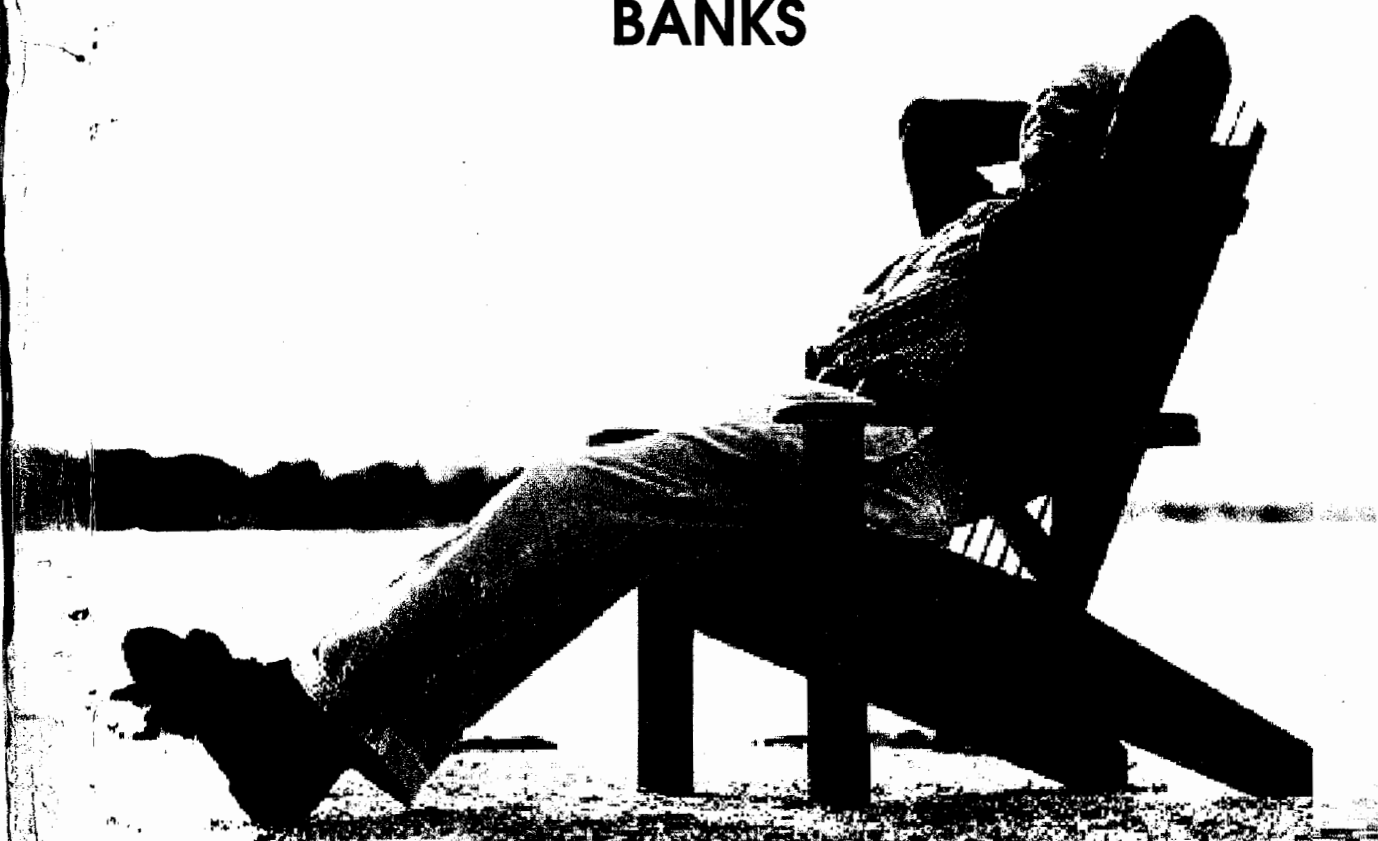


ALL INDIA BANK OFFICERS' CONFEDERATION



PENSION SCHEME IN BANKS



State Bank Buildings, St. Mark's Road, Bangalore-560 004

VALUE STATEMENT

- > Affiliate wise Autonomous; Confederation wise Supportive.
- > Inculcating a sense of belonging amongst the Members, Affiliates and the Working Class at large.
- > To be sensitive and to protect Human Dignity and Self-Respect.
- > To improve Professional Outlook and Commitment to the Institution.
- > To seek continuous Enhancement of Working Knowledge and Skills through, Research, Training and Development.
- > To root out Corruption at all levels.
- > To work for the National interest and to confront New Challenges with Eternal Vigilance, Determination and Bold Initiatives.
- > To Resolve Internal Organizational Challenges through Mutual Dialogue, Discussion and Consensus.
- > To Work Democratically to Enhance Unity and Camaraderie Amongst Members and Affiliates.



ALL INDIA BANK OFFICERS' CONFEDERATION (AIBOC)

2ND OPTION ON PENSION AND PENSION REGULATIONS

1} Foreword

2} 9th Bipartite Settlement: Another Option for Pension.

Annexure

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(ii) Circular No.64 dated 12.05.2010.

(iii) Correspondence with IBA on the Pension issue.

3} Joint Note on agreed conclusions, between IBA and AIBOC/o on Pension issue, dated 27.04.2010.

4} Joint Note on agreed conclusions reached between AIBOC and IBA on Pension Option dated 29.10.1993.

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(ii) VIII Bipartite settlement : Revised Basic Pay, PQP, FPP and DA SLABS

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(vi) D.A. Relief to Pensioners : Chart for Pensioners who retired during the period:

* 01.11.1992/01.07.1993 to on or after 01.11.1992/01.07.1993 to 31.03.1998.

* On or after 1st April, 1998 to 31-10-2002

* On or after 1st November, 2002 to 31-10-2007

* On or after 1st November, 2007

7} Rates of family pension: Family Pension Slabs



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FOREWORD

We have brought out a booklet on 2nd Option on Pension which provides an insight to the question of exercising the option by our members along with certain important aspects that have gone into finalisation of the settlement on 2nd Option on Pension to enable the members to get themselves convinced about accepting the advice to exercise the option without any hesitation. We have also furnished certain live examples wherein those members who are particular about arithmetic of the 2nd Option to comfort themselves with hard data so that they are in a position to personally arrive at the benefit that would accrue to themselves by exercising the 2nd Option on Pension.

The exercise of the publication of the booklet is also to take care of a number of enquiries we have been receiving as to the methodology that is adopted in regard to the various provisions of the agreement signed at the industry level by the constituents of the United Forum of Bank Unions and also provide clarifications on some of the frequently asked questions by our members.


We were overwhelmed by the spontaneous support that we received to our earlier publication on the 9th Bipartite Agreement as well as 2nd Option on Pension which was available to the members in a booklet form on the very next day of our signing the agreement and created a record in regard to the total copies so far bought by our members all over the country. This attempt is yet another similar effort in response to the demand of the members all over the country.

The IBA is yet to issue detailed guidelines as regards the Family Pension Slabs. However in view of the over whelming demand of the members, we have comeout with this publication. Since the principles governing the caluclation of Family Pension remain unchanged, members may workout the pension and other details on receipt of guidlines from IBA (Even at the time of our going to the print, the data was yet to come)

We are confident that the members will welcome this publication as well enthusiastically. We are always in readiness to accept any suggestion for further improvements in our publication.

With greetings,

Place: Bangalore
Date: 01-06-2010


(G.D.NADAF)
GENERAL SECRETARY

9TH BIPARTITE SETTLEMENT ANOTHER OPTION FOR PENSION

Officers across the country in the Banking Industry have welcomed the settlement on another option for pension with jubilation. There is widespread appreciation from Officers' community on the achievement. We have been receiving a spate of enquires, from the retired as well as the serving officers, whether Pension Option is beneficial to them. "To be or not to be" was Hamlet's dilemma and our Officers are caught on the horns of a dilemma as to whether opting for pension will be beneficial to them. We thought it fit to give some illustrations picking up the cases of officers including those who have retired from the service of the Banks at different dates covering the Settlements right from the 6th Bipartite.

2. The sharing of the 2nd Option pension gap to the extent of 30% of Rs. 6,000/- crores by the existing officers at 2.8 times of revised pay for the month of November, 2007 and 156% of Bank's contribution to PF received by retired officers is as explained here below.

3. EXISTING OFFICERS:

Existing Officers with PF Option, who were in the service of the Banks on the date when pension was introduced in Bank through Pension Regulations in 1995/1996 and continue to be in Bank service as on 27.04.2010 and did not opt for Pension during that time, can now exercise the Option to join the Pension Scheme.

Upon opting for the Pension Scheme by the above officers:

- Banks will transfer Bank's contribution to PF standing to the credit of the employee to the Pension Fund.
- Banks will contribute Rs. 4,200/- crores to the Pension Fund being 70% of their share to extend the option to PF Optees.
- The PF Optees in service as on 27.04.2010 will contribute Rs. 1,800/- crores to the Pension Fund being 30% of their share at 2.8 times of their revised pay as on 01.11.2007, payable out of the arrears to be received by them.

The formula for contribution of 2.8 times of revised pay is arrived as follows:

(i) Total annual revised "pay" of PF Optees as on November, 2007. = Rs. 7,720.00 Crore.

(ii) Monthly pay i.e., Rs. 7,720/-

= Rs. 643.00 Crore

12

(iii) Deficit in fund on account of extending another

option as assessed by the actuarial experts

=Rs. 6,000.00 Crore

(iv) Out of the above 70% contribution by the Banks

=Rs. 4,200.00 Crore

(v) Balance 30% to be contributed by PF Optees

=Rs. 1,800.00 Crore

(vi) Hence contribution by individual PF Optees will be Rs. 1,800.00

$$\frac{1800}{643.00} = 2.8$$

i.e., 2.8 times of "revised pay" payable as at 01.11.2007 (pay for this purpose means, Basic Pay, PQP, FPP etc.)

4. RETIRED OFFICERS:

Pension Option for Retired Officers:

All the Officers who were in the service of the Bank on the date of implementation of Pension Regulations i.e., 1995/1996 and

- have retired thereafter on or before 26.04.2010
- Or died while in service on or before 26.04.2010
- Or ceased to be under the Special VRS Scheme after completing 15 years of service including their spouse.

5. All such retirees/families, who will opt for Pension now have to refund Bank's contribution to PF with additional amount of 56% of the amount received and the formula for this is as follows:

(i) Total Fund required for another option = Rs. 4,774.00 Cr.

(ii) Banks' contribution to PF to be refunded by the retirees

= Rs. 1,659.00 Cr.

(iii) Deficit in the Fund

= Rs. 3,11,5.00 Cr.

(iv) Out of the above 70% contribution by the Banks

= Rs. 2,181.00 Cr.

(v) Balance 30% to be contributed by the employees = Rs. 934.00 Cr.

