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Editorial

STRIKE FOR DIGNITY!

AIBOC and UFBU have announced a phased program of industrial action, beginning with a one-day strike on September 11th, followed by a three-day strike from September 28th to 30th, and leading to an indefinite strike from October 26th if issues remain unresolved. This decision reflects the banking community's determination that unresolved commitments cannot linger indefinitely.

The primary issue is the Performance Linked Incentive (PLI), which must not be altered unilaterally, as bipartite agreements require issues affecting service conditions to be resolved through dialogue. Any attempt to change this framework undermines employee rights and collective bargaining.

Additionally, the long-standing demand for five-day banking is crucial. As banking evolves with technology, a modern work-life balance is needed to align with contemporary responsibilities while ensuring customer service remains strong.

Unresolved issues highlight the need for collective action. Settlements must be implemented both in letter and spirit, and the escalation to strikes is a measured response to encourage negotiation. Authorities must act meaningfully to prevent further escalation.

In the context of transformation in Indian banking demands fair PLIs, a five-day workweek, and resolution of outstanding issues will ensure a sustainable workforce. AIBOC and UFBU have historically represented bank employees through negotiation, and unity during this struggle will defend negotiated rights.

Success depends on the militant participation of all members. We must focus on mobilization and unity with a clear message: we seek dialogue, justice, and a fair resolution.

At the same time, this movement calls for unity, discipline, and organizational preparedness. The success of the program will depend not only on scheduling the strike dates but also on the active participation of every member. The upcoming period should be utilized for intensive mobilization, communication with members, and consolidation of organizational unity. The message must remain clear and constructive: we seek settlement, not confrontation; dialogue, not unilateralism; justice, not concession. The stronger our collective resolve, the greater the possibility of achieving our objectives.

A JUG FILLS DROP BY DROP

We are bankers. By choosing this profession, we commit to public service rather than merely expressing dissatisfaction. However, when faced with a situation where our dignity and rights are at stake, we must stand united and fight for what is just.

The upcoming industrial action is, therefore, a call to uphold the dignity of collective bargaining and to secure a fair and sustainable future for the banking workforce. The AIBOC and the UFBU have clearly presented their demands to the authorities. It is now the responsibility of the concerned authorities to demonstrate similar commitment and resolve the pending issues promptly.

Until then, the message from the banking community must be clear: September 11 marks the beginning of a determined struggle; September 28-30 will solidify that resolve; and if justice continues to be denied, October 26 will initiate indefinite industrial action. We must remain prepared. Throughout our history, we have fought many struggles and lost none. We will be victorious!

 # SavePSBs
 # BankingInThePublicSector
 # MarchOnComrades
 # HitThemHard
 # NationAgainstPrivatisation
 # BankBachaoDeshBachao

CIRCULARS SHARED

Circular No. 2026/51 Date: 23.08.2026

To All Affiliates

Dear Comrades,

ALL INDIA STRIKE ON 11TH SEPTEMBER, 2026
ALL INDIA STRIKE ON 28TH, 29TH & 30TH SEPTEMBER, 2026
INDEFINITE STRIKE FROM 26TH OCTOBER, 2026

We reproduce below the text of UFBU circular no. 2026/18 dated 23.08.2026 for your information and circulation.

Text of the Circular **Date : 23-08-2026**

TO ALL UNIONS AND MEMBERS:

Dear Comrades,

WE DEMAND:

- Honour commitment – implement 5 Days Banking
- Withdraw the Govt.'s unilateral and discriminatory PLI scheme – keep implementation in abeyance
- Modify the scheme through bilateral discussions with Unions
- Resolve residual issues
    - All India Strike on 11th September, 2026
    - All India Strike on 28th, 29th & 30th September, 2026
    - Indefinite Strike from 26th October, 2026

IN THE SKY THERE IS NO DISTINCTION OF EAST AND WEST

By now all our unions and members are aware that the Government is taking a negative attitude on our important demands and issues.

On the issue of introduction of 5 days banking, the IBA has agreed in the 12th BPS/9th Joint Note signed on 8th March, 2024 to introduce 5 days banking (by increasing 40 minutes of working hours daily from Monday to Friday) and the same has been duly recommended to the Government. It is more than 2 years now and yet the matter is kept pending with the Government.

On the issue of PLI also, it was clearly understood and agreed between the Unions and IBA that the PLI scheme would be based on the performance of the Bank as a whole and would be uniform number of days for all employees and officers upto Scale VII.

