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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
West Gandhi Maidan
Patna - 800 001

CIRCULAR NO. 03/2011

DATE : 24.01.2011

TO,
ALL MEMBERS

9TH BIPARTITE SETTLEMENT-SPECIAL FEATURES OF SBI
WE DID IT – YET ANOTHER FEATHER IN THE CAP OF THE FEDERATION
DECKS HAVE BEEN CLEARED FOR THE IMPLEMENTATION OF SBI
PACKAGE
MODALITIES TO BE SETTLED SOON

We quote hereunder the text of **AISBOF Circular No. 3 dated 21.01.2011** on the captioned subject, the contents of which are self-explicit.

“ Kudos to our comrades all over the country for their tremendous display of solidarity and unity, in defending the Special Features of SBI, despite the multiple attack on our inherent right from all corners, both insiders as well as outsiders collectively. The 9th Bipartite is a historical settlement, not only for the industry but for SBI as well, thus proved with our reaching the finality of ensuring the Government of India's approval for the SBI package which deals with the Special Features of SBI and upholding our inherent right which was in vogue for the last several bipartite settlements.

2. Our comrades are aware that, the Superannuation Scheme in State Bank of India is an exclusive one and not comparable with the superannuation scheme at industry level. Hence, when the Pension Scheme was introduced in the industry in 1993 the question of the of the total wage bill including the Pension Cost which was an additional one, became a bone of contention between the Management and the Federations in State Bank of India, since both the Federations claimed that, the employees and officers in State Bank of India should be compensated to the extent of additional cost incurred by the industry. With a lot of persuasion, the issue was resolved and thus history was created in 6th bipartite. Thereafter, again during 7th and current bipartite, the incremental cost on pension is compensated to SBI employees/officers. The pension scheme in SBI is non-contributory. It was tested in Court of Law; an attempt was also made by the management to recover a portion of the Pension Cost during 1960s.

3. The 9th bipartite had several angles. The first one was the successful conclusion of the agreement on 2nd Option on Pension at a very considerable cost. The second one was the conclusion of the Salary Revision with highest ever increase of 17.5%. The cost of Salary Revision included the incremental cost on account of the increased burden of Pension in respect of other banks. Since, the Government took objection for leaving the cost that would notionally apply in respect of the SBI Employees, the cost on account of our members was thus taken out of the total wage load of 17.5% and referring it as SBI Balancing Amount. This amount was Rs.289.64 crore for both the employees and officers and our share amounted to Rs.130 crore and the share of the employees was Rs.160 crore. This established a right to our members to get it in the form of a separate compensation.

4. However, there were a lot of obstacles created by the various agencies. We have a long history of struggles and sacrifices in ensuring that the SBI Special features are maintained. When we realized the game plan of these agencies, the Steering Committee of both the Federations met and decided to bring pressure on the Management of the Bank as well as

the Government. Accordingly, the Steering Committee of both the Federations, which met on 02.11.2010 at Mumbai, gave a call for strike action.

5. The threat of the joint token strike followed by the Indefinite Strike did stir the bureaucracy and there was a parley between the representatives of the Management and the Government to avert the strike. The Federations conveyed their decision to go ahead with the strike in case there is no written MOU on the issues raised by us. Finally, an MOU was signed on 20th November, 2010 and the strike was deferred.

6. Thereafter all out efforts were made by us as well as the Management to get the issues resolved at the Government level. As a part of the first phase of the settlement, we are now happy to inform all our members that the Government has conveyed their approval for disbursement of balancing amount to employees/officers as allowance. The details will be worked out by us with the Management and will be advised in due course. However, the tentative working indicates that the individual benefit accruing to our members would be 6.5% of their revised Basic Pay as on 01.11.2007. This is yet another glorious chapter in the history of our movement in terms of the quantum as well as the total percentage.

7. Comrades, thus we have been able to achieve the demands that we have raised with the IBA during Salary Revision negotiations. Our efforts are on with the Govt. and Management to improve superannuation benefits and also to extend it to earlier retirees. We shall advise the out come later.

8. We congratulate all our comrades for their conviction and tremendous faith shown in the Federation and for upholding the solidarity and unity. We also compliment all the representatives of the Management for their persuasive skills and success, in defusing the industrial relations strains which would have resulted in yet another historical strike, had it not been averted by the Management and Government together to reach an amicable settlement."

With seasons greetings

(ANIRUDH AKHAURI)
GENERAL SECRETARY

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