(vi) Hence, contribution by individual retirees will be = 934×100

= 56%

Rs. 1,659.00

i.e., Refund of PF balance with interest received plus 56%

6. The AIBOC had suggested equal sharing by all and this was virtually accepted by IBA. In the mean while, legal hurdles were created by our detractors, which created a fear in IBA as well as the Government who were not prepared to enter into any legal hassles. At this stage IBA/Government proposed that the gap should be met by PF Optees only. AIBOC and UFBU had made efforts by submitting a common letter on 26.04.2010 to IBA for uniform recovery from all, but IBA was scared of legal impediments and rejected our proposal. It was a take or leave offer by the IBA. At this stage the choice before the leadership was whether to accept or reject the offer of IBA and put at risk another option for pension. All the pros and cons of IBA offer were weighed and ultimately, in the larger interest of the Members, and achieving the long cherished dream of another option for pension, we agreed for the formula of 156% of PF and 2.8 times of the revised basic pay for retirees and existing employees, respectively (**See our Circular No. 64 – Annexed**)

7. INCOME TAX ON ARREARS:

As 2.8 times of revised pay will be contributed by CPF Optees towards the Pension fund, to meet gap in pension fund on account of 2nd Option, out of arrears of salary & allowances receivable, we have suggested to the IBA to exempt entire contribution towards pension fund, from payment of income tax. (**copy of letter annexed.**) We are following up the matter with the IBA.

8. PENSION OPTION – A CRUCIAL DECISION:

We have been receiving anxious enquiries about the various details to take a view on exercising of the option by our members as well as retirees at various period of time. The Confederation has been in the forefront to achieve the 2nd option on Pension since a long time and has been able to wrest the issue after a great deal of struggle. We are aware that the decision whether to go for 2nd option or not, is a crucial decision and also involves making arrangements for refund of the Provident Fund received along with interest as per the agreement. In order to smoothen the

decision making process, we have worked out certain examples which are annexed to this Circular. As regards the view of the Confederation in regard to the 2nd option, we furnish below some of the points which may help you in arriving at a quick decision.

- a) The Confederation firmly believes that, Pension is a social security available to our retirees at the end of their superannuation and till they survive on this earth as well as their spouses. Hence, the decision is to be made not on the basis of the arithmetical calculation but on the basis of emotional comfort it provides to our members.
- b) Pension is sought by each and every individual in every organization for the reason that it assures a definite income at the end of every month, which alone gives the strength and confidence for our retirees to lead a healthy and comfortable life;
- c) Pension is a means to ensure self dignity and self esteem of an individual since he is not required to be under anybody's mercy at the advanced age;
- d) Pension also provides the retirees an economic status in the society since Pension is linked to cost of living. The basic pension is fixed at the time of retirement on the basis of the last drawn basic pay, but the DA is provided and revised periodically on the basis of Cost of Living;
- e) The returns on investments in the bank by way of Fixed Deposit – is showing a downtrend in view of the huge liquidity available in the market and hence it is not linked to inflation; whereas Dearness Allowance Payable on Pension is linked to inflation and cost of living index, we are always covered against the vagaries of the increasing cost of living;
- f) Pension is beneficial since it is payable till the death of the Pensioner and Family Pension as stated earlier – which is more important in the background of the increasing longevity due to the advancement made in the medical field. This is an important emotional content which should influence our members to take a quick decision in the matter. Monthly income on PF investment is fixed or it diminishes when rate of interest on Deposits comes down. The real value of PF corpus may get eroded due to inflation and price rise and also when the rate of inflation is higher than the rate of interest.

Hence, our advice to all those members who are members of the Provident Fund is, a decisive “yes” for going in for another option.

9. In view of the large number of enquiries we have been receiving, seeking clarifications that are being sought by our members, we were of the view that we must furnish them the methodology of calculation so that they would be able to work it out for themselves while comparing the examples provided in the Circular.

a) You have to collect the following particulars:-

The Last Salary Payment Certificate/Statement provided at the time of your retirement;

The Statement of Provident Fund providing you the details regarding the refund made by the Bank;

The amount shown in the Statement as the contribution of the Bank;

b) You should also have the following particulars in regard to your Service:

(i) Date of Birth

(ii) Date of joining the Bank

(iii) Qualification – such as Graduation; CAIIB details etc., (qualifying for the purpose of Superannuation)

(iv) Date of Retirement//VRS/ SVRS or any other information which decided your date of retirement;

10. After all these particulars are collected you are required to work as under:-

a) Total Pensionable Service - No. of years of service + eligible additional number of years of service as per the service conditions;

b) Basic Pay eligible for Pension

(Which includes Professional Qualification, Fixed Personal Allowance etc., as currently applicable)

c) Formula for calculation of Pension:

$$\frac{\text{Average Monthly Emoluments}}{2} \times \frac{\text{Number of years of qualifying service with a maximum of 33 years}}{33}$$

Service of 33 years will qualify for full pension. In the case of an employee who has put in less than 33 years of service pension will be payable on proportionate basis for the number of years of qualifying service.

11. After arriving at the Basic Pension payable as above, you will have to arrive at the amount which you are eligible for Commutation of pension.

The Scheme contains a table which provides you the conversion factor. The table is annexed:-

a) Commutation amount = $1/3$ of the Basic Pension x 12 x Commutation Factor.
You will get the total commutation value of your Pension. You will have to adjust your commutation amount receivable from the Bank with the amount you are required to payback as the Provident Fund received with interest and arrive at the Net amount payable to the Bank

b) Total P.F. Balance Payable with 56% extra (**minus**) Commutation = Amount returnable to the bank for availing Pension benefit.

In regard to the Family Pensioners a similar exercise will have to be done to arrive at the eligibility of Family Pension. The existing Pension Regulation does not provide for commutation by the Family Pensioners and the matter is being taken up separately. However, as on to-day, they may have to get the Pension as per the current rules, hence they may have to calculate their pension dues accordingly.

12. Comrades, the details furnished above are only to provide an insight into the working of Pension payment. However, the decision to go for 2nd option on Pension should be exercised on the basis of our advice already detailed above. We will further suggest to all those who have retired recently and retired earlier but are in a position to arrange for the funds should immediately go for exercising the option once the circular instructions are received. The other members should ensure that they are able to mobilize the necessary resources at the earliest since the scheme will have a limited time for exercising the option. As per the agreement signed it is 60 days from the date of the notification of the scheme by the banks. The amount to be refunded to the Bank should be remitted within 30 days of expiry of option period.

13. MEMBERS WHO ARE ON THE ROLLS OF THE BANKS:

As regards the members who are on the rolls of the Banks as on the date of our agreement, we wish to clarify that there is no question of any thinking on the decision by them. For them we give an emphatic "yes" to go for 2nd option. They should submit the letter of option as per the scheme once they get the detailed advice from their respective banks and become members of the Pension Scheme at once.

14. That the option for Pension is totally beneficial for all who are given a chance to opt, is illustrated with a few live cases of officers, which are furnished in the Annexure.

15. We have furnished in the Annexure the implications of opting for pension after refunding to the Bank 156% of the amount received by way Bank's contribution to PF and we call upon our members to opt for pension immediately.

16. From the illustrations furnished in the Annexures it is crystal clear that the pensionary benefits far outweigh the pinch of loss on account of contributing 56% of the amount of PF received from the Bank. Pension will certainly provide the sustenance, succour and social security to our officers in their twilight years and enables them to live a life of self respect and dignity. We call upon the members to study the pros and cons of the scheme under the given circumstances and take a decision to opt for pension. Let us remember that life is a rainbow which also includes black. Now it is time to grab the golden opportunity and lead a life with economic independence.

17. RESIGNEES:

The present option does not include resignees as per pension regulation 22; of Chapter II "Resignation or dismissal or termination of an employee from the service shall entail forfeiture of his entire service and consequently shall not qualify for pension".

We have taken up the matter with the IBA for amendment to the Pension Regulation 1995, to cover resignees who had put in pensionable service, for the purpose of 2nd Option (Copy of our communication annexed)

18. FAMILY PENSION

We have suggested to the IBA to waive contrubution of 56% extra on PF balance received by the employee from the family members of the deceased CPF optee and aslo to permit them to commute the pension. **(A copy of the letter in annexed)**

**POST REVISION
(9TH BIPARTITE RETIREES)**

Name -Mr. 'X'
 Date of joining: 10.08.1970
 DOR .31.12.2008
 MMG SCALE -II - CAIIB - Nil
 DOB: 25.12.1948
 (Eligible for full pensionable
 service. Hence 50% of last drawn B.P.)
 Pensionable service: 38 years and 4 months

Basic Pay (Revised)	Rs. 29700.00
Fixed Personal Pay	Rs. 800.00
	<hr/>
	Rs. 30,500.00
	<hr/>
Basic Pension	Rs. 30,500.00
	<hr/>
	$\frac{\quad}{2} = 15,250.00$

In case he optes for Commutation

	Rs. 15,250.00
Commutation 1/3 of basic pension	<hr/>
	$\frac{\quad}{3} = 5,083.00$
Commutation amount :	$5083 \times 12 \times 9.48 = \text{Rs. } 5,78,242.00$

Commutation is calculated on the basis of age on the date of exercising option.
 Commutation factor is taken on the basis of the next birthday of the pensioner.
 Please refer Commutation factor table under pension regulation.

Basic Pension	Rs. 15,250.00
Less: Commutation	Rs. 5,083.00
	<hr/>
Basic Pension after commutation	Rs. 10,167.00
Plus: DA on Basic Pension @ 34.75%	Rs. 5,299.00
	<hr/>
Total Pension	Rs. 15,466.00
	<hr/>

Bank's Contribution of PF	Rs. 7,14,000.00
Add: 56% Contribution	Rs. 3,99,840.00
	<hr/>
	Rs.11,13,840.00
Less: Commutation Amount	Rs. 5,78,242.00
	<hr/>
Amount to be repaid to the Bank to Become eligible for Pension	Rs. 5,35,598.00

- (i) The officer by investing Bank's P.F. Contribution plus 56% amounting to Rs.11,13,840.00 he would have earned monthly intrest of Rs.7,890 p.m. As against this the officer will earn monthly pension of Rs.15,466.00
- (ii) By investing Rs. 5,35,598.00 in Bank FD carrying interest at 8.5% p.a. will earn monthly income of Rs.3,793.00
- (iii) If the spouse has to opt for family pension, the amount to be refunded to the bank is a sum of Rs.11,13,840.00 and this amount if invested in Bank deposits @ the rate of 8.5% p.a. will earn monthly income of Rs.7,890.00. As family pension is with index linked DA it is still beneficial to the family pensioner as intrest rates on bank deposits are subject to variation.
- (iv) Presuming that the pensioner has to raise a loan for Rs.5,35,598.00 at 12% p.a., will be paying monthly intrest of Rs.5,356.00 p.m. Even with repayment of instalment along with intrest the pensioner will be still getting better some relief on account of monthly pension, which is Rs.15,466.00 However it is a tough call for the spouse to opt for the family pension. If the family pensioner is relatively younger, a positive decision can be taken.

With longevity of life estimated by LIC being around 75 years, the officer will continue to enjoy pension benefit which is with index-linked DA, which will take care of inflationary pressure.