But in a unilateral manner, DFS/Finance Ministry has directed Banks to implement a different PLI scheme for Scale IV officers and above. Under this Scheme, the officers from Scale IV and above would be paid PLI upto 365 days of Basic Pay based on their individual performance while workmen employees and officers upto Scale III would be paid a maximum of 15 days Basic Pay+DA.

Because of the strike call issued by UFBU, this issue is now seized into conciliation before the CLC. The issue is also under litigation before the High Court of Delhi. In the meantime, we have also discussed the issue with the IBA and our suggestions for improvement in the existing scheme and modification in the Govt. scheme have been sent to Government and the same is before the DFS for their consideration. But overlooking all these, the DFS is insisting on the implementation of their unilateral scheme.

We have pointed out to the DFS, CLC and IBA that the implementation of the revised Scheme of the Government would be a huge cost to the Banks. Out of about 8 lacs of total number of employees and officers in the Banks, the number of Officers in Scale IV and above would be around 40,000 i.e. about 5 % only. What they really prefer is fair treatment, work-life balance, and stress-free work environment. What is being offered to them is a discriminative incentive which will keep them away from the rest of the colleagues.

As per our estimate, the cost of PLI for these Scale IV officers and above would be very huge and disproportionately much higher than what all other employees and officers will get. When everyone will get a maximum PLI of 15 days, they will get more than 20 times of it. This will badly divide us. Further, the basic feature of the existing PLI scheme is the uniformity of the Incentive for all cadres from substaff, clerical, officers and upto Scale VII officers based on the performance of each Bank. The Government's scheme envisages PLI based on individual performance, productivity and efficiency. During the bipartite meeting held with the IBA on 20-8-2026, we reiterated our offer to further discuss our suggestions to improve the Scheme and arrive at a mutually acceptable revised formula. But we learn with regret that the Government has advised the Banks to implement their Scheme and the crediting of PLI under the DFS scheme has now actually commenced in the Banks, in violation of the status quo obligation under Section 33(1) of the ID Act / Section 82 of the IR Code during pendency of conciliation before the CLC and the suggestions made by us to resolve the issue through bilateral discussions.

It is also observed that while the Government wants to initiate the discussions on fresh charter of demands for the next wage revision, our residual demands like updation and improvement in pension, uniform DA formula for all pensioners, option for employees under NPS to switch over to OPS, and other residual issues continue to be unresolved.

In this background, UFBU's meeting was held yesterday and it was unanimously decided to launch our strong protest actions to press our demands. The following programmes have been chalked out.

THERE HAS TO BE EVIL SO THAT GOOD CAN PROVE ITS PURITY ABOVE IT

DEMANDS:

(i) Honour commitment – implement 5 Days Banking
(ii) Withdraw the Govt.'s unilateral and discriminatory PLI scheme – keep implementation in abeyance
(iii) Modify the scheme through bilateral discussions with Unions
(iv) Resolve residual issues

Agitational Programme:

24 - 25 Aug.	Mon, Tue	Explaining the programme to the rank and file and mobilising them
24th Aug to 10th Sep		• Working strictly as per rules and procedures and withdrawal of all extra co-operation • Adherence to regular working hours, no work before or beyond scheduled hours. • Exit from all official WhatsApp groups
26th Aug.	Wed	Serving strike notice
27th Aug.	Thu	Mass Demonstrations in all centres and towns all over the country
28th Aug	Fri	Black Badge wearing
30th Aug	Sun	Twitter/X campaign
1st Sept.	Tue	Press meet at Delhi
3rd Sept.	Thu	Poster campaign
8th Sept.	Tue	Badge Wearing
11th Sept	Fri	**All India Strike**
14 - 24 Sept		Dharna in all State Capitals
24th Sept.	Thu	Demonstrations in other centres (other than State capitals)
25th Sept.	Fri	Press release in all State capitals
26,27 Sept.	Sat, Sun	Meetings and preparatory campaign
28,29,30 Sept	M,T,W	**All India Strike**
7th Oct	Wed	Demonstration in all centres
10th Oct	Sat	Twitter/X campaign
22nd Oct	Thu	Demonstration in all centres
24, 25 Oct	Sat, Sun	Meetings and preparatory campaign
From 26 Oct	Mon	**Indefinite Strike**

OVERCOME ANGER BY LOVE, EVIL BY GOOD

It must be remembered that no service condition we enjoy today - our pay scales, our leave benefits, our transfer protections, our promotion processes, our pension - was gifted by any Government; each of them was secured by the trade unions across the negotiating table through decades of collective struggle, long before many of us wrote the recruitment exam.

