

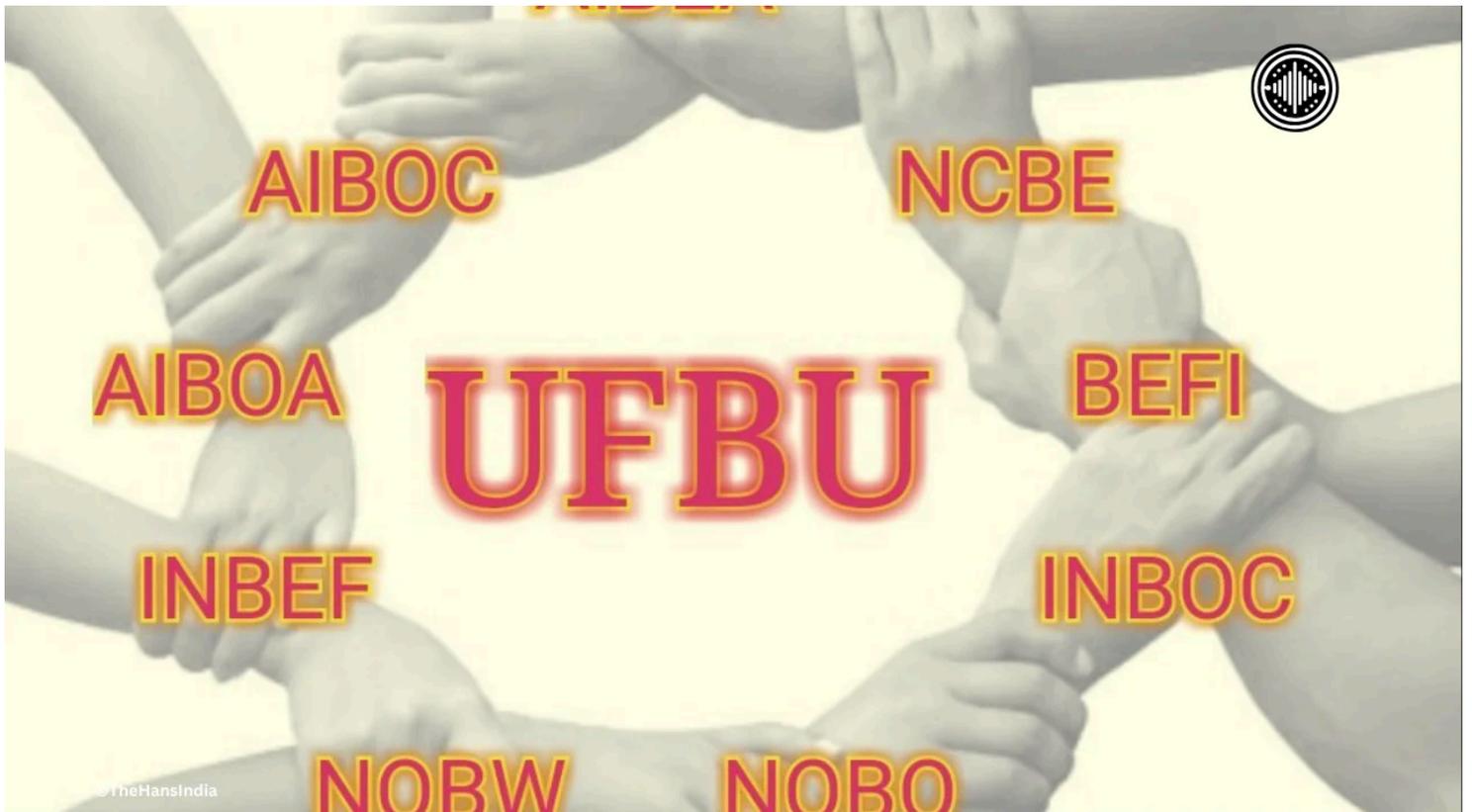
OpenVoiceNews India

Transparent. Unbiased. Yours.

No Legal Mandate for Banks to Open on Sunday for PM-Kisan Payments, Say Unions

August 3, 2025

– Categories: General News



Download IPFS

The United Forum of Bank Unions (UFBU) has raised objections to the government’s directive asking bank branches to remain open on Sunday, August 3, 2025, for disbursement under the Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) scheme. The unions point out that without a Gazette notification or Reserve Bank of India (RBI) declaration under the Negotiable Instruments Act, banks are not legally authorized to operate the Core Banking System (CBS) or conduct legally valid transactions on that day.

In a letter dated August 2, 2025, addressed to the Director-General of Europe-2 at the Ministry of Foreign Affairs, the UFBU acknowledged the banking sector's role in implementing government welfare programs but criticized how the latest directive was issued. The letter noted that transactions conducted on August 3 would not be recognized for cheque clearing, interbank settlements, or other statutory operations due to the absence of legal sanction.

The union stressed that the banking workforce is already under severe strain from staff shortages, high customer volumes, and the pressure of implementing multiple government schemes. According to the UFBU, this directive would require employees to work 12 consecutive days, from July 28 to August 8, without a break, a schedule that falls outside the bounds of existing labor laws.

The UFBU further highlighted that nearly 100% of PM-Kisan disbursements are handled by Public Sector Banks (PSBs), where the customer-to-employee ratio stands at roughly 1:2100, far higher than in private banks. The union warned that forcing branches to open on holidays without adequate compensation, overtime pay, or legal authorization undermines employee welfare and risks industrial unrest.

Among its immediate demands, the UFBU called for:

1. Withdrawal of the directive to open on Sundays or holidays unless legally mandated through a Gazette notification.
2. Establishing uniform norms for compensating holiday work, including financial incentives and overtime wages.
3. Fast-tracking the long-pending move to a five-day work week.

The union emphasized that while public sector banks remain committed to supporting government initiatives, operational decisions must balance service delivery with lawful procedures and employee well-being. Without such measures, the UFBU cautioned, both morale and public service efficiency could suffer.