



MEMORANDUM OF SETTLEMENT dated 27th April 2010 between the Managements of 46 Banks as represented by the Indian Banks' Association and their workmen as represented by the All India Bank Employees' Association, National Confederation of Bank Employees, Bank Employees' Federation of India, Indian National Bank Employees' Federation and National Organisation of Bank Workers.

[Under Section 2(p) and Section 18(1) of the Industrial Disputes Act, 1947 read with Rule 58 of the Industrial Disputes (Central) Rules, 1957]

Names of the Parties

46 Banks which are listed in Schedule I to this Memorandum of Settlement and their workmen.

Representing the Employers
(Member Banks)

- 1) Shri M V Nair
- 2) Shri R Sridharan
- 3) Shri Narayanan Raja
- 4) Shri K Ramakrishnan
- 5) Shri B B Das
- 6) Shri Rajeev Rishi
- 7) Shri K Unnikrishnan
- 8) Shri M Venugopalan

Duly authorised on behalf of the Indian Banks' Association

Representing the Workmen

- 1) Shri Rajen Nagar
- 2) Shri C H Venkatachalam
- 3) Shri N K Gaur
- 4) Shri P N Tewari
- 5) Shri Mahesh Mishra
- 6) Shri J P Sharma
- 7) Shri V R Utagi
- 8) Shri B S Rambabu
- 9) Smt. Lalita Joshi
- 10) Shri D D Rustagi
- 11) Shri P R Karanth
- 12) Shri V K Sharma
- 13) Shri Satish R Khanolkar
- 14) Shri Gour Das
- 15) Shri P P Varghese
- 16) Shri R Vijayakumar
- 17) Shri E Arunachalam

All India Bank Employees' Association



- 1) Shri L Balasubramanian
- 2) Shri S A Kadri
- 3) Shri Milind Nadkarni
- 4) Shri Prakash Gangal
- 5) Shri R K Sharma
- 6) Shri K K Khosla
- 7) Shri B C Kalita
- 8) Shri S Srinivasan
- 9) Shri M V Murali
- 10) Shri Peter Anto Nellissery
- 11) Shri P A Manjunatha
- 12) Shri K Raja Kurup
- 13) Shri Shyamal Karmakar
- 14) Shri J N Singh
- 15) Shri S D Mishra

National Confederation of Bank Employees

- 1) Shri P S Pillai
- 2) Shri Pradip Biswas
- 3) Shri G M V Nayak
- 4) Shri K Krishnan
- 5) Shri B Prasad
- 6) Shri P K Sarangi
- 7) Shri M R Shenoy
- 8) Shri M V Madhav Rao

Bank Employees' Federation of India

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- 1) Shri Subhash S Sawant
- 2) Shri R Kunjithapatham
- 3) Shri S George Timothy
- 4) Shri Siddharath Menon
- 5) Shri Dharanidhar Swain
- 6) Shri Ishwar S Puthran
- 7) Shri Barun Sarbadhikari
- 8) Shri Shyam Mukhopadhyay

Indian National Bank Employees' Federation

- 1) Shri Dinesh Kulkarni
- 2) Shri Ashwani Kumar Rana
- 3) Shri K R Poonja
- 4) Shri Mohan Kumtakar
- 5) Shri Ramanath Kini
- 6) Shri M B Harinarayanan
- 7) Shri Manmohan Gupta
- 8) Shri K S Jayaram

National Organisation of Bank Workers

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SHORT RECITAL OF THE CASE

- (A) The Indian Banks' Association (IBA) on behalf of its member banks named in the Schedule I hereto, signed a settlement dated 2nd June 2005 with the All India Bank Employees' Association (AIBEA), National Confederation of Bank Employees (NCBE), Bank Employees' Federation of India (BEFI), Indian National Bank Employees' Federation (INBEF) and National Organisation of Bank Workers (NOBW) representing the workmen employees of the Banks mentioned in the said Schedule I, inter alia regarding various terms and conditions of their service. The Settlement dated 2nd June 2005 was operational for a period of 5 years from 1st November 2002.
- (B) The AIBEA, NCBE, BEFI, INBEF and NOBW (hereafter jointly called the Unions) submitted their Charter of Demands dated 29th October 2007 for revision in wages and other service conditions of workmen to IBA and requested for negotiations on the same, with a view to arriving at an amicable settlement.
- (C) Simultaneously, IBA also raised with the Unions, issues on behalf of the managements of banks concerned, to be discussed and settled with a view to improving efficiency of operations in banks.
- (D) The parties initially agreed after negotiations that the total quantum of wage increase arising out of a Settlement to be signed in this regard shall be Rs.2,577 crores per annum including the cost of superannuation benefits and accordingly signed and exchanged minutes on 27th November 2009 at Mumbai. It is agreed that for the purpose of this settlement, the additional cost of pension be shared equally between the parties at the rate as agreed to pension costed accordingly.
- (E) The IBA and the Unions signed a minutes of the discussions on 25th February 2008 on various issues. Extending another option for pension to those who did not opt for pension when Bank Employees' Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 were implemented was one of the issues to be considered. After several round of discussions and valuing the liability through an actuarial calculation, it is agreed to extend another option to join the pension scheme to those who did not opt for pension when Bank Employees' Pension Regulations, 1995 dated 29th September



