



OFFICERS' VOICE

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Editorial

HRM - AN INCLUSIVE APPROACH NEEDED

The Finance Ministry has recently sent a directive to all Public Sector Banks (PSBs) advising them to implement the much publicized recommendations of Dr. Khandelwal Committee on Human Resource Management. The Government had appointed a committee under the Chairmanship of Dr. Anil Khandelwal, former Chairman of Bank of Baroda to look into the whole gamut of HRM in PSBs. The Committee had submitted its report containing 105 recommendations during June 2010 to the Government and the recent communication to PSBs contains direction to implement 56 recommendations accepted by the Government.

A dispassionate look into the recommendations gives an impression that it is a mixed bag. Some recommendations pertaining to manpower planning, recruitment and training will meet the dire needs of the industry while other recommendations in the area of performance management, skill development, succession planning, compensation, industrial relations etc. have stirred up hornet's nest. The trade unions in the industry under the banner of United Forum of Bank Unions have

already expressed their serious reservations on some of the controversial issues. All India Bank Officers' Confederation has led a delegation to the Secretary, Department of Financial Services and submitted a memorandum containing its serious reservations on a number of recommendations and requested for a dialogue. Let us look into some of the critical contentions:

Filling up of 50% vacancies in officers' cadre through direct recruitment is one of the recommendations which affects the career aspirations of existing employees in clerical cadre in the Banks. At present such recruitment is restricted to 25% of the vacancies through bilateral agreements between the bank managements and the recognized unions in the industry. This recommendation cuts at the very root of bilateral agreements and the career aspirations of the clerical employees.

Another controversial recommendation is that the recruitment of clerks should be restricted to rural and semi-urban branches and clerks recruited should undergo compulsory rural service for 3 years. This recommendation is contrary to the recommendation of rigorous



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manpower recruitment on a continuous basis in view of the large scale retirements during the next five years. Further, the Committee has observed that the role of clerical staff has been reduced after implementation of CBS. Today the industry is having a business process of maker-checker where the clerk makes the entry in the system and the officer checks it and authenticates it. Unless the banks come out with a totally new business process, restricting the recruitment will result in officers doing the clerical job which will not only result in improper utilization of officers but also makes poor economic sense.

Lateral recruitment on long term basis for specialized positions is another controversial recommendation. This again will affect the career prospects of existing specialist officers working in the banks.

Fast track promotion, by reducing the minimum length of service is another recommendation which has created controversy. Keeping in view the large scale retirements and the need to create a talent pool, most of the Banks have introduced fast track promotion channels by suitably amending the bilaterally agreed promotion policies. The Ministry of Finance has recently amended its earlier guidelines and issued fresh guidelines incorporating eligibility criteria for fast track promotions and also other performance parameters which will have far reaching implications on the career prospects of officers in different banks. At present each Bank has its own promotion policy which is a product of bilateral agreements and takes care of the career aspirations as well as the needs of the organization. There cannot be standardized promotion policy as the situations and requirements differ from bank to bank. The new standard prescription of the Ministry has raised a number of practical issues before the banks.

Most controversial recommendation is performance incentives and accountability for non-performance through premature retirement of an employee after a review on reaching 55 years of age. The performance in a service industry like banks depends on team effort. Take the example of a branch situation. The Branch Manager is assigned with performance targets which he has to accomplish with the co-operation and support of the staff working under him. How far he achieves the targets depends on the competencies of the staff, interpersonal relations, customer relations etc. No Branch Manager can claim that his achievements are only due to his lone efforts as he has to depend on the support of his team. Similar is the case with Chairman and Managing Director of a PSB. A CMD of a Bank, however visionary he may be, cannot realize his vision unless he carries the Top Management team and entire work force along with him. Hence, the concept of performer and non-performer is a debatable one and any reward to individuals without taking the team into account will be counter productive.

Another controversial recommendation is review of all internal settlements which affect mobility, flexible utilization of staff productivity, performance and customer service. Any effort to unilaterally change the existing settlements which are time tested and evolved through mutual consultations will vitiate the industrial relations in the banks.

Given the controversial nature of the recommendations, the question that arises is how to move forward?

The best course available is to extend autonomy to the Boards of the Banks to decide on the recommendations depending upon the ground realities and specific needs of each Bank. The Government had declared an autonomy package in 2005 with much hype and fanfare. If one goes

It is the greatest good to the greatest number of people which is the measure of right and wrong.

– Jeremy Bentham

through the package, every Bank Board which satisfies the criteria laid down is empowered to frame its own policies in respect of all areas of service conditions and business policies. But over the years, it is observed that the autonomy remains only on paper if one goes by the directions which have come to the Banks. Unilateral directions have come from the Ministry in the area of ATM installations, cadre strength of Executives in Scale-V to Scale-VII (which has already affected the promotion prospects and morale of officers who have undergone the process in different banks), promotion and placement of the Executives, promotion policy for officers etc. Recent reports in the media indicate that softwares in PSBs are going to be standardized. All these unilateral directions hit at the very root of the autonomy that is said to have been granted to Bank Boards.

Having said these, the Finance Ministry which represents the ownership of PSBs, has every right to issue policy guidelines; but the implementation of the policy should be left to the Banks' Boards. Policies which affect the growth and career aspirations of the workforce in banks should not be imposed. What is required is an inclusive approach especially when they affect the major and very important stake holder i.e. employees and officers who represent the face of the Bank. Every Bank's business growth is interwoven with the commitment and career aspirations of its employees. The need of the hour is to involve the employees through their representative organizations, before making any far reaching changes in the policies and service conditions affecting them and take everyone into confidence. Such inclusive approach is the only way forward for carrying forward the HRM agenda before the banks. Can we hope for such an approach?

OV

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दिनमपि रजनी सायंप्रातः
शिशिरवसन्तौ पुनरायातः
कालः क्रीडति गच्छत्यायुः
तदपि न मुञ्चति आशावायुः

- मोहमुद्गर

*Day, night, evening, morning, autumns
and springs come and go.*

*Time taunts us while our life erodes.
Still greed does not leave us.*

- Mohamudgara

Let us strive for a world free of greed and corruption

Officers' Voice wishes its readers

A Happy, Prosperous and

Peaceful 2012

*The same principles which at first view lead to skepticism, pursued to a certain point,
bring men back to common sense. - George Berkley*

ADIEU TO SHESHAPANNA



Sri K. Sheshappa, Asst. General Secretary, popularly called Sheshappanna retired from the services of the Bank on 31st December on attaining the age of superannuation. He was working as Manager in our Padavu-Mangalore branch at the time of his retirement.

During 38 years' service, he worked in Raichur, Sirsi, Gokak, HO - Advances Dept., Organisation & Methods, Valnoor, Shimoga, Hassan-RO, HO - Printing and Stationery, Hassan, Mangalore-Bunder and Currency Chest.

Born on 31st December 1951, Sri Sheshappa joined the Bank as a clerk in 1973 and was posted to Raichur branch in North Karnataka. He worked in the branch till his promotion to officer cadre in 1979. During the initial five years, he plunged into the trade union movement of workmen and was actively involved in the activities of Raichur District Bank Employees' Association (RDBEA). He served RDBEA in different capacities including that of General Secretary.

In 1979, on promotion to officer cadre, he was posted to Sirsi. Thereafter, he moved to Gokak and later to HO. Mangalore in 1983 when the officers' movement under the leadership of Sri T. R. Bhat started gaining momentum. Sheshappa, L. Nagesh Bhat, former Dy. General Secretary and then Regional Secretary of HO unit and K. Venugopal, former General Secretary and then Joint Secretary working in Pandeshwar-Mangalore formed the trio who gave momentum to the movement in HO. In the Regional General Body meeting held in 1985, members reposed faith in him and he was elected Regional Secretary of HO Unit. Thereafter, he was transferred to Valnoor branch in Hassan Region under the pretext of rural service in 1987. He continued his service to the officers' community in Hassan Region.

He was elected Asst. Secretary of the Organisation in 1989. It was quite natural that he was elected as Regional Secretary of Hassan Region for two terms i.e., 1991 to 1995. In the General Body Meeting held in 1995, he was elected Secretary, Benevolent Fund and moved to Mangalore. Thereafter, he was successively elected to different positions in Organisation. He was :

Deputy General Secretary	: 1998-2001
Asst. General Secretary	: 2001-2004
Deputy General Secretary	: 2004 -2007
Vice President	: 2007 - 2010
Asst. General Secretary	: 2010

The service rendered by him in different capacities for more than two decades is a testimony to his unflinching loyalty and commitment to the common cause. He is still popular among the members especially those working in Mysore Zone (erstwhile Hassan) and North Karnataka. He was readily available for any organizational work at short notice. As Secretary, Benevolent Fund, he streamlined the working of Benevolent Fund. As Deputy General Secretary, he handled the portfolio of transfer of officers and the members still remember him for the perseverance and patience with which he handled the portfolio. He also took up the gigantic work of updating the CBOO Manual, the third and fourth editions, which carry his imprint.

As a person he is very amiable and jovial. Yet during the meeting of Central Office bearers, on crucial issues affecting the Organisation, he never hesitated to express his views supported with reasoning.