Hence, pension is certainly beneficial to the officer.

FAMILY PENSION (In case of death of pensioner)

Revised Scale of Pay: Rs.30,500.00

Above Rs. 11,440 scale of pay per month 15% of the pay shall be the basic family pension.

i.e., $30,500 \times 15\%$ = Rs. 4,575.00

DA thereon: @ 68.76% = Rs. 3,145.77

Monthly Family Pension = **Rs. 7,720.77**

**PRE REVISED SALARY
(8TH BIPARTITE RETIREES)**

Name -Mr. 'Y'

DOR: 30.09.2007

MMG SCALE- I - CAIB - Both parts

Date of Joining: 28.12.71

Date of Birth: 01.10.1947

Pensionable service: 35 years and 9 months i.e., 36 years

Eligible for full pensionable service. Hence 50% of last drawn B.P.)

Basic Pay :	Rs. 21,040.00
PQP :	Rs. 750.00
FPQ :	Rs. 560.00

Rs. 22,350.00

Basic Pension:	Rs.22,350.00
	<hr/>
	= 11,175.00

2

In case he opts for Commutation

	Rs. 11,175.00
Commutation 1/3 of basic pension	<hr/>
	= 3,358.00

3

Commutation Amount :	$3358 \times 12 \times 9.15 =$ 3,72,738.00
----------------------	---

Commutation is calculated on the basis of age on the date of exercising option. Commutation factor is taken on the basis of the next birthday of the pensioner. Please refer Commutation factor table under pension regulation.

Basic Pension	Rs.11,175.00
Less: Commutation value	Rs. 3,358.00
	<hr/>
Basic Pension after commutation :	Rs. 7,817.00
	<hr/>
Pension after Commutation:	Rs. 7817.00
D.A. there on @ -68.76%	Rs. 8079.00
	<hr/>
	Rs. 15,896.00
	<hr/>
Bank's contribution to PF:	Rs. 7,17,000.00
Add: 56% thereon	Rs. 4,01,520.00
	<hr/>
	Rs.11,18,520.00
	<hr/>
Less: Commutation Amount	Rs.3,72,738.00
	<hr/>
Net amount payable to Bank to become eligible for pension	} = Rs. 7,45,782.00
	<hr/>

- (i) If the officer has invested Bank's contribution to PF and 56% thereon of bank's contrubution of Rs.11,18,520.00 in fixed deposit carrying interest at 8.5% p.a. he will be getting monthly interest of Rs. 7,923.00. As against this by surrendering the amount he will get monthly pension of Rs.15,896.
- (ii) If the net amount of Rs. 7.45 lacs is invested in Fixed Deposits carrying interest rate @ 8.5% p.a. he will be getting monthly interest of Rs. 5,277.00.
- (iii) If the spouse has to opt for family pension, the amount to be refunded to the bank is a sum of Rs.11,18,520.00 and this amount if invested in Bank deposits @ the rate of 8.5% p.a. will earn monthly income of Rs.7,923.00. As family pension is with index linked DA it is still beneficial to the family pensioner as intrest rates on bank deposits are subject to variation.

- (iv) Presuming that the pensioner has to raise a loan for Rs.11,18,520.00 at 12% p.a., will be paying monthly interest of Rs.11,185.00 p.m. However it is a tough call for the spouse to opt for the family pension. If the family pensioner is relatively younger, a positive decision can be taken.

Against the above, the officer if opts for pension, will earn monthly pension of Rs. 15,896.00. He will be able to recover the amount representing 56% of Bank's contribution to PF of Rs. 4,01,520.00 within a period of 25 months.

Hence, Pension is beneficial to the Officer.

Family Pension:

Scale of Pay: Rs. 22,250.00

The Officer has retired from the service of the Bank on 30.09.2007, in case he dies after retirement the family is eligible to get family pension as follows:

i.e., Rs. 22,350 (15 % of B.P.)
 Rs. 3,352.00
DA thereon @ 68.76% Rs. 2,305.00

Monthly pension (Family) **Rs. 5,657.00**

7TH BIPARTITE RETIREES

Name -Mr. 'Z'

Date of Joining 10.09.62

MMG SCALE -III CAIIB - Both parts

Date of Retirement: 30.09.2002.

DOB:19.09.1942

Pensionable service: 40 years

(Eligible for full pensionable service. Hence 50% of last drawn B.P.)

Basic Pay Rs. 15,000.00

PQP Rs. 340.00

FPQ Rs. 380.00

Rs. 15,720.00

Basic Pension Rs. 7,860.00
(50% of Rs. 15,720.00)

In case he opts for Commutation :

Commutation

1/3 of Rs. 7,860.00 Rs. 2,620.00

Commutation amount $2620 \times 12 \times 7.53 = \text{Rs. } 2,36,743.00$

Commutation is calculated on the basis of age on the date of exercising option. Commutation factor is taken on the basis of the next birthday of the pensioner. Please refer Commutation factor table under pension regulation.

Basic Pension }
after commutation } Rs. **5,240.00**

DA on Basic Pension Rs. 7860.00

Upto Rs. 3550/- @ 127.92% }
Above Rs. 3,550/- @ 106.60% } = Rs. 9,135.62

Pension after commutation = Rs.14,375.00

Bank's contribution to PF: Rs. 4, 55,890.00
Add: 56% of the above amount Rs. 2, 55, 298.00

Rs. 7,11,188.00

Less: Commutation amount

Rs. 2,36,743.00

**Net Amount payable to Bank }
to become eligible for pension } Rs. 4,74,445.00**

- (i) If the officer invests the amount of Bank's contribution to PF and 56% of the above amount i.e., Rs. 7,11,188.77 in fixed deposit carrying interest rate of 8.5% p.a. he will get monthly income of Rs. 5037.00 p.m.
- (ii) If the net amount of Rs. 4.74 lacs is invested in Fixed Deposits carrying interest rate @ 8.5% p.a. he will be getting monthly interest of Rs. 3,361.00. which is too meagre as compared to monthly pension the officer is entitled to get.

- (iii) If the spouse has to opt for family pension, the amount to be refunded to the bank is a sum of Rs.7,11,188.00 and this amount if invested in Bank deposits @ the rate of 8.5% p.a. will earn monthly income of Rs.5,038.00. As family pension is with index linked DA it is still beneficial to the family pensioner in the long run as interest rates on bank deposits are subject to variation.
- (iv) Presuming that the pensioner has to raise a loan for Rs.7,11,188.00 at 12% p.a., will be paying monthly interest of Rs.7,112.00 p.m. However it is a tough call for the spouse to opt for the family pension. If the family pensioner is relatively younger, a positive decision can be taken.

The amount sacrificed by the officer will be recovered within a period of 24 months. Hence, the pension receivable by the officer far outweighs the sacrifice to be made by bearing 56% of Bank's contribution to PF and also losing part of the commutation amount.

Family Pension:

Scale of Pay Rs. 15,720.00

The officer has retired from the service of the Bank on 30.09.2002 and in case he dies thereafter the family is eligible to get family pension as follows:

15,720 x 15	= Rs. 2,358.00
DA thereon @ 68.76%	= Rs. 1,621.00
Monthly Pension	= Rs. 3,979.00

6TH BIPARTITE:

Name -Mr. 'A'

Date of Joining: September, 1959

MMG SCALE -II - CAIIB - Both parts

Date of Retirement: 30.09.1997

Date of Birth: 10.09.1937.

Pensionable service: 38 years

(Eligible for full pensionable service. Hence 50% of last drawn B.P.)

Basic pay	: 9,450.00
FPA	: 250.00
PQA	: 300.00
TOTAL	10,000.00

Basic Pension 50% of the above : 5,000.00

In case he opts for Commutation :

Commutation value 1/3
Of the above Rs.5000.00 : 1,666.00

Commutation Amount $1666 \times 12 \times 6.01$ Rs. 1,20,152. 00

Commutation is calculated on the basis of age on the date of exercising option. Commutation factor is taken on the basis of the next birthday of the pensioner. Please refer Commutation factor table under pension regulation.

Basic Pension after commutation : 3,334.00

DA on Basic Pension of Rs. 5000/-	
Upto Rs. 2,400/- @ 233.45%	10,631.98
Above Rs. 2400/- @ 193.43%	

Total Pension after commutation Rs. 13,965.98

Bank's contribution to PF	Rs. 3,72,738. 00
Add: 56% of the above	Rs. 2,08,733. 00

Total Rs. 5,81,471.00

Less: Commutation Amount Rs. 1,20,152. 00

Amount to be refunded to the Bank to become eligible for pension } = Rs. 4,61,319. 00

(i) If the officer invests Bank's contribution to PF plus 56% of the above amount, which works out to Rs. 5,81,471.00 at 8.5% p.a, the officer will get monthly income of Rs. 4,118.00. As against this by surrendering the above amount and losing part of the commutation amount, the officer will be getting monthly pension of Rs. 13,965.98

- (ii) If the officer invests the net amount of Rs.4,61,319.00 to be surrendered, in the bank deposit carrying interest at 8.5% p.a. he will be earning monthly interest of Rs.3,268.00 which is very meager as compared to monthly pension the officer is entitled to get.
- (iii) Presuming that the pensioner has to raise a loan for Rs.4,61,319.00 at 12% p.a., will be paying monthly interest of Rs.4,613.00 p.m. He will be able to meet the monthly instalments towards the principal amount also. As pension is with index linked DA the officer is still benefited by opting for pension by meeting the commitment of 156% by raising a loan as above.
- (iv) If the spouse has to opt for family pension, the amount to be refunded to the bank is a sum of Rs. 5,81,471.00 and this amount if invested in Bank deposits @ the rate of 8.5% p.a. will earn monthly income of Rs.4,118.00. as against this, the family pensioner will be earning monthly pension Rs.5001.75. As family pension is with index linked DA it is still beneficial to the family pensioner as interest rates on bank deposits are subject to variation.

The above clearly indicates that by opting for pension the officer will be benefited substantially.

Family Pension:

Pay scale Rs. 10,000.00

Family Pension Rs. 10,000 x 15 = 1,500.00

DA thereon @ 233.45% = 3,501.75

Monthly Family Pension = 5,001.75

OFFICER WHO RETIRED UNDER SPECIAL VRS - 2000

Name -Mr. 'B'

Scale I MMG Scale - I - CAIIB - Nil Not reached maximum of scale hence no FPA.

Date of Birth: 24.01.1954

Date of VRS: 31.03.2001

Date of joining the Bank 28.12.1979.

Total length of Service 21 years 3 months

Service for the purpose of pension 21 years+ 5 years = 26 years

Basic pay Rs. 13,560.00

$$\text{Basic Pension } \frac{13560}{2} \times \frac{26}{33} \} = \text{Rs. } \mathbf{5,341.00}$$

In case he opts for Commutation :

Commutation value

1/3 of Rs. 5,341.00 Rs. 1,780.00

Commutation value 1780 x 12 x 11.10 = Rs. **2,37,096.00**

Commutation is calculated on the basis of age on the date of exercising option. Commutation factor is taken on the basis of the next birthday of the pensioner. Please refer Commutation factor table under pension regulation.

