



CHAPTER X

Attacks and Bank-wise Struggles during 1950's, 1960's and 1970's

Victimization cases :

One of the welcome features of Sen Tribunal was that it gave orders for re-instatement of a good number of employees dismissed by the bank managements for their role in the strikes that took place during pre-Sen Tribunal time. Let us give a gist of these cases.

Lloyds Bank Case :

The victimization cases of the Lloyds Bank employees occupy a special place in the history of bank employees' movement because of en-masse disciplinary actions against the employees and 10 years long legal battle in courts of law because of management's dogged resistance to re-instatement of 40 dismissed employees. As already stated earlier, Lloyds Bank employees took part in the sympathetic strike on 17.8.1948 in support of Central Bank employees' strike in West Bengal. The Union's recognition was immediately withdrawn by the infuriated European management and 11 leaders including Com. Prabhat Kar were suspended. Permission was given to the management by the Government of West Bengal to initiate criminal proceedings against them for violation of Industrial Disputes Act. Against the management's refusal to withdraw the cases, the employees went on pen down strike on 20th and 21st October 1948. A compromise was arrived at regarding completion of the accumulated work during the strike days. But the employees' demand for overtime allowance was denied.

On 25.10.1948, a notice was issued asking the employees

to sign a bond failing which they would be dismissed. On their refusal to do so, hundreds of employees were prevented from entering the bank and were dismissed en-masse. The next day vacancies were advertised in the newspapers. On the interference of the Government, the bank agreed to take back all the employees except 40. 11 employees including Com. Prabhat Kar who had been suspended earlier were prosecuted and were dismissed after being convicted by Court. The cases of dismissed employees were heard by Sen Tribunal. The Tribunal passed orders on 5.1.51 for re-instatement of all the 40 employees, excluding the convicted 11, with six months' back wages. The management preferred appeal against the Tribunal's decision before Calcutta High Court but the appeal was dismissed by the High Court's Special Bench on 17.7.51. But the management did not relent. It went from Court to Court.

Two appeals were filed by the Bank before the Supreme Court on the ground that as the Sen Award had been declared void by the Supreme Court, the re-instatement order given by Sen Tribunal being part of the Award was automatically null and void. But the appeals were dismissed in 1953. The issue was again referred by the Government to a Tribunal, but the Tribunal judge Sri Campbell Puri being not available, it was referred to another Tribunal presided over by Shri Bhakta Vatsala Naidu who also ordered re-instatement of 40 employees with back wages for one year. Against this the Bank filed an appeal before L.A.T. on the ground that the order of Shri Naidu was bad in law. But before the appeal could be heard by L.A.T., the management challenged the very validity of the L.A.T. before Calcutta High Court. The appeal was heard by Justice Sarkar and dismissed in July, 1956.

At this stage thousands of bank employees of Kolkata demonstrated before the Bank gate demanding re-instatement of the dismissed employees. But the Bank once again preferred an appeal against Justice Sarkar's judgment before the Chief Justice of Calcutta High Court for a declaration that the Award is void and without jurisdiction. On 3.8.1955, the Chief Justice granted a stay on the condition that the Bank must deposit Rs. 1,75,000/-with the Court and pay monthly wages of the employees till disposal of the appeal. Thus, for the first time since their dismissal in 1948 the employees got their salaries. The appeal was heard by Justice S.R. Das Gupta and Justice R. Bachwat in July, 1957, and was dismissed on 17.7.1957. Two months' time was granted for further appeal, but the Bank was directed to continue to pay the wages to all the 40 dismissed employees. The State Government's role was also not above board during these nine years, because their police, C.I.D. and officials were rendering help to the Bank to keep the employees out of the Bank.

After dismissal of the appeals by Calcutta High Court, the Bank pursued their original appeal before the L.A.T. After the L.A.T. dismissed the Bank's appeal on 12.4.1958, the Bank went for a special leave petition before Supreme Court for appeal against the L.A.T. decision. The petition was rejected by the Supreme Court on 12.5.1958, thus drawing the final curtain on the 10-year old dispute which was dragged by the arrogant management of a European Bank from court to court at enormous cost of share-holders' money. Thus the management's dogged attempts to keep 40 employees out of the bank because of their trade union activities were foiled by the exemplary tenacity of the employees concerned and the organized efforts of the employees in West Bengal.

Bharat Bank case

The cases of the victimized employees of Bharat Bank Ltd., including H.L. Parvana, were heard by the Sen Tribunal in September, 1949 and it gave its verdict in favour of the employees. But the Bank did not pay heed; rather it preferred an appeal against re-instatement in the Supreme Court. But the case was dismissed by the Court in May, 1950.

