

**KARUR VYSYA BANK  
EMPLOYEES' UNION**

(Affiliated to AIBEA)



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Circular No. 38/36/2026

12<sup>th</sup> January, 2026

Dear Comrades,

We append hereunder text of our letter dated 08.01.2026 written to our management in respect of Grant of Ex-Gratia to Pensioners, Extension of Pension Option to Eligible Resignees and other pending issues for the information of our Members.

With greetings,

Yours comradely,

**T . SEKAR**

**GENERAL SECRETARY**

KVBEU / 38 / 29 / 2026

January 08, 2026

The Managing Director & CEO,  
Karur Vysya Bank Ltd.,  
Central Office,  
Karur.

Dear Sir,

**Reg: Grant of Ex-Gratia to Pensioners, Extension of Pension Option to Eligible Resignees and other pending issues.**

We wish to bring to your kind attention a matter of immense significance concerning the welfare of our Bank's retired employees and former colleagues. This pertains to the grant of Ex-gratia payment to Pensioners and the extension of an option to eligible resignees to join the Pension Scheme, as per the guidelines issued by the Indian Banks' Association (IBA) in August 2024 to all Private Sector Banks who are signatories to the Pension Settlement.

In this connection, we have already addressed detailed representations to your goodselves on the subject as under:

- KVBEU/37/51/2024 dated 05.09.2024
- KVBEU/38/03/2024 dated 03.12.2024
- KVBEU/38/14/2025 dated 12.03.2025
- KVBEU/38/19/2025 dated 27.05.2025

For your immediate reference we once again furnish hereunder the following pending issues pertaining to our Pensioners in our Bank.

**1. Grant of Ex-gratia to Pensioners:** In the 12<sup>th</sup> Bi-partite Settlement / 9<sup>th</sup> Joint Note entered into between Indian Banks' Association and United Forum of Bank Unions dated 8.3.2024, it has been agreed to grant ex-gratia to the Pensioners ,Subsequently The Indian Banks' Association vide its letter CIR/HR & IR/G 2/2023-24/1397 dated 3<sup>rd</sup> September, 2024 addressed to all the Private Sector Banks who are parties to the 12<sup>th</sup> Bi-Partite Settlement/9<sup>th</sup> Joint Note to consider Grant of Ex-gratia to Pensioners. Some of the Private Sector Banks like Federal Bank, Nainital Bank and Jammu & Kashmir Bank has implemented the above, but our Bank is yet to implement the same.

**2. Extending an option to the resignees to join Pension Scheme:** In terms of Memorandum of Understanding dated 09/11/2023 entered into between IBA & UFBU and as per Clause 37 of 12<sup>th</sup> Bipartite Settlement dated 08/03/2024 it is agreed that employees who were in service of the Banks on or after 1.1.1986 and had joined the Banks before 1.4.2010 and who have resigned from the service of the Bank on or before 26.4.2010 and who were otherwise eligible to join the pension scheme while in service will be given an option and opportunity to join the pension scheme. Our Bank is also Party to the above 12<sup>th</sup> Bi-partite Settlement / 9<sup>th</sup> Joint Note but still our bank not implemented the same.

#### **Other pending issues of the Retirees :**

**1) Stagnation increments to Employees retired from the bank between 01.11.2012 and 30.04.2015 :** We note with concern that our Bank has so far not extended the benefit of Stagnation Increments to Employees retired from our bank between 01.11.2012 to 30.04.2015 and the benefits of Pension under the 10<sup>th</sup> Bipartite Settlement. In this regard IBA has also sent Letter to all Banks vide No. HR&IR /GMB/2020-21/9578 dated 29/01/2021.

**2) Ex-gratia of Rs.10000/- p.m. to Pre 1986 retirees/spouses:** Our Bank had decided in the year 2001 to grant Ex-gratia payment to the surviving ex-employees who have retired from the services before 1986 after serving a minimum qualifying period of 20 years. Accordingly Rs.300/- plus applicable DA being paid to the pre 1986 retirees. Subsequently it was extended to the spouses of the pre 1986 retirees also. However, revision of Rs.10,000/- per month to the pre 1986 spouses yet to be implemented in our bank. To our estimate as on today, there will be only very few surviving spouse and as good gesture, Management can grant the above revised Ex-gratia amount to them.

We have also made repeated representation to the Executives in Human Resources Department during our visits to the Central Office. However, we regret to note that a positive response is yet to be received from the Management.

Further, we would like to state that few months back, Private Sector Bank Unions Cell under the banner of AIBEA had conducted various agitation programmes highlighting the various issues pertaining to the employees working in private sector banks. One among the issues is payment of Ex-gratia to the Pensioners in private sector banks. A detailed Memorandum highlighting all our pending issues including the above issue was also sent to the Managing Director of all Private Sector Banks including our Bank. However, till date there is no positive response from the Management for the above Memorandum.

We understand that Karur Vysya Bank Retirees' Association, a registered Union under Indian Trade Unions Act is continuously writing letters to your goodselves and also to the General Manager, HRD for implementation of the above pending issues in our Bank. We have been informed by them that none of their Letters addressed to our Management are neither acknowledged nor responded. Hence, it is imperative on the part of the Employees Union to take up the issues of the Retirees who are the former employees of our beloved Bank and also erstwhile Members of our Union with the Management for implementation of the above issues agreed in the Bi-partite Settlements.

Our Bank, being a party to the Settlement governing the Pension Scheme, has always implemented all improvements and policy enhancements in the Scheme promptly in the past. The Bank's enduring commitment to the welfare of its retired employees has been a matter of pride and goodwill across generations. It is, therefore, disheartening to note that the delay in implementing the above measures has caused growing concern among our Pensioners and deserves immediate relief.

Our Bank, now in its 109<sup>th</sup> glorious year of existence, continues to record consistent and remarkable growth across all quarters, achieving tremendous business expansion and recently crossing the milestone of Rs.2 lakh crore in total business. This achievement stands as a testament to the collective effort and dedication of generations of employees both past and present.

The retired employees, through their unwavering commitment and hard work over several decades, have laid the firm foundation upon which today's growth is built. The present workforce, proudly carrying forward this legacy, continues to contribute silently and steadfastly to sustain and strengthen the Bank's progress.

While we trust that the Management will consider our above representation favourably, we are constrained to state that, as a responsible trade union, in the event of continued inaction, we will be compelled to intensify organizational and demonstrative actions in pursuit of justice for our retired colleagues. We sincerely hope such a situation will not arise and that our Management will uphold its long-standing tradition of fairness and compassion.

We, therefore, urge the Management to accord approval for the payment of Ex-gratia to all Pensioners of the Bank, extend the option to all eligible Resignees to join the Pension Scheme in line with the IBA's advisory, release of Stagnation increments to Employees retired from the bank Between 01.11.2012 and 30.04.2015 and payment of revised Ex-gratia to the pre-1986 surviving spouses, thereby strengthening the enduring bond between the Bank and its proud family of present and retired Kayveebians.

Thanking you,

Yours faithfully,

Sd/-  
T. Sekar  
General Secretary