1995/ 26th March 1996 were implemented, on the terms and conditions agreed and incorporated in the Settlement dated 27th April 2010 signed between the parties.

(F) Management proposed that a scheme for introduction of performance linked variable pay in addition to fixed pay be considered as part of this wage revision exercise to increase efficiency in operations. After preliminary discussions, the parties agreed to pursue the matter further after finalisation of this settlement, to reach a consensus.

(G) The parties negotiated the aforesaid demands and issues and have reached an agreement as set out herein under in full satisfaction of their demands.

(H) The agreement reached as aforesaid shall amend, modify and supersede the relevant provisions of the Awards and Settlements wherever referred to in this Settlement.



NOW, IT IS HEREBY AGREED AND DECLARED by and between the parties hereto as under:-

TERMS OF THE SETTLEMENT

GENERAL

1. In respect of 46 Banks listed in Schedule 1 to this Memorandum of Settlement, except the State Bank of India, Indian Overseas Bank and Bank of Baroda, the provisions of the Sastry Award in Reference No.S.R.O. 35 dated 5th January 1952, notified on 26th March 1953 as finally modified and enacted by the Industrial Disputes (Banking Companies) Decision Act, 1955, the Industrial Disputes (Banking Companies) Decision Amendment Act, 1957 and the provisions of the Award of the National Industrial Tribunal presided over by Mr. Justice K T Desai in Reference No.1 of 1960 which Award inter alia modifies certain provisions of the Sastry Award (hereinafter referred to as the Awards) as modified by the settlements dated 19th October, 1966, 12th October, 1970, 23rd July, 1971, 8th November, 1973, 1st August, 1979, 31st October, 1979, 21st April, 1980, 8th September, 1983, 17th September, 1984, 5th January, 1987, 10th April, 1989, 29th June, 1990, 16th July, 1991, 29th October, 1993, 14th February, 1995, 14th December, 1996, 28th November, 1997, 27th March 2000, 10th April 2002 and 2nd June 2005 shall continue to govern the service conditions except to the extent the same are modified by this settlement.

2. (i) In respect of State Bank of India, the provisions of the Awards as modified by the Settlements dated 31st March, 1967, 24th February, 1970, 15th September, 1970, 1st August, 1979, 31st October, 1979, 21st April, 1980, 8th September, 1983, 17th September, 1984, 5th January, 1987, 10th April, 1989, 29th June, 1990, 16th July, 1991, 29th October, 1993, 14th February, 1995, 14th December, 1996, 28th November, 1997, 27th March 2000, 10th April 2002, 22nd July 2003 and 2nd June 2005 shall continue to govern the service conditions of the workmen except to the extent the same are modified by this settlement.

- (ii) In respect of Bank of Baroda, the provisions of the Awards as further modified by the Settlements dated 23rd December, 1966, 19th December, 1970, 1st August, 1979, 31st October, 1979, 21st April, 1980, 8th September, 1983, 17th September, 1984, 5th January, 1987, 10th April, 1989, 29th June, 1990, 16th July, 1991, 29th October, 1993, 14th February, 1995, 14th December, 1996, 28th November, 1997, 27th March 2000, 10th April 2002 and 2nd June 2005 shall continue to govern the service conditions of the workmen except to the extent the same are modified by this settlement.



(iii) In respect of Indian Overseas Bank, the provisions of the Awards as further modified by the Settlements dated 14th December, 1966, 17th December, 1970, 29th July, 1972, 23rd March, 1973, 1st August, 1979, 31st October, 1979, 21st April, 1980, 8th September, 1983, 17th September, 1984, 5th January, 1987, 10th April, 1989, 29th June, 1990, 16th July, 1991, 29th October, 1993, 14th February, 1995, 14th December, 1996, 28th November, 1997, 27th March 2000, 10th April 2002 and 2nd June 2005 shall continue to govern the service conditions of the workmen except to the extent the same are modified by this settlement.

