AIBEA's Banking News

NEWS BULLETIN FROM ALL INDIA BANK EMPLOYEES' ASSOCIATION

UFBU calls for nationwide bank strike from Sept 11 over 5-day week, revised PLI scheme

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THE HINDU businessline.

By BL New Delhi Bureau

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All India Bank Employees Association General Secretary C. H. Venkatachalam speaks during a press conference announcing the nationwide strike action over their pending demands at the Press Club of India, in New Delhi on Tuesday. United Forum of Bank Unions demands the implementation of a five-day banking week and the withdrawal of the revised Performance Linked Incentive | Photo Credit: ANI

The United Forum of Bank Unions (UFBU) has announced a series of strikes, beginning with a one-day on September 11, over unresolved four key demands, such as five-day banking week and the government's revised Performance Linked Incentive (PLI) scheme.

In a statement issued on Tuesday, the UFBU said that the September 11 strike will be followed by a three-day strike from September 28 to September 30. If the grievances are not addressed, the Unions stated that they would proceed on an indefinite strike from October 26.

The UFBU comprises seven unions — AIBEA, AIBOC, NCBE, AIBOA, BEFI, INBOC and INBEF — and claims to represent 90 per cent of workforce across public sector, private, foreign, regional, rural and cooperative banks, as per statement.

This is the second strike the UFBU has called for in about a year-and-half. In March 2025, the strike was deferred after the Chief Labour Commissioner asked the Indian Banks' Association and Unions to negotiate PLI scheme modifications.

The government rather negotiating on the proposal, said the Unions, directed banks in March 2026 to implement the formula. The matter was subsequently

taken to the Delhi High Court and remains pending, according to the release.

The latest escalation came after the Department of Financial Services, under the Union Ministry of Finance, again directed banks on August 21, 2026, to proceed with implementation. The unions have alleged that this violates the status quo requirement under the Industrial Disputes Act while the dispute remains before the Chief Labour Commissioner.

Overall, the four key demands, listed out in the official statement, are for implementation of the five-day banking week pending for several years, modification of the Performance Linked Incentive scheme through bilateral discussions as the Unions said it is not acceptable in current format, and resolution of pending residual issues.

The Unions stated that banks agreed in principle to move towards a five-day week in 2015, when the second and fourth Saturdays were declared holidays.

Five years later, the issue was revisited and subsequently formalised through the wage settlement signed on March 8, 2024. According to the statement, under the arrangement, bank employees agreed to work an additional 40 minutes every day from Monday to Friday in return for all Saturdays being declared holidays, ensuring that existing customer service hours remain intact.

The Unions said they are still awaiting response from Finance Ministry to their more than two-year-old agreement for five-day a week work schedule. They argued that five-day working weeks schedule are already followed by institutions including the Reserve Bank of India, LIC, GIC and NABARD, along with other government and private institutions.

On the PLI scheme, they said it was introduced through a 2020 settlement and applied uniformly to bank employees, from housekeeping staff to General Managers. Under that arrangement, incentives ranged from one to a maximum of 15 days' wages, depending on the performance of the bank.

However, in November 2024, the Department of Financial Services directed banks to adopt a revised incentive formula based on individual performance for Scale IV to VII officers. The unions said this covers around 40,000 officers, or about 5 per cent of the industry's 8-lakh-strong workforce.

Under the revised formula, senior officers could receive incentives of up to 365 days' wages, compared with a maximum of 15 days for the remaining 95 per cent of employees, the Unions said, adding that it will create significant disparity within the workforce which is not acceptable.

2026 SEPTEMBER, 2

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