

STATE BANK OF INDIA OFFICERS' ASSOCIATION

(BENGAL CIRCLE)

(Registered under Trade Unions Act 1926-Regd. No. 6908)

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Circular No. 113/2019

Date : 07.09.2019

To All Members (Please Circulate)

We reproduce hereunder the Circular No. 80 dated 07.09.2019 issued by the General Secretary, All India State Bank Officers' Federation, the contents of which are self-explicit.

With revolutionary greetings,

Shubhajyoti Chattopadhyay
(General Secretary)

To all our Affiliates / Members:

CREATION OF FI & MM NETWORK IN CHANDIGARH CIRCLE ON PILOT BASIS

We reproduce hereunder the joint communiqué dated 7th September, 2019 submitted by the All India State Bank Officers' Federation and All India State Bank of India Staff Federation to the Deputy Managing Director (HR) & CDO on the captioned subject for your information.

With greetings,

(Soumya Datta)
General Secretary



ALL INDIA STATE BANK
OFFICERS' FEDERATION



ALL INDIA STATE BANK OF
INDIA STAFF FEDERATION

07.09.2019

The Dy. Managing Director (HR)& CDO,
State Bank of India,
Corporate Centre,
Mumbai.

Dear Sir,

Creation of FI&MM Network in Chandigarh Circle on Pilot Basis

We invite a reference to our letter dated 19/8/2019 on the afore said issue and our subsequent discussions on the same held with Chief General Manager (HR), and HR officials on 28th August, 2019 at Corporate Centre. Based on the experiences the operating functionaries have gained post creation of the Network and the findings discerned from an in depth review of the whole situation from all the tenets of the project by us, we consider it as our bounden duty to bring to your kind notice the following points for your kind consideration and necessary action to obviate repetition of the operational and administrative inconveniences and confusion while the project is implemented in all other Circles.

2. In the meeting, the Chief Strategy Officer of our Bank outlined the basic details of the entire framework chalked out for implementation of FI&MM Vertical on pilot basis in Chandigarh Circle w.e.f. 1.8.2019 and PAN India in next financial year. He also assured that all business related problems highlighted by us have been taken with a positive frame of mind by the Top Management and it will be resolved shortly.

3. Sir, it is evident from the feedback of the grass roots that adequate staff has not been provided in FI&MM Network, District Sale Hubs (DSHs) and branches. The staff has been deployed in these branches after withdrawing from R&DB Branches, which has created acute staff shortage in almost all the branches of R&DB, adversely affecting the day to day critical operational issues and most importantly customer service which will eventually result in loss of our market share and gain to our competitors. You will also appreciate that it is not the ideas alone but the design, proper implementation and most important one is hard work of human resources that makes the difference. In the present scenario, our staff at grass root level is totally demotivated and frustrated in the prevailing working environment.

4. In FI&MM Network, RBO Patiala has 109 branches ranging from Ropar to Sangrur (approx 160 KM). RBO Bhatinda has 112 branches ranging from Barnala/Mansa to Ferozepur/Muktsar (approx 125 KM). RBO Jalandhar has 95 branches upto Moga (approx 100 KM) and RBO Karnal has 77 branches ranging from

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Panchkula/Yamunanagar to Mohindergarh (approx 360 KM). It is very difficult to control such large number of branches located geographically far away from the RBOs and the minimum time of travel from RBO to the farthest branch ranges from 2 hrs to 7 hours. The situation is worse in the hill state of Himachal Pradesh. RBO Shimla has 72 branches located in difficult/most difficult areas ranging from tribal Kinnaur to Sirmaur (approx 500 km and the time of travel 18.00 hrs.), and RBO Hamirpur has 75 branches spread in the districts of Lahaul & Spiti, Kullu, Mandi, Bilaspur, Hamirpur, Kangra, Chamba. The distance from Hamirpur, Head Quarter of RBO to Lahaul Spiti is approx 420 kms while the time to travel is 18 hrs, and 225 kms and 8 hrs. to reach the branches of Chamba in different directions. It is difficult for RBO officials to effectively control, visit and extend hand holding or support to the branches located at such far flung areas especially in the difficult terrain and hostile climatic conditions. The prevailing situation needs to be revisited and reallocation of branches considering their distances from RBOs be done urgently before it creates a dent in the bank's business

5. In the newly created FI&MM Network in Chandigarh, 56 districts are required to be catered by 21 District Sale Hubs (DSHs). Some DSHs have been allotted more than 250 CSPs. Sir, BC/CSP concept is based on outsourced mechanism which is prone to avoidable risk. Close supervision and effective control are very important to rule out loss of market share and Bank's reputational risk which is not possible if we allot 2/3 district to each DSH containing so many CSPs.

6. In the new role, CM (FI-DSH) is responsible for CSPs, liaison with govt./district officials attending DCC meetings but it is not possible for a Chief Manager to perform all the assigned jobs for 2/3 districts. Hence, to fulfill the requirement, we suggest opening of DSH in each district to enable him to perform his assigned duties effectively. In this regard, 35 more DSHs are required to be opened and manpower to be accessed and recruited accordingly as deployment of more staff from already bleeding branches/offices will create more problems.

7. AGM (Lead Bank) placed under DGM(FI) has to provide SLBC support to 4 states/UT viz. Punjab, Haryana, HP and Chandigarh including compilation of data to different Govt. departments/RBI/NABARD and Corporate Centre which is turned to be a complex and herculean task. In the old structure, data of only Punjab SLBC was submitted by DGM (FI) and in all other Modules, data was submitted by CM (RBFI).

