unfair and discriminatory. We urge that this benefit be



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extended to all other private banks at the earliest, and also one more option be given to resigned employees to join the Pension Scheme as per the 12th Bipartite Settlement.

5. It is a matter of serious concern that while wage revision has been effected in all the Banks including the private banks under 11th Bipartite settlement in 2020 and under 12th bipartite settlement in 2024, the employees and officers of CSB Bank have been denied wage revision as per the above two settlements. Hence the Convention demanded that the wages of employees and officers in CSB Bank should be revised without any further delay.
6. Ever since the enactment of Indian Trade Unions Act, 1926, employees of any establishment can form trade unions to pursue their collective interests. There are also guarantees under labour laws to pursue legitimate trade union activities. But we regret that in Federal Bank, a leading private bank in our country, there have been vindictive punishments on trade union leaders which amounts to victimisation and without caring provisions of Protected Workmen, etc. The Convention denounced such vindictive punishments and demanded amicable solution to restore industrial relations on even keel.
7. In the case of Nainital Bank, even though it is classified by Reserve Bank of India as a private sector banks, it is in fact a public sector bank in as much as that the capital of this Bank has been subscribed by Bank of Baroda, a major public sector bank in our country. It is thus a subsidy of Bank of Baroda. But there are attempts and efforts to sell this Bank to some private hands, while there is every case to merge this Bank. The Convention was opposed to selling this Bank to any private investor and demanded that the Bank should be merged with the parent bank, Bank of Baroda.
8. While right from Sen Tribunal Award in 1950 and as affirmed in all subsequent Awards and in the 12 Bipartite settlements from 1966 to 2024, the retirement age is at 60 years in all the Banks in our country, the retirement age in Tamilnad Mercantile Bank is kept at 58 years. The Convention took it is a case of clear discrimination and rightfully opined that the same should be made at par with all the banks by revising the retirement age in Tamilnad Mercantile Bank at 60 years.



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You will kindly appreciate that all these are genuine and justified concerns of the employees and our Unions and hence warrant amicable resolution. We are hopeful that in the background that employees in all our Banks are extending their best co-operation in Banks' business development and growth and are desirous of maintaining and continuing cordial industrial relations, the managements would come forward to resolve these issues and concerns amicably at the earliest.

We look forward to the same,

Yours sincerely,

K.G. PANEENDRA
CHAIRMAN

A.R. SUJITH RAJU
CONVENER