(iv) In respect of State Bank of India, Bank of Baroda and Indian Overseas Bank, Settlements referred to in Clauses 2(i), (ii) and (iii) above refer to settlements entered into between State Bank of India, Bank of Baroda and Indian Overseas Bank with the All India State Bank of India Staff Federation, All India Bank of Baroda Employees' Federation and the All India Overseas Bank Employees' Union, respectively, representing the workmen of those banks (hereinafter referred to as the said separate settlements).

3. (i) The provisions of the said Awards, the First Bipartite Settlement dated 19th October, 1966 and/or other subsequent settlement(s) including the above mentioned separate settlements hereinafter collectively referred to as said settlements shall stand modified or superseded to the extent and in the manner detailed hereunder.

(ii) Provisions in the aforesaid Awards/Settlements which have not been amended/modified or superseded by this Settlement shall continue to remain in force.

4. Scales of Pay

(a) In supersession of Clause 4 of Bipartite Settlement dated 2nd June 2005, with effect from 1st November, 2007 the scales of pay shall be as under:-

Clerical Staff

6200	$\frac{400}{3}$	7400	$\frac{500}{3}$	8900	$\frac{600}{4}$	11300	$\frac{700}{7}$
16200	$\frac{1300}{1}$	17500	$\frac{800}{1}$	18300		(20 years)	

Subordinate Staff

5500	$\frac{200}{4}$	6300	$\frac{250}{5}$	7550	$\frac{300}{4}$	8750	$\frac{350}{3}$
9800	$\frac{400}{3}$	11000		(20 years)			



(b) With effect from 1st May 2010, the scales of pay shall be as under:

Clerical Staff

7200	$\frac{400}{3}$	8400	$\frac{500}{3}$	9900	$\frac{600}{4}$	12300	$\frac{700}{7}$
17200	$\frac{1300}{1}$	18500	$\frac{800}{1}$	19300	(20 years)		

Subordinate Staff

5850	$\frac{200}{4}$	6650	$\frac{250}{5}$	7900	$\frac{300}{4}$	9100	$\frac{350}{3}$
10150	$\frac{400}{3}$	11350	(20 years)				

Note:

(a) Fitment in the new scales of pay shall be on a stage-to-stage basis.

(b) There shall be no change in the dates of annual increments because of the fitment.

5. Stagnation Increments

In partial modification of Clause 5 of Bipartite Settlement dated 2nd June 2005 both clerical and subordinate staff (including permanent part-time employees on scale wages) shall be eligible for seven stagnation increments w.e.f. 1st November 2007 at the rate and frequency as stated herein under:

The clerical and subordinate staff including permanent part-time employees on scale wages on reaching the maximum in their respective scales of pay, shall draw seven stagnation increments at the rate of Rs.800/- and Rs.400/- (pro rata in respect of part-time employees) each due under this settlement, and at frequencies of 3 years and 2 years respectively, from the dates of reaching the maximum of their scales as aforesaid, except that the seventh stagnation increment in clerical cadre will be released after two years of receiving the sixth stagnation increment.

Provided that a clerical / subordinate staff (including permanent part-time employees on scale wages) already in receipt of six stagnation increments shall be eligible for the seventh stagnation increment on 1st November 2007 or two years after receiving the sixth stagnation increment, whichever is later.

6. Definition of 'Pay'

In reiteration of Clause 6 of the Bipartite Settlement dated 2nd June 2005, 'Pay' for the purpose of D.A., HRA and superannuation benefits shall mean Basic Pay, Stagnation



increments, Special Pay, Graduation Pay, Professional Qualification Pay and Officiating Pay, if any.

Note:

The increment component of Fixed Personal Pay as given in column 2 of Schedule IV shall rank for superannuation benefits.

7. Dearness Allowance

In substitution of Clause 7 of Bipartite Settlement dated 2nd June 2005 with effect from 1st November 2007, the dearness allowance shall be payable as per the following rates:-

Clerical and Subordinate Staff

0.15% of 'pay'

Note:

Dearness Allowance in the above manner shall be paid for every rise or fall of 4 points over 2836 points in the quarterly average of the All India Average Working Class Consumer Price Index (General) Base 1960=100.

(a) It is clarified that there shall be no ceiling on Dearness Allowance.

(b) Dearness Allowance shall be calculated and paid on Basic Pay, Special Pay, Graduation Pay, Professional Qualification Pay and Officiating Pay, if any, payable under this settlement in respect of both clerical and subordinate staff.

