



## ALL INDIA BANK OFFICERS' ASSOCIATION

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FOR:22:2020  
February 25, 2020

**URGENT & IMPORTANT**

Com.Sanjeev K.Bandlish  
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Plot No.1, Sector 17-A,  
CHANDIGARH - 160 017

Comrade,

### **2<sup>ND</sup> PHASE OF AGITATIONAL PROGRAMMES**

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We draw your pointed attention to the communication dated 18/02/2020, addressed to you by our organisation about the dire need to meet in an urgent meeting of the nine constituents to draw a proper plan of action and also understandings of the issues listed on 13/01/2020, at Mumbai. It is to our dismay that the advertisement given by the IBA in newspaper terming the trade unions are irresponsible has not been retaliated at all. Having placed our above observations, we place the points for appropriate presentation in the forums to highlight the weightage in our emphatic expressions.

#### **1. QUANTUM HIKE IN PAYSLIP COMPONENTS :**

It was more of a direction than of an advice by the CLC (CENTRAL) in May 2018, to IBA to commence the wage revision talks with 15% as the last wage revision ended with 15%. In addition to that during the course of 39 sittings, it was clear that 16% was their offer, however the same split into to two parts ie; Fixed Pay and Variable Pay. The second component was rechristened time and again and ultimately as Performance Linked Incentive, which will be over above the new wage settlement. PLI concept will be available from 31.03.2020, subject to the individual banks are to have the operating profit growth over the last year. In view of the restricted availability of PLI, it needs to kept segregated from the pay slip load, which has to be minimum 20% as demanded.

**[A] LOADING OF 2%** - This is unwarranted and retrograde condition which will leads to further inferior pay scales in Banking Industry vis-à-vis other comparable institutions like LIC, RBI etc.

## **2. 5 DAY WEEK:**

While arriving at the MOU on 23<sup>rd</sup> Feb, 2015, Madam Arunthathi Bhattacharjee the then Chairman of State Bank of India, categorically assured that she would take it up with the Government after one year subject to the experience gained and expressions of all concerned for all the Saturdays in the month. We missed to follow up the same to settle it independently prior to the current settlement. The controller of Banking system RBI enjoys 5 day week, Money Market and Foreign Exchange Market are for five days in a week and utilisation of alternative channel by customers have also gone up leaps and bounds provide the arguments to get the issue realised. To top it all, Government of Maharashtra, has announced the Government offices will function for five days from 29<sup>th</sup> Feb, 2020. Work Life Balance for the entire workforce is the need of the hour. The plight of the workforce, we need not explain further. In addition quantum jump of 20% in the payslip components, achieving the 5 days week has gained the attention and priority. It brooks no delay, as it was a carry over issue of the last settlement.

## **3. MERGER OF SPECIAL ALLOWANCE WITH BASIC PAY:**

We are considered the trend setters in the Industry in the matter of wage revision. However, LIC employees and officers surpassed us in the last wage revision. Introduction of 2% loading in the construction of Basic Pay paving way for introduction of special allowance carrying Dearness Allowance, due to burden on retrial benefits, an unconvincing approach created further impediments. Hardly 35% of the workforce is under pension regulations 1995, and total approach of Team IBA was not in right direction. Whatever working they are having has to be shared with the negotiating unions. We should not lose sight of the provisions of Section 2 (s) of the Payment of Gratuity Act coupled with the recent High Court judgement directing the Corporation Bank to recalculate the pension benefits to the petitioners. Introduction of one more special Allowance 2.0, as a new additional one should not be thought of by the unions.

## **4. RESTORATION OF DEFINED BENEFIT SCHEME OF PENSION FOR THE NPS OPTEES:**

Our serious effort to get the same stands and pursued vigorously. In the meanwhile the erosion of their contribution should not be lose sight off as some of their contributions are prone to market risks. Some of the State governments too are seriously considering the review of the scheme to take back to defined benefit schemes.

## **5. UPDATION OF PENSION:**

The scheme was introduced based on the understandings arrived on 29<sup>th</sup> October 1993 with effect from 1.1.1986 followed by an extended option again after 17 years with 70%

additional cost diverted to the Pension corpus to cover 265000 in service employees and 65000 retired staff with their contribution speaks volume about our skills of clinching the agreement.

Government of India vide their letter dated 05.03.2019, revised their pension to all categories right from 1.11.1986 till 1.11.2012. IBA's Statement in the press that an additional cost of Rs.96000/crores is required to consider the up-dation of Pension and another version that the amount required was around Rs.52000 crores need to be properly assessed. Like last time we should demand two mutually selected actuaries to be engaged to go into details of the requirement of quantum to be provided to the Pension corpus. Equally, the confirmation that the allocation were done properly by the Individual Banks as per the Clause 11 of the Pension Regulations 1995 need to be also demand. When Rs.26000 crores was the calculation for one more option to be extended, by the efforts of all constituents the quantum was reduced to Rs.6000/ crores. Partial revision to cover the retirees shall lead to new type commotion and total misunderstandings of our collective efforts. Equally apportion a part of the payslip component towards Pension up-dation too will not be proper and unjustified.

To give a clear picture of the requirements of the funding and calculations, time line should be drawn up specifically.

#### **6. REGULATED WORKING HOURS FOR OFFICERS:**

The concept of work-life balance introduced in State Bank of India should be made universally applicable for the entire workforce in general and Officers in particular. More over the mechanism needs to be in place for its effective implementation by all Banks. Reduction of cash transaction hours in the branch, which was agreed on 13<sup>th</sup> Jan, 2020 by Team IBA should be vigorously pursued for logical end.

#### **7. ENHANCED FAMILY PENSION :**

The response by IBA , in its reply to CLC(C) is vague. Though certain details have been shared during the negotiations in various rounds, the final recommendations are unknown. As the Pension scheme itself is akin to RBI Scheme, the date of effect and also quantum should also be available to Family Pensioners as that of RBI scheme.

#### **8. EQUAL WAGES FOR EQUAL WORK FOR CONTRACT EMPLOYEES/ BUSINESS CORRESPONDENTS.**

The response to our demand by IBA is vague. The outsourcing exercise of core jobs in our Industry is taking place without any restraint. The contract system introduced in the banks through agents shall result directly to the scheme of total ban on Recruitment in the Industry.

**9. OTHER ISSUES INCLUDED IN OUR CHARTER:**

Some of the responses to other issues, total negation is demonstrated ; in one or two, there is possibility of resolution, but at the cost of time factor. Wherever, there is a positive indication, it has to be pursued and clinched without further lapse of time.

**10. DELINK MEDICLAIM SCHEME :**

As a part of the last settlement, Insurance backed hospitalisation scheme was brought in, on account of insistence by the IBA, except in State Bank of India. During this interim period, the increased premium year after year was paid by the Banks. The experience with TPAs and reduction in quantum of reimbursements, by the service providers compelled us to believe that the earlier scheme available in the Banks linking to AIIMS rates was better than the new one. Hence, the discussion on this issue also to be taken care of and future negotiations need not be considered by the constituents under mediclaim scheme.

Any other unsettled demands made earlier and also in the current exercise necessarily to be resolved in a time bound manner.

In the absence of firm commitment from the IBA for our issues listed, the second phase of agitation should not be deferred or withdrawn.

Yours comradely,



**/S.NAGARAJAN/  
GENERAL SECRETARY**

**cc to: All Constituents to UFBU**

REPRODUCED BY KARNATAKA BANK OFFICERS' ORGANISATION (REGD.) MANGALURU-575 003

**Mangaluru  
26.02.2020**

Sd/-  
**(Suresha Hegde S.)  
GENERAL SECRETARY**