Punjab National Bank

Punjab National Bank employees went on a 49-day long strike on April 17, 1951 in Delhi against management's decision to recover Bonus already paid to the employees a few months back and also against various anti-employee policies of the Bank. The strike gradually engulfed West Bengal, Bombay, U.P, Bihar, Punjab and Orissa. The management retaliated by dismissing 150 employees including leaders like P.L. Sayal, D.P. Chadha. The strike continued for over a month and half, leading to intervention of Government of India. A tripartite meeting was held with the outcome of protection of Pay-scales, Dearness Allowance and other Allowances, basically the prime demands for which the employees were fighting. After prolonged efforts in Tribunals and Courts 137 of the dismissed employees were reinstated. But P.L. Syal and 12 others could not be reinstated as all their relevant papers were lost in transit.

Merger of Bharat Bank with Punjab National Bank

In the meantime Bharat Bank was merged with Punjab National Bank. Sensing the mood and desire of the Bharat Bank management, P.N.B management denied employment to a large chunk of employees including H.L.Parvana, out of a total strength of 700. It may be recalled that Com. Parvana was reinstated on earlier occasion in the Bharat Bank as per order of the Supreme Court.

Bank of India

Bank of India employees were faced with a peculiar situation as they were enjoying the highest pay-scales with 17 years' span as provided by the Divatia Award as far back in 1946, and naturally they were anxious to protect 17 years' span in their pay-scales after Sen Tribunal's award also. However, when Sen Tribunal was nullified by the Supreme Court many banks, including Bank of India, tried to revert to their earlier positions inviting protests and grievances of the employees concerned in different banks. The Government this time came out with 'Industrial Disputes (Banking Companies) Temporary Provisions Act' in June, 1951 freezing only 'Pay and allowances' of the Sen Award, but keeping mum as regards various other benefits awarded by the Tribunal. Equipped with the new provision Bank of India management introduced the same in the Bank and simultaneously unleashed series of attacks on the employees to throttle their voice of protests. They also tried hard to de-unionise the employees. In protest against all these, the Union was left with no other alternative than to resort to continuous strike. The management dismissed six leaders including V.M.Chitnis to break the morale of the employees, but failed.

Immediately after Bank of India employees went on their continuous strike, employees of Bank of Baroda started their indefinite strike from 27-12-1951 and those in Bank of Jaipur (now SBBJ) followed the same action from 28-12-1951. In the meantime the Government of India appointed Sastry Tribunal to adjudicate the Bank disputes and issued an ordinance prohibiting the strikes continuing in the aforesaid 3 banks. Bank of India employees in total disregard to the ordinance continued their strike for a period of long 43 days, simultaneously in Bombay and Calcutta, from Dec 24, 1951 to February 4, 1952, compelling the management ultimately to come to terms with the employees and reinstate all the 6 dismissed leaders.

Imperial Bank and Exchange Banks

Imperial Bank employees in Calcutta chose a different path -they refused to participate in the closing work of the Bank in 1951. Exchange Bank employees in Bombay also followed the same track.

In the face of the persistent denial and deprivation of the employees of their legitimate demands, verdicts thrust upon by different Tribunals as per their whims and without application of mind to the ground reality and also Government's anti-employee moves there erupted a new spate of strikes in different banks in the country in 1958 onwards on demand for improvements of service conditions and wage patterns.

Punjab National Bank employees observed All India token strike in 1958 against the management's pick and choose Promotion Policy. The policy was declared illegal on being referred to the Tribunal.

Bank of Behar employees resorted to a pen down strike on demand of settlement of their pending issues.

Indian Bank employees went on a strike demanding Bonus and also additional bonus for 12 days in addition to wages, already deducted for participation in the strike for 4 days. Management conspired to break the strike as well as morale of the employees by alluring them with varying quantum of money as Tiffin allowance to different categories from officers to subordinate staff during the days of strike. But the employees, numbering around 2.000 in 120 branches in the Bank, demonstrated magnificent solidarity and foiled the game. The Bank ultimately came down, offered 12 days additional bonus, refunded all the wages deducted for participation in the strike for four days and settled other issues also. The issue of Bonus for the previous year was, however, referred to the Government by the Bank.

In the same year in July AIBEA was invited by the Government at the Indian Labour Conference, Nainital.