Sri Sheshappa is married to Smt. Jayalakshmi and has three daughters viz. Ms. Archana, a fashion designer and Ms. Anupama, a doctor by profession; both of them are married and well settled in life. Ms. Akshatha is a B.E. student.

On his retirement CBOO will be losing the services of another committed trade unionist.

CBOO salutes this unsung hero of the officers' movement and wishes him and his family happy, peaceful and prosperous days ahead.

CBOO NEWS

BRANCH VISITS

Delhi

Kaushik Ghosh, General Secretary accompanied by Organising Secretary, Awadhesh Choudhary, Anil Wats, Regional Chairman, Anil Pahwa, Regional Secretary, Lakshman Singh, Dy. Regional Secretary and Mukesh Das, Area-Secretary visited **Delhi - Tilak Nagar, ZAO, Vigilance Cell, Nawada, Chhawla, Badli, Jhajjar, Mundka, Zonal Office -Delhi-North & South, Delhi - K.G.Marg, Connaught Circus and Overseas branch** on 28th & 29th November. During the visit they interacted with the members.

- Anil Pahwa, Regional Secretary

Belgaum

B. L. Venkatesh, Organising Secretary, H. S. Vishwanath, Secretary, Balasubramaniam Foundation, accompanied by V.B. Mundargi, Regional Secretary, Babu Rao Joldapge, Deputy Regional Secretary and S. S Hatti, Area Secretary visited **Raichur, Bidar, Chillargi, Afzalpur, Bijapur and Gulbarga** branches from 1st to 3rd December. During the visit they interacted with the members.

- V. B. Mumdargi, Regional Secretary

Mysore

Vice-President, K.T. Muralee Mohanan, Asst. General Secretary, Kamalakar Nayak, accompanied by Regional Chairman, B. Madhava Pai, Regional Secretary, B.P. Devaraj, Deputy Regional Secretary, R.K. Balachandra and Area Secretary, Rajakrishna, visited **Nellihudikeri, Valnoor, Kushalanagar, Shanthalli, Somwarpet, Shanivarsanthe, Lead Bank Office, Madikeri and Madikeri Branches on 7th December**. On 8th December, the team visited **Gonikoppal, Kothur (Nalkeri), Hudikeri, Ponnampet, Virajpet - Chickpet, Virajpet - Main, Parane, Kakkabbe & Bettageri Branches**.

During the visit they interacted with the members. Members raised the issue of acute shortage of staff and non-filling of the vacancies.

- B. P. Devaraj, Regional Secretary

MEETINGS

Mysore

A meeting of members was held at Hotel Guru Residency on 5th December. President, D. N. Prakash, General Secretary, Kaushik Ghosh and other EC members were present in the meeting.

Regional Chairman, B. Madhava Pai presided over the meeting. B. P. Devaraj, Regional Secretary welcomed the central office bearers and the members.

General Secretary, Kaushik Ghosh in his address recalled the last meeting held on 29th July and the circumstances prevailing at that time. He thanked the members for their expression of solidarity during the most critical times. He congratulated the members for their maturity and understanding of the ground realities forgetting the issues affecting them and assured that the members' issues will be addressed in the days ahead.

D. N. Prakash, President in his address expressed his gratitude to the members for the unity and support extended during the most turbulent times. He congratulated the General Secretary and Officer Director for the courage and determination shown by him during the most critical times. He called upon the members to involve in membership development. He also spoke on the issues relating to the industry like the unilateral directions being issued by the Ministry, Government's effort to amend Banking Regulation Act to provide for voting rights commensurate with shareholding etc. He informed the members about the reservations on the Recommendations of Khandelwal Committee Report which would seriously impact the industry level settlements. He called upon the members to be united to fight the ill-advised recommendations of the Committee and support all the calls of the organization at the industry level in this regard.

Thereafter, K. Sheshappa, Asst. General Secretary who would be retiring from the services of the Bank on 31st December was offered felicitations on behalf of the Mysore unit.

Regional Chairman in his address called upon the members to mobilize membership. He thanked the members for reposing faith in him and assured that he would work to the best of his ability to meet members' expectations.

The meeting concluded with vote of thanks proposed by Adi Subramanya, Dy. Regional Secretary.

- *B. P. Devaraj, Regional Secretary*

Thane

In terms of the notice issued by the General Secretary, a General Body meeting of members working in Thane Zone was held on Sunday, 11th December 2011 at Santoshimata Hall, Thane. D. N. Prakash, President and Rajshekhar T, Organising Secretary attended the meeting from Central Office. Sri N. B. Kulasekharan, Deputy General Manager, Thane Zone was the Chief Guest.

The Inaugural Session began with welcome address by Uday Khade, Regional Secretary, Greater Mumbai Zone. Thereafter, Sri N. B. Kulasekharan, Zonal Head inaugurated the Conference by lighting the lamp.

Sri Kulasekharan, in his inaugural address, expressed his happiness in associating with the programme. He recalled his association with CBOO since his promotion to officer cadre. He recalled the contributions made by CBOO in the growth of the Bank and also in improving service conditions of officers. He appreciated the efforts made by CBOO to protect the interest of the Bank. He gave a brief business profile of the Zone and sought the co-operation of all. He informed that the Zonal Office would extend all possible help in resolving the issues, if any, in a transparent way. Concluding, he wished the Conference all success.

D. N. Prakash, President in his address briefed the members about the challenges faced by the Organisation during the last one year and thanked the members for their whole hearted support. He informed about the challenges before the Bank and called upon the members to work unitedly to bring back the past glory.

The Business Session started after a break. During this session, the main agenda of formation of Regional Committee was taken up. The following members were unanimously elected for the posts in the Regional Committee:

Regional Chairman	: Prakash N. Rao , Nerul (W)
Regional Secretary	: Raghunath P. , Nerul (E)
Dy. Regional Secretary	: C. Gopalaiah , ZO-Thane
Lady Representative	: Prajakta C. Ghag , Mumbai -Mulund
Areas Secretaries:	: Pramod Deshpande , Dombivili (E)
	Varun Kumar Singh , ZO - Thane
	Ramesh R.V. , Powai
	S. K. Mathan , Koperkhairnar
	Prabhakar P. Manchal , Nasik
	Mukesh Kumar , Mira Road - Mumbai

President congratulated the new team and assured all support from the Central Office.

Prakash N. Rao, the new Regional Chairman, in his address called upon the members to involve in organizational activities. He appealed to them to support the leadership at all levels.

Raghunath P, the new elected Regional Secretary thanked the members for their support during the "Save Corp Bank Campaign" and called upon them to preserve unity at all times.

Other office bearers also thanked the members for reposing faith and electing them.

During the interactive session, the members raised the following issues:

1. Taking a Bond instead of FD from the directly recruited Probationary Officers.
2. Making available advance towards halting allowance during the first 15 days.
3. Disabling certain functions like reports / passbook printing etc. during forenoon.

President replied to their queries and assured to take up the issues with the Management wherever needed.

The meeting concluded with vote of thanks proposed by Raghunath P, Regional Secretary.

- *P. Raghunath, Regional Secretary*

ZONAL CONSULTATIVE COMMITTEE MEETINGS**Bangalore – South**

Zonal Consultative Committee meeting of Bangalore South Zone was held on 09th December.

Sri K. Giridhara Shenoy, General Manager, Sri D.M. Mujumdar, Deputy General Manager, Sri Roy George, Chief Manager and Smt. Vani, Personnel Officer represented the local Management. Organisation was represented by A. K. Narayana Murthy, Regional Chairman, B. Swarna Geetha, Regional Secretary and B.R. Ramachandra and S. N. Anuradha, Deputy Regional Secretaries.

While welcoming the members, Sri. Giridhara Shenoy informed the progress made in the light of the discussions made and decisions taken during the last ZCC meeting. He put before the committee the Corporate Priorities, local realities and the concerns in the business development of the Zone. He assured all the support to the field personnel in achieving the desired goals. He appealed to the Organisation to extend whole hearted support to the Zonal Management.

Sri. Mujumdar informed about the market share of the Bank in the Zone, which was not satisfactory in comparison with other Zones. He emphasized the need to harness available opportunities.

Representatives of the Organisation while assuring support for all the developmental efforts, gave a number of suggestions in resolving certain issues. They also brought to the notice of the Zonal Management the following:

1. Repair/ maintenance of the computers and supply of new computer systems to the branches.
2. Permission to retain the quarters at the earlier place till the completion of the academic year, in case of mid-academic year transfer of the officers.

- B. Swarna Geetha, Regional Secretary

Delhi-North

ZCC meeting of Delhi-North Zone was held on 14th December. Management team comprised of Ms. Swathi S M, General Manager, Mr. Shiva Kumar K. B., Deputy General Manager, Mr. Amarnath, Mr. Sudhir Pradhan, Asst. General Managers, Mr. Anjani Srivastava, Asst. Manager and Ms. Nimisha Gupta, Asst. Manager (Personel).

Organisation was represented by Anil Wats, Regional Chairman, Anil Pahwa, Regional Secretary and Lakshman Singh, Deputy Regional Secretary.

