UNITED FORUM OF BANK UNIONS

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

164, Linghi Chetty Street, Chennai-600001

Press Release: **1-9-2026**

United Forum of Bank Unions is a common platform organisation consisting of the following unions of bank employees and bank officers. UFBU represents more than 90% of the workforce in the banking industry from public sector banks, private sector banks, foreign banks, Regional Rural Banks and Co-operative Banks.

1. ALL INDIA BANK EMPLOYEES' ASSOCIATION – AIBEA
2. ALL INDIA BANK OFFICERS CONFEDERATION – AIBOC
3. NATIONAL CONFEDERATION OF BANK EMPLOYEES - NCBE
4. ALL INDIA BANK OFFICERS ASSOCIATION – AIBOA
5. BANK EMPLOYEES FEDERATION OF IDNIA – BEFI
6. INDIAN NATIONAL BANK OFFICERS CONGRESS – INBOC
7. INDIAN NATIONAL BANK EMPLOYEES FEDERATION – INBEF

From UFBU, we have given the call for agitational programmes and All India Bank Strikes on the following dates

1.	**11th September, 2026**
2.	**28th, 29th and 30th September, 2026**
3.	**Continuous, indefinite strike from 26th October, 2026**

DEMANDS

1. **Honour commitment – implement 5 Days Banking as agreed in the Settlement/Joint Note dated 8-3-2024**
2. **Withdraw the Govt.'s unilateral and discriminatory PLI scheme/Performance Linked Incentive scheme**
3. **Modify the scheme through bilateral discussions with Unions**
4. **Resolve residual issues**

1. Implementation of 5 Days Working Per Week :

For many years, Banks were functioning for full day from Monday to Friday and half a day on all Saturdays. In the Agreement signed in May, 2015, it was agreed by the Indian Banks' Association/Bank managements that to begin with, the 2nd and 4th Saturdays of every month would be declared as bank holidays and in lieu of that, the remaining Saturdays would be declared as full working days (instead of half a day hitherto) and it was assured that in due course efforts would be taken to declare all Saturdays as holidays.

In the Agreement signed on November, 2020, the issue was further discussed and the IBA/managements assured that the demand would be further discussed to find an amicable solution.

In the negotiations for the next wage revision this demand was further discussed and in the Agreement signed in March, 2024, the IBA/Bank managements agreed that the remaining Saturdays would be declared as Holidays and Unions agreed that every day from Monday to Friday, the working hours would be increased by 40 minutes.

This agreement has been recommended to the Finance Ministry, Govt. of India for their approval. It is more than 2 years now but the issue is still pending with the Finance Ministry.

Already, there is 5 days working per week in Central Government, State Government, RBI, LIC, GIC, NABARD, private companies, stock market, money market, foreign exchange market, etc. In Banks also, 2 Saturdays in a month already holidays. Only the remaining Saturdays are to declared as holiday.

There will be no reduction in business hours for the customers because Unions have agreed for extra business hours for 40 minutes per day from Monday to Friday.

Bank employees and officers have been extending their best possible services to the banking public despite various difficulties and limitations. Even during the corona pandemic times, bank employees served the people of our country.

Banking work has been very stressful nowadays due to multiple reasons and to enable proper work life balance, it is the legitimate demand of the UFBU that the remaining Saturdays also be declared as holidays by adopting the 5 days working per week.

PLI – Performance Linked Incentive Scheme - Violation of bilateral agreement:

Performance Linked Incentive (PLI) scheme was introduced in the Banks under the earlier Settlement signed between IBA and Unions/Associations in Novemmber, 2020. The Scheme covered all workmen employees and all Officers from Scale I to Scale VII (General Managers). This PLI Scheme has been introduced after detailed discussions between the parties based on mandates provided by member Banks' Boards.

Under the Scheme, depending upon the performance and profits of each Bank, Incentive is payable from 1 day wage to 15 days wage (Max) and payable uniformly to all employees of that Bank from sweepers/House keepers, peons, clerks, and officers upto General Managers.

This scheme has been working well and it is a motivation for all to work together to improve the business performance of the Banks.

