

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO. 1327

TO BE ANSWERED ON THE 10TH FEBRUARY 2020/ MAGHA 21, 1941 (SAKA)

Wage Negotiations of PSBs

1327. SHRI THIRUMAAVALAVAN THOL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has earned any benefits from bank amalgamation and if so, the details thereof;
- (b) whether the Government has fixed any time frame to settle the long pending wage negotiation of Public Sector Banks (PSBs) and if so, the details thereof; and
- (c) the steps taken by the Government to address the issues of pensioners in PSBs?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI ANURAG SINGH THAKUR)

(a): The amalgamation of Bank of Baroda (BoB), Vijaya Bank and Dena Bank on 1.4.2019 has enabled harnessing of synergy potential across amalgamated banks and economies of scale for the creation of a stronger bank, improved the reach to customers, resulted in a wider array of products and services, and enhanced the bank's lending capacity. This has yielded benefits in terms of improvement in operating profit, with BoB reporting an operating profit of Rs. 14,571 crore in the first three quarters of the current financial year, representing an increase of 12.8% over the operating profit for the corresponding period in the preceding year.

(b) and (c): Pension of nationalised banks is based on consensus arrived at as a result of bipartite negotiations between bank managements and bank employee unions/associations. Employees' Pension Regulations framed accordingly by bank Boards have been notified by the Government under the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980. It may thus be seen that pension is currently payable as per the agreement arrived at between bank unions/associations and the banks. PSBs had been requested by the Government to expedite steps for wage revision. The Indian Banks' Association, which negotiates on behalf of bank managements on the basis of mandates from banks, has informed that negotiations on wage revision are in process.
