



ALL INDIA BANK EMPLOYEES' ASSOCIATION

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TO ALL OFFICE BEARERS, STATE FEDERATIONS AND ALL INDIA BANKWISE ORGANISATIONS

Dear Comrades,

Payment of Gratuity to Banks' Daily Deposit Collectors

Units are aware that Banks' Daily Deposit Collectors were organized by AIBEA and due to our organizational efforts, a prolonged legal battle was won by which Supreme Court has held at Deposit Collectors are workmen within the meaning and provisions of Industrial Disputes Act.

Under the Award of the Industrial Tribunal, as upheld by the High Court of Andhra Pradesh and later confirmed by Supreme Court in February, 2001, Deposit Collectors were being paid **Gratuity at the rate of 15 days of commission** for each completed year of service **based on the average commission for the 12 months preceding the date of cessation of service.**

In 2013, the CGIT, Delhi gave an Award that Gratuity is payable at Rs.4000 for every completed year of service irrespective of commission/remuneration received. However, Delhi High Court, vide its order dated 20-4-2015, set aside this order of the Tribunal relating to Gratuity.

This means and implies that Gratuity will not be paid taking commission at Rs. 4000 per month irrespective of actual amount received but the original direction and decision of Supreme Court order dated 13-2-2001 and the previous Hyderabad Tribunal's Award to pay Gratuity at 15 days average of actual commission REMAINS UNALTERED and Gratuity is payable accordingly.

The High Court of Delhi, in its order dated 20th April, 2015, in Para 71 of the judgement also held that the Deposit Collectors are eligible to claim Gratuity in terms of the Payment of Gratuity Act, 1972, if they are entitled.

Thus, Bank Daily Deposit Collectors are eligible to receive Gratuity

a) As per Hyderabad Tribunal Award and Supreme Court order dated 13-2-2001 (15 Days' Commission per year based on average of actual Commission received in the last 12 months)

or

b) As per Gratuity Act, 1972 (as per Delhi High Court order dated 20th April, 2015)

WHICHEVER IS MORE FAVORABLE

We learn that in some of the Banks, the management is not implementing the Award/Court orders and Gratuity is being denied to the Deposit Collectors wrongly quoting the Delhi High Court Order. We took up the issue with the IBA and IBA advised the concerned Banks to pay Gratuity. Even thereafter, these Banks did not pay Gratuity to the Deposit Collectors.

In this background, in one of the cases, Tamilnadu Bank Employees Federation and Tamilnadu Bank Deposit Collectors Union took up the issue of non-payment of Gratuity of a Deposit Collector with the concerned Asst. Labour Commissioner who is the Controlling Authority under the Payment of Gratuity Act.

After a few rounds of hearing, now the **ALC/Controlling Authority has given his order that the Deposit Collector is to be paid Gratuity under the Gratuity Act (Rs. 1,09,225/- plus interest at 10% from 2017) within the next 30 days.**

We learn that still in some of the Banks, Gratuity is not being paid to the Deposit Collectors. We request our units that wherever Gratuity is denied to Deposit Collectors, they should take up the matter with the management and ensure the payment of Gratuity or help the Deposit Collectors to claim it legally as above.

With greetings,

Yours comradely,



**C.H. VENKATACHALAM
GENERAL SECRETARY**