

STATE BANK OF INDIA OFFICERS' ASSOCIATION

(BENGAL CIRCLE)

(Registered under Trade Unions Act 1921-Regd. No. 6908)

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IP No. 500077

Circular No. 108/2016

Date : 20.12.2016

To All Members (Please Circulate)

We reproduce hereunder the Circular No. 150 dated 20.12.2016 issued by General Secretary, All India State Bank Officers' Federation, the contents of which are self-explicit.

With revolutionary greetings,

Soumya Datta
(General Secretary)

To all our Affiliates / Members:

FREQUENT CHANGE OF GROUND RULES IN ACCEPTANCE OF SBNS BY BANKS CONFUSION CREATED DUE TO MULTIPLICITY OF INSTRUCTIONS

As you are aware, the RBI had issued fresh instructions on 19.12.2016 with regard to deposits of old currency notes into the account of customers. The norms stipulated by RBI had virtually created confusion amongst the officers of the Bank, as they had to step into the role of investigating officers.

2. The Bank officers were over burdened by stress of work, especially single officer branches, currency chest branches and other branches, where the officers work nearly 10 hours a day. The AIBOC had taken a decision to protest against the frequent change in rules, which would put the Bank officers into the hazard of accountability and make them scape goats unnecessarily.

3. It has been decided that the State committees of AIBOC will hold demonstrations near the Reserve Banks today protesting against the whimsical directions.

4. We are happy to announce that the RBI has withdrawn the confusing instructions, consequent upon the strong protest letters given by the AIBOC to the Governor of RBI, Finance minister etc. We have also demanded adequate supply of cash to Public Sector Banks to mitigate the woes of the customers and ensure smooth flow of currency.

5. Apart from that, we have demand that due to its implimentational hazards, innocent officers should not be unnecessarily harassed.

6. Despite the 'U' turn by the RBI, AIBOC has decided that the demonstrations will be held today & adequate publicity through press release/press meet etc., should be done to highlight the hardship faced by the customers, Bank employees and the officers.

7. We are herewith appending the AIBOC Letter No.200/2016 dated 21.12.2016 addressed to the Governor of RBI, Press release and the RBI notification for your reference.

(Y.SUDARSHAN)
GENERAL SECRETARY

TEXT

QUOTE:

We invite your kind attention towards our earlier communications on the various issues and challenges before the bank officers in exchanging of SBNS and their acceptance for deposit in the accounts. The multiplicity of instructions issued, the multiple authorities issuing these instructions and the short notice to implement the same - have created a total confusion and chaotic situation. The speed with which the newer instructions for exchange and acceptance for deposits of SBNS are issued are much faster than the capabilities of the bank officers to read, understand, interpret and implement them. There remains huge time gap between the issuance of instructions and the actual implementation due to technical modifications required in the systems leading to confusions and avoidable conflicts and dissatisfaction amongst common masses. The sword of accountability has unnerved the hapless bank officers as never before.

Soumya Datta
General Secretary
Mobile : 9830044737

State Bank of India officers' Association

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: 2 :

The recent communication dated 19/12/2016 has added further stress on the over-burdened officers. These instructions:

- a. Have made the banker an enemy vis-à-vis the customers. As against the earlier declaration of the Prime Minister of India to accept all deposits upto 30/12/2016 without any hitch (except that they have to substantiate the source to the relevant authorities), the U-turn has not gone well with the customers who are presently questioning the bankers.
- b. Have thrust the role of an investigator or vigilance officer on the bankers. Instead of conducting the banking business, bankers have now to assess the source, the reasons, the causative factors, satisfy themselves with the explanations of the customers and also authenticate (by two officers as against the availability of only one officer at various single officer branches) the depositions of customers, while facing the hostility of the customers.
- c. Have added burden of receiving 'the satisfactory explanation' and reasonableness of the disclosures of the depositing public. 'Satisfactory Explanation' has not been defined and hence it will lead to arbitrariness and add to the woes of bankers.