Basic pension after Commutation Rs. 3,561.00

DA thereon upto Rs. 3,550/- @ 127.92%

Above Rs. 3,550/- @ 106.60% Rs. 6,350.36

Total Monthly Pension = Rs. 9,911.36

P.F amount received from Bank = Rs. 2,59,700.00

Add: 56% on the above amount = Rs. 1,45,432.00

= Rs. 4,05,132.00

Less: Commutation Amount = Rs. 2,37,096.00

Net Amount to be refunded to Bank } = Rs. 1,68,036.00

To become eligible for pension }

- (i) If the officer invests Bank's contribution to PF and 56% thereon i.e., Rs. 4,05,132.00 in fixed deposits carrying interest at 8.5% p.a. he will get monthly interest of Rs. 2,869.00. Against the above sacrifice the officer is eligible for monthly pension of Rs. 9,911.36. After netting the commutation amount the officer will be refunding only Rs. 1.68 lacs for opting for pension. Hence pension will be very beneficial.

- (ii) If the spouse has to opt for family pension, the amount to be refunded to the bank is a sum of Rs. 4,05,132.00 and this amount if invested in Bank deposits @ the rate of 8.5% p.a. will earn monthly income of Rs.2,869.00. The monthly family pension will be beneficial as compared to the monthly interest income on the above amount, as against this, the family pensioner will be earning monthly pension Rs.4,666.02. As family pension is with index linked DA it is still beneficial to the family pensioner as interest rates on bank deposits are subject to variation.
- (iii) Presuming that the family pensioner has to raise a loan for Rs.4,05,132.00 at 12% p.a., will be paying monthly interest of Rs.4,051.00 p.m. As pension is with index linked DA the the family pensioner is still benefited by opting for pension by meeting the commitment of 156% by raising a loan as above.

Pay Scale: = Rs. 13,650 x 15
= Rs. 2,047.50

Monthly Pension = Rs. 4,666.02

CIRCULAR NO.64 dated 12.05.2010

With our intense struggles and strikes during the 90's, the Confederation was successful in securing Pension in the Banking Industry w.e.f. 01.11.1993. Infact the Confederation demanded Pension as a third retiral benefit. But some of the Unions did not support our demand and hence we had to accept pension as second retiral benefit in lieu of Contributory Provident Fund. However, service gratuity continued along with the pension. Due to the draconian clause in Pension Regulations, treating the strike as break in service and the higher interest rates prevailing on deposits in 1993-1995, many of the employees and officers did not join the pension scheme. However, it was made compulsory for those who

joined the banking service w.e.f. 01.11.1993. Subsequently, the draconian clause of break-in-service for participating in strike was removed from the pension regulations on account of agitation launched by the unions. The unions wanted that in view of the removal of the restrictions, one more option on pension should be introduced. Due to the economic slow down, opening up of our economy to global forces, interest rates on deposits came down drastically. In successive bipartites thereafter; pension scheme was improved and it became more attractive, as compared to the contributory provident fund scheme.

2. Hence, the employees and officers, who remained in CPF scheme, intensified their demand for one more Option to choose pension benefit in lieu of CPF. The Govt. of India, IBA and Bank Managements, refused to offer one more Option to CPF Optees, as they wanted to avoid uncertain liabilities of pension payment. Pension being a social security measure, cannot be compared with the Contributory Provident Fund. But, pension funds of banks were not sufficient to take care of load of the existing pension Optees, as against the statutory contribution at 10% of pay towards the pension fund, both by the Bank and the employees, was insufficient to meet the pension liabilities. During 2001, Banks came out with a Special Voluntary Retirement scheme that put a lot of pressure on the pension fund to meet the consolidated liability, for which no additional Provisions were made by the Banks.

3. During the bipartites in 1997 and 2002, few of the Banks' balance sheets were not comfortable to bear the cost of salary revision and the pension liability. Therefore, during the VII Bipartite settlement, unions came forward to support the pension fund of the Banks by volunteering to bear a part of the additional cost (incremental cost on pension) to be incurred on account of revised pay. The IBA offered 12.25% increase in wage load. The employees and officers shared 50% of the incremental cost of revision towards pension; which was at 8.25% of pay apart from 10% of pay in lieu of P.F; out of salary revision load. The managements also contributed 18.25% of pay towards additional cost of pension. But Banks were not in a position to assure 50% of the last drawn pay as pension and hence, for the purpose of Pension, separate scales were constructed with merger of 1616 points of D.A, whereas for the purpose of regular scales, the DA merger in the basic pay was at 1684 points with loading thereafter. This has virtually influenced IBA to accept our discussions on the issue of 2nd Option.

4. During 8th bipartite, the anomaly as regards inferior basic pay for the purpose of pension was rectified and both for pension and regular scale, a common scale with merger of 2288 points of DA with appropriate loading was considered. Here again, both managements of Banks and the employees, bore additional cost on pension on account of salary revision at 9.25% of pay in addition to 10% of pay and managements at 11.25% of pay in addition to 10% of pay in the ratio of 45% and 55%, respectively.

5. The struggle for one more Option for Pension took centre stage after signing of joint note under 8th bipartite on 2nd June 2005. A suitable clause was inserted in the joint note as regards demand of the Confederation for one more Option on pension. Accordingly, alternate scheme was to be evolved to resolve the issue. The UFBU took up the issue with all seriousness with the IBA/Government for 2nd Option on Pension, along with other issues like, compassionate appointment scheme, attack on trade union rights, opposition to merger and acquisition, early salary revision etc. The UFBU observed successful strike on 25th January, 2008 and was in readiness to observe two days strike on 25th and 26th February 2008, followed by indefinite strike from the middle of March 2008. The IBA/Govt. having assessed the situation properly convinced the leadership of UFBU to defer the two days strike action on 25th and 26th February 2008, with an MoU on the 25th February 2008 that, they will "consider" the demand of 2nd Option on Pension favourably.

6. Accordingly, at wee hours of 25th February 2008, proposed two days strike was deferred and an MoU with IBA was signed on the same day, with an understanding that, according to the suggestion of the leadership of the Confederation common actuaries would be appointed to ascertain the gap in fund to consider the demand of 2nd Option on Pension.

7. Earlier, IBA came out with Rs. 26,000/- crore gap in pension fund to consider the demand of 2nd Option on Pension, where as, UFBU assessed it through its Actuaries at Rs. 4,700/- crore. There was a huge difference in the assessments of the gap and hence, it was the leadership of the Confederation which suggested the then Chairman of IBA Shri. M.B.N.Rao, at a meeting held on 22.02.2008 at Delhi, for common actuaries to asses the funding of gap with common parameters agreed by IBA and UFBU together. The gap was estimated by the common actuaries at Rs. 6000/- crore to consider the demand for existing CPF Optees for 2nd Option on Pension as on 31.03.2007. As committed earlier, UFBU after due negotiations agreed to contribute at 30% of the gap i.e., Rs. 1800/- crore towards the pension

fund, out of the salary revision arrears and Rs.4,200/- crores are to be contributed by the Banks. Accordingly, an MOU was drawn on 27th November 2009 with IBA for 17.5% increase in salary and allowances and one more option of pension to CPF Optees. The modalities for sharing the 30% of the gap was evolved on 13th April, 2010, at 1.6 times of the revised pay of employees and officers except SBI as they are governed by a different pension scheme. The 2nd Option is also made available to all retired employees and families of employees who died during that period from 1993/1995 onwards to the date of settlement of the scheme. It was assured that out of Rs. 3,115/- crore, fund gap in respect of retirees of Rs. 935/- crores (30%) was to be contributed by the retirees by way of refund of 156% of Bank's contribution of PF received by them towards the pension fund. There was a dispute as regards date of effect of the pension to CPF Optees and modalities of contribution etc. The UFBU decided to approach the Hon'ble Finance Minister, Government of India, as UFBU demanded a pension to CPF Optees w.e.f 01.04.2008 which was rejected by the IBA, and IBA offered it from the date of signing the final settlement on pension. Due to the intervention of the Finance Minister, on 21.04.2010 at Delhi, a via media was suggested that, pension may be effective from the date of effect of MoU i.e., 27th November, 2009. But, for the purpose of contribution of 30% of the gap, they will be treated as retirees up to the date of signing of the pension agreement. The Finance Minister was also quick in cautioning the UFBU leadership to settle the issue immediately otherwise the entire understandings may create a problem.

8. As the day of signing the settlement on 27th April, 2010 was fast approaching, few pension optees knocked the door of Hon'ble High Court of Andhra Pradesh and one of the Constituents of the UFBU who was a signatory to the MoU also sent a legal opinion to the IBA, protesting against contribution by the pension optees. It was a bolt from the blue. Anxious enquiries started pouring in the Confederation Office on salary revision and pension settlement. Under the chaotic situation, UFBU decided to meet on 26th April, 2010 at Mumbai to review the position, as terms and conditions of the 2nd Option cost were almost known to the entire rank and file. The following were the perceptions at different levels.

9. **Pension Optees** – When pension was opted in lieu of CPF during 1993/1995, why they should contribute towards the gap in the fund. In case of CPF Optees, they have option either to opt or not to opt and remain in CPF and accordingly, either to contribute or not to contribute towards pension fund gap. Whereas,

for pension optees, such options are not available and it is compulsory for them to contribute towards the pension gap. In case of those, who joined the Banking Industry from 01.11.1993, there was no option for them to opt for CPF. Whatever, additional contribution made towards the pension fund during 7th and 8th bipartite by way of incremental cost on pension, was for strengthening the Pension Fund Account of Banks to take care of future liability of payment of Pension to retirees. As they are yet to complete minimum service of 20 years to be eligible for pension, they are yet to reap the fruits of pension. The 30% of gap in fund on account of 2nd Option on Pension has to be met by the CPF Optees, as they are beneficiaries of the present settlement. Hence, why Pension Optees, should contribute towards gap of pension fund for 2nd Option?

10. CPF Optees: As per the understandings reached between the IBA and UFBU, according to MoU dated 27.11.2009, all employees, have to contribute Rs. 1800/- crores gap in pension fund to take care of 2nd Option to CPF Optees. It worked out to 1.6 times of revised "pay" as on 01.11.2007 which was communicated to the membership through UFBU Circular. When CPF Optees had supported the Pension fund earlier by way of sharing portion of incremental cost on pension, why the pension optees should not share the gap in pension fund now? They may have to shell down major portion of arrears of salary and allowance to secure pension benefit, etc.

11. IBA: They were not inclined to offer one more option to CPF Optees as Pension fund is not viable to sustain additional burden. In fact, to meet future liability of pension to existing pension optees, they are contributing more than 10% of the pay, out of the balance sheet to the pension fund. That is the reason why, they proposed differential pay scale in 7th Bipartite for the purpose of pension. Due to unions volunteering to bear additional load equally out of salary revision during 7th and 8th Bipartite, the position was improved. But, they were interested in introduction of Defined Contributory Pension Scheme in the Banking Industry for future recruits to take care of uncertainty in liability towards pension payment. The Govt. also was interested in imposing the New Pension Scheme in the Banking Industry.