What is now sought to be dismantled is that negotiating table itself. A scheme that dangles 365 days' pay before a few officers while condemning entire brackets of performing officers to nil by design is not a reward, it is a ranking machine, and the same machine that decides the incentive today will decide promotions, postings and continuation in service tomorrow.

An officer standing before such a machine has no answer to it; eight lakhs of us standing together cannot be ignored by it, which is precisely why the first move of every such scheme is to divide the workforce, cadre from cadre, senior from junior, officer from employee. The unity that our predecessors built is not an inheritance to be spent; it is the only insurance every one of us, from the newest recruit to the seniormost officer, holds over our own future.

When all of us want to move together and work for the progress of the Banks, we are being confronted and challenged by divide and rule policy of the Government.

Comrades, the agitation has been forced on us. We call upon all our unions and members to mobilise themselves and make the programmes a total success.

With greetings,

Sd/-
(Rupam Roy)
General Secretary

Circular No. 2026/50 **Date: 23.08.2026**
To All Affiliates

Dear Comrades,

UFBU WRITES TO CLC (C) ON PERFORMANCE LINKED INCENTIVE REFERRING TO THEIR LETTER DATED 14.08.2026

We reproduce below the text of UFBU circular no. 2026/17 dated 23.08.2026 for your information and circulation.
Comradely yours,

Sd/-
(Rupam Roy)
General Secretary

TEXT OF THE CIRCULAR **DATE : 23-08-2026**

All our unions and members are aware that in retaliation to our Strike on 27th January, 2026, the DFS/ Government advised the Banks to implement their unilateral PLI scheme for Scale IV officers and above even though the matter is pending before the CLC/Conciliation Officer. We have also taken up this issue before the High Court of Delhi and the case is also pending disposal. Recently DFS has communicated to the CLC that UFBU's standpoint does not deserve any consideration. Hence, we have addressed the following letter to CLC clarifying our views and standpoints.

Yours Comradely,

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
AIBEA	**AIBOC**	**NCBE**	**AIBOA**	**BEFI**	**INBOC**	**INBEF**

THREE THINGS CANNOT BE LONG HIDDEN: THE SUN, THE MOON AND THE TRUTH

UFBU LETTER dt. 23-8-2026

To
The Chief Labour Commissioner (Central),
Ministry of Labour & Employment,
Office of the Chief Labour Commissioner (C),
Shramev Jayate Bhawan, G-4, Sector-10, Dwarka,
New Delhi – 110075

Dear Sir,

Re: Performance Linked Incentive to Whole Time Directors and Senior Executives of Public Sector Banks Comments of UFBU on DFS letter No. 15/6/2024-BO.I dated 26.05.2026

Ref: Your letter No. 21(17)/2025-IR dated 14.08.2026

We refer to your letter cited above, forwarding a copy of the communication No. 15/6/2024-BO.I dated 26.05.2026 of the Department of Financial Services (DFS), Ministry of Finance, and inviting our comments within 15 days. We submit our comments as under: At the outset, we place on record our deep disappointment that the DFS, a party which has participated in every round of the conciliation proceedings in this dispute since March 2025, has chosen to unilaterally pronounce that the representation of UFBU "does not merit consideration" and is "without any basis" — in effect sitting in judgment over a dispute that is pending before a statutory authority, the conciliation machinery of the Government of India, of which the DFS itself is a party. No party to a dispute can be the judge of its own cause.

The inference of the adjudication of the merits of this dispute lies with the conciliation machinery or, if need be, the appropriate forum under law — not with the DFS.

Our para-wise comments on the DFS letter follow.

I. Re: Paragraph 2 of the DFS letter: The DFS itself concedes the integrated and uniform character of the PLI scheme

1.1 In paragraph 2, the DFS itself records that the PLI scheme introduced in 2020 with effect from FY 2020-21 covers all employees of PSBs up to Scale VII, the workmen (sub-staff and clerical staff) through the 11th Bipartite Settlement under the provisions of the Industrial Disputes Act, 1947, and the officers in Scale I to Scale VII through the 8th Joint Note, and that under this scheme "PLI is determined based solely on the overall performance of the bank and is uniformly applicable to all employees, irrespective of individual performance."