8. Linking of CSPs with DSHs for account authorisation and visits is causing operational difficulty to CSPs. Further, it is a fact that they are not only doing the Bank's job or solely dependent upon the work allotted to them by the Bank but also earning a part of their bread from other sources because of meager amount of remuneration they get from the bank. We feel they should not be pressurized too much else they will ultimately leave us.

9. The proposed partnership with Fintech companies/NBFCs on innovative framework called 'co-origination model' sounds attractive but it is equally vulnerable to risks and frauds. We are visualizing sharing of rewards to both lenders but attribution of responsibilities and risks to our bank officials only. Moreover, such collaborative models will be accounted differently by both Banks and NBFCs for same borrower & same product and two entities will be treating it differently. Further, there is an 'immense crisis' in the Non-Banking Financial Companies (NBFCs) sector on account of credit squeeze, over leveraging, excessive concentration and massive mismatch between assets & liabilities which has revealed the inherent problems in the way these shadow banks (NBFCs & Fintech companies) function. These Fintech companies and NBFCs are already

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in the midst of a crippling liquidity squeeze that threatens to balloon into a full blown crisis. In case of default, we will not be able to recover the money shared with such partner companies/NBFCs under co-origination model for lending.

10. We understand that the bank is going to appoint apprentices in the branches with CBS rights. Manning branches with low paid "apprentices" in banking is associated with multiple risks. In addition to probable financial frauds, corruption and absence of belongingness, we are inviting reputational risk. If at all they are to be recruited on the instructions of GOI, they may be assigned the job of Grahak Mitra, marketing, follow-up etc. without any CBS rights. We firmly believe that SBI is a big brand name associated with the tag "Most Patriotic Brand" of the country and we should focus on minimum wages, career paths and job security for front-line bank workers instead of assigning core functions to apprentices or contract employees.

11. Transfer policies are to be finalised in consultation with both the Federations separately to avoid confusion, uncertainty and ambiguity. The relieving of existing/pending orders for both officers/Award Staff has to be implemented in full before any further order is issued which was also mentioned in our letter under reference.

12. CDS score is a matter of concern for all the employees of the Circle as the creation of the new vertical has affected the entire Circle. While manpower has been withdrawn from branches/offices of R&DB thus affecting the roles of existing staff as they are loaded with extra work and having to perform multiple roles not linked with existing KRAs, the employees and officers posted at FI vertical in the middle of the year will be assigned different KRAs without adequate manpower support and infrastructure to do justice to the roles. Hence, the CDS scores of the entire Circle will be affected irrespective of cadres.

13. As discussed in the meeting, the creation of separate position of CDO and AGM (HR) in FI&MM Network has created total confusion, uncertainty and ambiguity among the entire staff members. We are also witnessing role conflict at various levels. A good number of staff has been posted in FI&MM Network Secretariat at Patiala to look after various jobs related to ITS, MIS, HRMS, Vigilance, DPD, Premises & Estate etc. which can be performed from the Local Head Office with the existing setup and manpower. Branches are suffering due to staff shortage and we are creating more administrative establishment without looking into the problems faced by the branches, main contributor of our business and profit. Therefore, we propose to abolish all these departments under GM, FI&MM Network, Patiala. Making FI&MM Network part of Circle equivalent to other R&DB Networks with specific role/focus on Micro Market, Agriculture & Allied activities and Micro & small Enterprises will be beneficial to the Bank in view of manpower planning, business development and proper control as all other existing department of LHO can provide support to this newly created FI&MM Network sitting in same premises as a part of the Circle. Moreover, if it is part of the Circle, Circle CGM will be able to take decision in case of conflict between R&DB Networks and FI&MM Network. Further, it will be easy under Circle control model to provide support of staff/technical staff required by FI&MM Network in future also. It would not be out of place to mention here that most of the rural branches have been shifted to FI&MM Network leaving very few rural branches in R&DB Networks for rural assignment and it will be easy for Circle CGM to depute the officers for rural assignment in FI&MM Network and vice versa. We strongly feel that most of the problems on account of creation of FI&MM Network will be resolved easily by making it part of Circle.

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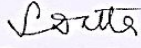
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14. The guidelines with regard to bilateral forums are to be finalised on priority basis. It is directly related to the final decision on Network whether it will be part of Circle or part of separate vertical. In view of pilot project frame work, RBOs are being considered as deemed ZBOs, the structure available at ZBO level should be extended to both the associations including immunity, special leave and other facilities in addition to office space and proper infrastructure at each RBO in FI&MM Network. Similarly, the facilities available to office bearers at Circle level are to be extended to FI&MM Network, which is independently operating as 'Deemed Circle'. If it is decided to make it part of the Circle as proposed by us, bilateral fora may be more or less similar to existing ZBO/LHO pattern.

We are confident that issues raised in our letter dated 29/7/2019 and 19/8/2019 relating to business/HR/welfare and discussed in the meeting as well as above observations will be taken care and a suitable solution will be found to avoid the business loss/demotivation of employees and officers for the smooth functioning of FI&MM Network.

Yours sincerely



(Soumya Datta)
General Secretary

All India State Bank Officers' Federation



(Sanjeev Bandlish)
General Secretary

7/9/19

All India State Bank of India Staff Federation

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