Mr. Anjani Srivastava welcomed the members to the ZCC meeting.

Ms. Swathi briefed about the performance of the Zone and stressed on the huge gap in target vis-à-vis achievement under different parameters. She appealed to representatives of the Organisation to call upon the members to put more efforts and work as a team. She expressed her concern in the area of Auto-Classification and large number of pending AODs in the Zone.

Replying, representatives of the Organisation shared the concern on declining business and assured full co-operation from officers' community. They sought proper support from ZO to the field level staff. During the course of discussion, they brought the following issues to the notice of Zonal Manager:

1. Opening of Ghogha and Bakarwala branches without proper premises, infrastructure and staff.
2. Maintenance of Kaushambi and Ramprastha flats
3. Delay in re-construction of Hindon Tower flats
4. Shortage of staff at certain branches.

- Anil Pahwa, Regional Secretary

Good character is not formed in a week or month. It is created little by little, day by day. Protracted and patient effort is needed to develop good character.

- Heraclitus

RETIREMENTS

SUPER-ANNUATION RETIREMENTS

The following members will be retiring from the services of the Bank on 31st January on attaining the age of superannuation:

1.0 Mr. Gokuldas Prabhu, Senior Manager, Bangalore – Merchant Acquiring Cell

Mr. Prabhu joined the Bank as a clerk in 1972 and was promoted to officer cadre in 1979. He was promoted to MMG Scale-II in 1989 and to Scale-III in 1994.

During 39 years of service, he worked in Mumbai – Mandvi, Pune, Mumbai – Shivajipark, Nariman Point, CFED, Ghatkopar(W), Amboli-Andheri(W), Margao, Murida Cuncolim, Raipur, New Delhi-Overseas, Bangalore – Sarakki Layout, Mysore-Main Road, Hubli-Aravindnagar and ZO-Bangalore.

2.0 Mr. Umesh M Bhat, Asst. General Manager, BE & SSD-HO

Mr. Bhat joined the Bank as a clerk in 1972 and was promoted to officer cadre in 1978. He was promoted to MMG Scale-II in 1991. He was promoted to SMG Scale-IV in 2004 and to Scale-V in 2011.

During 39 years of service, he worked in Mumbai-Fort, Udupi, Sullia, Udupi-RO, Ajekar, Karkala, Nasik, New Delhi- BCP, IAD Cell, SSD-HO, Bastora and Margao.

3.0 Mr. Pannalal Chakraborty, Asst. Manager, Kolkata-Service

Mr. Chakraborty joined the Bank as a clerk in 1973. He was promoted to officer cadre in 1998.

During 59 years of service, he worked in Kolkata – Brabourne Road, Dharamtolla, Canning Street, Jadhavpur, New Alipore and Ranchi.

He served CBOO for one term as a member of the Executive Committee (2001-2004) representing Kolkata Zone.

4.0 Mr. M. Manjunath Kini, Manager, HO-IAD

Mr. Kini joined the Bank as a clerk in 1973 and was promoted to officer cadre in 1979. He was promoted to MMG Scale-II in 1993.

During 38 years of service, he worked in Hubli-Coen

Road, Mangalore - Bunder, Bangalore - S C Road, Mumbai – Kalbadevi, Worli, Cheekanahalli, Mangalore – Pandehswar, M G Road, Bangalore – IAD Cell, ZAO, HO- HRD & Training Division and Mangalore –ZAO.

5.0 Mr. Ramesh V. Prabhu, Manager, Mumbai-Kalbadevi

Mr. Prabhu joined the Bank as a clerk in 1973 and was promoted to officer cadre in 1980. He was promoted to MMG Scale-II in 2000.

During 38 years of service, he worked in Mumbai-Fort, Nariman Point, Chembur, Oxel, Mumbai-Mulund, IIBD, Ahmedabad - M. J. Library, IFB and Mumbai – Foreign Exchange Service.

6.0 Mr. K. Prakash Pai, Senior Manager, Bangalore – Padmanabhanagar

Mr. Pai joined the Bank as a clerk in 1974 and was promoted to officer cadre in 1981. He was promoted to MMG Scale-II in 1994 and to Scale-III in 2004.

During 37 years of service, he worked in Chikmagalur, K. Hoskote, HO-HRD, Pandeshwar – Sasthan, Ahmedabad –Navarangpura, Pune, Britona, Goa-Mapuca, Bastora, Panemangalore, Bhopal, HO-IAD, Baikampady and Mangalore – Kodialbail.

7.0 Mr. K. Laxman Shenoy K., Asst. Manager, Udupi – ZO

Mr. Shenoy joined the Bank as a clerk in 1974. He was promoted to officer cadre in 1984.

During 37 years of service, he worked in Bhadravathi – B H Road, Thirthahalli, Ajekar, Cheekanahalli, Doopadakatte, HO-Recoveries Dept., Karkala, Alangar, Pernal, Virajpet and Mysore – ZO.

8.0 Mr. Ramesh R. Hegde, Chief Manager, Bangalore – ZO

Mr. Hegde joined the Bank as a clerk in 1974 and was promoted to officer cadre in 1980. He was promoted to MMG Scale-II in 1985 and to SMG Scale-IV in 2001.

During 37 years of service, he worked in Saklaspur, Kandali, Bangalore – J C Road, Cheekanahalli, Bangalore – Mysore Main Road, Chitradurga, Kundapura, Mangalore – Punja Arcade, New Delhi – Paschim Vihar, Bangalore – N T Road, HO-Government Business Cell, Recovery Division and Bangalore – FCS.

9.0 Mr. Samarendra Narayan Ghosh, Asst. Manager, Kolkata – Service

Mr. Ghosh joined the Bank as a clerk in 1974 and was promoted to officer cadre in 2002.

During 37 years of service, he worked in Kolkata – Dharamtolla, Gariahat Road, Canning Street, Accounts Section, Palam, Delhi – ZO, Mahavir Nagar, Kolkata – ZO and Currency Chest.

10.0 Mr. S. Gopal Shenoy, Asst. Manager, Bangalore – Jeevan Beema Nagar

Mr. Shenoy joined the Bank as a clerk in 1974 and was promoted to officer cadre in 1980.

During 37 years of service, he worked in Rajahmundry, Shankarpalli, Visakhapatnam, Hyderabad – Siddiambar Bazar, Service, Banavase, HO-PPM & Branch Expansion Division, Security Division, Bovikan, Hubli – Currency Chest, Coen Road and Hospet.

11.0 Mr. Vijay Kumar Naidu, Asst. Manager, Nagpur

Mr. Naidu joined the Bank as a clerk in 1974 and was promoted to officer cadre in 2000.

During 36 years of service, he worked in Raipur, Indore, Nagpur, Jalgaon and Nagpur – Sadar.

12.0 Mr. M. Harishchandra Shetty, Manager, HO-Marketing Division

Mr. Shetty joined the Bank as a clerk in 1976 and was promoted to officer cadre in 1983. He was promoted to MMG Scale-II in 1998.

During 35 years of service, he worked in Mangalore – STC, Sravanabelagola, Bangalore – Rajajinagar, IAD Cell, Melekote, Hassan –RO, New Delhi –RO, Karwar, Chennai-Kelly's Road, ZO, Whites Road, HO – Marketing Division and RMD.

13.0 Mr. B. Satyanarayana Adiga, Manager, Mangalore – MICR CPC

Mr. Adiga joined the Bank as a clerk in 1976 and was promoted to officer cadre in 1983. He was promoted to MMG Scale-II in 2003.

During 35 years of service, he worked in HO, Madikeri, Mangalore – Pandeshwar, Kankanady, HO-BPDD, Mangalore – STC, ZO, HO-MSD, Mangalore – M G Road, Hubli – Currency Chest, RO, Hassan-RO, Vidyanagar and Uttorda.

14.0 Mr. B. Jayaraman, Manager (CA), Chennai – Whites Road

Mr. Jayaraman joined the Bank as an officer (Chartered Accountant) in 1979 and was promoted to MMG Scale-II in 1987.

During 32 years of service, he worked in HO, Bangalore – IAD Cell, Chennai – RO, Pollachi, Thanjavur, HO-CFMD, RO-Coimbatore, Chennai-George Town and ZO.

15.0 Mr. Vijay Kumar Gupta, Chief Manager, ZO-Jaipur

Mr. Gupta joined the Bank as an SSI –Officer. He was promoted to MMG Scale-II in 1995 and to SMG Scale-IV in 2008.

During 30 years of service, he worked in HO SSI Cell, New Delhi-RO, Connaught Circus, Bangalore – ZO, New Delhi-GK, ZO-Lucknow, Hoshiarpur, New Delhi – Janakpuri, ZO and Lucknow – CCPC.

VOLUNTARY RETIREMENTS

The following members retired voluntarily under Reg. 29 of Corporation Bank Employees' Pension Regulations during November:

1.0 Ms. Nagavalli Mulky, Senior Manager, HO-CRMD

Ms. Nagavalli joined the Bank as a clerk in 1985 and was promoted to officer cadre in 1996. She was promoted to MMG Scale-II in 2004 and to Scale-III in 2010.