1.2 This admission is significant. The 11th BPS and the 8th Joint Note were signed on the same day, at the same table, arising out of one integrated negotiation between IBA (acting on the mandates of the Boards of its member banks) and the Unions/ Associations. The uniformity of the incentive, the same trigger, the same measure (5 to 15 days' Basic Pay plus DA), applicable from the part-time sweeper to the General Manager — was not incidental; it was the negotiated essence of the scheme. The workmen's settlement, which is admittedly a statutory settlement under the ID Act, was concluded in the context of, and in relativity with, the officers' Joint Note.

Any unilateral alteration of the officers' side of this integrated architecture directly disturbs the negotiated relativity which forms part of the consideration underlying the workmen's settlement itself.

1.3 It is further a matter of record that the mandates given by the Boards of the member banks to IBA, and the agreements flowing therefrom, also encompass officers in Scale VIII.

II. Re: Paragraph 3 of the DFS letter, The contention that the dispute is "without any basis" is legally untenable

(a) The 8th Joint Note is not a mere piece of paper, the Government itself has repeatedly given it statutory effect

2.1 The Joint Note is executed by the Indian Banks' Association on the express mandates of the Boards of the public sector banks. Its outcomes are not left in the air: they are carried into the Officers' Service Regulations of the nationalised banks framed under Section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970/1980, and into the service rules of the State Bank of India framed under Section 43 of the State Bank of India Act, 1955, in each case with the prior sanction/approval of the Central Government and laid before both Houses of Parliament as required by the statute. Every wage revision, including that flowing from the 8th Joint Note dated 08.03.2024, has been implemented through such statutorily sanctioned amendments.

2.2 The Central Government has thus itself, repeatedly and consistently, approved and given statutory force to the outcomes of this bilateral process. Having done so for decades, and having itself facilitated the 2020 PLI scheme through this very route, the Government cannot now be heard to say that the Joint Note is a stranger to law and that service conditions settled thereunder can be unilaterally superseded by an executive communication. If it is allowed to happen even by/ before statutory or deemed quasi judicial forum, it will be nothing but the mockery of democratic system….

(b) The maintainability of this industrial dispute does not depend upon Scale IV and above officers being "workmen"

2.3 The DFS's argument proceeds on the fallacy that unless Scale IV+ officers are themselves "workmen", no industrial dispute can exist. This is contrary to the settled law. Under Section 2(k) of the Industrial Disputes Act, 1947, an industrial dispute includes a dispute between employers and workmen connected with the terms of employment or conditions of labour "of any person". The Hon'ble Supreme Court in Workmen of Dimakuchi Tea Estate v. Management of Dimakuchi Tea Estate (AIR 1958 SC 353) and the line of cases following it has held that workmen may validly espouse a dispute concerning persons who are not workmen, where they have a direct and substantial community of interest.

2.4 That community of interest is complete here:

(i) the PLI scheme is one integrated, uniform scheme covering workmen and officers alike, as the DFS itself concedes;

(ii) the workmen's own statutory settlement (11th BPS) rests on the negotiated relativity with the officers' scheme;

(iii) the present dispute has been raised and espoused by the UFBU, which comprises the workmen's unions (AIBEA, NCBE, BEFI, INBEF) alongside the officers' organisations; and

(iv) as pointed out in the conciliation proceedings dated 09.03.2026, the impugned scheme seriously affects the relativity in the remuneration of 93% of the workforce.

The strike notice in Form-L dated 05.03.2025 was validly served under Section 22(1) of the ID Act, and this Hon'ble office rightly seized the matter into conciliation, banking being a public utility service. In this respect sec 2(zr) of IRC 2020 may be seen which endorses the same intent. Needless to mention, any action contrary to the intention of law makers may attract violation of law within the purview of the statutory authority where the dispute is pending.

