

THE FEDERATION OF BANK OF INDIA OFFICERS' ASSOCIATIONS

(REGD.No.7364)

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Dear Comrades,

ENCASHMENT OF PRIVILEGE LEAVE TO OFFICERS/EMPLOYEES WHO HAVE BEEN COMPULSORILY RETIRED FROM SERVICE

Our members are aware that the Personnel Committee of IBA, in its meeting held on 16.10.2000, had decided that compulsory retirement emanating from disciplinary proceedings as contained in Regulation 4(h) of Bank Officer Employees' (Discipline & Appeal) Regulations, 1976/1982, equated with termination of services and not under meaning of "Retirement" mentioned in Regulation 38 of OSR. Accordingly, IBA vide their Circular dated 27.11.2000 advised the member banks that leave encashment and travelling expenses on retirement will not be entitled for Officers whose services are terminated or who are compulsorily retired as a punishment.

This issue, which was an irritant for us, was followed up by our Confederation regularly. This issue was also raised by our Confederation in one of the Sub Committee meetings held with IBA in the month of April, 2015 while discussing pending issues during the course of salary revision talks. IBA vide their Circular No. HR&IR/76/H7/E9/755 dated 11.05.2015 advised the member banks that Management Committee of IBA in its meeting held on 30.04.2015 reviewed its earlier decision and decided to permit for encashment of Privilege Leave to the credit of compulsorily retired Officers/Employees. On receipt of this circular, the banks implemented the advice of IBA but only with effect from the date of advice which was a very narrow interpretation. We had been taking up the issue of implementation of the revised advice from the back date i.e. from 2000 when the facility of encashment of Privilege Leave was withdrawn. Our demand was supported by the logics as well as some Court decisions.

We are happy to inform you that our Bank Management has taken a lead on the issue and put up a Note on 18.10.2016, recommending to pay Privilege leave encashment to Officers and Workmen compulsorily retired from service w.e.f. 10.04.2002 i.e. the date of 8th Bipartite Settlement. We convey our sincere thanks to the progressive thinking of our Bank's Management for understanding the hardship of Officers/Employees, who were the victim of circumstances, and permitting them their due benefit.

We urge all our members to ensure passing on this information to all our former colleagues, who have been compulsorily retired from the service of the Bank, to submit a fresh application for encashment of Privilege Leave alongwith copy of Penalty/Appellate/Review order.

With greetings,

Comradely Yours,

(HARVINDER SINGH)
GENERAL SECRETARY