(c) All other existing provisions relating to Dearness Allowance Scheme shall remain unchanged.

8. City Compensatory Allowance

Clause 8 of the Bipartite Settlement dated 2nd June 2005 stands superceded and accordingly no City Compensatory Allowance shall be payable w.e.f. 1st November 2007.

9. House Rent Allowance

In substitution of Clause 9 of the Bipartite Settlement dated 2nd June 2005 with effect from 1st November, 2007 the House Rent Allowance payable shall be as under:



	Area	Rate as percentage of Pay [No Minimum/No Maximum]
(i)	Places with population of more than 45 lakhs	10.00
(ii)	Places with population of 12 lakhs and above including State of Goa	9.00
(iii)	Places with population of 5 lakhs and above, State Capitals and Capitals of Union Territories and other than places mentioned in (i) and (ii) above	7.50
(iv)	Places with population below 5 lakhs not covered in (i), (ii) and (iii) above.	7.00

Note:

- (1) Where quarters are provided, HRA shall not be payable and the rent to be recovered shall be 0.5% of the first stage of the Scales of Pay.
- (2) All other existing provisions relating to House Rent Allowance shall remain unchanged.

10. Transport Allowance

In partial modification of Clause 10 of the Bipartite Settlement dated 2nd June 2005, Transport Allowance shall be paid as under with effect from 1st November, 2007.

Clerical and Subordinate Staff

Upto 15 th stage of the scale of Pay	-	Rs.225/- per month
16 th stage of the scale of Pay and above	-	Rs.275/- per month

Note:

- (i) All permanent part time employees including those on probation and drawing scale wages shall be paid transport allowance on pro rata basis as under:

Upto 15 years of service	-	Pro rata @Rs.225/- per month
Above 15 years of service	-	Pro rata @Rs.275/- per month
- (ii) This provision by itself will not preclude the payment of any existing allowance of this nature paid as a result of Government guidelines/bank level settlements.

11. Special Pay

- (i) In supersession of Clause 11 of the Bipartite Settlement dated 2nd June 2005, with effect from 1st November 2007 and upto 30th April 2010, the Special Pay payable to the clerical staff and subordinate staff in banks other than State Bank of India shall be as mentioned under **Part A (a), (b), (c) and (d) in Schedule II** to this Settlement.



- (ii) With effect from 1st May, 2010, posts attracting Special Pay in Clerical cadre as mentioned in **Part A (a) of Schedule II** to this agreement shall stand modified and members of clerical staff performing the said duties shall be treated as those assigned with duties of Single Window Operator 'B'.

With effect from 1st May, 2010, posts attracting Special Pay in Subordinate cadre as mentioned in **Part A (c) of Schedule II** to this agreement shall stand modified and members of Subordinate Staff performing the said duties shall be assigned with the duties of Cash Peon/ Liftman, Cyclostyle Machine operator / Relieving Liftman according to their suitability.

- (iii) With effect from 1st May, 2010, posts attracting Special Pay and Special Pay thereon shall be as provided in **Part B of Schedule II** to this Settlement.
- (iv) With effect from 1st May, 2010, Clerical staff who are drawing Special Pay for posts mentioned in **Part A (a) in Schedule II** to this Settlement as on 30th April, 2010 shall continue to discharge the Special Pay duties as hitherto and as provided in Schedule III of Bipartite Settlement dated 2nd June, 2005. In addition, upon their re-designation as Single Window Operator 'B' w.e.f. 1st May 2010 as provided in Clause (2) above, they shall also be liable to discharge the duties of Single Window Operator 'B'.

W.e.f. 1st May 2010, Subordinate staff who are drawing Special Pay for posts mentioned in **Part A (c) in Schedule II** to this Settlement as on 30th April 2010 shall continue to discharge the Special Pay duties as hitherto and as provided in Schedule III of Bipartite Settlement dated 2nd June 2005. In addition, w.e.f. 1st May 2010, they shall also be liable to discharge the duties of Cash Peon/ Liftman/ Relieving Liftman/ Cyclostyle Machine Operator according to their suitability.

- (v) (a) With effect from 1st May 2010, all existing clerical staff who are not drawing any Special Pay as on 30th April 2010 shall be paid a Special Pay of Rs. 1000/- per month which shall be merged in their Basic Pay with effect from that date. They shall be designated as Single Window Operator 'A' and shall be liable to discharge the duties as provided in **Part C in Schedule II** to this Settlement.