During 26 years of service, she worked in Mangalore – Car Street, Kankanady, HO-Recovery Division, CFMD, FRMD and Bantwal.

2.0 Mr. B S S S S J Srinivas, Senior Manager, ZO – Vijayawada

Mr. Srinivas joined the Bank as a clerk in 1977 and was promoted to officer cadre in 1984. He was promoted to MMG Scale-II in 1998 and to Scale-III in 2004.

During 34 years of service, he worked in Secunderabad – M G Road, Siddiambar Bazar, Rajkot, P. Rayavaram, Vizianagaram, Kakinada, Dehradun, Hyderabad – Precious Metal Desk, Mumbai – Precious Metal Desk and Bheemavaram.

CBOO thanks them for their support and co-operation and wishes them a happy, prosperous and active retired life.

SWASTI

SWASTI donates furniture to Shivanand Makkala Kuteera, Sonna Village in Gulbarga District



Sitting L to R : B.L. Venkatesh (2nd), Organising Secretary and H.S. Vishwanath (3rd), Secretary Balasubramanian Foundation at the function



Inmates of the school along with the furniture donated by SWASTI

Swasti donated benches and desks worth Rs.50,000/- to Shivanand Makkala Kuteera, a school for poor children in the rural areas run by Shivanand Grameena Janakalyana Samsthe, Sonna village in Gulbarga District in a function arranged on 3rd December at the Scholl premises. The school provides free education including hostel facilities to poor students from rural areas. His Holiness, Sri Shivanand Swamiji, President of the Organisation and school authorities were present during the occasion. The gesture of Swasti was well appreciated by the people assembled at the function.

B L Venkatesh, Organising Secretary, H S Vishwanath, Secretary Balasubramaniam Foundation, V. B Mundargi, Regional Secretary,

Babu Rao Joldapge, Dy. Regional Secretary and S. S. Hatti, Area Secretary and other members attended the programme

- V. B. Mundargi, Regional Secretary

AIBOC NEWS

COM. PIJUSH KANTI GHOSH APPOINTED OFFICER DIRECTOR

Com. Pijush Kanti Ghosh, President, All India United Bank Officers' Association, an affiliate of AIBOC, has been appointed Officer -Director on the Board of United Bank of India for a period of three years w.e.f. 19th December, 2011.

CBOO while congratulating Com. Ghosh wishes him all success in his new assignment.

Laws of the Universe discovered by humans

Murphy's First Law for Wives: If you ask your husband to pick up five items at the store and then you add one more as an afterthought, he will forget two of the first five.

Kauffman's Paradox of the Corporation: The less important you are to the corporation, the more your tardiness or absence is noticed.

The Salary Axiom: The pay rise is just large enough to increase your taxes and just small enough to have no effect on your take-home pay.

Miller's Law of Insurance: Insurance covers everything except what happens.

First Law of Living: As soon as you start doing what you always wanted to be doing, you'll want to be doing something else.

Weiner's Law of Libraries: There are no answers, only cross-references.

Isaac's Strange Rule of Staleness: Any food that starts out hard will soften when stale. Any food that starts out soft will harden when stale.

The Grocery Bag Law: The candy bar you planned to eat on the way home from the market is hidden at the bottom of the grocery bag.

Lampner's Law of Employment: When leaving work late, you will go unnoticed. When you leave work early, you will meet the boss in the parking lot.

- A download from Internet

EUROPE'S LEHMAN MOMENT

- T T RAM MOHAN

Will the euro-zone debt crisis precipitate another Lehman moment, the mayhem caused in the world's financial system three years ago after the collapse of Lehman Brothers? That trillion-dollar question haunts the world today.

If the answer is yes, the world economy is in for a recession. The recession may well turn out to be more prolonged than the one in 2008 because the room for fiscal and monetary stimulus is more limited than earlier. The best course for policymakers is to prevent another recession by pre-empting another Lehman moment. That requires us to understand what the collapse of Lehman Brothers in September 2008 was all about.

Lehman Brothers was an investment bank, not a commercial bank with retail deposits. Those at the helm of affairs in the US judged that it did not fall in the category of 'too big to fail'. They were proved disastrously wrong. Lehman may not have been a commercial bank but it was connected with commercial banks through derivative transactions. There was enormous uncertainty as to how those banks would be affected by Lehman's failure.

In the face of these uncertainties, Money Market Mutual Funds (MMMFs), on which American banks were heavily dependent for short-term funds, fled the market. The collapse of Lehman led to a run on banks but this run was caused not by retail depositors, but by those providing wholesale funds. Banks were not felled by losses on their sub-prime loans. They were felled by losses on mortgage-backed securities caused by a drying up of liquidity. Lehman moments arise from a loss of nerve of market participants. Confidence, or a lack of it, is everything.

Do the conditions for such a loss of nerve exist today? The IMF's latest Global Financial Stability report provides useful clues. It estimates spillovers on account of euro-zone debt at 200 billion. This covers debt from Greece, Ireland, Portugal, Spain, Belgium and Italy. Add spillovers of 100 billion on account of exposures of banks to banks in the distressed economies and you have total spillovers of 300 billion. There could be more on credit-default swaps written by banks but the IMF thinks these are not large.

The potential impact on banks has been separately estimated by the European Banking Authority. Based on its stress tests, conducted at the end of 2010, only eight banks in April 2011 were below the required capital threshold, defined as core Tier-I capital of 5%. That's it: potential losses of 300 billion

on euro-zone debt and eight banks not having enough capital. It's hard to believe these can translate into a global crisis. Why, then, do we have a sense of looming catastrophe?

One answer is that markets believe that the stress tests hugely underestimate losses. A more plausible answer is provided by the GFSR. US MMMFs, which magnified the Lehman failure into a financial crisis, are today important holders of dollar-denominated debt issued by European banks.

The supply of domestic dollar-denominated instruments in the US has declined since the 2007 crisis. As a result, US MMMFs have switched to dollar-denominated instruments issued by European banks. At Prime MMMFs, the biggest segment of the sector, exposure to short-term bank credit in the euro-zone amounted to \$377 billion or 23% of total assets of these MMMFs in mid-2011.

A loss of confidence in Europe could trigger a flight of short-term funds. It is European banks' dependence on short-term funds that threatens to magnify a problem into a first-rate crisis.

To restore confidence in European banks, it is necessary to tackle sovereign debt. That requires debt restructuring and restoring growth to the troubled economies of the euro-zone. These tasks can't be accomplished in days or even months, they will take years.

Meanwhile, confidence in European banks needs to be shored up by putting more capital into them. The markets must believe that the banks have the capacity to weather any shocks the euro-zone will go through in the years ahead. Thus, the basic philosophy of Basel-III, which is that banks need to operate with more capital than in the past, is being vindicated. In effect, the markets are causing Basel III to be implemented faster than the official timetable stretching until 2019.

There is a difference, though. Under Basel-III, banks were expected to raise additional capital on their own. We must now accept that banks cannot do so nor can governments in Europe. Even the European Financial Stability Facility may not suffice. The rest of the world has to chip in. It must do so as everybody has an interest in averting another global crisis. The right agency to channel in international contributions, as the Brics group has pointed out, is the IMF.

[The Author is IIM Professor. The above article appeared in Economic Times, dated 29th September 2011]

BANKING ROUND UP

New CMD for Andhra Bank

Mr. B. A. Prabhakar, Executive Director, Bank of India has been appointed as Chariman & Managing Director of Andhra Bank.

He will assume charge on or before January 2012 and would continue till August 31, 2013.

- *Hindu Business Line, 21-12-11*

RBI Limits investments by banks in Non-Financial Services companies to 10%

In a bid to regulate the bank's investments in non-financial services companies which do not require prior approval from it, the Reserve Bank of India (RBI) has said that equity investment by a bank in such companies would be subject to a limit of 10% of the investee company's paid up share capital or 10% of the bank's paid up share capital and reserves, whichever is less. For this purpose, equity investments held under 'Held for Trading' category would also be reckoned.

Further, equity investments in any non-financial services company held by a bank; entities which are bank's subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank' and Mutual Funds managed by AMCs controlled by the bank in the aggregate should not exceed 20% of the investee company's paid up share capital.

A bank's request for making investments in excess of 10% of such investee company's paid up share capital, but not exceeding 30% would be considered by RBI if the investee company is engaged in non-financial activities.

- *Financial Express, 13-12-11*

Cap on voting right at 26% in private banks proposed

A Parliamentary panel recommended raising voting rights of investors in private sector banks, but with a cap of 26% with a view to maintaining a balance between economic control and promoting corporate democracy. The Banking Laws (Amendment) Bill, 2011 introduced in the Lok Sabha in March this

year had proposed providing voting rights to investors commensurate with their share holding in the private sector banks.

At present the voting right is capped at 10%. The Standing Committee on Finance headed by Mr. Yashwant Sinha suggested that RBI must ensure that the regulatory mechanism is adequate and strictly complied with to prevent any misuse of the provision of increasing the limit.

