



INDIAN OVERSEAS BANK OFFICERS' ASSOCIATION

Regd. No. 321/MDS (Recognised by the Management)

(Affiliated to All India Bank Officers' Confederation)

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GST ON LEASE RENTALS - A BOLT FROM THE BLUE

Dear Comrades,

12th May, 2023 was a red- letter day for every IOBIAN for the reason close to our heart that on that day our bank declared its financial results for FY 2022 – 23, with a Net Profit of Rs.2,099 crores, which was an occasion to rejoice over the Net Profit achieved for the second consecutive year.

Comrades, there is no iota of doubt that the performance stems from the fact that the entire rank and file rallied around the vision put forth by the Top Management and the solid support and motivation exhibited by the leaders which delivered the results.

Eventhough the financial results for 2022-23 was sweeter, we could not relish the sweetness as we missed the opportunity to clinch PLI this time. However we did accept the same with a pinch of salt, and without further loss of time our entire officer community has been working out strategies for better financial results in the current fiscal.

While being so, it came as a bolt from the blue, when our bank had issued a Circular advising recovery of GST on Lease Rental from the salary of Officers who have availed leased accommodation facility, which is a staff welfare gesture being extended to officers by all the banks from time immemorial. Our office has been flooded with calls from members Pan India expressing their anguish over this debit from their salary as the same ranges from Rs.2,000 to Rs.4,000, a significant amount for every individual. The hard earned revision in lease rental after a gap of 8 years through our constant follow-up has been off-set by the GST recovery.

Comrades, as you are aware, IOBOA – a responsible organisation committed to the cause of officers for 56 years, had immediately brought to the attention of management the implications of the fresh and sudden guidelines on GST recovery and its impact on the members as well, as no other bank has resorted to this practice. After initial round of discussion with GM (HRMD) and other top executives concerned, we had submitted a detailed letter to our MD & CEO expressing the agony of membership and relevant technical/logical views gathered from tax experts in contradiction of the new practice adopted. Further, we met our MD & CEO and explained our views and registered our remonstrations in the matter.

While our MD & CEO gave a patient hearing to our views in the matter and assured for positive solution, he also expressed his dissatisfaction about the bank's lesser operating profit during the last financial year which evaded PLI, negative results under major parameters by more than 1600

branches and the lacklustre attitude of some employees towards business priorities. We brought to his notice that membership is already on the path of striving hard with new strategies for the current fiscal and assured him all our efforts to achieve 15 days of PLI for the fiscal. We also pointed out that members are already weighed down with prevailing market rent and rental advance over and above their eligibility to get a decent house and hence the decision to collect GST will be an additional burden on our members. We have been in constant touch with the top management in the matter and await favourable outcome.

We thank the management for accepting our long pending demand for completing transfer exercise 2023 before commencement of the academic year. However, we observed that transfer request under compassionate / health grounds, spouse joining grounds are yet to be considered in the recently held transfer exercise. We have taken up the same with the management recalling our past experience that delay in such transfers would cost further deterioration to the health condition of such member and marital dispute in the case of lady officers. We are hopeful that our Top management will consider these cases with compassion and expedite the necessary orders.

Comrades, there is acute staff shortage, across the cadre, in some of the regions resulting in unbearable work load for officers in completing daily routine and excessive stress to achieve business target. We have highlighted the number of branches functioning with Nil clerical and sub-staff and requested the management for immediate recruitment of staff in various cadres to provide minimum expected working environment to the officers.

Comrades, while we have successfully fought the threat of privatisation, the unexpected and sudden developments within the bank should not demoralise our membership as we always follow the principle of "Participative Management" and the bank had witnessed the same over these years. With your continued faith in the organisation and support, we are confident that an amicable and favourable solution will fall in place shortly. The need of the hour is that we need to be in unison to fight against any ill-conceived ideas from externally as well internally.

Comrades, we shall keep you informed of every significant updates on issues before us and take necessary steps to protect our rights. We value your membership and appreciate your ongoing support. Together, we will navigate the challenges ahead and achieve fairness in the issue as our selfless contributions in the most difficult times would be well recognised by the bank and our valuable rights will be protected. We will work tirelessly to address these issues and ensure the wellbeing of our members.

With revolutionary greetings,



(S. PREMKUMAR)
PRESIDENT



(BHABANI SHANKAR MISHRA)
GENERAL SECRETARY

IOB ZINDABAD!
IOBOA ZINDABAD!
AIBOC ZINDABAD!
OUR UNITY LONG LIVE!