- (b) With effect from 1st May 2010, all existing Subordinate staff who are not drawing any Special Pay as on 30th April, 2010, shall be paid a Special pay of Rs. 350/- per month and they shall be liable to discharge the duties as provided in **Part C in Schedule II** to this Settlement.
- (vi) With effect from 1st May 2010, all Clerical and Subordinate Staff joining the Banks on and from 1st May 2010 shall be liable to discharge the duties as provided in Part C in Schedule II to this Settlement. Duties which require special skill such as Stenographer, Telephone Operator, Liftman, etc. shall be assigned only to those who possess the required skills.
- (vii) With effect from 1st May 2010, clerical staff recruited in the Banks on and from 1st May 2010 may be required to perform, in addition to the duties provided herein under **Part C of Schedule II**, specialized duties like Stenographer, Telephone Operator, etc. if their terms of recruitment so provides.
- (viii) With effect from 1st May 2010, for all the existing Clerical staff as on 30th April 2010 and continuing in service on 1st May 2010, out of the Special Pay payable to them, an amount of Rs. 1000/- shall be merged into Basic Pay and balance amount shall be payable as Special Pay. Basic Pay shall stand increased accordingly on and from 1st May 2010. Special Pay payable thereafter shall be as provided in Part B of Schedule II to this Settlement
- (ix) With effect from 1st May 2010, for all the existing Subordinate Staff as on 30th April 2010 and continuing in service on 1st May 2010, out of the Special Pay payable to them, an amount of Rs. 350/- shall be merged into Basic Pay and balance amount shall be payable as Special Pay. Basic Pay shall stand increased accordingly on and from 1st May 2010. Special Pay payable thereafter shall be as provided in Part B of Schedule II to this Settlement
- (x) With effect from 1st May 2010, the duties and responsibilities of Clerical and Subordinate Staff other than in State Bank of India shall be as set out in **Schedule III** to this Settlement.



- (xi) In all other aspects, the general rules and provisions contained in Chapter V of the Bipartite Settlement dated 19th October 1966 relating to special pay carrying posts, as modified from time-to-time, shall continue to apply.
- (xii) With effect from 1st November 2007, Graduation Pay and Professional Qualification Pay payable to the clerical staff in banks shall be as mentioned in **Part D of Schedule II** to this Settlement.
- (xiii) The special pay, graduation pay and professional qualification pay as mentioned in **Schedule II** shall rank for superannuation benefits.
- (xiv) The rates of Special Pay and the duties of Special Pay carrying posts for workmen staff in State Bank of India may be reviewed and settled at the bank level. While deciding the rates of Special Pay, the merger of Rs.1000/- and Rs.350/- in the Basic Pay in respect of clerical and subordinate staff respectively, w.e.f. 1st May 2010 shall be implemented as in the case of other banks.
- (xv) In reiteration of sub-clause (2) of clause 11 of the Bipartite Settlement dated 2nd June 2005, a member of the non-subordinate cadre acquiring a Graduate/National Diploma in Commerce or a JAIIB/CAIIB (either or both parts) qualification/s at a time when he/she does not have the requisite number of increments in the scale to be earned as advance increments shall in the first instance be released increments for such qualification/s acquired to the extent available in the scale and in lieu of the remaining increments(s) not available for being so released as advance increments be granted / released the first installment of Graduation Pay or PQP, as the case may be. Release of subsequent installments of Graduation Pay or PQP shall be with reference to the date of release of Graduation Pay or PQP under this clause.

Provided that in the case of an employee acquiring such qualifications after reaching the maximum of the scale of pay, he shall be granted from the date of acquiring such qualification the first installment of Graduation Pay or PQP, as the case may be and the release of subsequent installments of Graduation Pay or PQP shall be with reference to the date of release of Graduation Pay or PQP under this clause.

Provided further that in a case where the employee as on 27th April 2010, has already acquired any of the said qualifications and has not earned any increment or Graduation Pay / Professional Qualification Pay on account of acquiring such qualification, he may be, with effect from 1st November 2007 or



the date of acquiring any of the said qualifications, whichever is later, released increment/s or Graduation Pay / PQP as provided herein above.

(xvi) **Graduation Pay/ Additional increment for Direct Post Graduation:**

In partial modification of Clause 34 of Bipartite Settlement dated 2nd June 2005, while non-subordinate employees who acquire graduation qualification from Universities/Open Universities which are recognized by University Grants Commission will be eligible for being granted two additional increments for graduation/ graduation pay as the case may be, those who acquire post graduate qualification without being a graduate will be granted two additional increments for graduation/ graduation pay as the case may be subject to the following conditions:

- (i) Employees who are registered under the Post Graduation courses of Open University have either passed the foundation/entrance course or attended the Bachelor's preparatory Programme; and
- (ii) They pursue the same course and take the same examination as the formal stream students.