Bankers are not expected to play the role of investigating sleuths or IB, ED and CBI officers at the busy counters. They are already pressed for their time due to heavy workload amidst scarce manpower. The vagueness of the words 'the satisfactory explanation' would push the officers of the banks into unwanted accountability net in the days to come and dampen their spirits despite their unmatched contributions – post demonetisation. Once the customer deposits the monies in the accounts, the concerned authorities can investigate all such transactions at leisure and detail. In the backdrop of the host of problems faced by the officers' community in handling the depositing of SBNs, we demand the following:

- a. With hardly 10 days left for the process, no additional burden (unrelated to Banking duties) be loaded to the stressed bank officers in accepting the deposits of SBNs for the remaining period.
- b. The instructions issued vide the RBI communication dated 19/12/2016 must be withdrawn forthwith as the banker shall not carry out the duties of CBI/ED/IB at the busy counters.**
- c. No accountability should be fixed on the bank officers in this respect as they are thrust with a role not expected of him.

Having demanded as above, we strongly feel that withdrawal of the instruction itself will only confirm the PM's statement to the public on 08/11/2016 and improve public confidence in the banking system and reduce the hardships faced by the officers at counters. We are sure, you will respond positively to this demand of AIBOC. Failing this we may be constrained to call for collective action resisting the unreasonable expectations from bank officers.

Thanking you,

Faithfully Yours,
Sd/-
(HARVINDER SINGH)
GENERAL SECRETARY

**CC: The Secretary,
Department of Financial Services,
Ministry Of Finance, New Delhi.**

PRESS RELEASE

Ever since the announcement of demonetisation of high value currency notes of Rs.500/- and Rs.1000/-, the Bank Officers and employees are under huge stress despite their working hard for 12-15 hours. The customer dissatisfaction is increasing because of chaos and confusion created in implementation of the scheme. Bank Officers are being subjected to the anger, anguish and wrath of customers/general public due to short supply of currency notes to the banks, particularly to Public Sector Banks. Frequent changes in the instructions are adding salt to the wound. Banking system itself is losing credibility because of RBI/Government policies.

The recent communication dated 19.12.2016 has messed up the whole system. On the one hand, the general public is feeling cheated and on the other hand, the Bank Officers being clueless about the implementation of these instructions, are feeling harassed. In view of the ambiguity of the communication, the responsibility of investing agencies like IB/Regulator is being thrust upon them. The large scale fears of accountability on a future date because of recording of the statements of customers and the responsibility of Officers to take a decision on the genuineness of the statement are not unfounded and cannot be accepted at any cost. Rejection of any statement of a customer by the Bank official is leading to direct conflict and manhandling of the Bank officials. The customers are confronting the officers and seeking explanation as to why the statement given by Hon'ble Prime Minister and Finance Minister that these notes can be deposited till 30th December, 2016, is not reason enough!

Soumya Datta
General Secretary
Mobile : 9830044737

State Bank of India officers' Association

(BENGAL CIRCLE)

: 3 :

Many communications sent to RBI/Government by our Confederation on various issues raised by us along with suggestions given for the smooth implementation of the scheme, remain unresponded. The irregular / inadequate supply of cash to Public Sector Banks while favours being rendered to Private Sector Banks needs to be justified by RBI. We once again demand from the RBI to provide us the citywise / bankwise position of cash supplied to Public Sector and Private Sector banks on daily basis as well as to increase the supply of small denomination currency notes to mitigate the hardships of the customers.

We have today demanded that RBI must withdraw its communication dated 19.12.2016 as the bankers shall not carry out the duties of CBI/ED/IB at the busy counters of the Banks. We are holding demonstrations all over the country in front of Reserve Bank of India offices at 5.00 p.m. today. If these instructions are not withdrawn, then our Confederation may give a call of collective action, resisting the unreasonable expectations from Bank Officers.