12. However, due to the pressure from UFBU and also volunteering to share the additional cost to be incurred by Bank Managements towards one more option to CPF Optees, they agreed to consider the demand of UFBU. After detailed delibera-

tions IBA agreed to contribute Rs. 4,200/- crores out of Rs. 6,000/- crores gap and remaining balance of Rs. 1,800/- crores was to be shared by the employees. Similarly, in case of retirees, 30% of gap has to be contributed by them, which works out at 156% of P.F contribution of Banks. As long as there was unanimity as regards modalities for sharing of additional cost by the employees, IBA was comfortable. But, when one of the Constituents of UFBU, raised the basic issue of sharing of cost, and few employees approached the Hon'ble High Court of Andhra Pradesh, both Govt. and IBA became alert and over cautious, and they never wanted to be dragged in to any kind of legal hassles. The Govt. was quick enough in advising the IBA to recover the agreed share of employees towards the gap in pension fund from the CPF Optees only as the option to switch over from CPF to pension was for them only. Their attitude was either take it or leave it. It was their final offer.

13. UFBU: In accordance with the provisions made in the Joint note during the 8th Bipartite for alternate scheme, UFBU was successful in ensuring existing pension scheme to be offered to CPF Optees as well. UFBU did not agree for offer of IBA of inferior pension scheme or defined contributory scheme. The IBA was also proposing to impose certain restrictions to CPF Optees joining the Pension Scheme such as, Voluntary Retirement and commutation will not be considered for these optees etc. We did not agree for any change in the existing pension scheme to be offered to CPF Optees. The only condition considered by the UFBU was to share a portion of the gap by employees, as grass root level membership was desperate for pension scheme at any cost. Even, some of the leadership received a feed back from the membership that, the priority in 9th Bipartite is one more Option for Pension and they do not mind compromising on the lower increase in salary and allowances. The mandate given to the leadership was to secure 2nd Option on Pension at any cost. Therefore, the demand for 2nd Option was 'now or never'. The issue cannot be made as a dispute and declare strike, at this stage. To some extent Govt./IBA exploited the situation by offering a poor package for revision in salary and allowances, making New Pension Scheme compulsory for new recruits w.e.f 01.04.2010, date of effect of pension from a prospective date i.e., from the date of signing of the settlement on pension. In UFBU, the majority view was to share the additional cost on 2nd Option by all the employees equally. Accordingly, as late as on 26.04.2010, in the UFBU meeting it was decided that, sharing of the cost shall be at 1.6 times of revised pay by all employees to whom pension regulations apply.

14. When UFBU leadership met IBA representatives on 26.04.2010 evening, despite our best efforts to convince the IBA for recovery of cost equally from all employees, reportedly Govt. did not permit IBA to agree to our view and they stuck to their decision to offer the pension to CPF Optees at 2.8 times of revised "pay". We were advised, earlier, by IBA to come for signing of agreements, on pension and salary revision on 27th April, 2010 at 11:00 A.M. The IBA's offer to UFBU was final and this put all of us in a tight spot. We expressed our inability to toe the line of the IBA and accordingly, stalemate continued. At that moment IBA officials cancelled the signing ceremony proposed on 27th April, 2010 and advised their negotiating team members to cancel their travel plans to Mumbai.

15. 26th April 2010, a night never to be forgotten: The Constituents of UFBU, after leaving IBA office at 9:30 p.m. were receiving anxious calls from the leaders and members, about the fate of the 2nd Option on Pension and future course of action. The issue being more sensitive and delicate was to be handled carefully by the UFBU. The membership was restless. They wanted settlement to take place without loss of further time. The following were the alternatives before the UFBU.

- a) To reject the offer of the IBA and declare agitation.
- b) To accept the offer and leave it to the judgement of CPF optees to decide.
- c) Whether is it wise to raise the dispute on 2nd Option at the last stage after struggling for 15 years for the benefit, and to invite uncertainty?
- d) Whether Govt. whose priority is elsewhere, will entertain the dispute and if they go back on their offer, what is the recourse?
- e) The IBA was feeling that Rs. 6000/- crore gap in fund assessed by the common actuaries was much less as compared to the actual gap in fund due to the changed scenario on interest front and discount value. The revised gap of allowances to be assessed will be much more than Rs.6,000/- crores.
- f) Whether pension optees will support the stand of UFBU to volunteer to contribute towards the gap in pension fund to take care of 2nd Option to CPF Optees etc.

16. On weighing the alternatives, consulting leadership at all levels, reading the pulse of the grass root level membership, we never wanted that, there should be a slip between the cup and the lip. To be on the safer side, let UFBU make available the Option to CPF Optees, may be at a higher cost, but the social security available to them cannot be measured in terms of few more thousands of rupees to be contributed by them to strengthen the pension fund. The interested members may not forgive the leadership if the option is withdrawn by the IBA/Govt. on one or the other pretext at this stage. The decision had to be taken without loss of time,

as IBA/Govt. having grouse against assessment of gap in pension fund, should not find an alibi to go back on the offer.

17. Accordingly, UFBU met again on 27th April, 2010 at 10.00 a.m and after due deliberations, took a view to communicate to the IBA to go ahead with signing ceremony on the same day, on salary revision as well as on pension settlement. All the 9 constituents of UFBU signed the settlement on 9th Bipartite and Pension offer to CPF Optees with contribution of 2.8 times of revised "pay" towards the gap of pension fund. The effective date of pension to CPF Optees will be from 27th November, 2009. All those who have retired upto 27.04.2010 will be coming under the bracket of retirees and will return Bank's contribution of PF with 56% additional contribution. They will be eligible for commutation of Pension. They will not contribute 2.8 times of revised "pay" towards the gap in Pension. The CPF Optees will contribute 2.8 times of revised "Pay" as on 01.11.2007, to switch over to the pension scheme etc.

18. Comrades, this is the saga of sacrifices and struggles by all members of the Confederation in securing Pension in the Banking Industry, and its improvements from time to time with latest benefit of another option to CPF optees to secure their future and lead a life without depending on others, in their old age. This achievement has come during the 25th year of the Confederation. We have every reason to celebrate the occasion, which is a momentous achievement in the annals of trade union history. We are confident that our learned membership will appreciate the stand taken by the Confederation in the given circumstances. The vested interest are again trying to fish in the troubled water. We have therefore brought bare truth on 2nd Option on Pension to the notice of the membership. Our membership is seasoned and matured to support the stand of the Confederation.

AIBOC - ZINDABAD

OUR UNITY - ZINDABAD

With greetings,

Sd/-
(G.D.NADAF)
GENERAL SECRETARY

CORRESPONDENCE WITH IBA ON PENSION SCHEME:

1) Letter No./1452/145/10 dated 10.05.2010

**2ND OPTION ON PENSION
CONTRIBUTION TOWARDS PENSION FUND BY CPF OPTEES
EXEMPTION FROM TAX**

As per pension settlement, the employees and Officers are eligible to exercise one more option towards the Pension Scheme, in lieu of the Contributory Provident Fund. The agreement also refers to the funding of the Pension Fund gap by way of contribution by the employees and Officers who are in service, out of the arrears payable to them on account of the 9th Bipartite settlement; apart from surrendering of Bank's Contribution of PF accumulated in their respective accounts.

2. The contributions made by the employees towards the Superannuation Benefits; such as Provident Fund, Pension Fund etc., are eligible for the tax exemption as per the Income Tax rules and treated as investments in the eligible securities for all practical purposes. Thus, the money, so contributed towards pension fund in Bank is liable to be exempted from the payment of Income tax by the Tax authorities. It is in this background, there is a need to issue proper instructions to all the Banks at the time of sending guidelines for the implementation of the 9th Bipartite settlement as well as the payment of arrears to cover inter-alia:

- a) The amount contributed from the CPF Optees towards their part of contribution for the Pension Fund in view of the 2nd Option on Pension extended to them should be treated on par with their contributions towards the superannuation benefits and necessary exemption should be extended at the time of deduction of tax at source. Thus, the recovery made out of arrears for the purpose of payment towards Pension Fund to the extent of 2.8 times of the revised Pay for the month of Nov.2007 should be treated as investment towards the superannuation benefits and necessary exemption should be allowed for the purpose of calculation of Income tax. In other words, the payment made towards Pension Fund on account of the 2nd Option on Pension should not be treated as taxable at the hands of the Officers.

- b) The Bank Managements, while furnishing Form – 16 as well as the statement of arrears paid to the Officers should make necessary entry to this effect to enable the Officers' concerned to utilize the same at the time of submission of their returns.
- c) In view of the fact that the tax on the income for the year 2007-2008, 2008-2009, 2009-2010 have already been deducted at source, the Officers' should also become eligible to apportion this amount as investment in the next three years' income, since the money contributed is very substantial and they may have already exceeded their entitlement for such investments.
3. We therefore, request you to obtain special permission from the CBDT to exempt the entire contribution towards pension fund, from payment of tax. Please therefore look into the matter and take necessary action without further delay.

Thanking you,

Yours faithfully,



(G.D.NADAF)

GENERAL SECRETARY

2) Letter No./1452/85 /10 dated 05.03.2010

IMPROVEMENTS IN PENSION REGULATIONS

We invite your kind attention to the Recommendations of V Central Pay Commission, wherein the Govt. of India in partial modification of Rule 54(3) a of CCS (Pension) Rules, 1972, has decided that the payment of family pension at enhanced rates will be payable for 7 years or till the Government servant/pensioner would have attained the age of 67 years against the existing provision of 65 years. This was necessitated in the wake of increase in the age of retirement from 58 to 60 years. These provisions have not been implemented in the Banking Industry although the age of retirement has been revised from 58 to 60 years.

2. In view of the foregoing, we suggest the following amendments to Pension Regulations 1995 for Bank employees, with regard to payment of Family Pension:

1) Enhancing the Age upto 67 years for the purpose of Family Pension:

As per the Bank Employees' Pension Regulations 1995, Regulation 39 Sub-rule 3(i) (ii), in the event of death of an employee after retirement, the Family Pension as determined under clause (a) of this sub-regulation shall be payable for a period of seven years or for a period upto the date on which the retired/

deceased employee would have attained the age of 65 years, had he survived, whichever is less.

It may please be noted that the upper age of 65 years was fixed when the normal retirement age was fixed at 58 years. For all the Bank employees in the Banking Industry the retirement age is increased to 60 years and hence, the payment of family pension should be for 7 years or till the Bank employee would attain the age of 67 against the existing provision of 65 years.