These provisions shall have effect from the date of this settlement.

12. Hill and Fuel Allowance

In partial modification of Clause 12 of the Bipartite Settlement dated 2nd June 2005, the Hill and Fuel Allowance shall be payable at the following rates with effect from 1st November 2007:

a. At places situated at a height of 3000 metres and above	8% of pay (Max. Rs.1295/-p.m.)
b. At places situated at a height of and over 1500 metres but below 3000 metres	4% of pay (Max. Rs.510/-p.m.)
c. At places situated at a height of over 1000 metres but less than 1500 metres and Mercara Town	3% of pay (Max. Rs.410/-p.m.)

Note: All other existing provisions shall remain unchanged.

13. Fixed Personal Pay

In partial modification of Clause XIV of Bipartite Settlement dated 29th October 1993, Clause 13 of Bipartite Settlement dated 27th March 2000 and Clause 13 of the Bipartite Settlement dated 2nd June 2005, the Fixed Personal Pay shall be revised with effect from 1st November 2007 as per Schedule IV.



14. Payment of Overtime Allowance

The overtime allowance paid to the employees for the overtime work performed upto the date of this settlement shall not be recalculated on account of this Settlement.

15. Provident Fund

- (a) While the employees who are presently covered under the Pension Scheme and those who will join the Pension Scheme in terms of option being made available under Settlement dated 27th April, 2010 shall continue to contribute 10% of the Pay towards Provident Fund, there shall be no matching contribution.
- (b) Employees of State Bank of India will continue to be covered by Contributory Provident Fund Scheme as hitherto.
- (c) Employees who are presently covered under Contributory Provident Fund Scheme who do not opt for Pension Scheme being made available under the Settlement dated 27th April, 2010 shall continue under the Contributory Provident Fund Scheme as hitherto.
- (d) There shall be no Provident Fund to employees joining the services of banks on or after 1st April 2010. They shall be covered by a Defined Contributory Pension Scheme, where the employee will contribute 10% of Pay plus Dearness Allowance and the bank will make a matching contribution. The Scheme shall be governed by the provisions of the Contributory Pension Scheme as introduced for employees of Central Government with effect from 1st January 2004 and modified from time to time.

16. Pension (in Banks other than State Bank of India)

1. It is agreed between the parties that the terms of the Bank Employees' Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall not apply to the employees who join the services of Banks on or after 1st April 2010; and they shall be covered by a Defined Contributory Pension Scheme, which shall be governed by the provision of the Contributory Pension Scheme introduced for employees of the Central Government w.e.f. 1st January 2004, and as modified from time to time. Necessary amendments to the relevant provisions of the Bank Employees' Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall be carried out following the procedure in this regard.
2. Further to Clause 6 of the Bipartite Settlement dated 2nd June 2005, it is agreed between the parties as under:



- (i) With effect from 1st May 2005, the pension of employees who retired or died while in service during the period 1st April 1998 to 31st October 2002 will be re-fixed based on the definition of 'Pay' as defined in Clause 6(ii) of the Bipartite Settlement dated 27th March 2000. No arrears of pension and commuted value of pension will be payable on account of such re-fixing of pension.
- (ii) With effect from 1st May 2005, the pension of employees who retired or died while in service during the period 1st November 2002 to 30th April 2005 will be re-fixed based on the definition of 'Pay' as defined in Clause 6 of the Bipartite Settlement dated 2nd June 2005. No arrears of pension or commuted value of pension will be payable on account of such re-fixation of pension.
3. Further to Clause 7(2) of the Bipartite Settlement dated 2nd June 2005, it is agreed between the parties as under:
- (i) On and from 1.5.2005, in the case of employees who retired during the period 1.4.1998 to 31.10.2002, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every 4 points over 1684 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100. Such increase or decrease in dearness relief for every said four points shall be calculated in the manner given below:

Scale of Basic Pension per month	The rate of Dearness Relief payable as a percentage of Basic Pension
(i) Upto Rs. 3550	0.24 percent
(ii) Rs.3551 to Rs.5650	0.24 per cent of pension exceeding Rs.3550 plus 0.20 per cent of the basic pension in excess of Rs.3550
(iii) Rs.5651 to Rs.6010	0.24 per cent of Rs.3550 plus 0.20 per cent of the difference between Rs.5650 and Rs. 3550 plus 0.12 per cent of basic pension in excess of Rs.5650
(iv) Above Rs.6010	0.24 per cent of Rs. 3550 plus 0.20 per cent of the difference between Rs.5650 and Rs.3550 plus 0.12 per cent difference between Rs.6010 and Rs.5650 plus 0.06 per cent of basic pension in excess of Rs.6010

