

STATE BANK OF INDIA OFFICERS' ASSOCIATION

(BENGAL CIRCLE)

(Registered under Trade Unions Act 1921-Regd. No. 6908)

1, STRAND ROAD, KOLKATA-700 001.

Phone: 2213-0663, 2213-0154, 2213-0665 (after 5.30 P.M.), Fax : (033) 2210-1684



e-mail: sbioabengalcircle@gmail.com
www.sbioabengalcircle.com

IP No. 500077

Circular No. 120/2017

Date : 13.09.2017

To All Members (Please Circulate)

We reproduce hereunder the Circular No. 98 dated 13.09.2017 issued by General Secretary, All India State Bank Officers' Federation, the contents of which are self-explicit.

With revolutionary greetings,

Soumya Datta
(General Secretary)

To all our Affiliates / Members:

**CABINET ACCORDS APPROVAL FOR PLACING
AMENDMENT BILL TO THE STATUTORY GRATUITY ACT 1972
GOVT. PROPOSES TO REVISE THE CEILING ON PAR WITH
7TH PAY COMMISSION RECOMMENDATIONS UPTO RS.20/-LACS
FORMAL PASSAGE OF THE BILL IS NOW AWAITED**

The long awaited issue of the enhancement of the Gratuity ceiling from Rs.10/- lacs to Rs.20/- lacs has since been cleared by the Parliament and necessary amendment to the Statutory Gratuity Act of 1972 to this effect is being moved in the next session of the Parliament. Our members are aware that the Federation and the Confederation has been continuously following up the issue of the amendment to the ceiling of Gratuity payable under the Act on par with the Gratuity extended to the retirees under 7th Pay Commission which was introduced with effect from 1.1.2016. A similar gesture was shown in respect of the Public Sector units owned by the Government and through an administrative order the revision in the ceiling payable under the Gratuity Act 1972 was also made available to them. As regards the Banking Industry the issue was being pursued continuously, both at the level of the IBA as well as the Government, for extending the same benefit in respect of the bank employees and officers.

2. After the Cabinet meeting, which was held after the reshuffling of the Central Ministry, several issues came up for discussions. One of the issues was the amendment to the Gratuity Act 1972. The cabinet decided that the benefit of Gratuity as extended to the Government employees should be made available to all concerned not only in the Public Sector but the Private Sector as well. The amendment should have taken place long back but for the hurdles created by the industrial lobby through various employers organizations to scuttle this move on the grounds that it would be a big burden on the private sector. However, all these hurdles have now been overcome and the amendment is being moved in the next session of the Parliament, as per the Government sources.

3. However, the other hurdle is in respect of the date of effect of the amendment. It has been the demand of the Federation, Confederation and the UFBU for making it effective from 1.1.2016 and repeated communications have been sent to the Ministry of Labor as well as the Ministry of Finance to ensure that the date of implementation is on par with the Government employees.

4. Comrades, due to the continuous follow-up, by the Federation, Confederation and others the delay in the presentation of the Bill was averted despite the pressure mounted by the powerful corporates on the Government. Now let us await for the final outcome of the amendment.

5. We note to keep advised of further developments to our members in this regard.

With greetings,

(Y.SUDARSHAN)
GENERAL SECRETARY