

# UNITED FORUM OF BANK UNIONS

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**SANJEEV K. BANDLISH**

Convenor

**CIRCULAR No. UFBU/2022/07**

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**TO ALL CONSTITUENT UNIONS**

Dear Comrades,

## **Discussions with IBA on Residual Issues**

Our Unions and members are aware that in the background of delay in discussing the residual and pending issues, UFBU had given the call for strike on 27<sup>th</sup> June, 2022. In the conciliation meeting held before the Chief Labour Commissioner at Delhi on 23-06-2022, IBA had agreed to commence the negotiations on the residual issues and demands raised in the strike notice and hence the strike call for deferred.

Accordingly, a round of discussion took place yesterday i.e. 1-7-2022 at IBA office in Mumbai. Shri. M.V. Rao (MD-CEO of Central Bank of India), Chairman of the IBA's Negotiating Committee represented IBA along with Shri Shanti Lal Jain (MD-CEO, Indian Bank), Shri. Joydeep Dutta Roy (ED, Bank of Baroda), Shri Debashish Mukherjee (ED, Canara Bank), Shri. Lal Singh (CGM-HR, Union Bank of India), Shri Ashok Kumar Pathak (CGM-HR, Bank of India), Shri. S K Rana (CGM-HR, PNB), Shri. Manish Kumar, (GM-HR, UCO Bank) and Shri. Md. Ayazuddin (DGM-IR, SBI). From UFBU, representatives of 8 Unions were present.

The following issues were taken up for discussion during the meeting:

**Five Day Banking** : We explained and reiterated our demand for introduction of 5 day banking i.e. declaring all Saturdays and Sundays as Bank holidays. The impact of this introduction on cash transaction hours, banking hours and total working hours were discussed. After deliberations, IBA opined and felt that further justifications should be built up on the issue so that IBA can escalate the issue to the higher authorities and various stakeholders. The issue will be discussed further.

**Updation of Pension**: IBA explained that updation of pension involves additional cost of funding and pay out and hence the cost aspect needs to be kept in mind while discussing the issue. IBA also pointed out that already, every year, all the Banks are making additional provisions to meet the shortfall in the pension fund in each Bank. After a lot of discussions, it has been suggested that to begin with the Ex-Gratia Pension to pre-1986 retirees/spouses can be addressed on a priority and improvement in the pension of retirees between 1-1-1986 and 31-10-2002 to be taken up. Thereafter the improvement in pension for retirees after 1-11-2002 may be taken up so that the additional cost can be spread out. The issue of updating the pension at the uniform index of 6352 point was also discussed in the matter and IBA wanted some more working to be done before any decision can be taken in this regard. Discussions on these issues will be further continued.

**Improvement in Pension Scheme**: Improvement in the Scheme like incorporating a clause in the Pension Regulation to provide for periodical updation of pension along with wage revision of in-service employees/officers, full pension at 50% of Pay to be given on retirement after 20 years instead of present 33 years, calculation of pension based on average of last 10 months or last month's Pay whichever is advantageous to the retiree, etc. were taken up and these issues need to be further followed up as the same required approval for the Government.

**Change in DA Scheme – shifting of base year to 2016=100**: Since the Government is publishing only the Consumer Price Index based on 2016=100 Series, we suggested that our DA scheme can be accordingly modified. IBA informed that this issue can be further worked out and taken up in the next wage revision process.

**Allocation to Staff Welfare Fund :** We reiterated our demand that the allocation to Staff Welfare Fund be made based on Operating Profits of Banks in lieu of Net Profit as is at present. IBA informed that the issue has already been taken up with the Government and would be further followed up.

**Increase in Conveyance Allowance for Employees with Disabilities :** IBA had earlier agreed that the allowance would be increased from Rs. 400 pm to Rs. 600 pm subject to approval of the Government. During the discussions, IBA informed that the matter has already been taken up with the Government and the same is being followed up.

**Special Allowance to be paid in North East/Sikkim, J&K, Himachal Pradesh as is paid to Government employees, etc. :** We pointed out that the issue is pending for a long time and should be resolved expeditiously. IBA informed that the matter requires necessary approval from the Government and the cost implications are also to be properly examined.

**Clarification of Fitment of Ex-servicemen employees :** In terms of Clause 4(c) of 11<sup>th</sup> BPS, the fitment under 10<sup>th</sup> BPS already given to Ex-servicemen employees who joined the Banks between 1-11-2017 and 11-11-2020 should be protected and clarification should be given to the Banks by IBA as many Banks are not implementing this provision and resulting in huge recovery for the concerned employees. IBA agreed to examine this issue in their internal Committee and take the decision.

**Reply to clarifications sought by Banks:** We pointed out that various Banks have referred certain issues to the IBA seeking clarifications on implementation of wage revision settlement/Joint Note and the same is pending at IBA level. Importantly, clarifications on stagnation increments are to be given without delay. IBA informed that an FAQ guideline would be issued at the earliest.

**Improvement in Medical Insurance Scheme and reduction in premium for retirees:** IBA requested UFBU to submit our views on these issues so that the same may be taken up while finalising the renewal of the Policy for the next year. We suggested that the Scheme for Retirees should include a minimum basic Policy for which the premium is to be borne by the Banks and the additional sum assured may be made optional.

**Uniform Banking/Business Hours in Branches:** We suggested that IBA should give its guidelines to all Banks and SLBCs suggesting a uniform number of hours of cash transaction hours, business hours within the total working hours. IBA agreed to examine this and issue necessary advisory to the Banks.

**Exemption of retirement benefits from Income Tax:** We took up the issue of exemption of retirement benefits, particularly Gratuity, Leave Encashment, additional 4 % contribution to NPS, etc. from the purview of Income Tax. IBA agreed to study the matter and take up with Government.

**Uniform Guidelines on implementation of PLI :** We pointed out that different Banks are adopting differing practices while implementing PLI scheme regarding pro-rata eligibility for employees who have newly joined or retired during the financial year. IBA agreed that suitable clarification will be sent to the Banks.

**Pending issues of officers Organisations:** All the issues listed by the Officers Organisations like clarifications on LFC, interpretation of stagnation increment, improvement of expenses on road travel, Grid Holidays, mandatory leave/vacation policy, medical leave, introduction of Child Care leave, Pension option to resignees, double jeopardy on opt-out/refusal for promotions, etc. were taken up and IBA informed that these issues will be further discussed.

It was decided to continue the discussions with an objective to take all the issues to a logical conclusion within a specified time period and the date for the next round of meeting will be decided shortly.

With greetings,

Yours comradely,



( SANJEEV K. BANDLISH )  
CONVENOR