



Date: 1st June 2016

To
The Managing Director & CEO,
UCO BANK,
Head Office,
10, B T M Sarani,
Kolkata- 700 001.



Dear Sir,

We request a reference to discussions we had in the last Apex Level performance Review Committee and subsequent communications addressed to you by our Federations. Deeply concerned by the prevailing situation in the Bank and also by certain unilateral decisions of the top management, we are submitting this memorandum to your goodselves with a hope of securing positive response from you.

BANK'S HEALTH : We are very much disturbed and concerned over the problems and ills that are confronting our beloved Institution. We are aware that our Bank is not an exception and many other Banks are subjected to similar pressure due to rising level of Non performing and stressed assets. A careful Scrutiny of the Balance sheet reveals that unlike many other banks, our Bank's earnings and operational profit have been grievously hit, besides placing our Bank in the top as far as the level of NPA is concerned. It is a matter for concern that operation profit which was hovering close to 5000 crore in the previous two financial years, has come down to 3600 crore. It is equally disturbing that Bank's total business has come down by more than 20000 cr. While we are conscious that it is not the time for pointing fingers against any section or indulge in blame game, certain factors should not escape the attention of all of us. In other words there is need to analyse, if not introspect, those factors which have contributed to the present crisis. All of us - the Administration, work force and unions / associations - need to look back and identify those factors responsible for the present ills and apply our collective wisdom to re-work strategies necessary to put the Bank in its proper track. More than 50% of the work force have come into the Bank just a few years back and have longer innings to play. They have come into the Bank with lot of expectations and dreams about their future. Their hopes should not be shattered. We have to guarantee their future. It is therefore imperative upon all of us at the Apex Level to stay close, move with sense of oneness, plan prudently and ensure its execution perfectly. In our assessment of the situation we observe that...

Urgent and appropriate steps are needed to remove the feeling of "total disconnect between people who matter and people who look to them".

Extra-ordinary steps to keep high the morale of the work force is the need of the hour. Consistent and constant efforts are necessary to instill confidence in the minds of decision makers at different level, as, fear of being made accountable even for bonafide business decisions or inadvertent/ unintended human error, has engulfed the whole atmosphere in the Bank, serving as a demotivating/discouraging factor at all levels of management.

Understanding of issues that are confronting the branches and extending deserving and timely support to enable them to function with comfort and confidence, to be able to remain focused on the development, & develop appetite to achieve the target, is another important aspect that no one should ignore.

In sum and substance it is our submission that Administration should be seen by the work force as an inspiring one, as a supporter and as a guiding force. It is needless to say that employees and officers don't lack in their commitment to the institution. But their morale and confidence level are at a new low. This is one area which need to be addressed on priority.

We being the representatives of the work force have always endeavoured ourselves towards well being of our beloved bank. But we also feel that our genuine concern is not being trusted by the top management as a result gap between the unions/associations and the top management has widened. You will agree and appreciate that in a situation where the Bank's identity is under threat and media is speculating about merger of Banks, all of us need to stand up with a sense of oneness and commitment, not only to defend our identity but more so to rejuvenate the Bank and place it in the path of progress. From the unions we are of the strong view that the work force should not be allowed to be further demoralised or demotivated by such speculations. No one should be allowed to feel as if all is over. If appropriate steps are not taken to counter the situation polluted with the speculations about merger, Bank will be further hurt and face irreparable damage. We also equally feel that extra ordinary efforts need to be employed to retrieve the Bank from the present impasse and re-energize it with capability to stand to the onslaught of merger attempts. This calls for greater sense of unity and understanding between all section- Top management, Administration at all levels and field level work force. While we as responsible unions and associations, having grown with the Bank, having seen the bad and good days of the Bank, having countered the similar threat of closure and merger in 1990s successfully, reassure our endeavour to be part of all the efforts to steer the Bank in the desired direction, we are eager to hear from the head of the Bank as to the steps that are being taken and that are proposed to be taken to revitalize the Bank and regain it's status. It is to be taken as our strong view that under any circumstances Bank's identity is not allowed to be the subject matter of debate and no sacrifice will be big enough to keep its flag flying high. It will not be construed as a misplaced one if we demand a well structured discussions with our unions/associations, which we hope would go a long way in changing the winds in favour of the Bank.