- (ii) In respect of retirees for the period 1.11.2002 to 30.4.2005 for whom pension has been revised w.e.f. 1.5.2005 based on definition of pay in terms of Clause 6 of the Bipartite Settlement dated 2nd June 2005, dearness relief shall be payable w.e.f. 1.5.2005 for every rise or be recoverable for every fall as the case may be of every four points over 2288 points in the quarterly average of All India



Average Consumer Price Index for Industrial Workers in the series 1960=100 @ 0.18% of the basic pension.

- (iii) In respect of employees who retire on or after 1.5.2005, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every four points over 2288 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100, at the rate of 0.18 per cent of basic pension.
- (iv) In respect of employees who retired or died while in service on or after 1.05.2005 Dearness Relief shall be payable at 0.18% of the basic pension or family pension or invalid pension or compassionate allowance as the case may be. Dearness Relief in the above manner shall be paid for every rise or fall of 4 points over 2288 points in the quarterly average of the All India Average Consumer Price Index for industrial workers in the series 1960 = 100.

Note:

The Dearness Relief as above shall be payable for the half year commencing from the 1st day of February and ending with 31st day of July on the quarterly average of index figures published for the months October, November and December of the previous year and for the half year commencing from 1st day of August and ending with the 31st day of January on the quarterly average of the index figures published for the months of April, May and June of the same year.

17. Medical Aid

In substitution of Clause 17 of the Bipartite Settlement dated 2nd June 2005, with effect from 1st November 2007, the reimbursement of medical expenses under medical aid scheme shall be restricted to an amount of Rs.2,000/- per annum.

For the year 2007, the reimbursement of medical expenses under the medical aid scheme shall be enhanced proportionately for two months i.e. November and December 2007.

18. Definition of 'Family':

- a. In substitution of Clause 18 of the Bipartite Settlement dated 2nd June 2005, for the purpose of medical facilities and for the purpose of leave fare concession, the expression 'family' of an employee shall mean the employee's spouse, wholly dependent unmarried children (including step children and legally adopted children), wholly dependent physically challenged brother / sister with 40% or more



disability, as also parents ordinarily residing with and wholly dependent on the employee.

- b. The term wholly dependent child/parent, physically challenged brother/sister shall mean such member of the family having a monthly income not exceeding Rs.3500/- p.m.

If the income of one of the parents exceeds Rs.3,500/- p.m. or the aggregate income of both the parents exceeds Rs.3,500/- p.m., both the parents shall not be considered as wholly dependent on the employee.

- c. A married female employee may include her natural parents or parents-in-law under the definition of family – but not both – provided that the parents/parents-in-law are ordinarily residing with and wholly dependent on her.

19. Leave Fare Concession

- (i) In supersession of Paragraph 19 of Bipartite Settlement dated 2nd June 2005, with effect from the date of this Settlement, leave fare concession payable will be the actual return railway fare or steamer fare incurred by the workman and members of his family subject to the following:
- a) For availment of leave fare concession under a 2 year block for visit to any place within India, the maximum permissible distance shall be 2500 km. for subordinate staff and 2000 km. for non-subordinate staff.
- b) For availment of leave fare concession under a 4 year block for visit to any place in India, the maximum permissible distance shall be 5000 km. for subordinate staff and 4000 km. for non-subordinate staff.
- (ii) With the effect from the date of settlement, the class of fare to which the workman and the members of his family would be entitled, shall be as follows :

Subordinate Staff :

AC III Tier for the journey by mail/express train.

Non-subordinate Staff :

AC II Tier for the journey by mail/express train.

Provided further that where the non-subordinate employee and / or members of his family undertake travel by air either to his place of domicile or to any other place for rest and recuperation within India, he shall be entitled to be reimbursed



the actual air fare so incurred or the AC II Tier class fare by train by a direct route in case of travel to place of domicile to the extent of the maximum admissible distance in case of travel to any other place for rest and recuperation, during the two year/four year block respectively, whichever is less.

- (iii) An employee and/or members of his family, when availing leave fare concession may undertake travel by any mode of surface transport between places and the employee will be eligible to claim in respect of such journey his actual expenditure or the notional train fare by the entitled class for the distance so travelled, whichever is less, within his overall entitlement.

For the purpose of this sub-clause, travel by any approved mode of surface transport would mean such travel undertaken through any public transport or transport (including taxi) operated by agencies / tour operators approved by appropriate Government authorities or motorcar owned by the employee with permission of the Bank.