Vicimisation in National & Grindlavs Bank

National and Grindlays Bank management all on a sudden dismissed 6 leaders including Rajinder Sayal who was also Treasurer of AIBEA at that time. The employees of the Bank went on 28 days strike on all India basis to express their bitter reaction against the management of the Bank. The rest of the bank employees also went on a supporting strike action on different dates State-wise. The dismissal cases were referred to E. Krishnamurthy Tribunal. After a long drawn process, the Tribunal gave its verdict for reinstatement of the leaders. The Bank in opposition to the verdict went to the Supreme Court. But there also the Bank failed, as the Supreme Court dismissed the Petition of the Bank.

Significant win of employees of Punjab National Bank in U.P.

PNB employees in UP won a significant battle during the period : demands for deduction of Union subscriptions and weekly rest for Chowkidars were clinched by them. Taking a cue from the Union's victory and also to prevent recurrence of conflicts in other Banks and areas the UP Government made amendment to the Shops and Establishment Act making therein a provision for weekly rest for watchmen.

Bank employees in UP plunged into movement on a principal point – to bring Cooperative Banks within the purview of the Industrial Disputes Act. The Government conspired to keep the employees of the Banks outside its purview. Here also the Government could not hold on to their policy of denial.

Discrimination created in salary components due to merger

Around 1960's a peculiar situation arose in Kerala where a

large number of small and medium sized banks started vanishing abruptly or being merged with bigger banks. But the employees of the merged banks were paid smaller emoluments whereas those in transferee banks got higher emoluments. The discrimination became glaring more as an outcome of the Desai Award. The same nature of job was performed by both the sets of employees working in the same bank. Their duties and responsibilities also were similar but the difference in pay packets continued. This created much heart burn amongst the employees so deprived. A demand for uniform pay structure and facilities was raised and the matter was drawn to the attention of the Government and bankers repeatedly. Ultimately, the Government brought an amendment to the Banking Companies Act on May 15, 1961 to the effect that "all employees of the transferor bank shall continue in service and deemed to have been appointed by the transferee bank at the same remuneration and on the same terms and conditions of service as were applicable to such employees" (Section 12). This protection for the employees of the merged bank was no doubt an achievement which also set a welcome **precedent for similar cases in event of future merger.**

Movement for rectification of faulty cost of living index figures

The working class of the country raised the demand for rectification of faulty Index Figures in the face of gradual evaporation of the real value of money. Powerful agitations were held in different parts of the country covering almost the entire industry. A large number of strikes, bandhs, hartals etc sparked off in Calcutta, Bombay, Ahmedabad, Madras and different parts of the country. The Government in the face of growing agitation of the entire working class was compelled to set up Commissions and Expert Committees at State level. Side by side it declared banking industry as 'Public Utility Service' under the Industrial Disputes Act and thereby tried to

put road blockade for the bank employees to ventilate their grievances and seek solution by taking recourse to agitational program including strike actions. Further, it posed additional hurdles for the bank employees over and above those created because of AIBEA's willing acceptance of Industrial Truce resolution.

However, during 1964-65 industrial relations in a large number of banks in different parts of the country witnessed marked deterioration. Employees had to resort to agitational course of action to resolve their issues, and it was also a matter of rejoice for the workmen that ultimately employees had the last laugh in many of the cases.

Central Bank of India employees plunged into movement on all India plane demanding Point to Point adjustment of their wages, Bonus and Abolition of Cash Guarantor System.

United Bank of India employees were successful in abolition of Area IV in the Bank and clinching some more issues. They also launched their movement demanding Bonus.

Chartered Bank and Eastern Bank employees also resorted to agitations on the demand of Bonus.

Canara Bank employees launched their movement throughout the country against the notorious management who unleashed a reign of terror by indiscriminate transfer of employees, denial of trade union rights, refusal in proper implementation of some of the provisions of the Desai Award etc.

Employees in **Jammu and Kashmir Bank** also had to resort to agitations demanding effective implementation of the prevailing provisions of the Award.

Employees of different banks in Kerala resorted to agitational path on various issues and the entire State was in

turmoil. Ultimately conciliatory talks were held and most of the demands found satisfactory solutions.

In Bank of Baroda the Secretary of the organization was arrested under the notorious D I R to cow down the employees involved in the agitations demanding reversal of Bank's policy of nepotism particularly in the matter of Promotion and grant of Special Allowances to employees eligible for doing special nature of jobs entrusted to them. Finally the Bank had to yield to the collective demand of the employees and make arrangement for release of the arrested leader.