Man-power Position in branches : We are disturbed to be informed that at your directions, earlier decision of Recruiting 1300 officers and 2500 clerks had been revisited and number has been substantially reduced. As against the indent placed to IBPS for recruitment of 1300 officers number has been slashed down to 700 and Clerical to 1410 against 2500. You may be aware that even the number originally arrived at for requirement was far less compared to the actual need of the branches. In the last five years, our Bank has deliberately been conservative in supplying needed man power to the branches as a result already 10% of the branches are operating with single officer, nearly 25% of the branches are functioning with out head Cashier or Cash officer while equal number of branches are to pull on with out even a single Clerical staff, around 500 big branches are under-staffed, and more than 1/3rd branches are depending on casual workers or outsourced arrangements in the absence of permanent peons. Our repeated plea for providing minimum man power support to the branches has been ignored as a result....

Branches are unable to get focused on development,
 People are dis- enthused to scout for new accounts,
 Credibility before the customers too takes a beating, &
 Quality of business and service too becomes a casualty. There has been a genuine fear that accounts cannot be serviced and maintained in the absence of adequate man power. Needless to draw your attention the plight of branches which are also to cater to the need of less fortunate people covered by various social welfare schemes of the Central and state governments. You may be aware that there are understandings - written and un-written - codifying minimum man power in all categories linking to productivity and business. But the management has been least concerned to take a call either on the basis of these understandings or on the basis of the demands from the field. Thus decisions were being taken for recruitment of clerks and officers with out any method of madness, mindless of the consequential adverse effects on the Bank's progress. Now your decision to down size the number will add to the woes of the branches. It is therefore our demand that immediate steps are to be initiated to arrive at the proper requirement and needful done so that development - much needed retail business - and customer service besides the well being of the work force are taken care.

RESTRUCTURING OF ADMINISTRATIVE SET UP : We are to recall the extensive discussions the then top management under the leadership of Sri.Sridhar had with our unions when Boston company was engaged for restructuring both business and administrative set up. Then the entire administrative set up and business structure were changed with huge cost. Again in 2007/08, the top management under the leadership of Sri.Goel held discussions with us for commissioning Field Level General Managers' offices in different locations. Even though we had some reservations on the desirability of having one more tier and on the additional expenditure, yet we did not stand in the way looking to the much patted set up. Of course subsequently Sri.Arun Kaul the previous chairman desired to re-christen the name of FGM office as Circle offices. In our experience the circle offices failed to live up to the purpose even as many of the Zonal offices, located by the side of Circle offices became defunct. It is also to be placed on record that on many occasions the board deliberated on the subject of capability of Zonal offices to control the

number of branches. In all the occasions it was a consensus view that the number of branches should not exceed 40/50 under each Zonal Office to have effective control and monitoring. Keeping this in view from time to time, new Zonal Offices were commissioned commensurate with branch expansion. Now a recent decision of the Bank to rationalize the circle offices and Zonal offices is not consistent with the principle and norms practiced for long and we are of the view it is not pragmatic too. This is the reason we felt that, had we been taken into confidence and had there been thorough debate on this between the unions and the management, we could have contributed to the views, sharing our experience. Unfortunately the management has thought it fit to ignore the unions and took some decision which according to us is not beneficial to the Bank and on the contrary may make things difficult both for some circle and Zonal heads to achieve the desired result. Here again we lay emphasis for adopting consistent approach both in making the changes to work and in saving cost / reducing expenditure. We look forward to have our views considered by your good selves through discussions.

While we once again reiterate our commitment to play our role, even beyond the call of duty in the progress and prosperity of our beloved Institution we look forward to your approach of collaboration if you feel that such collective effort would produce desired results.

Thanking you,

Yours faithfully,



C.M.Patel
General Secretary
AIUCBEF



Soumen Roy Choudhury
General Secretary
AIUCBOF

Copy to : **Shri Charan Singh, Executive Director, UCO Bank**
Shri G Subramania Iyer, Executive Director, UCO Bank