- (iv) By exercising an option anytime during a block of 2 years or 4 years, as the case may be, an employee can either undertake travel availing of leave fare concession and claim reimbursement upto his entitlement or to encash the facility for the concerned block. The option so exercised shall be irrevocable for the block concerned. On opting to encash the facility, he will be entitled to receive a lump sum equivalent to 75% of notional train fare for the admissible distance (depending on a 2 year or 4 year block) by the entitled class, subject to deduction of admissible tax at source. Leave Fare Concession for travel to place of domicile is not encashable. An employee opting to encash his LFC shall prefer the claim for himself and his family members only once during the block / term in which such encashment is availed of. The facility of encashment of privilege leave while availing of Leave Fare Concession is also available while encashing the facility of LFC.

Provided, however that an employee so encashing the facility of leave fare concession shall proceed on leave for a minimum period of one day.

- (v) All employees will be given an opportunity to exercise an option within 90 days from the date of this Settlement to avail LFC under two years/four years block as



the case may be. If no option is exercised within the stipulated period, the earlier option will continue to be operative.

20. Hospitalisation

In substitution of Clause 20 of the Bipartite Settlement dated 2nd June 2005, with effect from the 1st May 2010, the reimbursement of hospitalisation expenses shall be as detailed in **Schedule V** to this Settlement.

21. Part-Time Employees

In substitution of Clause 21 of the Bipartite Settlement dated 2nd June 2005, with effect from 1st November 2007, Part-Time employees who are members of the subordinate staff on consolidated wages and whose normal working hours per week are 'upto 3 hours' and 'more than 3 hours but less than 6 hours' shall be paid one third scale wages w.e.f. 1st May 2010. From 1st November 2007 to 30th April 2010, they shall be paid consolidated wages as under:

- | | | |
|--|---|---|
| a. Upto 3 hours | : | at bank's discretion with a minimum of Rs.1030/- p.m. |
| b. More than 3 hours but less than 6 hours | : | at bank's discretion with minimum of Rs.1140/- p.m. |

The employees recruited on or after 1st May 2010 in part-time scale wages shall be at minimum of one third scale wages.

22. Compensation on Transfer

In supersession of Clause 10 of Bipartite Settlement dated 5th January 1987, with effect from 1st May 2010, compensation on transfer, shall be as under:-

An employee on transfer shall be paid the cost actually incurred for transporting his personal effects, as under:

By Train:

	Non Sub-staff	Sub-staff
a. For married persons	3000 kg.	2000 kg.
b. For unmarried persons	2000 kg.	1150 kg.

By Road: If the places are not connected by rail/ out agency, actual expenses will be reimbursed for transporting the personal effects by road upto the stipulated weights by an IBA approved Transport Operator.



23. Compensation for losses due to breakage or damage to goods on Transfer

In supersession of Clause 22 of Bipartite Settlement dated 2nd June 2005, with effect from 1st May 2010, compensation on transfer, shall be as under:-

- a. Where an employee produces receipts or a statement of loss in respect of breakages subject to a maximum of:

Clerical Staff	:	Rs.1,120/-
Subordinate Staff	:	Rs.745/-

- b. Where no receipts/statement of loss are produced, a lumpsum payment of:

Clerical Staff	:	Rs.745/-
Subordinate Staff	:	Rs.560/-

24. Halting Allowance

In modification of clause 23 of the Bipartite Settlement dated 2nd June 2005, with effect from 1st May 2010, halting allowance shall be payable at the following rates for the days spent on duty outside the headquarters:

	(A)	(B)	(C)
	Places with population of 12 lakhs and above and States of Goa	Places with population of 5 lakhs and above, State Capitals/ Capitals of Union Territories not covered in (A)	Other Places
Clerical Staff	Rs.500/- per diem	Rs.375/- per diem	Rs.300/- per diem
Subordinate Staff	Rs.375/- per diem	Rs.250/- per diem	Rs.185/- per diem

25. Washing Allowance

In supersession of Clause 24 of Bipartite Settlement dated 2nd June 2005, with effect from 1st May 2010, washing allowance shall be payable at Rs.100/- p.m., where the washing of livery is not arranged by the bank.

26. Cycle Allowance

In supersession of clause 25 of Bipartite Settlement dated 2nd June 2005, w.e.f. 1st November 2007, cycle allowance is payable to the members of the subordinate staff who are required to use a cycle on regular assignment for outdoor duties at Rs.75/- p.m. at all centers.