- *Financial Express, 14-12-11*

Banks may be allowed to accept immovable property to settle claims

Banks and Financial Institutions may soon be allowed to accept immovable property in full or partial satisfaction of claims against defaulting borrowers. A proposal to this effect has been made in new Bill introduced in Lok Sabha to amend the existing SARFAESI law.

Currently banks are not empowered to accept immovable property in full or partial satisfaction of the claim against the defaulting borrowers, if no bidder comes to bid or banks are unable to find a buyer for such assets. Banks as secured creditors are however, permitted to sell the securities to realize the defaulted loans.

This Bill - Enforcement of Security Interest and Recovery of Debt Laws (Amendment) Bill 2011 was introduced by Mr. Namo Narain Meena.

- *Hindu Business Line, 13-12-11*

Centre creates third ED Post in 6 Public Sector Banks

The Centre has created a third post of Executive Director in six Public Sector Banks (PSBs). The third Ed will look after human resources and technology issues.

The six PSBs in which third post of ED has been created are Bank of Baroda, Bank of India, Canara Bank, Central Bank of India, Punjab National Bank and Union Bank of India.

The Centre has also created second post of Executive Director in five PSBs. These five PSBs are Bank of

Maharashtra, United Bank of India, Vijaya Bank and Dena Bank.

A formal executive order to this effect has been issued by the Department of Financial Services in the Ministry of Finance. All these posts will be effective from April next year.

- *Hindu Business Line, 15-12-11*

1.11 lakh candidates pass bank officers' exam

About 1,11,993 candidates have passed the first common written exam (CWE) for probationary officers in 19 nationalised banks. The exams were conducted by the Institute of Banking Personnel Selection (IBPS) in September this year.

A little over 10 lakh candidates had appeared for the exam. Of them, 36% of the successful candidates were women, while a similar number of candidates were from rural areas.

- *Hindu Business Line, 15-12-11*

RBI removes cap on mobile banking transactions

The Reserve Bank of India has removed the cap of Rs.50,000 per day per transaction through mobile banking. Individual banks can now place transaction limits based on their own risk perception and with approval of their respective Boards. Inter-bank Mobile Payment Services (IMPS) developed and operated by National Payment Corporation of India (NPCI) has also enabled realtime transfer of funds through the medium of the mobile phone between accounts in different banks.

- *Hindu Business Line, 23-12-11*

Lok Sabha approves Bill to raise capital of Exim Bank

The Lok Sabha gave its nod for a Bill to enhance the authorized capital of Exim Bank of India from the existing Rs.2000 crores to Rs.10,000 crore.

- *Hindu Business Line, 22-12-11*

MISCELLANY

Lok Sabha clears LIC (Amendment) Bill 2009

The Lok Sabha passed the Life Insurance Corporation (Amendment) Bill 2009. The bill seeks to raise the capital base of the state-owned insurer to Rs.100 crore from Rs.500 crore, bringing it on par with private sector insurers, both in life and non-life segments which are required to have a minimum capital base of Rs.100 crore as per IRDA norms. Minister for State for Finance, Mr. Namo Narain Meena said the changes will not affect the policy holders and the Government will continue to provide sovereign guarantee to the policies sold by LIC. The bill also seeks to allow LIC to allocate 90% or more such surplus – excess of assets over liabilities – for life insurance policy-holders and the rest to a separate account maintained by LIC.

- *Economic Times, 13-12-11*

Panel rejects 49% FDI in insurance

The Standing Committee on Finance rejected the

Government's proposal to hike foreign direct investment (FDI) in the insurance sector from 26% to 49%, stating that it would expose the Indian economy to global irregularities.

- *Financial Express, 14-12-11*

Bill introduced in Lok Sabha to amend Consumer Protection Act

The Government has introduced a Bill to amend the Consumer Protection Act so as to provide quicker redressal to cases.

The amendment Bill seeks to rationalize the qualifications and procedure of selection of Presidents and Members of the National Commission, State Commission and District Forum. It also makes a provision for making an electronic complaint to the District Forum. It also seeks to confer power on the Central Government to call upon the National Commission to furnish information about pending cases.

- *Hindu Business Line, 17-12-11*

CLASS ROOM

SIGNIFICANCE OF COTTON ECONOMY

White gold cotton is India's largest cash crop, accounting for a third of the farmGDP . A large number of rural families in 10 states depend on cotton for their livelihood. India is the world's second largest producer and consumer of cotton after China. Remunerative prices last season have led to a record acreage and production in India this year.

What is cotton lint?

Raw cotton hand plucked from fields is brought to godowns and units where foreign matter or trash like leaves, stems, branches are separated. Raw cotton is then put in ginning machines, which separate the cotton fibre and cotton seed. The process is called ginning and the cotton fibre is called lint.

What happens after the seed & lint are separated?

The cotton lint is dried with huge dryers to reduce the moisture. It also improves the fibre quality of the cotton lint. It is pressed and packaged with standard weight of 170 kg or one bale before it is sold to textile mills or exported. In mandis, cotton lint is usually sold per candy which is 3.56 quintals of cotton lint.

Cotton seed is bought by cottonseed oil mills where oil is extracted by solvent extraction. Cottonseed meal, which is high in protein, is sold for livestock feed.

What determines the price of cotton lint and cotton seed?

The price of cotton lint is primarily linked to fibre characteristics — staple length, micronaire value, strength and maturity. Micronaire measures the fineness of cotton and its suitability for spinning high-count yarn. If the micronaire is less than 3.8 or more than 5.1, farmers are paid less. For instance, Shankar 6, the most popular commercial variety of cotton in India, fetches a good rate when the staple length is between 29 mm to 31 mm, with micronaire value of 3.8 to 4.2. Yarn manufacturers prefer long staple length for producing fine and superfine counts of yarn used in weaving sarees, dhotis and muslin. The DCH-32 cotton variety, largely grown in Karnataka and Madhya Pradesh, is the principal extra-long staple variety of India with staple length 34 mm to 35 mm. Cotton seed price depends on the oil content and grade of cotton seed oil cake. Ideally from one quintal of cotton seed 12% to 15% oil should be derived and 85 kg of cotton seed oil cake.

[Source: Economic Times, November 18,2011]

CIRCULAR ROUND UP

1.0 Special Counter / Special Queue for Senior Citizens

[Customer Service Division HO Cir. No.248/2011 dated 26-11-11]

RBI has suggested to provide for a separate line for Senior Citizens in front of every counter with the counter clerk attending to the customers alternatively from both the lines.

All the branches are advised to take note of the above for compliance.

2.0 Seniority List of Officers – 2011

[PAD-HO Memo. No. 249/2011 dated 26-11-11]

The Seniority List of Officers as on 1st April 2011 is available in Docket No. PAD/01/2011 in the E-Circular .

3.0 Domestic Money Transfer – Relaxations

[Customer Service Division HO Cir. No.807/2011 dated 28-11-11]

Guidelines are issued for enabling walk in customers not having Bank Account to transfer funds. No charges within the Bank and applicable NEFT charges for other Banks.

4.0 KYC requirements and facilitating opening / operation of accounts of migratory workers and Bank Account portability

[IAD-HO Cir. No.808/2011 dated 28-11-11]

Ministry of Finance has advised the Banks to accept request received from the customers to transfer the account to some other Bank Branch also.

Branches should ensure that the identity proof / address proof furnished is genuine before

transferring the account within our Bank / other Bank branches.

Branches shall open and allow operation only after they are satisfied with the KYC compliance of the customer by obtaining the relevant documents including address proof with respect to changed address.

5.0 Increase in Pecuniary Jurisdiction of Permanent Lok Adalat

[Legal Services Division HO Cir. No.814/2011 dated 01-12-11]

The Central Government vide notification dated 15th September 2011 has increased the Pecuniary Jurisdiction of Permanent Lok Adalat to Rs.25.00 lakhs from the present limit of Rs.10.00 lakhs.

6.0 Non-issuance of Pass Books to Savings Bank Account holders (individuals)

[Customer Service Division HO Cir. No.819/2011 dated 03-12-11]

Reserve Bank of India has advised that Banks should invariably offer pass book facility to all its Savings Bank Account holders (individuals) and in case the customer chooses to get the monthly statement of account, the cost of providing such pass book or statement should not be charged to the customer.

7.0 Allotment of MICR Codes

[FMD HO Cir. No.822/2011 dated 05-12-11]

MICR Codes to Bank branches are allotted by the respective Regional Offices of RBI only. Branches should forward their request to RBI through the clearing house managing Bank along with copy of RBI licence and a copy of Board resolution along with date of opening the branch.

8.0 Staff Welfare Schemes for the year 2011-12

[Staff Welfare Section HO Cir. No.825/2011 dated 07-12-11]

The following improvements are made in the schemes:

Educational Scholarship to children of employees: Rate of scholarship in respect of children studying in 1st to 10th Standard enhanced from Rs.200/- p.m. to Rs.250/- p.m. Master of Computer Application (MCA) and Post Graduation in Mass

Communication / Journalism are considered as Professional Courses w.e.f. 01-04-2012 for the purpose of eligibility.

