UNITED FORUM OF BANK UNIONS

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

CIRCULAR NO. 2026/16 20th August. 2026

TO ALL UNIONS AND MEMBERS:

Dear Comrades,

Bipartite meeting with IBA

A round of Bipartite meeting was held today between IBA and UFBU at Mumbai. Representing UFBU, Com. C H Venkatachalam and Com. B. S. Rambabu (AIBEA), Com. Rupam Roy and Com. R Sekaran (AIBOC), Com. L Chandrasekhar and Com. R Balaji (NCBE), Com. Sanjay Kumar Khan (AIBOA), Com. Debasish Basu Chowdhary (BEFI), Com. Prem Makker (INBOC) and Com. O. P. Sharma (INBEF) participated in the meeting.

From IBA, Shri. A.K. Goel, Chief Executive, Shri. Gopal Murli Bhagat, Dy. Chief Executive, Shri Arvind Misra, Sr. Advisor-HR&IR, Shri. S. Sankararaman, Advisor-HR&IR participated in the discussions.

The meeting was primarily for discussing the issue of PLI. Unions are aware that Performance Linked Incentive (PLI) Scheme was introduced in November, 2020 from the Financial Year 2020-21 as part of the 11th BPS/8th Joint Note under which all employees and officers from part time employee to Scale VII officers are eligible to be paid PLI Incentive upto a maximum of 15 days BP+DA based on the performance of the Bank.

In November, 2024, the Department of Financial Services, Ministry of Finance, Government of India unilaterally announced a revised Scheme on PLI applicable for Scale IV Officers and above. This unilateral and discriminatory Scheme envisaged PLI based on individual performance of these officers upto 365 days Basic Pay as against 15 days BP+DA for others.

Hence UFBU protested against this nakedly discriminative scheme. Hence this issue became an important issue in our call for Strike on 24th and 25th March, 2025. Since the IBA and DFS came forward to discuss and resolve our demands, we had deferred our strike. Since then, this issue has been seized into conciliation before the Chief Labour Commissioner. Since the issue was under conciliation before the CLC, obligations under Sec. 33 of the Industrial Disputes Act to maintain status quo was made applicable on Banks/IBA. Hence managements were required to maintain status quo and not to proceed further in the matter of PLI scheme.

In the meantime, as per the advice of CLC, IBA and our Unions bilaterally discussed the issue and our suggestions to modify the PLI scheme has been duly sent to DFS. The issue is still pending with the DFS.

However, managements implemented PLI payments for 2024-25 only for employees and officers upto Scale III. In March, 2026, DFS advised the Banks to implement their unilateral scheme for officers from scale IV and above. Hence the issue was litigated before the High Court of Delhi and its decision is still awaited.

In this background, the IBA had invited us for a bilateral meeting to find some amicable solution to resolve the PLI issue.

In today’s meeting, we have pointed out that payment of PLI for 2024-25 only for employees and officers upto scale III is unfair and improper and Scale IV and above officers should also be paid PLI as per BPS/Joint Note.

Without prejudice to our standpoints and contentions before the Delhi High Court and the CLC, we further pointed out that if DFS and IBA/bank managements want to modify the existing PLI scheme, we are ready to discuss the issue and find amicable solutions. But we informed them that DFS has not responded to our earlier suggestions nor IBA has proposed any further modifications in the scheme.

We also pointed out that the proposed DFS scheme meant for Scale IV officers and above would entail a huge cost as PLI is payable upto Annual Basic Pay (monthly Basic Pay x 12).

We are aware that out of about 8 lacs of employees and officers of public sector banks, the number of Scale IV officers and above would be only around 40,000 i.e. 5% of the total workforce and would involve a very huge cost.

We pointed out that hence the DFS scheme is highly discriminatory besides deviating from the basic formula of uniform incentive to PLI based on individual performance which would result in division and disharmony amongst the senior officers and Executives instead of motivation and incentivisation.

We requested the IBA to accordingly take up the issue with the CLC and DFS to find out an amicable and mutually acceptable formula and scheme and avoid further precipitation.

IBA heard our views patiently and agreed to suitably follow up the matter with CLC/DFS.

Other issues: The following issues were also taken up during the meeting today.

a. We pointed out that the continued neglect of the Government and delay in approving the introduction of 5 days banking would result in UFBU deciding further agitational programmes and strike actions.

b. In view of the increasing instances of attacks on banking staff and Managers in the branches by unruly customers, adequate number of Armed Guards should be recruited in the Banks on an urgent basis.

c. Uniform DA formula for all pensioners.

d. Group Medical Insurance Policy for 2026-27 : It has been agreed that enhanced room rent charges at Rs. 7000 and ICU chares at Rs. 9500 will also apply to Hyderabad and Bengaluru.

Yours comradely,

C.H. VENKATACHALAM **AIBEA**	**RUPAM ROY** **AIBOC**	**L. CHANDRASEKHAR** **NCBE**
SANJAY KHAN **AIBOA**	**DEBASISH BASU CHOUDHARY** **BEFI**	
PREM MAKKER **INBOC**	**O.P. SHARMA** **INBEF**	