(c) The conciliation machinery is validly seized, under the ID Act and the Industrial Relations Code, 2020

2.5 It is a matter of record that the conciliation proceedings in this very dispute are being conducted by the Dy. Chief Labour Commissioner (Central) as Conciliation Officer under the Industrial Relations Code, 2020 (vide the minutes dated 09.03.2026), the ID Act provisions (Sections 33(1) and 22) having also been expressly recorded as remaining in vogue in the minutes dated 22.01.2026. The Industrial Relations Code, 2020, in Section 2(l), defines "employee" expansively to include persons employed in managerial, administrative and supervisory capacities, and its scheme — including Section 82 (conditions of service to remain unchanged during pendency of proceedings) and the Schedules on unfair labour practices — squarely applies to the present dispute. The legislative direction of travel is unmistakably towards inclusion, not exclusion, of such employees from the protective framework of industrial relations law.

(d) The DFS has itself submitted to the jurisdiction of this forum

2.6 The DFS has participated in every round of the conciliation: its Joint Secretary attended the proceedings of 21.03.2025 on video conference; its officers have attended and signed the minutes of the proceedings dated 29.04.2025, 17.06.2025,

YOU WILL NOT BE PUNISHED FOR YOUR ANGER, YOU WILL BE PUNISHED BY YOUR ANGER

04.11.2025, 22/23.01.2026 and 09.03.2026. Having submitted to this forum for over seventeen months, participated in its deliberations, and signed its consensus minutes, the DFS cannot now turn around and contend that the dispute itself is "without any basis". A party cannot approbate and reprobate. If at all any such legal determination is required to be made, it can be done only by the competent authority and not by one of the part to the dispute.

(e) The DEA communication dated 24.08.1992 cannot carry the weight the DFS places on it

2.7 A 34-year-old inter-departmental administrative communication of the Department of Economic Affairs, issued in an altogether different context, cannot override (i) statutory service regulations framed and amended thereafter with the sanction of the Central Government; (ii) the bilateral settlement architecture of 2020 and 2024 which the DFS itself facilitated and which covers officers up to Scale VII/VIII; and (iii) the ground reality that officers in Scale IV and V are overwhelmingly branch heads and field functionaries who neither formulate policy, nor hire, nor fire — the classical tests of managerial capacity. Indeed, if Scale IV and above officers were truly "senior/top management" outside the pale of collective bargaining, the DFS's own acceptance of their coverage under the 8th Joint Note in 2020 would be inexplicable. The DFS cannot blow hot and cold.

III. Re: Paragraph 4 of the DFS letter — The conduct of the DFS and the bank managements during the pendency of conciliation

3.1 The minutes dated 17.06.2025 are not "advisory in nature". These minutes were drawn in the course of conciliation proceedings and signed by all the parties to the dispute, the Unions, the IBA, the bank managements and the DFS. They record, in terms: "it is expected that all the banks shall cooperate by not implementing the PLI scheme for any scale till the outcome of the discussions", and further that "all the Banks are to await the outcome and not proceed with the implementation of PLI for the year 2024-25." A consensus arrived at in the course of conciliation and reduced to signed minutes partakes the character of a settlement within the meaning of Section 12 read with Section 18(3) of the ID Act and is binding on all parties thereto. The attempt of the DFS, thirteen months later, to unilaterally recharacterise the signed record of the conciliation as merely "advisory" is destructive of the sanctity of the conciliation machinery itself and of the dignity of the office of the Chief Labour Commissioner (Central). If the recorded outcomes of conciliation can be shrugged off by one party as "advisory", the statutory machinery for maintaining industrial peace is reduced to a nullity.

3.2 The disbursal of PLI up to Scale III was itself a breach — it cannot become the justification for a further breach. The DFS pleads that since PLI up to Scale III "had already been disbursed" for FY 2024-25, it advised payment of the revised PLI to Scale IV and above "to uplift the officer's morale". The disbursal up to Scale III, commenced by Punjab National Bank, against which UFBU lodged its protest with IBA and this Hon'ble office on 16.05.2025, and thereafter followed by all PSBs, was itself in the teeth of the signed minutes dated 17.06.2025, as this Hon'ble office itself observed. A party cannot found a claim upon, or seek advantage from, its own wrong. The selective disbursal, far from curing the breach, aggravated the discrimination: officers in Scale IV to VII, covered by the very same Joint Note as their Scale I–III colleagues, were singled out for exclusion from the settled scheme.

