



## Indian Banks' Association

**HR & Industrial Relations**

No.CIR/HR&IR/NBPS/KU/919

June 16, 2015

**Designated Officers of Banks which are parties to the 10th Bipartite Settlement/  
Workmen Union dated 25.5.2015**

Dear Sir,

### Stagnation Increment

Under the recently signed 10<sup>th</sup> Bipartite Settlement, it has been agreed that employees shall be eligible for 8<sup>th</sup> stagnation increment on 1<sup>st</sup> May, 2015 or two years after receiving the seventh stagnation increment, whichever is later.

It has been further agreed that the period of 3 years shall be reduced to 2 years for sanction of 6<sup>th</sup> stagnation increment. Accordingly it has been provided in the Settlement that an employee who has completed two years or more after receiving the fifth stagnation increment as on 1<sup>st</sup> November, 2012 shall receive the sixth stagnation increment as on 1<sup>st</sup> November, 2012.

In this connection, we advise that the financial benefit on account of this reduction of eligibility from 3 to 2 years for sanction of the 6<sup>th</sup> stagnation increment shall accrue on or after 1.5.2015 since the additional cost of such reduction in periodicity from 3 to 2 years has been adjusted at 50 % of the actual cost and hence to be effective from 1.5.2015 (30 months out of 60 months of the period of the Settlement).

However, under clause 40 of the settlement dated 25.5.2015 in 'Implementation' it has been inadvertently mentioned as under :

3	Stagnation Increment - 8th	1 <sup>st</sup> May, 2015
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In view of the adjustment of cost as 50% of the total cost towards improvements in stagnation increment/s, this needs to be corrected and read as under :

3	Stagnation Increment improvements (5 <sup>th</sup> to 6 <sup>th</sup> & 7 <sup>th</sup> to 8 <sup>th</sup> Stagnation increment)	1 <sup>st</sup> May, 2015
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Member banks may kindly take a note of the above.

Yours faithfully,

**K Unnikrishnan**

**Dy. Chief Executive**