



Indian Banks' Association

HR & INDUSTRIAL RELATIONS

No.HR&IR/CIR/2015-16/B/90/1377

September 19, 2015

Designated Officers of Member Banks who are parties to Bipartite Settlement

Dear Sir/Madam,

10th Bipartite Settlement (1.11.2012 to 31.10.2017): **Stagnation Increments to Non-Subordinate Employees**

As per the provisions of 10th Bipartite Settlement, it has been agreed to reduce the periodicity of 6th stagnation increment from 3 years to 2 years and to introduce 8th stagnation increment w.e.f. 1st May, 2015. 8th stagnation increment is to be released after two years on receipt of 7th stagnation increment or from 1st May, 2015 whichever is later. Keeping in view the cost constraints, it was further agreed that the consequential financial benefit to the employees could be released from 1st May, 2015. There is no change in periodicity of releasing the 7th stagnation increment and 7th stagnation increment is released after two years on receipt of 6th stagnation increment. In other words, an employee would be eligible for 8th stagnation increment, 6 years after receipt of 5th stagnation increment or w.e.f. 1st May, 2015, whichever is later. However, the employees who have got 6th and 7th stagnation increments on or after 1st November, 2012 but before 1st May, 2015 as per 9th Bipartite Settlement, would get 8th stagnation increment, 7 years after receipt of 5th stagnation increment, if the weightage of one year on account of reduction of periodicity of 6th stagnation increment from 3 years to 2 years as per 10th Bipartite Settlement is not given to such employees. As a result, these employees would be placed in a disadvantageous position vis-à-vis the employees junior to them.

2. The Workmen Unions have therefore, requested us to clarify the position without any ambiguity.

3. We have examined the matter and clarify that the employees who have completed two years or more as on 1st November, 2012, after receipt of 5th stagnation increment, would be eligible for 6th stagnation increment w.e.f. 1st November, 2012, notionally, however, monetary benefit to such employees will be given 3 years after receipt of 5th stagnation increment or w.e.f. 1st May, 2015 whichever is earlier. Similarly, 7th stagnation increment will be released notionally 2 years after notionally release of 6th stagnation increment and monetary benefit of 7th stagnation increment will be released 2 years after receipt of monetary benefit of 6th stagnation increment or w.e.f. 1st May, 2015 whichever is earlier. 8th stagnation increment

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will be released 2 years after notionally release of 7th stagnation increment or w.e.f. 1st May, 2015 whichever is later. The case may be clearly understood by following illustrations :

Illustration - I : Date of Receipt of 5th Stagnation Increment : 01/10/2010

Position as per 9 th Bipartite Settlement		Position as per 10 th Bipartite Settlement	
Stagnation Increment	Due Date of Release	Notional Date of Release	Date of Monetary Benefit
6 th	01/10/2013	01/11/2012	01/10/2013
7 th	01/10/2015	01/11/2014	01/05/2015
8 th	-----	01/11/2016	01/11/2016

Illustration - II : Date of Receipt of 5th Stagnation Increment : 01/10/2011

Position as per 9 th Bipartite Settlement		Position as per 10 th Bipartite Settlement	
Stagnation Increment	Due Date of Release	Notional Date of Release	Date of Monetary Benefit
6 th	01/10/2014	01/10/2013	01/10/2014
7 th	01/10/2016	01/10/2015	01/10/2015
8 th	-----	01/10/2017	01/10/2017

Illustration - III : Date of Receipt of 5th Stagnation Increment : 01/10/2012

Position as per 9 th Bipartite Settlement		Position as per 10 th Bipartite Settlement	
Stagnation Increment	Due Date of Release	Notional Date of Release	Date of Monetary Benefit
6 th	01/10/2015	01/10/2014	01/05/2015
7 th	01/10/2017	01/10/2016	01/10/2016
8 th	-----	01/10/2018	01/10/2018

4. Please arrange accordingly.

Yours faithfully,

K Unnikrishnan
Deputy Chief Executive