3.3 The DFS advisory dated 18.03.2026 was issued during the pendency of conciliation and in disregard of the recorded proceedings of 09.03.2026. In the conciliation held on 09.03.2026, the Unions submitted that payment for FY 2024-25 to Scale IV–VII must be made as per the existing provisions of the Bipartite Settlement/Joint Note, while expressing readiness to discuss the new scheme for FY 2025-26 within its broad framework; the Ld. Conciliation Officer thereupon directed the IBA to furnish, within 10 days, comparative estimates of the PLI payment for FY 2024-25 under the two schemes, and recorded that a letter would be written from CLC(C) to the DFS to consider the Unions' request — expressly noting that this "would help in maintaining industrial harmony across the banking sector." Nine days later, on 18.03.2026, the DFS advised all 12 PSBs to pay the revised PLI to Scale IV up to WTD for

THE FOOL WHO KNOWS HE IS A FOOL IS MUCH WISER THAN THE FOOL WHO THINKS HE IS WISE

FY 2024-25, pre-empting the very course of action recorded by the conciliation officer, and altering conditions of service during the pendency of the proceedings in violation of Section 33(1) of the ID Act / Section 82 of the IR Code, provisions which the minutes dated 22.01.2026 expressly record as remaining in vogue. The DFS letter dated 26.05.2026 is conspicuously silent on the proceedings of 09.03.2026 and on the directions recorded therein.

IV. Re: Paragraph 5 of the DFS letter — The claim of "no violation" is untenable

4.1 Far from there being no violation, the record discloses: (i) unilateral supersession of a mutually settled, uniformly applicable incentive scheme by executive fiat dated 19.11.2024, made retrospectively effective from FY 2023-24/2024-25; (ii) implementation and inducement to implement during the pendency of conciliation, contrary to Section 33(1) ID Act / Section 82 IR Code and the signed minutes; (iii) failure to implement a settlement/agreement, which is an enumerated unfair labour practice (Fifth Schedule to the ID Act; Second Schedule to the IR Code); and (iv) hostile discrimination between officers governed by the same Joint Note. The averment that the representation of UFBU "does not merit consideration" is, with respect, not for the DFS to decide.

4.2 On merits, and without prejudice to the above, we reiterate briefly: the revised scheme covers barely 5–7% of the workforce while excluding over 93–95% of employees and officers who drive business at the field level; its forced-bracket (top 20% / 20–40% / 40–60% / 60–80% / residual) architecture is a bell-curve mechanism that by design deprives large sections of senior officers of any incentive whatsoever (the residual bracket receiving 0%), converting an incentive into an instrument of demotivation and division; it vests eligibility determinations in a committee headed by the Secretary, DFS, in derogation of the autonomy of the bank Boards solemnly assured at the Gyan Sangam (January 2015) and in the DFS's own O.M. No. F.No.4/9/I/2014-IR (Pt.) dated 13.01.2015; and it pits one section of the workforce against another, destroying the teamwork on which banking performance rests. UFBU has never refused to discuss improvements — we have participated constructively in every bipartite discussion mandated by this Hon'ble office (including on 26.09.2025, whereafter our suggestions were forwarded to the Government) and remain ready to negotiate a scheme for FY 2025-26 onwards. What we cannot accept is unilateral, retrospective and discriminatory supersession of a settled scheme while the dispute is in conciliation.

In view of the foregoing, we most respectfully pray that this Hon'ble office may:

(a) Reject the stand of the DFS in its letter dated 26.05.2026 as being contrary to the record of the conciliation proceedings, the signed minutes dated 17.06.2025, and the provisions of Section 33(1)/Section 18(3) of the ID Act and Section 82 of the IR Code;

(b) Pursue the course recorded in the proceedings dated 09.03.2026, viz., addressing the DFS to consider payment of PLI for FY 2024-25 to officers in Scale IV to VII as per the provisions of the Bipartite Settlement/Joint Note, and call upon the IBA to place on record the comparative cost estimates directed to be furnished within 10 days thereof;

(c) Advise the DFS and the bank managements to keep the revised scheme dated 19.11.2024 in abeyance insofar as it applies to officers covered by the Joint Note, and to maintain status quo in terms of Section 33(1) ID Act / Section 82 IR Code, pending the outcome of the conciliation and the bilateral discussions on a mutually acceptable framework for FY 2025-26 onwards; and

(d) Convene the next round of conciliation at the earliest, so that the dispute may be resolved amicably.

We are constrained to add that if the DFS persists in its unilateral course in defiance of the conciliation proceedings, the UFBU, having thrice deferred industrial action at the instance of this Hon'ble office in deference to the conciliation machinery, will be left with no option but to resume its agitational programmes including strike action, the responsibility for which shall rest squarely with the Government.

