



**CIRCULAR No. 08/2024-27**

**(TO MEMBERS ONLY)**

**Dated: 20/01/2026**

Dear Comrades,

**Sub : Internal Settlement 2026**

We are glad to announce that the MoU for the internal settlement 2026 has been signed today between the top management team and SIBOA. The leadership was represented by the negotiation committee comprising of Com.Anoop Puthran, President, Com.Lalu K G, Treasurer, Com.Jiji K R, Deputy General Secretary, Com.Girish B, Vice President and the undersigned, your General Secretary.

It is to be remembered that our previous internal settlement which was finalized in 2021 was at a time when the general financial position of the Bank was not very healthy and we were still undergoing the transformation after the huge structural changes. However, SIBOA had shared the true responsibility as a trade union in supervisory cadre and rather than abjectly opposing the process, took active part in finding out and bringing up the flaws in the process and getting them corrected and thus contributing to the overall cause. Invariably, we had to accept a settlement which did not offer much advantage under allowances part. We were assured at the time that with the improvement in financial position, those grievances could be redressed in true spirit. The present settlement became due on 01/10/2024 and we had submitted our Charter of Demands well in advance. Needless to say, our financials improved to never before position which continues to do so quarter after quarter, year after year. We are happy to say that the assurance has been kept by the Board and the top management after a lengthy discussion process. We place on record our sincere gratitude to the entire Board for the positive manner in which our demands were discussed and disposed. We are also grateful to Sri P R Seshadri, our beloved MD, Sri Anto George T, CGM and Chief Operating Officer, Sri Jimmy Mathew, HR Head and Company Secretary, Sri Ram Mohan V, DGM HR and Sri Sujith P, CM HR, who all have actively participated in the negotiation process.

We are re-producing the salient features of the new settlement, which are not exclusive. Members are requested to refer to HR Circular for full details.

**Improvement in Allowances**

**1. Entertainment Expenses**

Increased by Rs. 100/- across all cadres

Cadre	Existing	Revised
PO/Scale I	Rs. 300	Rs. 400
Scale II	Rs. 400	Rs. 500
Scale III	Rs. 500	Rs. 600



## 2. Introduction of Canteen Allowance (New allowance)

Canteen allowance is introduced to Officers who are not having canteen facility (Officers working in Branches/ Office in Kakkanad office & Thrissur Head office are not eligible for this )

Cadre	Amount
PO/Scale I	Rs. 200
Scale II	Rs. 200
Scale III	Rs. 200

## 3. Fixed Conveyance

Fixed conveyance allowance is improved as follows

Cadre	Existing	Revised
PO/Pro. Manager	Rs. 650	Rs. 800
Scale I	Rs. 1600	Rs. 1850
Scale II	Rs. 1700	Rs. 1950
Scale III	Rs. 1800	Rs. 2050

## 4. Reimbursement of Petrol/Diesel Allowance

Reimbursement of Petrol/ Diesel reimbursement is increased by 5 litres for officers working in Branches and Primary sales roles in verticals.

## 5. Medical Check Up Allowance (staff members above 40 years)

Existing medical check-up allowance is increased by Rs.500 /- across all cadres.

Cadre	Existing	Revised
Scale I	Rs. 5000	Rs. 5500
Scale II	Rs. 5000	Rs. 5500
Scale III	Rs. 5000	Rs. 5500

## 6. Out of pocket expense for offsite ATM

Out of pocket expense is increased by Rs. 200/- for offsite ATM

Type	Existing	Revised
Offsite ATM	Rs. 1000	Rs. 1200



## Modifications in other service conditions

### 1. Reimbursement for travel through Public Transport

Reimbursement rate for travel through public transport is increased to Rs. 4/- from Rs.3/-

### 2. Shift allowance

Shift allowance is revised as follows

Cadre	Existing	Revised
Night	Rs. 100/-	Rs. 200/-
Holidays	Rs. 200/-	Rs. 400/-

### 3. Combined HRA eligibility

The combined HRA facility is extended to all centres across all cadres with the combined eligibility of 2 staff members (Previously upto scale III at selected centres with 150% of lowest eligibility)

### 4. LFC Foreign Tour

- Existing limit of Rs. 60,000/- is revised to Rs.75,000/-
- Foreign LTC is limit is increased to 4 times during the entire service from existing 3 times

## Modifications in Staff loan Scheme

### 1. Housing Loan

The quantum of Housing loan is enhanced as follows

( In lacs)		
Cadre	Existing	Revised
Scale I	100	110
Scale II	100	130
Scale III	100	130

In addition to the extant norms, the enhanced eligibility can be utilized,

- For liquidating the housing loans availed by the staff members under the general category (partially along with staff housing loan) for purchase/construction of house property, provided such application for enhanced limit is made within a period of 1 year from the date of purchase / completion of construction.
- For funding the construction cost in partially disbursed staff housing loans, subject to the condition that the construction of house/flat is not completed and the amount of loan is limited to the original project cost or the enhanced limit, whichever is less.



## 2. Car Loan

The quantum of Car loan is enhanced as follows

Cadre	Existing	Revised
Scale I	10	12
Scale II	15	17
Scale III	15	18

Tenure of the car loan is revised to 180 months from the existing 200 months. Principle will be paid in 144 months & Interest will be paid in 36 Months.

## 3. Two wheeler Loan

The quantum of Two wheeler loan is enhanced as follows:

Cadre	Existing	Revised
PO	1.00	1.50
Scale I	1.50	2.50
Scale II & III	1.50	3.00

## 4. Education loan for wards

The quantum of loan is enhanced as follows

Category	Existing	Revised
Domestic study	10.00	15.00
Overseas study	20.00	30.00

## 5. Gold loan

Gold loan limit is enhanced to 12 lacs from existing 10 lacs

## 6. POD

POD limit is enhanced as follows

Experience	Existing	Revised
3 to 5 years	2.00	2.00 ( No change)
5 to less than 10 years	4.00	4.50
10 to less than 15 years	7.00	7.50
15 to less than 20 years	10.00	11.00
20 years and above	12.00	14.00

Yours faithfully,

(Praveen R)  
General Secretary