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स्टेट बैंक ऑफ इण्डिया ऑफिसर्स एसोसियेशन
State Bank of India Officers' Association (Patna Circle)

All Letters to be
Addressed to the
General Secretary

Regd. No. 1872 of 1975
(REGISTERED UNDER TRADE UNION ACT- 1926)

State Bank Building
2nd Floor
West Gandhi Maidan
Patna - 800 001

CIRCULAR NO. 59 /2021

DATE :04.06.2021

TO,
ALL MEMBERS

PERFORMANCE LINKED INCENTIVE (PLI)
SBI FINANCIAL RESULTS 2020-2021

We reproduce hereunder the text of the **AISBOF Circular No. 59** dated 04.06.2021, the contents of which are self-explicit.

With warm greetings,


(Ajit Kumar Mishra)
GENERAL SECRETARY

OUR UNITY : ZINDABAD-ZINDABAD
S.B.I.O.A. : ZINDABAD-ZINDABAD

TEXT

PERFORMANCE LINKED INCENTIVE (PLI)
SBI FINANCIAL RESULTS 2020-2021

We have sent a Joint communique from AISBOF & AISBISF Letter Number No. 7508/18/21 dated 04.06.2021 addressed to the Chairman, State Bank of India, on the captioned subject.

A copy is enclosed for information.

Yours comradely,


(Soumya Datta)
General Secretary



AISBOF

**ALL INDIA STATE BANK OFFICERS'
FEDERATION, SBI BLDGS
65, ST. MARK'S ROAD
BANGALORE - 560 001**



AISBISF

**ALL INDIA STATE BANK OF INDIA
STAFF FEDERATION
C/o. S.B.I. Local Head Office
Sector -17 B, CHANDIGARH -160 017**

Date: 04.06.2021

No.7508/18/21

The Chairman
State Bank of India
Corporate Centre
Mumbai.

Dear Sir,

**PERFORMANCE LINKED INCENTIVE(PLI)
SBI FINANCIAL RESULTS 2020-2021**

At the outset, we place on record our appreciation to the Bank for its promptness in declaring performance linked incentive to its staff for the financial year 2020-2021 in the backdrop of the record profit earned by the Bank. The stellar performance has surpassed market expectations and has enhanced the image of the Bank as the premier financial institution of the country. It is worthwhile to mention here that the entire State Bank fraternity has lived up to the expectations and braved the crisis in spite of the heavy casualties amongst the workforce caused by the pandemic.

02. In today's challenging environment, where there is stiff competition among banks, a genuine need has been felt to allow banks to pay their employees something extra by way of encouragement as per the profitability and financial soundness of the respective banks. In order to inculcate a sense of competition and also to reward the performance, the concept of Performance Linked Incentive Scheme has been agreed upon and the same has been incorporated in the 11th BPS/8th Joint Note signed between IBA and Unions & Associations on 11th November 2020, as per the matrix as under:

Sr No	YoY Growth in Operating Profit	Number of days for which Salary (Basic+DA) Shall be paid to employees
1	<5%	Nil
2	5% to 10%	5 days
3	>10% to 15%	10 days*
4>	15%	15 days*

3rd * and 4th * slabs are payable only if the Bank has net Profit. If a Bank has growth in Operating Profit of 5% & more, but there is no Net Profit, the Minimum 2nd slab of 5 days will be payable.

N.B. - These are the minimum no. of days for which PLI is to be paid.

2

03. The Press Release of SBI clearly indicates the Operating Profit for the financial year 2020-21 as Rs. 61,617 crore and YoY growth as 13.08%. In consonance with the above PLI matrix, it is crystal clear that the employees are eligible for minimum 10 days salary (Basic plus DA) as PLI for the FY 2020-21 as the YoY growth of Operating Profit was declared by the Bank as 13.08%. However, the Bank has actually paid 5 day's salary (Basic plus DA) to the employees as PLI which has been worked out after adding exceptional income to the operating profit which undermines the Bank's 13.08% YOY growth in operating profit for FY 2020-21 as enumerated below:

	Rs in cr		
	2019-20	2020-21	Growth (%)
Operating Profit	61,917	70,015	13.08
Exceptional Income	6,216	1540	-75.23
Operating Profit + Exceptional Income	68,133	71,554	5.04

04. We are of the considered opinion that Bank's decision to pay 5 day's salary to the employees is against the spirit and understanding in unanimously agreeing to pay PLI as incorporated in the 11th Bipartite Settlement/8th Joint Note. As per the said PLI Matrix, the employees are rightfully entitled to minimum 10 day's salary (Basic plus DA) for the FY 2020-21 based on YOY growth in operating Profit to the tune of 13.08 % as declared by the Bank in the Press Release. Instead, by adding Exceptional income, the YoY growth of operational profit has been worked out to 5.02%, for which the staff members are eligible for 5 days (BP+DA) salary as PLI, which is not tenable.

05. Sir, it would be pertinent to mention here that there is no binding on the Bank to pay PLI @ 5 days because in the 11th Bipartite Settlement/8th Joint Note, it is clearly mentioned that if growth in Operating Profit is between 5% and 10% over the previous year then minimum 5 days PLI will be paid to the staff. It clearly implies that if the operating profit of the Bank registers a growth between 5% and 10% even then they are supposed to pay minimum of 5 days. It is therefore the discretion of the bank to pay more than 5 days for which the 11th BPA/8th Joint Note will not come in the way.

06. Sir, here we would like to point-out that Bank of Maharashtra and Canara Bank have paid PLI for 15 days and it is a matter of demotivation for our personnel that even after earning record profit this year, our esteemed organisation, which is the premier financial institution of our country, is paying PLI only for 5 days.

07. In view of what has been stated above, we urge upon your good office to revisit the decision and pay PLI for minimum of 15 days instead of 5 days for the financial year 2020-21, which will definitely generate positivity amongst the entire SBI fraternity. This will go a long way in fostering further growth and development of our esteemed organisation.

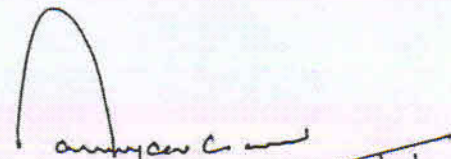
With regards,

Yours sincerely,



(SOUMYA DATTA)
GENERAL SECRETARY

ALL INDIA STATE BANK OFFICERS' FEDERATION


(SANJEEV K. BANDLISH) 4/6/2021
GENERAL SECRETARY

ALL INDIA STATE BANK OF INDIA STAFF FEDERATION