But in November, 2024, the Dept. of Financial Services, Finance Ministry, Govt. of India issued a directive to Banks to adopt a revised Incentive formula for Scale IV, V, VI, and VII officers (Chief Managers, Asst. General Managers, Dy. General Mangers and General Managers).

UFBU took up the matter with the Government stating that this directive is in violation of the bilateral agreement between the IBA and the Unions and that the scheme is highly discriminatory based on individual performance of the officers as against uniform incentive.

Since three was no response from the Government, UFBU gave the call for strike in March, 2025. The Chief Labour Commissioner seized the issue in conciliation and held conciliation meeting and advised the IBA and the Unions to work out and suggest their modifications in the scheme to the Government. On this score the strike was deferred.

Thereafter, the Unions and IBA held bilateral meeting and have submitted their modification in the Government formula. Till now there is no response from the DFS/ Government.

In March, 2026, the DFS/Government advised the Banks to implement their Incentive formula. Since this was unilateral and violation of the Agreement as well as the provisions of Law, we have filed a case in Delhi High Court and the case is pending for its decision.

On 21st August, 2026, DFS/Government had as advised all Banks to go ahead and implement their scheme.

Under this Scheme, the Incentive is based on individual performance of the officers.

The incentive is payable upto 365 days wages, while for others, the maximum is only 15 days wage.

Scale IV officers to Scale VII officers are about 40,000 officers out of the total workforce of about 8 lacs, i.e. 5% of the total staff.

For 95% of the staff, the maximum Incentive is 1 days wage while for the remaining 5% of the staff, the Incentive is upto 365 days wage , that is, 20 times more than others.

The dispute is pending before the Chief Labour Commissioner. During pendency of the same, management is expected to maintain status quo under Industrial Disputes Act/ industrial Relations Code. But in violation of these provisions, the scheme has been implemented.

Thus, because of this divide and rule policy of the Government, 95% of the bank staff have been deprived of uniformity in incentive as provided in the Agreement.

The cost for the Incentive paid to these 5% of the staff is far more than the total Incentive paid to other 95% staff resulting in huge discrimination.

And, even though our Agreemetn provides for uniform incentive for all staff, under the DFS scheme, scale IV officers and above have been hugely discriminated and each getting different amount of incentive. Manay of them have not been paid any incentive at all.

The crux of the matter is :

a) The revised scheme directed by the DFS is contrary to the mutually and bilaterally agreed uniform scheme.
b) The DFS scheme seeks to divide the composite team of the workforce in the Banks who are today working as a unified team to achieve the targets and business parameters.
c) As against incentive based on the performance of the Banks, this DFS scheme is based on the individual performance of the officers.
d) Under the bilateral scheme, the maximum PLI is 15 days' Basic Pay + DA while the PLI under the DFS schemes would be upto 365 days' Basic Pay which is highly disproportionate.
e) DFS scheme also provides for mandatory bifurcation of officers into different grades of performers and non-performers unrelated to their actual performance.
f) The cost outgo for the DFS scheme for about 5% of the total workforce would be unfairly and grossly disproportionate as compared to the incentive payable to the remaining 95% of the workforce.
g) This DFS scheme besides being discriminative inter-cadre and intra-cadre, is also a huge demotivation thus, defeating the objective of the PLI scheme.

h) The DFS directive has made collective bargaining and bilateral understandings a mere farce.

i) Even though the Joint Note is not signed under the I D Act, the Joint Note is signed by the IBA, approved by all the Bank Boards and is the very basis on which amendment is made in the Officers Service Regulations and Pension Regulations both of which are legal legislations. The Gazette notification issued by the government on these amendments also refer to the Joint Note signed between the Unions and the IBA . Hence it is improper the contend that Joint Note has no legal sanctity.

Settlement of residual issues and resolution of issues which were raised in the Strike Notice in March, 2025 and January, 2026.

When the Settlement/Joint Note was signed on 8-3-2024, since some of the important issues raised by the Unions could not be addressed and resolved, it was decided and minutised to take up these issues as residual issues. Similarly, certain issues were raised in our Strike Notice served in March, 2025 and January, 2026 which are still in conciliation but not yet resolved.

Hence the agitation has been forced on the Unions due to the actions of the Government and managements.

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