Medical Check up: Maximum ceiling for reimbursement of cost of medical check up enhanced as under w.e.f. 01-01-2012:

Major 'A' Class Cities (New Delhi, Mumbai, Kolkata, Chennai, Bangalore, Hyderabad and Ahmedabad): Rs.2250/-

Other Places: Rs.1750/-

Reimbursement of Hospitalisation expenses/ Medical Expenses to employees retired on Superannuation: Cataract operation, admission as in-patient is not required and domiciliary treatment for Parkinson is covered w.e.f. 01-12-2011.

9.0 Valuation of properties — Need for counter checking from available market sources

[Credit Division HO Cir. No.828/2011 dated 08-12-11]

Branches are advised to counter-check the valuation of the properties from the available market sources before considering the proposals.

10.0 Corp Smart Gain (FD) – New Deposit Scheme launched

[RMD HO Cir. No.829/2011 dated 08-12-11]

Bank has launched a new deposit scheme, 'Corp Smart Gain (FD)' w.e.f. from 9th December 2011. Salient features are:

Minimum Deposit: Rs.1000/-

Maximum Deposits : Less than Rs.5 crore

Period of Depsoit: 120 days to less than 180 days (only FD)

Rate of Interest (simple interest):

Quantum of Deposit	Rate of Interest (% p.a.)	
	Senior Citizens	Others
Less than Rs.15 lakhs	9.00	8.50
Rs.15 Lakhs to <Rs.1 crore	9.50	9.00
Rs.1 crore to <Rs.5 crore	9.25	9.25

No penalty on premature closure of deposit; rate applicable for the period run will be paid.

11.0 Amendment to Public Provident Fund [PPF] Scheme, 1968

[Government Business Division HO Cir. No. 831/2011 dated 09-12-11]

Government through a notification dated 25-11-2011 has amended the PPF Scheme. The highlights of the amendments are:

1. The limit of subscription raised to Rs.1,00,000 in a year from Rs.70,000
2. Interest on subscriptions made and balances in the fund raised to 8.6% p.a. from 8.0%.
3. Rate of interest on Loan under the Scheme is raised to 2.0% p.a. of the principal from 1.0% p.a.

12.0 Delegated Lending Powers of sanction of Temporary Overdrawals has been revised with immediate effect.

[CPPC HO Cir. No.833/2011 dated 09-12-11]

The Board has approved the following guidelines in respect of emergency powers in the matter of allowing TODs:

i) TODs IN CURRENT ACCOUNTS

[Rs. in lakhs]

Branch Managers at					
Small Branch	Medium Branch	Large Branch	VLBs C.M.	ELBs AGM	DGM
0.15	0.30	0.75	5.00	10.00	15.00

ii) TODs IN RESPECT OF CREDIT LIMITS SANCTIONED LIMITS:

The emergency powers of Branch Heads for sanction of Temporary Withdrawals in respect of credit limits sanctioned by higher authority, is restricted to 10% of the credit limits sanctioned within the ceiling given below, whichever is lower:

[Rs. in lakhs]

Branch	TOD Limit (10% of the sanctioned limit subject to a maximum of)
Exceptionally Large Branch (including branches headed by Dy. General Managers)	50.00
Very Large Branch	25.00
Large Branch	2.00
Medium Branch	1.00
Small Branch	0.50

iii) CLIENTS NOT ENJOYING ANY CREDIT LIMITS:

Branch Head shall exercise the emergency powers of purchase of third party cheques, Bank Drafts, Cheques issued by Govt. Dept.s / reputed undertakings upto the maximum limits as mentioned above.

iv) Other Guidelines:

- a) TODs shall not be allowed for more than 10 times in a year per client.
- b) TODs shall be regularized within 10 days.
- c) TODs shall be recorded and reported in fortnightly statement ADF-01

13.0 Scheme for construction / expansion / modernization of Cold Storages / Storages of Horticulture Produce under Capital Investment Subsidy Scheme of National Horticultural Board

[Dev. of Priority Sector & RRB Division HO Cir. No.840/2011 dated 12-12-2011]

With a view to ensuring faster development of cold storage capacity and to encourage entrepreneurs to invest more in this sector, a credit-linked capital subsidy scheme for construction has been formulated / implemented by NHB. A new scheme to provide the farming community with facilities for scientific storage so that wastage and deterioration of produce are avoided and with the enhanced holding capacity of the farmers, distress sales could be avoided and can sell their produce at a remunerative prices. The salient features of the Scheme are:

1. **Nature of facility:** Term Loan (Secured)
2. **Quantum:** Upto 75% of the project cost approved by NHB
3. **Margin and Subsidy:** Minimum margin of 25% of the project cost. Eligible amount of back-end subsidy of 40% (General Areas) and 55% (Hilly and Scheduled Areas) shall be claimed from NHB and shall be held as CSFD in the name of borrower to be adjusted at the time of closure of the Term Loan.

4. **Rate of Interest:** 12.25% (Linked to Base Rate – Rate as applicable to Indirect Finance to Agriculture less 0.50% for Corp Scheme)
5. **Repayment:** Subject to cash flow analysis with a maximum of 9 years including a moratorium of 1 year.
6. **Security :** Mortgage of Land / Site and the cold storage constructed on the same. Hypothecation of movables.

14.0 Discontinuation of “Corp Byte”, “Corp Consumer”, and “Corp IPO” Schemes

[Retail Lending Division HO cir. No.840/2011 dated 15-12-2011]

In view of the low off-take and higher delinquency, “Corp Byte”, “Corp Consumer”, and “Corp IPO” Schemes are discontinued with immediate effect.

15.0 Implementation of the Recommendations of the Report of the Committee on Customer Service (Damodaran Committee)

[Customer Service Division, HO Cir. No.847/2011 dated 14-12-11]

The list of 67 recommendations accepted by IBA for implementation are furnished in the Annexure to the Circular.

Branches are advised to note the same for strict compliance.

16.0 Modification of Guidelines under “Corp Vyapar”, Corp Doctor Plus”, “Corp Home Premium –NRI” and “Corp Ghar Shobha”

[Retail Lending Division HO Cir. No. 848/2011 dated 15-12-11]

The guidelines in respect of the above mentioned schemes are modified in order to make the products market-oriented.

17.0 Amendment to PPF Scheme, 1968 and Senior Citizen Savings Scheme 2004 – Payment of commission to Agents

[Government Business Division HO Cir. No.858/2011 dated 19-12-11]

Payment of commission on PPF Scheme (1%) and SCSS Scheme (0.5%) to the authorized SAS and MPKBY agents shall be **discontinued with effect from 1st December 2011.**

18.0 Relocation of Holiday Home - Goa

[Staff Welfare Section HO Cir. No.860/2011 dated 20-12-11]

With effect from 15th January 2012, the Holiday Home at Goa has been relocated to:

Angels Resort, CHOGM Road, Alto De **Porvorim**, **Bardez – Goa**

19.0 Subsidy-cum-Refinance Scheme for Installation of Solar Off-Grid (Photo Voltaic and Thermal) and decentralized applications under Jawaharlal Nehru National Solar Mission of the Ministry of Renewable Energy, Govt. of India

[Development of Priority Sector and RRB Division HO Cir. No. 861/2011 dated 20-12-11]

Considering the importance of reduction of reliance on fossil fuel and other non-renewable sources of energy, The Ministry of New and Renewable Energy has introduced “Capital Subsidy –cum-Refinance Scheme for Installation of Solar Off-grid (Photo-voltaic and thermal) and Decentralised applications under the Jawaharlal Nehru National Solar Mission. The salient features of the scheme are as under:

Target Group: Individuals, Co-operative Societies, Proprietary / Partnership Concerns and Joint Sector Companies

Purpose: For acquisition / installation of solar lighting & heating systems

Nature of Facility: Term Loan (Secured)

Quantum of Loan: Upto 80% of the project cost as per projects /models approved by Project Approval Committee of MNRE

Margin: A minimum margin of 20% of the project Cost

Subsidy: Back-end subsidy of 30% (General Category States)/ 60% (Special category States) for Solar Heating systems and 30% in respect of Solar Lighting Systems in all areas. The subsidy shall be claimed from NABARD upfront and shall be held as CSFD in the name of the borrower for adjustment at the time of closure of the term loan account.

Rate of Interest - Solar Lighting Systems: 5% p.a. No interest will be charged by the financing banks on the capital subsidy component.

Rate of Interest – Solar Water Heating Systems: Borrower have an option to avail soft loan of 80% of the cost of the solar heating systems at 5.0% (subsidized interest) OR avail eligible subsidy for various model / locations. No subsidy will be available to borrowers opting soft loan at 5.0%. Those who avail subsidy, bank loan will be available at normal rate of interest charged by the Bank as applicable at normal rate as applicable to the borrower's activity (i.e., Agriculture, SME etc.)

Repayment: Repayment based on cash flow pattern of the borrower with a maximum period of 5 years with a lock-in-period of 3 years from the date of disbursement of first instalment of loan. Repayable in monthly/quarterly/half-yearly/ yearly instalments along with interest as when falls due.

Security: Hypothecation of assets created out of bank loan.