2) Revision of rate of family Pension to be at par with Government Employees:

As per the Bank (Employees') Pension Regulations 1995, Regulation 39, Appendix III, the ordinary rate of family pension shall be determined as per scale of pay. For example, the employees, who retired / died on or after 01.11.2005 family pension payable is as follows:

Upto Basic Pension of Rs. 5720/- - 30% with a minimum of Rs.1,435.00

Basic Pension of above Rs. 5720/- - 20% with a minimum of and below Rs.11,440/- Rs. 1715.00

Basic Pension of above Rs. 11,440 - 15% with a minimum of Rs.2,292/- and a maximum of Rs. 4,724/-

The family of an employee, who unfortunately dies during the fag end of his career, gets a low family pension which is not sufficient even for sustenance and hence there is an urgent need to revise the family pension rates which is already in vogue as per the family pension scheme 1964. As per the family pension scheme 1964, family pension shall be payable at a uniform rate of 30% of Basic Pay in all cases, instead of the slab system as per Bank (employees') pension Regulation 1995.

Thanking you,

Yours faithfully,



(G.D.NADAF)

GENERAL SECRETARY

2ND OPTION ON PENSION

As per regulation 10 of Pension Regulations, Officers who have resigned from the Bank's service are not eligible for the pension. The extant service condition of Officers does not provide for retirement to CPF Optees even after completion of 20 years of pensionable service and they have to seek for resignation only. During Special Voluntary Retirement Scheme, pension Optees, even with 15 years of pensionable service were permitted to retire under the scheme with pension benefit. Where as CPF Optees with more than 20 years of service are not extended the benefits of retirement.

2. According to the terms and conditions of the 2nd Option, past retirees on superannuation are eligible to opt for the Pensions but resignees are excluded. This is avoidable discrimination.

3. Hence, we request you to please arrange for necessary amendments to the Pension Regulations 1993 to cover CPF Optees, who resigned after putting a minimum service of 15 years, for one more option to Pension on the same terms and conditions for 2nd Option on Pension.

4. As such resignees in the Banking Industry are of very few, the additional cost on 2nd Option will be marginal. We, therefore request the IBA to consider our request as a gesture of goodwill.

With greetings,

Yours faithfully,



(G.D.NADAF)

GENERAL SECRETARY

COMMUTATION OF PENSION

The regulation No.24(i) of Bank Employees Pension Regulations, provide for commutation of Pension by surrendering 1/3rd of Pension admissible and to receive thereof lumpsum determined in accordance with the conversion factor linked to the age of the pensioner as on his next birth day.

2. The 2nd Option on Pension will now be offered to all existing and retired/died CPF Optees from 1995/96 on certain terms and conditions. In respect of retired and existing employees, commutation is also permitted. They have to refund Bank's contribution of PF with 56% extra minus commutation if any.

3. In case of CPF Optees, who have died before 27.04.2010, family member may opt for the Pension provided they surrender 156% Bank's contribution of PF. As per extant regulations, as employee has already died, the family member is not eligible to commute the Pension. Therefore, it will be a heavy burden for them to arrange for 156% of PF amount to opt for pension.

4. Hence, we suggest that, spouse be permitted to commute the Pension notionally while accepting the offer. We request you to please consider our suggestion favourably.

With greetings,

Yours faithfully,



(G.D.NADAF)

GENERAL SECRETARY

**2ND OPTION ON PENSION
FAMILY PENSIONERS**

The current settlement on extension of 2nd option on Pension to all those employees serving as well as retirees, prescribes certain conditions. These conditions are applicable to the legal heirs of the deceased employees also, who will be eligible for the Family Pension as per the extant provisions of the Pension Regulations. The Pension Regulations do not provide for commutation of Pension by the Family Pensioners and further the rate of Pension payable to them is far less than the regular Pension. However, these employees are also required to make payment of PF balance received by them along with 56% of the balance thus placing a huge burden on them. They would find it extremely difficult to raise this money and also subsequently service such loans from the lesser Pension they would be getting. We therefore suggest that the IBA can come out with a special provision to provide them appropriate relief. Our views in this regard are:-

- a) They may be exempted from the payment of the additional amount over and above the Provident Fund they have received to provide certain relief to them;
 - b) They may be notionally permitted to avail the commutation and the same may be treated as ex-gratia on humanitarian consideration and need not be recovered from the Family Pension as per the present provisions in the Pension Regulations;
 - c) Any other suggestions that may emerge during the course of meeting on the subject to provide necessary relief.
2. We therefore request you to kindly look into the matter and convene a meeting exclusively on the subject to resolve this vexatious issue.
3. Please treat the matter as urgent.

Thanking you,

Yours faithfully,



**(G.D.NADAF)
GENERAL SECRETARY**

2nd Option on Pension

Joint Note on agreed conclusions reached on dated 27.04.2010 between the Indian Banks' Association on behalf of the Managements of Banks listed in the Schedule and All India Bank Officers' Confederation (AIBOC).

- (A) A Joint Note for introducing Pension Scheme in the Banking Industry as second retrial benefit in lieu of Contributory Provident Fund was signed between Indian Banks' Association (IBA) on behalf of Management of Banks and their officers represented by All India Bank Officers' Confederation (AIBOC), All India Bank Officers' Association (AIBOA) and Indian National Bank Officers' Congress (INBOC) on 29th October 1993. The terms of the said Joint Note were incorporated in the Bank Employees' Pension Regulations, 1995 notified in the official Gazette of India by all the Nationalised Banks on 29th September 1995 and by Associate Banks of State Bank of India on 26th March 1996.
- (B) According to the Joint Note dated 29th October 1993 and Bank Employees' Pension Regulations, 1995/1996 framed incorporating the terms of Joint Note Pension in lieu of Contributory Provident Fund was introduced in respect of those Officers who opted for the said Pension Scheme.
- (C) Those Officers who were in the service of the banks prior 29th September 1995 in case of Nationalized Banks 1 26th March 1996 in case of Associate Banks of State Bank of India and continued to be in service of the banks on or after 29th September 1995 126th March 1996 respectively and did not exercise the option to join the Pension Scheme were eligible only for the Contributory Provident Fund Scheme.
- (D) The United Forum of Bank Unions (UFBU) representing workmen and officers in Banks were requesting to allow another option to those who were in the service of the Banks prior to 29th September 1995 in case of Nationalized Banks 1 26th March 1996 in case of Associate Banks of State Bank of India and continued in service on or after that date and did not opt for pension

when offered as per the Scheme. IBA was not agreeable to the demand and reiterated its inability to extend the present Pension Scheme to those who had not opted for pension on cost consideration. However, both the parties agreed to discuss alternate proposals. The same was incorporated in the fifth paragraph of the Joint Note on salary revision for officers' dated 2nd June 2005. The UFBU pursued the demand inspite of the above position and offered to share a portion of the initial funding liability on one-time basis for extending pension to the non optees. Protracted negotiations were held between the parties over a period of time. An actuarial valuation of liability by actuaries appointed by mutual consent was carried out and based on this; the funding gap was estimated as Rs.6000/- crores. The employees offered to contribute Rs.1800/- crores, being 30% of the estimated funding gap, for extending pension to those employees who were in the service of the bank prior to 29th September 1995 in the case of Nationalised banks and 26th March 1996 in case of Associate Banks of State Bank of India and continue to be in service thereafter and did not opt for pension. They had also requested to extend the Pension Scheme to -

- a) Those who were in the service of the Banks prior to 29th September 1995 in case of Nationalized Banks/26th March 1996 in case of Associate Banks of State Bank of India did not opt for pension and had retired after that date.
- b) The family of those officers who were in service of Banks prior to 29th September 1995 in case of Nationalized Banks/26th March 1996 in case of Associate Banks of State Bank of India, did not opt for pension and had died while in service after that date.
- c) The family of those officers who were in service of the Banks prior to 29th September 1995 in case of Nationalized Banks /26th March 1996 in case of Associate Banks of State Bank of India, retired from service of the Banks after that date and died thereafter.

(E) Subject to their opting to be under the Pension Scheme and refunding the banks' contribution to Provident Fund with interest paid to them at the time of retirement/ death of the officer concerned and also contribute their share in meeting 30% of the funding gap. An actuarial valuation on similar lines as conducted for serving employees had estimated the funding gap as Rs.3115 crores for those retirees/ family of retirees.

The parties held various rounds of discussions in the matter and have now reached conclusions as set out hereunder:

(1) All officers who are in the service of the bank as on the date of this Joint Note who exercise option to join the Pension Scheme in terms of this Joint Note will contribute from their arrears on account of wage revision in terms of the Joint Note between the parties dated 27th April 2010 an amount of Rs.922 crores towards their share in the amount of Rs.1800 crores offered by UFBU towards 30% of the estimated funding gap of Rs.6000 crores. The said amount is worked out @2.8 times of the revised pay for the month of November 2007 for individual officers.

(2) (a) Another option for joining the existing Pension Scheme shall be extended to those Officers who were in the service of the bank prior to 29th September 1995 in case of Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank of India and continue in the service of the bank on the date of this Joint.

NOTE:

- (b) exercise an option in writing within 60 days from the date of offer, to become a member of the Pension Fund and
 - (c) authorise the Trust of the Provident Fund of the bank to transfer the entire contribution of the bank along with interest accrued thereon to the credit of the Pension Fund.
- (3) (a) were in service of the bank prior to 29th September 1995 in case of Nationalized Banks /26th March 1996 in case of Associate Banks of State Bank of India and retired after that date and prior to the date of this Joint Note;

- (b) exercise an option in writing within 60 days from the date of offer to become a member of the Pension Fund and
 - (c) refund within 30 days after expiry of the said period of 60 days, the entire amount of the banks contribution to the Provident Fund and interest accrued thereto received by the officer on retirement together with his share in contribution towards meeting 30% of RS.3115 crores which is estimated and reckoned as the funding gap for those eligible under Clause (3), (4) and (5) of this Joint Note. On an individual basis, the payment over and above the bank's contribution to Provident Fund and interest thereon has been worked out at 56% of the said amount of bank's contribution to Provident Fund and interest thereon received by the officer on retirement.
- (4) The family of those officers who were in the service of the bank prior to 29th September 1995 in case of Nationalized Banks/26th March 1996 in case of Associate Banks of State Bank of India retired after that date and had died will be eligible for family pension, provided -
 - (a) the family of the deceased officer exercises option in writing within 60 days of -the offer to become a member of the Pension Fund and
 - (b) refund within 30 days after expiry of the said period of 60 days, the entire amount of the bank's contribution to the Provident Fund and interest accrued thereon received by the deceased officer on retirement together with his share in contribution towards meeting 30% of RS.3115 crores which is estimated and reckoned as the funding gap for those eligible under Clause (3), (4) and (5) of this agreement. On an individual basis, the payment over and above the bank's contribution to Provident Fund and interest thereon has been worked out at 56% of the said amount of bank's contribution to Provident Fund and interest thereon received by the officer on retirement.
- (5) The family of those officers who were in the service of the bank prior to 29th September 1995 in case of Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank of India, but have died while in service of the bank after that date will be eligible for family pension, provided -

- (a) the family of the deceased officer exercises an option in writing within 60 days of the offer to become a member of the Pension Fund and
 - (b) refund within 30 days after expiry of the said period of 60 days, the entire amount of the bank's contribution to the Provident Fund and interest accrued thereon received upon death of the employee together with his share in contribution towards meeting 30% of Rs.3115 crores which is estimated and reckoned as the funding gap for those eligible under Clause (3), (4) and (5) of this agreement. On an individual basis, the payment over and above the bank's contribution to Provident Fund and interest thereon has been worked out at 56% of the said amount of bank's contribution to Provident Fund and interest thereon received on death of the officer.
- (6) (i) The existing pension scheme will not be applicable to those who join the services of banks on or after 1st April 2010.
- (ii) Officers joining the services of banks on or after 1st April 2010 shall be eligible for the Defined Contributory Pension Scheme, the banks will be introducing for them. The Defined Contributory Pension Scheme proposed to be introduced for them will be one as governed by the provisions of New Pension System introduced for employees of Central Government w.e.f. 1st January 2004 and as modified from time to time. The Scheme shall be regulated and administered by the Pension Fund Regulatory and Development Authority (PFRDA).
- (iii) The officers joining the services of the banks on or after 1st April 2010 shall contribute 10% of Pay and Dearness Allowance towards the Defined Contributory Pension Scheme and the bank shall make a matching contribution in respect of -these officers.
- (iv) There shall be no separate Provident Fund for officers joining services of Banks -on or after 1st April 2010.
- (7) Officers who ceased to be in service on or after 29th September 1995 in case Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank -India on account of voluntary retirement under special scheme after rendering service for a minimum period of 15 years, shall be eligible to exercise an option to join the Pension Scheme subject to the terms and conditions mentioned for retiring officers opting for joining the Scheme.