EVERY HUMAN BEING IS THE AUTHOR OF HIS OWN HEALTH OR DISEASE

CIRCULARS

44 dated 31st July, 2026:	Circular of Dearness Allowance - August 2026 to October 2026
45 dated 01st August, 2026:	Text of Joint Letter dated 01.08.2026 wherein AIBEA, AIBOC and NCBE writes to DFS on Industrial Relations Meeting with Minority Unions
46 dated 05th August, 2026:	Text of UFBU Circular dated 04.08.2026 on holding of demonstration on 12th August, 2026 demanding implementation of commitment on 5 Days Banking
47 dated 06th August, 2026:	Text of UFBU letter dated 06.08.2026 wherein UFBU writes to IBA stating NOBO & NOBW are no longer constituents of UFBU
48 dated 12th August, 2026:	Text of UFBU Circular dated 12.08.2026 on the massive demonstrations held demanding immediate implementation of the commitment on 5 days Banking
49 dated 20th August, 2026:	Text of UFBU Circular No. 2026/16 dated 20.08.2026 on the Bipartite Meeting with IBA on 20.08.2026
50 dated 23rd August, 2026:	Text of UFBU Circular No. 2026/17 dated 23.08.2026 where UFBU writes to CLC (Central) on Performance Linked Incentive referring to their letter dated 14.08.2026
51 dated 23rd August, 2026:	Text of UFBU Circular No. 2026/18 dated 23.08.2026 communicating to members of All India Strike on11.09.2026, 28 to 30.09.2026 and Indefinite Strike from 26.10.2026
52 dated 24th August, 2026:	SOP for observance of UFBU Agitational Programme
53 dated 25th August, 2026:	Revised SOP of Agitation
54 dated 26th August, 2026:	UFBU Serves Strike Notice
55 dated 28th August, 2026:	Successful Demonstrations Held at All Centres

JUDICIAL

[2025 (186) FLR 469]
(KARNATAKA HIGH COURT)
R. NATARAJ,J
W.P.No. 43774 of 2011 (S-DIS)
March 5, 2025
Between
L.S. DINAMANI
And
MANAGEMENT OF CANARA BANK

Payment of Gratuity Act, 1972-Section 4(6) and 7(4)(b)-Forfeiture of gratuity and provident fund-Dismissal from service-Present petition was convicted under section 120-B read with sections 468, 471 and 420, IPC-Held, due to conviction the petitioner was not entitled to gratuity-The petitioner was however entitled to get only his share of contribution towards provident fund along with applicable interest-Petition allowed in part. [Paras 7 and 8]

Since the petitioner is convicted for the offences mentioned above in SPL-c.c. No. 36/2009, as rightly contended by the learned counsel for the petitioner and the learned counsel for the respondent, the petitioner was not entitled to ay gratuity in view of Section 4(6) of the Payment of Gratuity Act, 1972.

In so far as provident fund to which the petitioner was entitled to. Regulation NO. 19 of the Canara Bank Staff Provident Fund Regulations enabled the bank to deduct any amount contributed by it to adjust any loss caused by the act of the employee.

HE WHO SEEKS HAPPINESS BY HURTING WILL NEVER FIND IT

It did not authorize the bank to forfeit the amount contributed by the employee. In that view of the matter, the petitioner is entitled to a limited relief of a direction to the respondent to refund the amount contributed by the petitioner to the provident fund along with applicable interest.

Counsel for the Petitioner: R Nagendra Nik.
Counsel for the Respondent: J. Pradeep Kumar and M/s Kasturi Assts.

JUDGMENT

R. NATARAJ,J:- The petitioner has challenged a communication bearing No.PWPM:9671226 dated 28.03.2011 forfeiting the gratuity and provident fund payable to him consequent to his dismissal from service. The petitioner has also sought for a writ in the nature of mandamus to direct the respondent to release his contribution to the provident fund along with interest at the rate of 18% per annum from 27.01.2009.