Employees of both **Allahabad Bank and Indian Bank** chose the path of agitations demanding reversal of unfair labour practices and proper implementation of promotion policy respectively. These apart, employees in different banks and jointly in some other States also resorted to action programme to resolve their issues within the confines of the Banks and States concerned.

Abolition of Area IV in C class banks

The bankers, however, entered into a settlement with AIBEA on April 17, 1965 whereby Area IV in C class banks was abolished.

Syndicate Bank

A bitter and prolonged movement brought employees and management in the Syndicate Bank face to face in the year. Irked by the movement of the employees the management suspended 5 union leaders in Bombay on 27th May. Naturally the movement flared up and escalated throughout the whole country. Further retaliatory measures by the management followed. They acted in vengeance by issuing not less than 600 chargesheets on the employees and their leaders to break the movement. This action inflamed bank employees at large, and this time employees at the call of their organizations in

different banks in the country resorted to boycotting of Syndicate Bank instruments on and from 19th of June, 1965. Business virtually came to a standstill in the bank. Desperate at the huge loss of business and prestige the management this time issued dismissal orders on 138 employees. But here also the last word was told by the employees, not the management. After parleys of deliberations between the union and the management the situation found an honourable solution and the Bank had to withdraw all their punitive actions including the dismissal orders.

United Commercial Bank

In United Commercial Bank, there was no All India Federation previously. A loose Co-ordinating Committee at All India level functioned. The employees felt the need of forming an All India Federation. Accordingly the representatives of the Unions met in a convention in Delhi in 1963 and formed All India United Commercial Bank Employees Federation with Com. W.G. Deshpande (Bombay) as President and Com. S.R. Bal as General Secretary. Immediately after formation of the Federation demand for promotion policy and stoppage of direct recruitment was raised and in 1964 a powerful work-to-rule movement including stoppage of overtime was launched throughout the country the like of which was never seen in the Bank in the past.

As a result of the movement, bank's functioning was completely paralysed throughout the country and the management had no alternative but enter into an understanding with Federation on both the issues. The understanding was subsequently followed up into a full-fledged negotiated settlement on promotion policy and direct recruitment in 1968. In this connection **Com. S.R. Bal reminisces** : "When I had an occasion to meet Com. Parvana afterwards, he expressed his appreciation of the effectiveness of our work-to-rule

movement & stoppage of overtime work and said that AIBEA was thinking of giving a call for support to our struggle but before it was put into action, the understanding had been reached with the Bank and movement, called off." Another important settlement during the period was on Bonus, as the Federation succeeded in achieving negotiated settlement of accumulated Bonus disputes for the past several years.

However, fissures arose within the organization in 1968 concerning the movement for Bonus for the year 1968. A demand was placed for a rise in the bonus for the year 1968 to 11.2% of gross pay & DA, but the management declined. They first offered 9.74% and indicated willingness to raise it to 10% in the negotiation in Bombay where all the office – bearers were present. The offer was unanimously rejected by the office-bearers and it was decided to launch agitation to realize the demand. Accordingly a programme for movement was given. However, when the movement was just gearing up momentum, majority office-bearers wanted a meeting to review the matter. The meeting was held in Calcutta and as it transpired, at the instance of top AIBEA leaders, majority officers changed their mind and decided to call off the agitation mid-way, which was considered a betrayal by a large chunk of employees. This created a chink in the organization which, in a short span of five years since foundation, added to its laurel significant achievements by dint of exemplary display of unity and solidarity in the 1964 work-to-rule movement.

Bank of Madura :

In 1970's in Bank of Madura dispute arose centering round recruitment of 400 hands on apprenticeship on a pay of Rs 100/- only per month. Naturally the employees protested this anti-labour game of the management taking advantage of the huge unemployment situation in the country. Employees' protests invited number of attacks from the management

including issuance of chargesheet and suspension order on the General Secretary, indiscriminate transfers of important union functionaries; also hundreds of chargesheets and suspension orders were issued to around 600 employees of the bank. However, the matter came to an honourable solution at the intervention of the Government.

Vijaya Bank :

Management in the bank indulged in all sorts of unfair labour practices in the States of Karnataka and Kerala. Employees were put into service on apprenticeship basis on a paltry salary. There was no specific period of their apprenticeship, in many of the cases tenure extended to years. More so, such employees were to perform various sorts of duties, in addition to their regular jobs, and for longer hours on every day. Perturbed by their protest against such deprivation and exploitation the management of the bank resorted to vindictive transfers of the employees to far off places and also to distant States, beyond the respective State boundaries. However, in the face of united mounting pressure the bank had to come to terms and stopped such practices any more.

