



**CIRCULAR No. 06/2024-27**

**(TO MEMBERS ONLY)**

**Dated: 08/09/2025**

Dear Comrades,

Pursuant to the discussions we had on previous occasions with the Management and as per suggestions received from our members in various forums including the Region and Department wise Video Conferences conducted, we had consolidated the suggestions that, we strongly believe, can be the game changer for our institution in terms of a business turnaround, particularly our retail asset portfolio and represented the same to our Management including our Chairman Sri. V. J. Kurian. We are glad to know that many of the suggestions represented were implemented or are presently in different phases of implementation. We thank our Chairman Sri.V.J.Kurian, M D Sri.P.R.Sheshadri and Chief Operating Officer Sri. Anto George T for their timely interference which has started showing signs of improvement overall. Loans for Individuals in lower income groups, change of approach towards Gold loans and related modifications are a few worth mentioning. Some of the points which required more clarity were brought to further discussion with our MD and C.O.O on 27<sup>th</sup> August 2025, details of which are produced herewith for your information:

1. It was suggested that for a pre-fixed period, sanctioning powers are to be delegated to Branch heads, Cluster Heads and Regional Heads for credit, ie., 15 lakh, 30 lakh and 50 lakh respectively for all retail loans including MBG. Discretionary powers for Clean loans including TOD to be limited to 1 lakh, 5 lakh and 10 lakh respectively.

- It was opined by the top Management team that with the present Branch Managers being less exposed to credit decision making, it would be risky to give discretionary powers as recommended. We clarified that the suggestion shall be integrated with the STP processes by which a minimum level of risk shall be exposed to the discretion of the decision maker. Existing process flow through STP to be followed and deviation powers should be vested with the sanctioning authorities upto 1 deviation (BH) 2 deviations (CH) and 3 deviations (RH). Finally, it was agreed to look into the possibilities and come up with a decision soon.

2. We suggested that Rol powers shall be delegated to CH and RH for loans upto 50 lakh particularly for Auto loans where the TAT for arriving at the final terms is crucial.

- Management consented to look into the proposal positively.

3. We suggested that Individual targets shall be allotted for Cluster Heads and Regional heads for credit acquisition. We pointed out that presently, the expertise of Cluster Heads and Regional Heads in credit is not being utilised by our Institution. The role of Cluster Heads is limited to the follow up of campaign performances alone. It was also insisted that Business canvassed by Executive cadre is to be excluded



=====

from branch business for score card purpose so that there will be clarity on leads canvassed by branches. We insisted sourcing at the rate of One file per cluster for Regional Heads and One file per branch for Cluster Heads shall be insisted per Month.

4. We suggested that if sanctioning powers are allotted, discretionary powers utilised shall be reviewed by the higher sanctioning authority on a monthly basis through an automated process of access for sanctioned loans.

- Management suggested that we must adopt a portfolio performance approach rather than scrutinising individual cases.

5. Association suggested that Standard category of Savings accounts with Rs1000/- minimum balance to be brought back and credit shall be given to canvassing staff based on balance maintained.

- Management agreed to look into the same positively and come up with a modification, if approved.

6. Association suggested that the TPP targets to be taken away and cross-selling to be done solely on a customers' need basis. RSMs to be entrusted to communicate to the customer and ensure that the problem of miss-selling is arrested at the earliest. All RR functions to be stopped. Benefits for staff for selling TPP shall be limited to score card alone.

- Management consented to look into the same to scrutinise if there is an issue of mis selling in TPP and take corrective action.

7. Association suggested that Business target for branches shall be fixed on a percentage growth basis (in line with the target growth of Bank) from base figures for all branches having more than 10 years vintage. For new branches, a higher growth shall be targeted.

- Top Management was negative about implementing such an approach. It was intimated that potential of an area shall be studied taking into consideration the market share of the peers and budgets shall be fixed accordingly.

8. Association suggested that all new accounts opened, ETB and NTB to be considered for number targets. Dormant activated accounts to be given equal or more credit as that of NTB.

- Management agreed to bring suitable modifications in cases of Dormant activated cases and CIF IDs where no accounts are existing. It was intimated that necessary modifications will be made in due course.