- (8) Pension/ Family Pension to those who opt to join the pension scheme complying with the terms of this Joint Note shall be payable with effect from 27th November 2009 provided that officers who retired after that date shall get pension from the respective dates of their retirement. All the Regulations of the Bank Employees' Pension Regulations 1995/1996 shall be applicable to those who opt for the Pension Scheme in terms of this Joint Note except to the extent mentioned in the foregoing Clauses of this Joint.
- (9) The terms of this Joint Note shall not be applicable to State Bank of India.
- (10) The conclusions arrived and recorded in the above Clauses together with a copy of the Scheme of Pension will be forwarded to the Government by the IBA for their approval and further action in terms of Section 19 of The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980 by complying with the procedure for amendment -of the relevant Pension Regulations.
- (11) The terms of this Joint Note shall be applicable to officers of Private Sector Banks who are parties to this Joint Note in respect of those who were in the service of the bank on date of implementation of the Pension Scheme in terms of the Joint Note dated 29th October 1993 and did not opt for pension.
- (12) National Organisation of Bank Officers (NOBO), which is not a party to the Joint Note dated 29th October 1993, hereby endorses all the terms of the said Joint Note.
- (13) The Associations which are parties to this Joint Note agree that during the operation of this Joint Note, they will not raise any demand of any nature whatsoever on any banks in respect of matters covered by this Joint Note.
- (14) Any difference of opinion regarding interpretation of any of the provisions of this Joint Note, the matter will be taken up only at the level of the Indian Banks' Association and the Officers' Associations for discussion.

Place : Mumbai

Signed by

Signed by

Dated : 27th April, 2010. Representatives of **IBA**

Representatives of
AIBOC

**RATIFICATION OF MINUTES RECORDED IN CONNECTION WITH
RESTORATION OF ACTUAL BASIC PAY FOR CALCULATION OF
PENSION FOR THOSE WHO RETIRED DURING THE 7TH BIPARTITE
PENSION (OTHER THAN STATE BANK OF INDIA)**

1. The terms of the Bank Employees' Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall not apply to the officers who join the services of Banks on or after 1 st April 2010; and they shall be covered by a Defined Contributory Pension Scheme, which shall be governed by the provision of the Contributory Pension Scheme introduced for officers of the Central Government w.e.f. 1 st January 2004, and as modified from time to time. Necessary amendments to the relevant provisions of the Bank Employees' Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall be carried out following the procedure in this regard.
2. Further to Clause 6 of the Joint Note signed on 2nd June 2005 between representatives of Officers' Associations and IBA, it is agreed between the parties as under:
 - (i) With effect from 1 st May 2005, the pension of officers who retired or died while in service during the period 1 st April 1998 to 31 st October 2002 will be re-fixed based on the definition of 'Pay' as defined in Clause 5 of the Joint Note dated 14th December 1999. No arrears of pension and commuted value of pension will be payable on account of such re-fixing of pension.
 - (ii) With effect from 1 st May 2005, the pension of officers who retired or died while in service during the period 1st November 2002 to 30th April 2005 will be re-fixed based on the definition of 'Pay' as defined in Clause 6 of the Joint Note dated 2nd June 2005. No arrears of pension or commuted value of pension will be payable on account of such re-fixation of pension.
3. Further to Clause 2(b) of the Joint Note dated 2nd June 2005, it is agreed between the parties as under:
 - (i) On and from 1.5.2005, in the case of officers who retired during the period 1.4.1998 to 31.10.2002, dearness "relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every 4 points over 1684 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100. Such increase or decrease in dearness relief for every said four points shall be calculated in the manner given below:

Scale of Basic Pension per percentage of Basic Pension	The rate of Dearness Relief payable as a month
(i) Upto Rs. 3550	0.24 percent
(ii) Rs.3551 to Rs.5650	0.24 per cent of pension exceeding Rs.3550 plus 0.20 per cent of the basic pension in excess of Rs.3550
(iii) Rs.5651 to Rs.6010	0.24 per cent of Rs.3550 plus 0.20 per cent of the difference between Rs.5650 and Rs. 3550 plus 0.12 per cent of basic pension in excess of Rs.5650
(iv) Above Rs.6010	0.24 per cent of Rs. 3550 plus 0.20 per cent of the difference between Rs.5650 and Rs.3550 plus 0.12 per cent difference between Rs.6010 and Rs.5650 plus 0.06 per cent of basic pension in excess of Rs. 6010

- (ii) In respect of retirees for the period 1.11.2002 to 30.4.2005 for whom pension has been revised w.e.f. 1.5.2005 based on definition of pay in terms of Clause 6(2) of the Joint Note dated 2nd June 2005, dearness relief shall be payable w.e.f. 1.5.2005 for every rise or be recoverable for every fall as the case may be of every four points over 2288 points in the quarterly average of All India Average Consumer Price Index for Industrial Workers in the series 1960=100 @ 0.18% of the basic pension.
- (iii) In respect of officers who retire on or after 1.5.2005, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every four points over 2288 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100, at the rate of 0.18 per cent of basic pension.
- (iv) In respect of officers who retired or died while in service on or after 1.05.2005 Dearness Relief shall be payable at 0.18% of the basic pension

or family pension or invalid pension or compassionate allowance as the case may be. Dearness Relief in the above manner shall be paid for every rise or fall of 4 points over 2288 points in the quarterly average of the All India Average Consumer Price Index for industrial workers in the series 1960 = 100.

NOTE:

The Dearness Relief as above shall be payable for the half year commencing from the 1st day of February and ending with 31st day of July on the quarterly average index figures published for the months October, November and December of the previous year and for the half year commencing from 1st day of August and ending with the 31st day of January on the quarterly average of the index figures published for the months of April, May and June of the same year.

PENSION IN BANKING INDUSTRY

JOINT NOTE

**On Agreed Conclusions reached on 29.10.1993 between
All India Bank Officers' Confederation and Indian Banks' Association**

In course of discussions on service conditions of officers during 1989-90, the question of pension in addition to contributory provident fund (CPF) and gratuity was raised by the All India Bank Officers Confederation. No understanding could be reached on the issue at that time. Subsequently, several rounds, of discussions have taken place to find a solution to the issue. The last such discussion was held at Delhi on 21st October, 1993. As a result of these discussions, the following conclusions have been reached:-

- (i) Pension Scheme in lieu of Contributory Provident Fund will be introduced in the banks from 1.11.1993. Officers in service as on 31.10.1993 will have an option to join the scheme or to retain CPF. Those officers who do not wish to, pension scheme will have the benefit of additional; contribution to the Provident Fund at the rate of 10% on dearness allowance payable upto 1150 points in consumer price index (1960 = 100).

- (ii) In case of officers in service as on 31.10.1993 who opt for pension, basic pension will be computed on the following basis:-
- (a) Basic Pay
 - (b) Dearness Allowance upto 1150 points
 - (c) Allowance which rank for provident fund
- (iii) Officers in service of the bank as on 31st October, 1993 who wish to opt for pension shall do so on or before 30th June, 1994 in response to banks' notice to this effect to be given not later than 31st December, 1993 giving in writing their desire to become members of the pension scheme and to cease to be members of the contributory provident fund scheme with effect from 1st November, 1993 and irrevocably authorise the bank or the trustees of the contributory provident fund to transfer the entire contribution of the bank along with entire interest accrued there-on to the credit of pension fund to be created for this purpose.
- (iv) The Pension Scheme will also be extended to retired officers who retired on or after 1.1.1986. They will be entitled for monthly pension as well as commutation facility as from 1.11.1993. Those officers who avail of the Pension Scheme will be required to refund Bank's contribution to the Provident Fund with interest thereon drawn by them together with simple interest at 6% from the date of withdrawal of the Provident Fund to the date of refund.
- (v) Officers who opt for pension will contribute to the provident fund at the rate of 10% of basic pay only. No contribution will be made by the banks.
- (vi) A scheme of pension will be drawn up by mutual discussions between AIBOC and IBA. Such Scheme, inter alia will provide for (a) minimum qualifying service of 10 years, except for family pension (b) rate of basic pension not less than 80% of average 'pay' drawn during the last 10 months of service on full service, (c) addition of service upto 5 years to actual service, in appropriate case, (d) dearness relief based on the Dearness Allowance formula applicable to serving officers and at the rates further adjusted in the case of officers who have the

benefits of dearness allowance upto 1150 points for the purpose of determining their basic pension. The adjusted formula will be on the lines set out in the note below, (e) family pension, (t) commutation and (g) matters relating to administration of the Scheme.

(vii) The conclusions arrived and recorded in the clauses (i) to (v) together with a copy of the Scheme of Pension will be forwarded to the Government by the IBA for their approval and further action in terms of the Sec. 19 of the Banking Regulation Act.

(viii) In the case of State Bank of India the conclusion reached as above in regard of pension/P.F. contribution will not apply. The bank management will have discussions with representative unions in the matter and the conclusions reached will be implemented after consultation with the Government.

Note on Dearness Relief formula

In case of Officers who retired before 31.10.1993:

First part of Rs. 1250/- of basic pension- 0.67% for every slab of 4 points

Next part of Rs. 750/- of basic pension - 0.55% for every slab of 4 points

Next part of Rs. 130/- of basic pension - 0.33% for every slab of 4 points

Balance - 0.17% for every slab of 4 points

In case of Officers who retire after 1.11.1993

First part of Rs. 2400/- of basic pension – 0.34% for every slab of 4 points

Next part of Rs. 1450/- of basic pension - 0.29% for every slab of 4 points

Next part of Rs. 250/- of basic pension - 0.17% for every slab of 4 points

Balance - 0.09% for every slab of 4 points

Salary Revision

AIBOC expect discussions on salary revision to be resumed and earnest efforts made to bring about a settlement on this issue as early as possible. While assuring that IBA was for industry level wage revision, the Chairman, IBA requested the unions to appreciate the difficult position of banks in regard to profitability and sought their cooperation in improving position of the banks.