2. The respondent had issued articles of charge accusing the petitioner of misconduct, consequent to which, a domestic enquiry was conducted and the inquiring authority submitted his report holding that the charges against the petitioner was proved. The disciplinary authority concurred with the findings of the inquiring authority and passed an order dismissing the petitioner from service on 27.01.2009. The petitioner contends that he was entitled to provident fund and NC: 2025:KHC:9495 gratuity. However, the respondent issued a show-cause notice on 02.12.2009 forfeiting the gratuity. In the same notice, the respondent ordered that in view of Regulation No.19 of the Canara Bank Staff Provident Fund Regulations, it was entitled to forfeit its contribution to the provident fund. The petitioner contends that in the order dismissing him from service, there was no ascertainment of loss suffered by the bank and hence, the respondent was not justified in forfeiting the gratuity. He also contended that the respondent had initiated proceedings under the ***Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002*** and recovered a sum of ₹1.90 crores and hence, the bank did not suffer any loss. He also contended that as per the statement of account furnished by the bank, the total amount of provident fund payable to the petitioner was ₹ 9,22,779.22. Though he claimed the said amount, the respondent - Bank did not pay it, which compelled the petitioner to file an application before the Controlling Authority under ***Section 7(4)(b)*** of the Payment of Gratuity Act, 1972. However, he contends that since the Controlling Authority had no power to pass any orders regarding payment of provident fund, he has filed this petition NC: 2025:KHC:9495 challenging the order forfeiting the gratuity as well as the provident fund.

3. The learned counsel for the petitioner while reiterating the above contentions, fairly submitted that the petitioner has been convicted in Spl.C.C.No.36/2009 for the offences punishable under Section 120B read with ***Sections 468, 471, 420*** of IPC and therefore, the petitioner is not entitled to gratuity. However, in so far as the provident fund is concerned, he contends that under Regulation No.19 of the Canara Bank Staff Provident Fund Regulations, the bank is entitled to forfeit only its contribution to the fund and not the contribution of the petitioner. In support of his contentions, he relied upon the Regulation No.19 of the Canara Bank Staff Provident Fund Regulations, which reads as follows:

> "19. If a member causes financial loss to the Bank by misconduct, fraud, gross negligence or other conduct of like nature and is dismissed from the service of the Bank or is permitted to leave the service of the Bank in consequence of such misconduct, fraud, gross negligence or other like conduct, the amount of such financial loss sustained by the Bank shall be deducted by the Trustees from NC: 2025:KHC:9495 the Bank's contribution out of the amount due to the member and be paid to the Bank."

He therefore, contends that the petitioner is entitled to his contribution to the provident fund.

4. The petition is opposed by the respondent who has filed a detailed statement of objections referring to the articles of charge framed against the petitioner as well as the particulars of the criminal case filed against him. The respondent admitted that the petitioner was eligible for gratuity of ₹ 3,50,000/- and provident fund of ₹ 9,10,503/-, which was

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the contribution made by it. However, it contended that in view of the dismissal of the petitioner for the misconduct committed by him and in view of his conviction in Spl.C.C.No.36/2009, he was not entitled to the gratuity. However, in so far as provident fund is concerned, it is contended that the respondent had suffered loss on account of the misconduct committed by the petitioner, which was much more than what the petitioner was entitled to and therefore, it was entitled to forfeit the amount not only contributed by it but also contributed by the petitioner.

5. Learned counsel for the respondent reiterated the above contentions.

6. I have considered the submissions of the learned counsel for the petitioner as well as the learned counsel for the respondent.

7. Since the petitioner is convicted for the offences mentioned above in Spl.C.C.No.36/2009, as rightly contended by the learned counsel for the petitioner and the learned counsel for the respondent, the petitioner was not entitled to any gratuity in view of ***Section 4(6)*** of the Payment of Gratuity Act, 1972. However, in so far as provident fund to which the petitioner was entitled to, Regulation No.19 of the Canara Bank Staff Provident Fund Regulations enabled the bank to deduct any amount contributed by it to adjust any loss caused by the act of the employee. However, it did not authorize the bank to forfeit the amount contributed by the employee. In that view of the matter, the petitioner is entitled to a limited relief of a direction to the respondent to refund the amount contributed by the petitioner to the provident fund along with applicable interest.

8. In that view of the matter, the following:-

ORDER

(i) This writ petition is allowed in part.

(ii) The respondent is directed to release the petitioner's contribution to the provident fund along with interest as applicable for the delayed payment of provident fund from the date of dismissal of the petitioner from service till the date of payment.

(iii) This shall be complied within a period of three months from the date of receipt of a certified copy of this Order.

Sd/-

(R. NATARAJ) JUDGE PMR

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