

# UNITED FORUM OF BANK UNIONS

(AIBEA-AIBOC-NCBE-AIBOA-BEFI-INBEF-INBOC-NOBW-NOBO)

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**SANJEEV K. BANDLISH**

Convenor

**CIRCULAR NO. 29/104/2024/46**

**18-6-2024**

**TO ALL OFFICE BEARERS/STATE FEDERATIONS/  
ALL INDIA BANKWISE ORGANISATIONS**

Dear Comrades,

## **Discussions with IBA on 15-6-2024**

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Further to the signing of the 12<sup>th</sup> Bipartite Settlement and 9<sup>th</sup> Joint Note on 8-3-2024, there were two rounds of discussions with IBA on 18-4-2024 and 13-5-2024 on the various pending issues, particularly relating to renewal of group medical insurance policy and modifications in the PLI formula, another round of discussions took place between IBA and UFBU on 15-6-2024.

**Discussions on Residual Issues:** At the outset we insisted that frequent meetings should be held to discuss the residual issues as minutised between the IBA and our Unions on 8-3-2024. IBA agreed to fix up the meeting at the earliest.

**Arrears in PLI for the year ended 31-3-2023:** We took up the issue of non-payment of arrears/difference in PLI amount for the year ended 31-3-2023 based on the revised emoluments under the 12<sup>th</sup> BPS/9<sup>th</sup> Joint Note. IBA informed us that, wherever it is not paid already, these Banks would be so advised.

**Modifications in PLI formula:** In the 11<sup>th</sup> BPS/8<sup>th</sup> Joint Note, when managements wanted to introduce an incentive scheme based on individual productivity of the employees/officers, we could achieve a scheme based on the collective performance a Bank as a whole and the Performance Linked Incentive Scheme (PLI) based on Operating Profit/Net profit of the Banks were introduced in public sector banks and on optional basis in private banks. Such Incentive amount ranging from 5 days to 15 days has been paid by the Banks from the year ended 31-3-2020 onwards.

Even though payment of PLI based on Operating Profits of Banks was as per our demand, over the years, it was being observed that Banks which were performing better in other parameters could not be paid higher rate of PLI since the increase in Operating Profits was not as per prescribed criteria. Hence, we have been asking for some modifications in the PLI formula to enable Banks to pay higher PLI to employees. Bank managements also felt the need to suitably revise the formula.

In this background, the issue was discussed between IBA and the Unions and it has been agreed that the PLI formula can be modified by which PLI can be paid based on emoluments ranging from 5 days to 15 days instead of the present 5/10/15 days.

This would mean that the PLI amount would be 5 days wages, 6 days wages, 7 days etc. etc. upto 15 days based on the revised matrix.

It has also been agreed that PLI can be decided based on 8 parameters viz. increase in CASA deposits, Non-Interest Income, total business of the Bank, profitability, ROA/ROE, Government Schemes, SMA accounts and reduction in NPA out of which Banks can decide to adopt any 5 of these parameters every year looking to their core strength, priorities, etc. and fix up the matrix in consultation with the Unions. Based on the combined marks of the 5 parameters decided by each

Bank each year, the PLI would be decided and paid ranging from 5 days emoluments to 15 days emoluments.

We have suggested that increase in loans under SME/priority sector may also be considered as a criteria.

It has been agreed that the modified formula would be applicable from the year ended 31-3-2024 and hence accordingly Banks would decide the PLI as above.

**Renewal of Group Medical Insurance Policy for 2024-25:** Since the current Policy for retirees would end by 31-10-2024 and the Policy for the in-service employees/officers would end by 30-11-2024, there is need to renew the same. Hence the issue was discussed in this meeting. Having regard to the premium for the retirees which is increasing year after year, it was suggested that there can be a combined policy for retirees and in service employees/ officers with uniform coverage which would expectedly result in reduction in premium for the retirees.

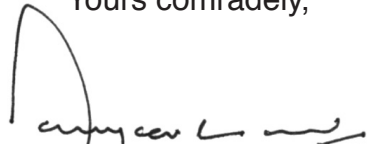
We have further suggested that for the in-service employees/ officers, there can be additional coverage for treatment of critical illnesses. We have also suggested that the buffer coverage can be reviewed provided that any uncovered amount would be reimbursed by the managements of each Bank.

Suggestions like reverting to reimbursement scheme and adopting SBI scheme, etc. would be taken up later as the same requires detailed study of cost benefit, etc.

IBA informed that they would take the views and opinion of the member banks in this regard, and further decisions can be taken in the next meeting.

With greetings.

Yours comradely,

  
( **SANJEEV K. BANDLISH** )  
**CONVENOR**

**REPRODUCED BY ALL INDIA KARNATAKA BANK EMPLOYEES' ASSOCIATION (REGD.)  
AND**

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



(Paneendra K.G.)

**GENERAL SECRETARY, AIKBEA**



(Suresha Hegde S.)

**GENERAL SECRETARY, KBOO**

**Mangaluru  
18.06.2024**

<b>U F B U</b>	...	...	...	<b>ZINDABAD</b>
<b>A I B E A &amp; A I B O A</b>	...	...	...	<b>ZINDABAD</b>
<b>A I K B E A &amp; K B O O</b>	...	...	...	<b>ZINDABAD</b>
<b>TWIN - BANNER UNITY</b>	...	...	...	<b>ZINDABAD</b>
<b>OFFICERS - WORKMEN UNITY</b>	...	...	...	<b>ZINDABAD</b>