Federal Bank :

The employees in the bank resorted to sustained agitational programme for around one hundred days pressing upon the management for implementation of the agreement arrived at a tripartite meeting before the Regional Labour Commissioner. Here also the management, instead of coming to reason, issued series of transfer orders, chargesheets and suspension orders. Ultimately the management retraced their faulty steps and honoured the settlement.

Andhra Bank :

Officers in the bank went on agitation for a considerable period seeking justice from the management on their long felt

problems and for mitigation of the grievances. The story of the management was repeated here also by way of issuance of large scale transfer orders, chargesheets and suspensions. Supporting actions by organizations of many other banks were also launched. Finally the management implemented the agreement as a result of arbitration.

Grindlays Bank : One of the most important and historic struggles against indiscriminate mechanization was launched by the employees of Grindlays Bank under the leadership of AIGBEF (All India Grindlays Bank Employees Federation) for 92 days beginning from November 5, 1979 till February 4, 1980. 4300 employees of 56 branches in the country took part in this 3 month old strike. A series of discussion between the Federation and the Grindlays management before and during the continuation of the strike were held but yielding no result. Prior to launching on this historic strike the Federation also went on 8 days' protest strike during September-October 1979. The management in order to break the strike arranged issuance of injunction orders from the courts against picketing by the employees in and around all the branches of the bank. During this long 92 days strike 18 offices of the bank were completely kept under lock and key. It was also attempted to keep 38 branches open with services by the officers only; but here also officers were not available to break the strike launched on an issue of principle, barring a few officers who entered the branch premises in Delhi only. It is true that employees had to face tremendous hardship because of the loss of pay for long 3 months. To meet the situation some arrangement was made in Madras for giving some **rationalized goods to the employees** as an emergency. In Calcutta on the basis of individual applications each of the employees was given a loan of Rs. 200/- per month from the Staff Cooperative Society, apart from giving opportunity of taking loans from the Benefit Fund. All the Central Trade Unions viz., CITU, AITUC, INTUC, HMS and

BMS supported this strike through their Press briefing. A.P. Sharma, M.P. and President INTUC said “The Grindlays Bank’s increasing resort to automation and other measures in the name of rationalization has also caused a gradual fall in the employment”. Fraternal support to and co-operation with the movement came from organizations like LIC, GIC, Mercantile offices, Central and State Government, Food Corporation etc. MPs from Left and Democratic parties jointly expressed their concern to the Finance and the Labour Ministers in a statement inter alia requesting “the Hon’ble Minister to have a serious look on the unjustified job abolition policy of the bank vis-a-vis further mechanization and in the meanwhile take early steps to bring about an amicable settlement of the demands of the employees.” The tactics adopted by the management were two-pronged; (I) to prolong the strike by adopting a dilatory method in the bi-lateral talks and (II) create bifurcation of the employees in the movement. The management was also partially successful in their method to break the strike. A section of employees of Delhi Union under the leadership of Rajinder Sayal, a prominent leader of AIBEA, broke the strike and joined their duties unconditionally on the 64th day of the strike. It may be recalled that here in Delhi alone officers could enter the bank to render regular services. But the employees in the rest of the country, undeterred by the anti-strike and pro-management role of this section, continued the strike with all their determination and magnificent solidarity.

Dr. Tulpule’s Award : On February 12, 1980 the disputes of the employees were referred to the National Tribunal under the Chairmanship of C.T. Dighe. Then again through a notification of 12.02.1980 the Central Government referred the vital issues – wage parity with comparable foreign banks and bank’s scheme of automation to the National Industrial Tribunal, Bombay under Presidentship of Dr. Tulpule, who gave his award on 30.08.1984. The verdict ‘upheld in principle

the concept of wage parity in foreign banks as they are considered to be the “class within class” and “class by themselves” inside the ‘A’ Class banks and allowed the bank to go in for automation with certain conditions which among others, contain the provision that workmen staff shall be quantum-wise retained and its strength frozen as on 30.08.84. This condition, in particular, is the first of its kind in any legal pronouncement in our country and provides safeguards against job elimination by the computer blast and its ill consequences.’ Thus the basic points over which the employees fought for 92 overcoming the disruptive activities of AIBEA leaders like Rajinder Sayal were vindicated with safeguards provided for the time being against the menacing attack of indiscriminate use of the computers in the bank and extension of financial benefits.