

F.No. 8/3/2010-RRB
Government of India
Ministry of Finance
Department of Financial Services

Jeevan Deep Building, Sansad Marg,
New Delhi dated the 24 July, 2010.

To,
The Chairmen of all Regional Rural Banks
(except Kshetriya Kisan Gramin Bank, Mainpuri)

Sub: Revision of Pay and Allowances of Regional Rural Banks' employees under Proviso 2 of Section 17(1) of the Regional Rural Banks Act, 1976.

Sir,

In exercise of the powers conferred under second proviso of Section 17(2) of the Regional Rural banks Act, 1976 and in accordance with the directions of the Supreme Court in the judgment dated 31.1.2001 in Civil Appeal No. 2218 of 1999 in the matter of South Malabar Gramin Bank Vs Co-ordination Committee South Malabar Gramin Bank Employees union and others, Central Government, consequent upon the revision of the wages/pay structure of the workmen/officers employees of the nationalized commercial banks in terms of the 9th Bipartite Settlement, determines the pay scales of employees/officers of RRBs as follows:-

1. Pay Scales and Dearness Allowances:- Pay scales and Dearness Allowances of RRB employees as on 1.11.2007 would be equal to the corresponding categories of employees of the nationalized commercial banks. Pay for the purpose of DA, HRA and superannuation benefits shall mean basic pay, stagnation increments, special pay, graduation pay, professional qualification pay and officiating pay, if any.
2. House Rent Allowance(HRA) and City Compensatory Allowance(CCA): HRA and CCA would be payable at the same rate as applicable to the corresponding categories of employees in the nationalized commercial banks w.e.f 1.11.2007.
3. The sponsor bank shall negotiate the 'other allowances' with RRBs sponsored by them.
4. The payment of revised salary and the arrears thereof may be made accordingly.
5. The RRBs may issue a comprehensive order indicating the revised pay scale in respect of each category of employees after seeking the approval of their Board of Directors.
6. A copy of the Orders issued in this regard may be endorsed to this Department as well as to NABARD for information and record.

Yours faithfully,

(Suresh C. Arya)
Senior Research Officer