

CIRCULAR NO. 89 /2021

DATE : 23.11.2021

TO,
ALL MEMBERS

**Stagnation Increment - Movement to next higher scale to officers
who opt out of promotion**

We reproduce hereunder the text of the **AISBOF Circular No. 89** dated 23.11.2021, 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

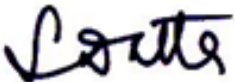
TEXT

**Stagnation Increment - Movement to next higher scale to officers
who opt out of promotion**

We have sent a communication to the Dy. Managing Director (HR) & Corporate Development Officer, State Bank of India, on the captioned subject.

A copy is enclosed for information.

Yours comradely,



(Soumya Datta)
General Secretary

The Deputy Managing Director (HR) & CDO,
State Bank of India,
Corporate Centre,
Madame Cama Road,
Mumbai – 400 021.

Dear Sir,

**Stagnation Increment - Movement to next higher scale to officers
who opt out of promotion**

This refers to the various representations made by us on the issue of granting increments to the officers of the Bank who have reached the highest stage of their respective pay scales.

2. It has been the long-standing practice and system which have been crystalized through various Circulars and orders from time to time being followed in the Bank, stoppage and deprivation of such increments and/or sliding over to the next higher scale have been limited only to the three instances as under:

- (i) Where an officer employee is under suspension;
- (ii) Where a disciplinary action has been initiated against an officer employees;
- (iii) Where an officer employee has earned an adverse remark from the Reporting Authority in the Reporting year proceeding the date on which the officer employee is due to cross the Efficiency bar and the same has been conveyed to the officer employees.

Note:

- (a) Where the Efficiency Bar operates in terms of (ii) above, the case of the concerned officer employee shall be reviewed every year well before the next due date for crossing the Efficiency bar under this provision shall not be more than three years after which if the disciplinary proceedings are still not concluded, the increments shall be released with retrospective effect.
- (b) Where the Efficiency Bar has been applied in terms of (iii) above, but the rating improves subsequently, the increments shall be released after one year. Average remarks or rating shall not be treated as adverse for this purpose.

3. The said long-standing practice, crystalizing to service conditions of the officers of the Bank was unilaterally altered to the detriment of the officers by the Bank Management, through Circular dated 14.09.2013. By the said Circular, the Bank Management has, in purported reference to a judgement passed by the Hon'ble Madras High Court governing the Award Staff

of the Bank, enforced a disability clause for sliding over to the next higher scale of pay for officers who refuse to accept promotion or opt out of a promotional exercise.

4. Firstly, neither the industrial award nor the Hon'ble Madras High Court judgement considering the said industrial award can be said to have any binding effect on the officers of the Bank. Therefore, the declarations of the purported policy and issuance of the Circular dated 14.09.2013 mentioned above cannot be based on the judgement delivered by the Hon'ble Madras High Court.

5. We take this opportunity to remind you of that the guidelines issued by IBA on 14.06.2010, aptly clarified that only such officers who refuse promotion on being offered are disentitled to the benefit of increment in spite of having moved up to the highest stage of pay scale. The clarification reads that **“the said provision deal with only cases where an officer refuses promotion when offered, and officers who have not participated in the promotion process may not be debarred for stagnation increment and PQP”**

The action of the Bank is contrary to IBA's clarification on the issue. There are two fundamental issues to be addressed/ considered in this regard: -

- (a) Sliding over to the next higher stage on promotion.
- (b) Getting stagnation benefits in the earlier pay scale without promotion.

6. The two benefits, one arising out of promotion, and the other arising out of having reached to the highest stage of pay scale, but not yet being promoted are mutually different. Again, an officer who has participated in a promotional exercise and offered promotion on being found fit when refuses to accept such promotion; can be said to be not entitled to an increment in the pay scale of the feeder post. Such a case is entirely different from the case of an officer who has not participated in the promotional exercise at all at a particular stage of his career but has decided to pursue such promotional exercise at a later stage for promotion to a higher rank, so as to plan his career growth conveniently within available chance.

7. Furthermore, it appears from the guidelines issued by the Bank on 14.09.2013 that the Bank Management had consciously decided to deny the officers in scale III, IV and V for the purpose of stagnation increments being granted to them while not depriving the scale I and scale II officers of the said increments.

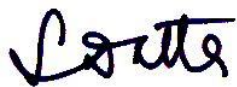
8. You may appreciate that when the salary differentiation between the officers and workers is lessened owing to the pay revision factor, stoppage of increments of officers on their reaching to the highest stage is causing large scale deprivation, discrimination, frustration and dissatisfaction. It is pertinent to mention here that on and from 14.09.2013, many officers are being denied the running increment in the scale, if he/she is not participating in the promotional exercise even being eligible to do so, thereby depriving the officers with unavoidable family obligations especially lady officers of their legitimate rights. Sir, the automatic movement, stagnation increments and PQP are integral part of the bipartite settlements between the officers' organisations (constituents of UFBU) and the IBA. Any unilateral action contrary to the provisions of bipartite agreement is in violation of signed understandings. We are pained to point out that denial of running increment in the scale is

resulting in frustration amongst officers whose pay/ salary eventually has now just become equal or less than that of the subordinate workmen. In fact, many such officers are being asked to officiate in a higher scale and are recipients of AAA grades in CDS. There is an urgent need to understand the pain and angst of these officers. So, the resentment arising out of discrimination to these officers needs to be redressed urgently.

In view of the facts stated above, we request your good office to immediately commence the grant of increments to the officers who have reached to the highest stage of pay scale although they have not participated in the promotional exercise. An earlier action on your part will not only prevent further breach of/ honour the sanctity to IBA's instructions in this regard but also resolve growing unrest amongst the officers' fraternity.

With regards,

Yours sincerely,



(Soumya Datta)
General Secretary