



# ALL INDIA BANK EMPLOYEES' ASSOCIATION

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**AIBEA/GS/2019/21**

**11-4-2019**

**Senior Advisor-HR  
Indian Banks' Association  
Mumbai**

Dear Sir,

**Reg: Notional Benefit of Stagnation Increment to employees  
retired from Bank between 1-11-2012 and 1-5-2015**

**Ref: Our letter No. 2018/104 dt. 21-12-2018**

We draw your kind attention to our above letter regarding notional benefit of stagnation benefit to employees retired from Banks between 1-11-2012 and 1-5-2015.

You are aware that some improvements were agreed upon under the 10<sup>th</sup> BP Settlement viz. sanction of 6<sup>th</sup> Stagnation Increment after two years and additional 8<sup>th</sup> Stagnation Increment. In view of the cost consideration, it was agreed that the monetary benefit of these improvements would be available from 1-5-2015 instead of 1-11-2012.

IBA has also issued clarificatory circulars about the implementation of these benefits. While the benefits would accrue notionally from 1-11-2012 or from the date of eligibility whichever is later, the monetary benefit would be payable from 1-5-2015.

In the case of employees who have retired from the Banks between 1-11-2012 and 1-5-2015 also, this benefits needs to extended notionally from the date of eligibility and accordingly their pension is to be revised notionally from the date of their retirement upto 1-5-2015 and revised is payable from 1-5-2015.

While, based on IBA clarifications, some of the Banks like Bank of India have implemented the above benefit for the retirees, many of the Banks have not implemented the same for want of clarity. Hence we request IBA to issue a clear instruction to all Banks clarifying that in the case of employees who were on service as on 1-11-2012 but retired before 1-5-2015, the benefit of improvement in stagnation increments i.e. 6<sup>th</sup> or 7<sup>th</sup> or 8<sup>th</sup> stagnation increment is to be extended **notionally upto their date of retirement and their basic pension needs to revised notionally as on date of their retirement but monetary benefit of such revised pension is to be extended from 1-5-2015.**

Thanking you,

Yours faithfully,

**C.H. VENKATACHALAM  
GENERAL SECRETARY**