



## STATE BANK OF INDIA OFFICERS' ASSOCIATION (HYDERABAD CIRCLE)

(Registered Under Trade Unions Act 1926:No.3396 A.P.)  
(Affiliated to All India State Bank Officers' Federation)  
S.B.I.BUILDINGS, BANK STREET, KOTHI, HYDERABAD – 500 095.A.P.  
GRAMS:'SUPSTAFF' TEL:GEN.SECY.Off.2475 6440,Resi:2709 0399, Fax:040-2475 6874  
E-mail:sbioahc@gmail.com



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Circular No.3

22<sup>nd</sup> January 2011

To All Members  
(Please Circulate)

**9<sup>TH</sup> 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 reproduce hereunder Circular No.3 dated 21<sup>st</sup> January 2011, issued by All India State Bank Officers' Federation, the contents of which are self-explanatory.

GENERAL SECRETARY  
(D.KRISHNA KUMAR)

### Quote

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 9<sup>th</sup> 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 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 6<sup>th</sup> bipartite. Thereafter, again during 7<sup>th</sup> 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 9<sup>th</sup> bipartite had several angles. The first one was the successful conclusion of the agreement on 2<sup>nd</sup> 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 20<sup>th</sup> 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, 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 revolutionary greetings,

**Unquote**

**RESIDENTIAL LINES:**

PRISIDENT – 2740 2122  
VICE PRESIDENT (CNR) – 9849 641029

GENERAL SECRETARY – 2709 0399  
VICE PRESIDENT (NHR) – 2755 7955

DY.GEN. SECRETARY-2795 4162  
TREASURER – 2753 5553