=====

9. Association suggested that Business reviews shall be limited to one per month in which a whole day can be utilised for reviewing all products/ verticals.

- But Management insisted that since selling is not a continuous and periodic phenomenon, reviews shall be made on a need basis but strictly according to the previous instruction by C.O.O regarding schedules and time slots to be followed.

10. Association suggested that LSR approval and Technical Vetting process shall be reviewed and remodelled in uniformity with that of the peers.

- Management assured to look into the process flow of LSR and vetting process and make necessary improvements in the same while the technical vetting process shall not be modified for the time being.

11. Association suggested that Bank should spend more on advertisements and publicity. CSR and donations to be done on a push basis after selecting potential customers on a cluster basis.

- Management explained that a cluster based approach with merchant collaborations and adding more benefits to customers on retail purchases whereby a mutually benefitting system is being developed.

12. Association suggested that the Top customers in every cluster shall be met by Top Executives once in a year and feedback shall be taken.

- Management responded that Executive visits including that of the C.O.O is in progress and asked branches to bring up requirements of any such visits which will be taken care of.

13. Association suggested to avoid the month end frenzy for disbursement, putting huge pressure on various sections of staff but do not bring in any realistic results, a follow up mechanism may be insisted at RO level for all steps after sanction. Definite time may be fixed for each stage, which may be minutely followed up by RO head and his team to ensure that files do not get bundled up during month end.

- Management responded that even though the requirements in month ends cannot be totally scrapped, the unnecessary pressure for late disbursements is not insisted upon. We had pointed out to the MD that it shall be the call of the branch whether or not immediate requirement was there for disbursement which was fully supported by him. We urge the membership to refrain from the practise of late-night disbursements and bring to the notice of the Association if being pressurised unnecessarily on a case to case basis.



=====

### **Regarding Departments**

1. Suggestion was given to improve the quality of software used for credit analysis. Eg:- perfios (statement analysis), doesn't analyse statements from many Banks while staff are expected to do the analysis manually, which is prone to mistakes, takes too much time and affects the TAT.

- Management agreed and informed about working on a much more effective and economic solution which will be implemented soon.

2. Extreme staff shortage was pointed out in certain departments while some others are not at all having sufficient work, in comparison. We also brought to MD's notice about the un ending mergers and closures happening in various departments affecting the quality of work.

- Management agreed to rectify the issue with recruitments in Legal department where the shortage is extreme and assured that a modification in staffing pattern will be implemented.

3. We suggested that Committee based approach for minute deviations delays the file until the next committee even in small retail loans. Powers for deviations to be given to individual Functionaries.

- Management consented to the same and assured to implement necessary corrections soon.

4. We insisted that the number of branches shall be increased to amplify growth since concentration on the same base may not yield results.

- Management informed their calculated strategy to gradually increase the number of branches in preferred locations but in a further phase of our growth.

5. Association suggested that a feedback mechanism for appraising hiccups of departments shall be insisted upon where the ground level staff gets an opportunity to make corrections.

6. Association insisted that the 360 degree appraisal shall be brought back, to ensure transparency in the system without fail.

- Management agreed to look into the same positively.

Upon our request, our M.D has also responded positively about our Internal Settlement, the process of which was assured to be sped up. Once again we thank our Management for the positive approach taken towards the suggestions proposed by the Association. The suggestions put forward were derived from the meetings conducted by the Association and particularly contributed by the members who stood up to speak. We are thankful to the members who have contributed to the cause of the Institution and we look forward to a positive turnaround in the performance of our Institution, which will be our joint responsibility



## **SOUTH INDIAN BANK OFFICERS' ASSOCIATION**

(Affiliated to AIBOC)

Central Office: SIBOA Centre, Mission Quarters, Thrissur-1

Zonal Office: 1<sup>st</sup> Floor, Sunpaul Dezira Blueberry,

Infopark Expressway, Kakkanad, Ernakulam

Website: [www.siboa.in](http://www.siboa.in), Mob: 9387100334



=====

with the implementation of what we suggested. Let's do our best for the long-term goals of our beloved Institution in the days ahead and ensure that we are mutually benefitted.

Yours faithfully,

(Praveen R)  
General Secretary

SIBOA