Sd/-
(HARVINDER SINGH)
GENERAL SECRETARY



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
www.rbi.org.in

RBI/2016-17/191
DCM (Plg) No. 1911/10.27.00/2016-17

December 21, 2016

The Chairman / Managing Director/ Chief Executive Officer,
Public Sector Banks/ Private Sector Banks / Foreign Banks/ Regional Rural
Banks / Urban Cooperative Banks/ State Cooperative Banks

Dear Sir,

Withdrawal of Legal Tender Character of existing ₹ 500/- and ₹ 1000/- Bank Notes (Specified Bank Notes) - Deposit of Specified Bank Notes (SBNs) into bank accounts- Modification

Please refer to our [circular DCM \(Plg\) No. 1859/10.27.00/2016-17 dated December 19, 2016](#). On a review of the above, we advise that the provisions of the above circular at sub para (i) and (ii) will not apply to fully KYC compliant accounts.

2. Please acknowledge receipt.

Yours faithfully,

(P Vijaya Kumar)
Chief General Manager

Soumya Datta
General Secretary
Mobile : 9830044737

State Bank of India officers' Association
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: 4 :



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RBI/2016-17/189

DCM (Plg) No. 1859/10.27.00/2016-17

December 19, 2016

The Chairman / Managing Director/ Chief Executive Officer,
Public Sector Banks/ Private Sector Banks / Foreign Banks/ Regional Rural
Banks / Urban Cooperative Banks/ State Cooperative Banks

Dear Sir,

Withdrawal of Legal Tender Character of existing ₹ 500/- and ₹ 1000/- Bank Notes (Specified Bank Notes) - Deposit of Specified Bank Notes (SBNs) into bank accounts

Please refer to [Circular DCM \(Plg\) No.1226/10.27.00/2016-17 dated November 08, 2016](#) on the captioned subject. On a review of the provisions ii, iii and iv at C of Para 3 dealing with credit of the value of SBNs into bank accounts it has been decided to place certain restrictions on deposits of SBNs into bank accounts while encouraging the deposits of the same under the Taxation and Investment Regime for the [Pradhan Mantri Garib Kalyan Yojana, 2016](#) as indicated below:

- i. Tenders of SBNs in excess of ₹ 5000 into a bank account will be received for credit only once during the remaining period till December 30, 2016. The credit in such cases shall be afforded only after questioning tenderer, on record, in the presence of at least two officials of the bank, as to why this could not be deposited earlier and receiving a satisfactory explanation. The explanation should be kept on record to facilitate an audit trail at a later stage. An appropriate flag also should be raised in CBS to that effect so that no more tenders are allowed.
- ii. Tenders of SBNs up to ₹ 5000 in value received across the counter will allowed to be credited to bank accounts in the normal course until December 30, 2016. Even when tenders smaller than ₹ 5000 are made in an account and such tenders taken together on cumulative basis exceed ₹ 5000 they may be subject to the procedure to be followed in case of tenders above ₹ 5000, with no more tenders being allowed thereafter until December 30, 2016.
- iii. It may also be ensured that full value of tenders of SBNs in excess of ₹ 5000 shall be credited to only KYC compliant accounts and if the accounts are not KYC compliant credits may be restricted up to ₹ 50,000 subject to the conditions governing the conduct of such accounts.
- iv. The above restrictions shall not apply to tenders of SBNs for the purpose of deposits under the Taxation and Investment Regime for the Pradhan Mantri Garib Kalyan Yojana, 2016.
- v. The equivalent value of specified bank notes tendered may be credited to an account maintained by the tenderer at any bank in accordance with standard banking procedure and on production of valid proof of Identity.
- vi. The equivalent value of specified bank notes tendered may be credited to a third party account, provided specific authorisation therefor accorded by the third party is presented to the bank, following standard banking procedure and on production of valid proof of identity of the person actually tendering, as indicated in [Annex-5](#) of our circular cited above.

2. Please acknowledge receipt.

Yours faithfully

(P Vijaya Kumar)
Chief General Manager

UNQUOTE:

Soumya Datta
General Secretary
Mobile : 9830044737