20.0 Weaver's Credit Card Scheme

[Dev. of Priority Sector & RRB Division HO Cir. No.863/2011 dated 20-12-11]

Eligibility: All weavers and ancilliary workers involved in weaving activities including those eligible for facilities for carrying out the proposed activities under any of the existing Bank (including Corp Artisan Credit Card Scheme)

Purpose: To provide adequate and timely hassle-free assistance to weavers

Nature of Facility: Term Loan for acquiring tools and equipments for carrying out weaving activity. Cash Credit facility for working capital requirements

Quantum of Loan: Maximum : Rs.2.00 lakhs (Term Loan and Working Capital Loan)

Margin: No margin upto Rs.25,000/- 20% margin for credit limits above Rs.25,000/-

Rate of Interest: 11.25% for WC limits and 11.50% for Term Loans

Repayment: Cash Credit is valid for 3 years subject to annual review. Term Loan in 3 years in monthly / quarterly / half-yearly / yearly instalments, interest payable as and when due.

Security: Hypothecation of Assets financed

21.0 KYC Norms - Verification of Identity of account holder through PAN

[O & S Division HO Cir. No.867/2011 dated 21-12-2011]

Branches are obtaining PAN Card copy as a proof of identity of the account holder as a part of KYC compliance.

A novel method for verification of genuineness of the PAN has been prescribed by O & S Division in Bank's Intranet by providing PAN Verification Link.

The procedure for verification is as follows:

- Open Intranet [Corp Connect]
- Click **PAN Verification** link provided on the left side of the Home Page (**This will work only in the computer node in the branch through which the branch remits E-TDS**)
- * You will be guided to Tax Information Network page of Income Tax Dept.
- **Select ITNS 280 [under Non-TDS/TCS head]**
- You will get page of E-TDS challan (green colour)
- **Provide the PAN** number as furnished by the customer in E-payment page
- **Select 0020** (in case of company) and **0021** in other cases
- **Fill in information in all the fields marked * as it is compulsory**
- **Select Assessment Year and Type of Tax Payment.** [You may select Assessment Year 2012-13 and type of Tax as Advance Tax –Code 100]
- Type the security code characters as appearing on the screen and **click "proceed"**
- Name of the person in whose name PAN is issued will appear.
- **Take a print out** of the verification sheet and keep along with account opening form.
- **If any discrepancy is observed in the name and the number, freeze the account and contact Zonal Manager for further guidance.**

ANNA AND THE LABOUR STRIKE AT MARUTI

- T K ARUN

“You have the right to: Organize a union to negotiate with your employer concerning your wages, hours, and other terms and conditions of employment. Form, join or assist a union. Bargain collectively through representatives of employees' own choosing for a contract with your employer setting your wages, benefits, hours, and other working conditions. Discuss your terms and conditions of employment or union organizing with your co-workers or a union.

Take action with one or more co-workers to improve your working conditions by, among other means, raising work-related complaints directly with your employer or with a government agency, and seeking help from a union. Strike and picket, depending on the purpose or means of the strike or the picketing.

Choose not to do any of these, including joining or remaining a member of a union.”

Does this strike you as something straight out of the Soviet Union, or at least from pre-Mamata West Bengal? After all, middle class India's conventional wisdom holds unions to be troublemakers who kill productivity and economic growth.

So, it would be natural to think that the notice cited above belongs to a contrived workers' paradise. In reality, this is a notice the US government wants employers to prominently display at the workplace, except in some industries.

How come the most capitalist of capitalist countries shows such tolerance, if not actual encouragement, of unions? This is because unions straddle, besides the economic sphere, the political one as agents of democracy. They articulate, at the workplace, the freedom of association, enshrined in the First Amendment and the bill of rights.

This is a link that eludes the great Indian middle class, incandescent, these days, with rightful rage against rotten politics and corrupt politicians. The Indian middle class is happy to take to the streets with the national flag, scented candles and Anna's praise. But what do they have to say, on the labour

unrest at Maruti or the Gurgaon-Manesar belt in general? Precious little, when it is not abuse.

Such schizophrenia on democracy is not entirely unnatural, given the manner in which India got this form of governance. Western societies that established the paradigm of democracy as the post-colonial ideal for countries like India did so after hard internal struggles.

The revolutions of 19th century Europe had universal adult franchise as their foremost demand. Democracy was a hard-won right, inspired by thinkers, backed by the rising class of capitalists, who wanted freedom from feudal constraints, and fought for, on the ground, by the working people, organised into unions and otherwise.

In India, the freedom struggle schooled a large number of people, steeped in a tradition of the worst kind of social hierarchy and inequality, in democracy. These were yet a tiny fraction of the Indian population. The Constitution of independent India adopted democracy as the country's form of government, thrusting it on a premodern society, which is still in the process of evolving to realise constitutional norms.

Unions are a vital instrumentality of modernity and democracy. General Douglas MacArthur, who led the US occupation of Japan after the end of World War II, actively encouraged unionisation of the workforce, so as to guard against Japan's return to militarism.

By 1947, 48% of the non-agricultural workforce had been unionised, thanks to his strenuous efforts. Coupled with extensive land reforms, this piece of social engineering helped relaunch Japan as a miracle economy. A military leader's enlightenment eludes the Indian elite, unfortunately.

For an enterprise, its workers are a cost that must be held down. However, for the rest of the economy, those workers are its market. If all enterprises succeed in keeping their own wages as low as possible, the result would be to repress the domestic market for industry's produce.

Only if workers have sufficient purchasing power, and sufficient leisure to read, listen to music, watch movies and eat out, can a diversified economy thrive. What is rational for individual enterprises is irrational at the level of the larger economy. Unions are the only agency that can pierce the insularity of individual enterprises to let in the light of macro-level sense.

Unions, on their part, must appreciate their constructive role in society. Industrial action that sabotages an enterprise's viability or damages its credibility with customers is just not acceptable. It

is a matter of shame that workers have to go on prolonged strike to gain essential recognition as workers or unions.

Maruti and other employers need to see themselves and their workers as integral players in India's ongoing modernisation. If industry wants less corruption and more accountable governance, they must accept unions as agents of the needed democratic deepening.

[T. K. Arun is a noted columnist. This article appeared in Economic Times, 08-09-2011]

Technical Support Problems

Here are some conversations, which had actually happened between help desk people and their customers.

Customer: "You've got to fix my computer. I urgently need to print a document, but the computer won't boot properly."

Tech Support: "What does it say?"

Customer: "Something about an error and non-system disk."

Tech Support: "Look at your machine. Is there a floppy inside?"

Customer: "No, but there's a sticker saying there's an Intel inside."

Tech Support: "Just call us back if there's a problem. We're open 24 hours."

Customer: "Is that Eastern time?"

Tech Support: "Ok, now click your left mouse button."

Customer: (silence) "But I only have one mouse."

Tech Support: "Do you have 3½ inch diskettes?"

Customer: "No, I only have 3 of them."

Tech Support: "I need you to right-click on the Open Desktop."

Customer: "Ok."

Tech Support: "Did you get a pop-up menu?"

Customer: "No."

Tech Support: "Ok. Right click again. Do you see a pop-up menu?"

Customer: "No."

Tech Support: "Ok, sir. Can you tell me what you have done up until this point?"

Customer: "Sure, you told me to write 'click' and I wrote 'click'."

Customer: "Now what do I do?"

Tech Support: "What is the prompt on the screen?"

Customer: "It's asking for 'Enter Your Last Name.'"

Tech Support: "Ok, so type in your last name."

Customer: "How do you spell that?"

Customer: "I received the software update you sent, but I am still getting the same error message."

Tech Support: "Did you install the update?"

Customer: "No. Oh, am I supposed to install it to get it to work?"

- A download from Internet

HEALTH WATCH

STAND UP FOR YOUR HEALTH

DR. C. SNEHALATHA

DR. A. NANDITHA

DR. SAMITH A. SHETTY

DR. ROOPESH JAIN

DR. J. SANTHOSH

Obesity is a major risk factor for the increasing rates of non-communicable diseases such as diabetes, heart diseases, and hypertension. The prevalence of these disorders is increasing not only in developed nations but also in developing countries such as India and China.

Obesity occurs when there is an imbalance between energy intake (food intake) and energy expenditure (physical activity). Therefore people who overeat, especially those who take calorie-rich food such as fats and sugar in large quantities, tend to gain weight.

A series of population surveys indicated that lifestyle changes in the urban and rural populations in southern India had produced marked increase in overweight and obesity. In the urban population, the percentage of obesity has increased from 23 per cent in 1995 to 41% in 2006. What is more striking is the change that has occurred in rural population in Southern India. From a very low rate of obesity of 2% in 1989 it has reached 20% in 2006. The socio-economic transition in rural areas has improved living conditions, transport facilities, food habits, medical care, educational status and family income. Sedentary habits like watching television have contributed to increasing rates of overweight and obesity associated with metabolic diseases such as diabetes.

People who do not have much physical activity, either job-related or during leisure, accumulate large percentage of fat in the body; thereby weight gain is common in such persons. Indians tend to accumulate fat in the abdominal region or central obesity, which is a stronger risk factor than general weight gain. Walking, jogging, swimming and cycling are common forms of physical exercise. By losing

excess weight or by maintaining ideal body weight, the risk of diseases like diabetes can be considerably reduced. There is sufficient scientific data to show that many metabolic diseases can be prevented by being physically active, losing excess weight and eating a healthy diet.

