

State Banks' Staff Union (Kerala Circle)

(Affiliated to All India State Bank of India Staff Federation)

Reg. No. 01-36-2000

Circular No.73/26
To All Unit Secretaries



State Bank of India
Local Head Office
Poojappura
Thiruvananthapuram-695 012

Dear Comrade,

Date: 19.03.2026

**URGENT INTERVENTION SOUGHT AGAINST DFS COMMUNICATION TO BANKS
OVERRIDING THE ONGOING CONCILIATION PROCESS BY DIRECTING
IMPLEMENTATION OF REVISED PLI SCHEME FOR SCALE IV AND ABOVE**

We reproduce hereunder the full text of Circular No.17 dated 19th March, 2026, issued by Com. L Chandrasekhar, General Secretary, AISBISF, the contents of which are self explicit.

Yours comradely,

(Akhil S)
General Secretary

“We write to bring to your urgent notice, and place formally on record, a matter of immediate concern arising during the pendency of conciliation on the issue of PLI in Public Sector Banks. Copies of our concerned communications are enclosed for ready reference. (1. UFBU Circular dated 12-2-2026 on payment of PLI upto Scale III in violation of status quo advice of the Dy. CLC and minutes dt. 17-6-2025, 2. Minutes of conciliation meeting held on 9-3- 2026; and 3) UFBU circular dt. 9-3-2026)

The position already on record is clear. By circular dated 12.02.2026, UFBU recorded that the PLI scheme finalized under the 11th Bipartite Settlement / 8th Joint Note is a uniform settlement-based scheme applicable up to General Managers in Scale VII, and further recorded the unions' objection to any unilateral departure therefrom while the dispute remained pending in conciliation. By circular dated 09.03.2026, UFBU further recorded before the Dy. CLC that PSBs had disbursed PLI for FY 2024-25 only up to Scale III, excluding Scale IV to VII, and specifically demanded that for FY 2024-25 the existing uniform PLI scheme under the Bipartite Settlement / Joint Note must apply, while any revised formula, if at all, could be discussed only for a future period.

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The signed minutes dated 09.03.2026 also show that the issue of payment to Scale IV to VII for FY 2024-25 as per the existing Bipartite Settlement / Joint Note remained under active consideration in conciliation, with further steps to be taken through the conciliation and bilateral process. The residual issues were thus clearly alive and unresolved.

In the above background, the subsequent action of DFS on 18.03.2026 is deeply disturbing. DFS has now issued bank-specific communications which, though titled as communications regarding "Performance Linked Incentive to Whole-Time Directors," go much beyond WTDs and expressly direct necessary action for payment of PLI to eligible officers from Scale IV to Scale VIII as per DFS unilateral formula; in SBI, the direction also extends to DMDs. These communications further record that bank performance and WTD performance for FY 2024- 25 have already been evaluated under the revised scheme, assign bank-wise scores, quantify WTD-wise PLI amounts, refer to the bank's board-approved policy, and state that they issue with the approval of the competent authority.

This is not advisory correspondence. It is concrete implementation during pendency of conciliation. It frustrates the process already underway before your office, defeats the purpose of the proceedings recorded on 09.03.2026, and seeks to create a fait accompli on a live industrial-relations issue that directly concerns the sanctity of settlements, fairness in treatment, industrial discipline, and respect for collective bargaining besides non-adherence to provisions of law.

If a central government organisation/department openly defies the CLC's directions, it sets a most undesirable and unhealthy precedent, gravely undermines the sanctity of conciliation, and jeopardises the entire workforce, directly affecting and threatening the interests of the workers.

We must also place on record that the industrial situation on the ground is extremely grave. In our considered assessment, the day the DFS scheme is implemented in banks for scale IV officers and above, the workforce will be on the streets in protest. We say this not by way of rhetoric, but to underline the seriousness of the unrest that unilateral implementation is bound to trigger across the sector.

In these circumstances, we respectfully request your immediate intervention and pray that your office may be pleased to:

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1. take immediate cognizance of the DFS action vide their communications to Banks dated 18.03.2026;
2. convene an urgent conciliation hearing at the earliest;
3. advise/direct DFS, IBA and all PSBs to keep in abeyance all action pursuant to the DFS communications dated 18.03.2026, including release or credit of PLI under the revised DFS scheme for Scale IV and above;
4. ensure that for FY 2024-25, PLI for officers in Scale IV to VII is dealt with only under the existing Bipartite Settlement / Joint Note framework, subject to final resolution in conciliation; and
5. record that unilateral implementation during pendency of conciliation is prejudicial to industrial peace and cannot prejudice the unions' demand under the existing settlement/joint note framework.

The matter is urgent and calls for immediate protective intervention before further irreversible steps are taken.

With revolutionary greetings,"

STATE BANKS' STAFF UNION (KERALA CIRCLE)	ZINDABAD
ALL INDIA STATE BANK OF INDIA STAFF FEDERATION.....	ZINDABAD
NATIONAL CONFEDERATION OF BANK EMPLOYEES.....	ZINDABAD