Paradigm shift

In recent years there has been a paradigm shift in the understanding of the mechanisms related to overweight and obesity. In the past decade it has been recognised that sedentary behaviour and physical inactivity are different constructs, which have independent effects in promoting many diseases. Scientists recognise that even a non-exercising activity that involves sitting or lying can be considered sedentary whereas any activity involving standing can be considered non-sedentary.

The modern world has several gadgets and devices by which human locomotion is minimised, physical exercise is reduced and sedentary behaviour is enhanced. Mechanisation at work has reduced the need for physical movement. Many studies have also shown that sitting time has increased in one's daily routine. Watching television, using computers, desk-bound occupation and commuting by automobiles have significantly reduced standing or walking time.

The modern environment promotes sedentary habits, which we will have to fight if we want to take charge of our health. The key points centre on quitting sedentary habits and obeso-genic food habits. The new sedentary behaviour paradigm is likely to create new avenues in research and interventions aimed at prevention and management of diseases like diabetes. Nearly 50-70 per cent of

our waking day consists of sedentary behaviour. Non-sedentary behaviour involves standing activity or low grade ambulation. The energy expenditure associated with this is referred to as "non-exercise activity thermogenesis". This consumes nearly 1.5-2.5 times more energy than the activities done during sitting, and thus helps to burn calories to a great extent. For example a waiter or nurse who stands and performs low grade ambulation at work spends large amount of energy in comparison with person engaged in desk-bound job.

It is reported that in England, obesity rates doubled during a period when energy intake reduced. Similarly in Canada, despite decrease in energy intake and an increase in physical activity obesity levels doubled. This could probably be due to increase in sedentary behaviour (more sitting time and non-

ambulatory activities). Studies show that nearly 25 per cent of adults and children who watch television for 21 or more hours a week are obese. Obesity was considerably less among those who watch for five or less hours a week (less than 14 per cent). Similarly people who use computers for 11 or more hours a week have higher risk of obesity. This impact is much more among children and adolescents. It has been reported that among Indians, the risk of diabetes increases proportionately with increasing hours of TV viewing. Scientists now recommend "Stand up for your health".

A sedentary lifestyle contributes to obesity, which is a risk factor for diabetes. Stay active to stay healthy.

[The above article appeared in The Hindu dated November 12, 2011]

MOBILE USE CAN CAUSE BRAIN CANCER: WHO

Mobile phones may cause brain cancer in humans, a World Health Organisation agency said, citing a review of studies. International Agency for Research on Cancer – based in Lyon, France – which classifies cancer risks surveyed research on radio frequency electromagnetic fields to make a definitive classification. The working group of 31 scientists from 14 countries studied exposure to radiofrequency electromagnetic fields from mobiles, radar, micro waves and radio, TV and wireless signals.

- Exposure to radio frequency electromagnetic fields from handsets is greater than from phone towers and base stations.
- The fields are 'possibly' carcinogenic, the same category as diesel fuel, chloroform and the risk firefighters face.
- The IARC didn't issue guidelines for cellphone use and said more study is needed after some evidence for an increased risk of glioma, or brain cancer.
- The World Health Organisation has asked people to use texting and hands-free devices to reduce the risk.
- According to the WHO agency, there are 5 billion wireless subscriptions worldwide.
- The US Federal Communication Commission has said devices with a specific absorption rate, the amount of radio-frequency energy absorbed, within a set limit are safe.
- The most recent research considered dated to 2004, and exposure levels from handsets have dropped over time.
- Some individuals tracked in the studies used their phones for an average of 30 minutes per day over a period of 10 years.
- The age of the studies also means the participants had used their phones for no more than 10 to 15 years, leaving open the question of the effect for longer-term exposure.
- About a quarter of the more than 900 agents the agency has evaluated were determined to be 'possibly carcinogenic'.
- IARC lists substances as carcinogenic, probably carcinogenic, possibly carcinogenic.

[Source: Financial Express, 02-06-11]

 THE PLAINSPEAK 

THE LEGACY OF FOUR DECADES

On 26th of this month, CBOO will be entering 40th year of its purposeful existence in the service of Corporation Bank officers and through them of the Bank. It is a major landmark for CBOO. The year will also mark completion of three decades of uninterrupted publication of *Officers' Voice* which took birth in July 1982.

For the senior members, it is a time to look back at our journey of four long decades. For the youngsters, it is an occasion to study the past performance and shape its future activities in common interest.

The forty years have seen CBOO emerging as a unique trade union in not only the banking industry but among the comity of unions around us. In this long journey, five traits have shaped its policies: an unswerving commitment to integrity at all levels, an emphasis on the promotion of intellectual and professional qualities of the rank and file, preservation of internal democracy, a continuous social concern and a strong belief in positive unionism. These qualities have, over years, made CBOO what it is today - a trade union with its distinct identity.

The different wings of the Organisation, like the Balasubramaniam Foundation for Education and Training, Swasti and the periodic Balasubramaniam Memorial Lectures, the regular interaction with members and the system of obtaining feedback from them, the emphasis on identifying and training new leaders, its very popular and highly respected journal, *Officers' Voice* and the range of activities it undertakes including the uniquely organized triennial conferences- have all contributed to its success. No other trade union has undertaken the programmes that CBOO has conducted at different times. The image audit and HRM survey organized with the help of external agencies stand out as unique examples of such activities.

When it comes to the Bank, CBOO has been a trend setter. While differences with the management would arise at regular intervals, in the matter of safeguarding the Bank's interest CBOO has either extended full support to the management as it did in the early 1990s or performed the role of a watchdog including whistle blowing. The latter role was not to

the liking of certain members of the management team on occasions but there has been uniform appreciation from varied quarters including the media. The events of 2010-11 are too fresh to need recapitulation here. But for such a role there would have been serious crisis for the Bank itself.

The institution of representative Director on the Bank's board has been utilized to shape the Bank's policies and decision making in the larger interest of the institution. The successive Officer Directors have been looked upon as strengths to the Board's deliberations. Similarly, the periodic bipartite meetings have been utilized to focus on the corporate concerns and messages given to the management and the members.

One unique feature of CBOO is the strong faith the membership has on the leadership. The response to calls during crisis and in peace time has always strengthened the confidence of the leaders in them. Where certain leaders failed to meet the expectations of the members, through the feedback, smooth replacement has taken place. Long range succession plan and widely accepted new generation of leaders have demonstrated that CBOO is a living organism.

The past performance should be a guide to the capabilities of an organization. For the new generation of members, our history of 40 years would provide a convincing answer to the question of relevance of a trade union and what it can do. As most of them are highly qualified and accomplished, understanding and appreciating the activities of CBOO should be easier. If there are certain expectations, they could be in the forefront of the activities of the union which are intellectually satisfying and stimulating processes.

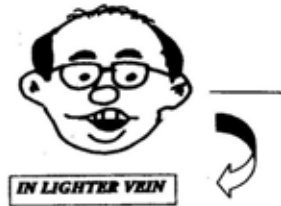
When we celebrate the landmark, let us promote the sense of history and commit to pass on a rich legacy to the future years. This responsibility is on the present leadership, the senior members who will vanish from the scene in the next few years and the new entrants. As per the baseline coined in 1985 let us ***Stand together and Work together.***

-T R Bhat

[The views are personal]

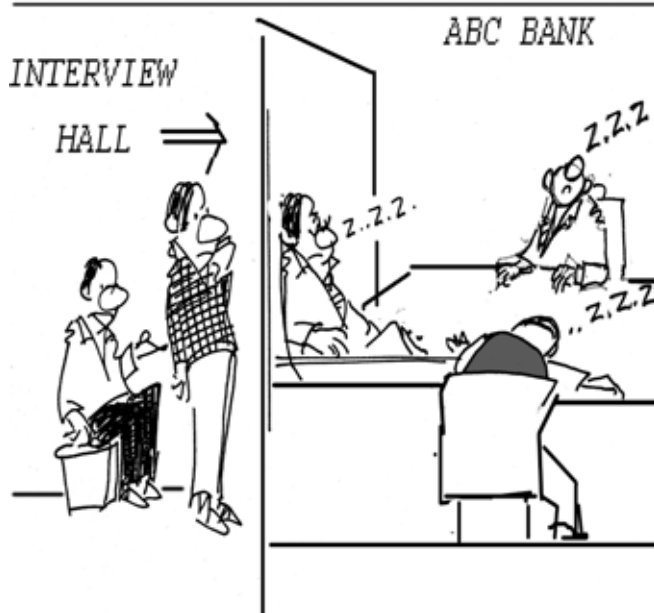


He is willing to appear for interview on the condition that he only will ask questions ...!!!



DEARTH OF CANDIDATES

INTERVIEW HALL



Why did you answer all those questions ... it was the interview panel Didn't you know!!!

They have asked me to wake them up if a candidate turns up to appear for the interview !!!

H S Vishwanath