Bonus

AIBOC had demanded that bonus should be paid to all officers irrespective of the salary. AIBOC was not opposed to a ceiling on the quantum of bonus. IBA, said that the question of raising the salary ceiling under the payment of Bonus Act for the purpose of eligibility was under consideration of the Government. AIBOC then said that ex-gratia payment should be made to those who are drawing emoluments beyond the revised ceiling.

Computerisation

AIBOC had already indicated earlier that they have an open mind on computerisation and would be willing to cooperate in the implementation of any bilaterally agreed scheme that may be introduced in the banks. AIBOC, however, wanted that such monetary compensation and other benefits as are extended to the employees in the context of computerisation should be extended to the officers also.

Industrial Harmony

Joint efforts will be made by AIBOC and IBA to create conditions for cooperation, for removal of irritants in the relation and to promote industrial harmony so that better image of banks is projected.

Sd/-

on behalf of the IBA

Sd/-

on behalf of the AIBOC

**BANK (EMPLOYEES)
PENSION REGULATIONS 1995**

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_____ -BANK (EMPLOYEES') PENSION REGULATIONS, 1995

In exercise of the powers conferred by Clause (f) of sub section (2) of Section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970) , the Board of Directors of _____ BANK after consultation with the Reserve Bank of India and with the previous sanction of the Central Government hereby makes the following regulations, namely:-

_____ BANK (EMPLOYEES') PENSION REGULATIONS, 1995

CHAPTER I : PRELIMINARY

1. a) Short title and commencement - (1) These regulations may be called _____ Bank (Employees') Pension Regulations, 1995.
b) Save as otherwise expressly provided in these regulations, these regulations shall be deemed to have come into force on the date of their publication in the official Gazette i.e on 29.09.95
2. Definitions- In these regulations, unless the context otherwise requires,-
 - (a) "Act" means the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (5 of 1970)
 - (b) "actuary" shall have the meaning assigned to it in clause (1) of section 2 of the Insurance Act, 1938 (4 of 1938);
 - (c) "Appendix" means, an Appendix annexed to these regulations;
 - (d) "average emoluments" means the average of the pay drawn by the by an employee during the last ten months of his service in the Bank;
 - (e) "Bank" means _____ Bank mentioned under column 2 of THE FIRST SCHEDULE of the Act;
 - (f) "Board" means the Board of Directors of the Bank.
 - (g) "Child" means a child of the employee, who, if a son, is under twenty five years of age and if a daughter, is unmarried and is under twenty - five years of age and the expression "children" shall be construed accordingly;
 - (h) "Competent Authority" means the authority appointed by the Board for the purposes of these regulations.

- (i) "Consolidated wages" means lump sum amount payable to part time employee belonging to the subordinate staff who is not drawing scale wages;
- (j) "Contribution" means any sum credited by the Bank on behalf of employee to the Fund, but shall not include any sum credited as interest;
- (k) "date of retirement" means the last date of the month in which an employee attains the age of superannuation or the date on which he is retired by the Bank or the date on which the employee voluntarily retires; or the date on which the officer is deemed to have retired;
- (l) "deemed to have retired" means cessation from service of the Bank on appointment by Central Government as a whole-time Director or Managing Director or Chairman in the Bank or in any other Bank specified in column 2 of the FIRST SCHEDULE of the Act or Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 (40 of 1980) or in any public financial institution or State Bank of India established under State Bank of India Act, 1955 (23 of 1955);
- (m) "Discipline and Appeal Regulations" means the _____ Bank Officer Employees' (Discipline and Appeal) Regulations, 1976 made under section 19 of the Act;
- (n) "employee" means any person employed in the service of the Bank on full time work on permanent basis or on part-time work on permanent basis on scale wages and who opts and is governed by, these regulations, but does not include a person employed either on contract basis or daily wage basis or on consolidated wages;
- (o) "family" in relation to an employee means:
 - (a) Wife in the case of a male employee or husband in the case of a female employee;
 - (b) a judicially separated wife or husband, such separation not being granted on the ground of adultery and the person surviving was not held guilty of committing adultery;
 - (c) son who has not attained the age of twenty-five years and unmarried daughter who has not attained the age of twenty-five years, including such son or daughter adopted legally;

- (p) "financial year" means a year commencing on the 1st day of April;
- (q) "Fund" means the _____ Bank (Employees) Pension Fund constituted under regulation 5;
- (r) "notified date" means the date on which these regulations are published in the official Gazette;
- (s) "pay" includes, - (a) in relation to an employee who has either retired, or died on or after the 1st day of January, 1986 but before the 1st day of November, 1993,
- (i) the basic pay including stagnation increments, if any, and
 - (ii) all allowances counted for the purposes of making contribution, to the Provident Fund and for the payment of dearness allowance;
- (b) in relation to an employee who retires or dies while in service on or after the 1st day of November 1993.
- (i) the basic pay including stagnation increments, if any : and
 - (ii) all allowances counted for the purpose of making contribution to the Provident Fund and for the payment of dearness allowance : and
 - (iii) increment component of Fixed personal Allowance; and
 - (iv) dearness allowance calculated upto Index number 1148 points in the All India Average Consumer Price Index for Industrial workers in the series 1960=100.
- (t) "pension" includes the basic pension and additional pension referred to in Chapter VI of these regulations;
- (u) "pensioner" means an employee eligible for pension under these regulations;
- (v) "public financial institution" means a financial institution regarded as a public financial institution for the purpose of section 4 A of the Companies Act, 1956 (1 of 1956);
- (w) "qualifying service" means the service rendered while on duty or otherwise which shall be taken into account for the purpose of pension under these regulations;

- (x) "retired" includes deemed to have retired under clause(I),;
- (y) "retirement" means cessation from Bank's service,
 - (a) on attaining the age of superannuation specified in Service Regulations or Settlements;
 - (b) on voluntary retirement in accordance with provisions contained in regulation 29 of these regulations;
 - (c) on premature retirement by the Bank before attaining the age of superannuation specified in Service Regulations or Settlement;
- (z) "scale wages" in relation to part time employees means the basic pay, City Compensatory Allowance, Special allowances, House Rent Allowance and other allowances, if any, and dearness allowance payable from time to time under the settlement;
- (za) "service regulations" means _____ Bank (Officers') Service Regulations, 1979 made under section 19 of the Act;
- (zb) "settlement" means memorandum of settlement agreed between the management of the Bank represented by the association authorised by them and workmen of such Bank represented by trade unions authorized by them;
- (zc) "trust" means the trust of the _____ Bank (Employees) Pension Fund constituted under sub regulation (1) of regulation 5;
- (zd) "trustee" means the trustees of the _____ Bank (Employees') Pension Fund constituted under regulation 5;
- (ze) "trustee" of the Provident Fund" means the trustees of the Provident fund of the Bank;
- (zf) all other words and expressions used in these regulations but not defined, and defined in the Act or the Service Regulations or settlements shall have the same meanings respectively assigned to them in the Act. Service Regulations or settlement, as the case may be.

CHAPTER II : APPLICATION AND ELIGIBILITY

3. Application:- These regulations shall apply to employees who,
- (1) (a) were in the service of the Bank on or after the 1st day of January, 1986 but had retired before the 1st day of November 1993; and
(b) exercise an option in writing within one hundred and twenty days from the notified date to become member of the Fund; and
(c) refund within sixty days after the expiry of the said period of one hundred and twenty days specified in clause, (b) the entire amount of the Bank's contribution to the Provident Fund including interest accrued thereon together with a further simple interest at the rate of six percent per annum on the said amount from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Bank; or
 - (2) (a) have retired on or after the 1st day of November, 1993 but before the notified date; and
(b) exercise an option in writing within one hundred and twenty days from the notified date to become member of the Fund; and
(c) refund within sixty days after the expiry of, the said period of one hundred and twenty days . specified in clause (b) the entire amount of the Bank's contribution to the Provident Fund and interest accrued thereon, together with a further simple interest at the rate of six percent per annum on the said amount from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Bank; or
 - (3) (a) are in the service of the Bank before the notified date and continue to be in the service of the Bank on or after the notified date; and
(b) exercise an option in writing within one hundred and twenty days from the notified date to become member of the Fund; and

- (c) authorise the trust of the Provident Fund of the Bank to transfer the entire contribution of the Bank alongwith the interest accrued thereon to the credit of the Fund constituted for the purpose under regulation 5; or
- (4) join the service of the Bank on or after the notified date;
'or
- (5) were in the service of the Bank during any time on or after the 1st day of November, 1993 and had died after retirement but before the notified date their family shall be entitled for the amount of pension payable to them from the date on which they would have been entitled to pension under these regulations, had they been alive till the date on which they died, if the family of the deceased,-
- (a) exercise an option in writing within one hundred and twenty days from the notified date to become member of the Fund ; and
- (b) refund within sixty days after the expiry of the said period of one hundred and twenty days specified in clause (a) above the entire amount of the Bank's contribution to the Provident Fund and interest accrued thereon together with a further simple interest at the rate of six per cent. per annum from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Bank; or.
- (6) joined the service of the Bank on or after the 1st day of November 1993 but who have died while in the service of the Bank before the notified date; their family shall be entitled to the family 'pension under these regulations:

Provided that the family of such a deceased employee refunds within one hundred and eighty days from the notified date the entire amount of the Bank's contribution to the Provident Fund, if any; and interest accrued thereon together with further simple interest at the rate of six

per cent. Per annum from the date of settlement of the Provident Fund account till date of refund of the aforesaid amount to the Bank; Provided further that the family of such a deceased employee shall apply in writing for grant of family pension; or

- (7) Were in the service of the Bank during any time on or after the 1st day of January, 1986 and had died while in service on or before the 31st day of October, 1993 or had retired on or before the 31st day of October, 1993 but died before the notified date in which case their family shall be entitled to the pension or the family pension as the case may be under these regulations, if the family of the deceased,
 - (a) exercise an option in writing within one hundred and twenty days from the notified date to become member of the Fund; and
 - (b) refund within sixty days of the expiry of the said period of one hundred and twenty days specified in clause (a) above the entire amount of the Bank's contribution to the Provident Fund and interest accrued thereon together with a further simple interest at the rate of six per cent per annum from the date of settlement of the Provident Fund account till the date of refund of the aforesaid amount to the Bank; or
- (8) joined the service of the Bank on or before the 31st day of October, 1993 and who died while in service on or after the 1st day of November, 1993, but before the notified date in which case their families shall be entitled to family pension under these regulations if the family of the deceased employee:-
 - (a) exercise an option in writing within one hundred and twenty days from the notified date to become a member of the Fund; and
 - (b) refund within sixty days of the expiry of the said period of one hundred and twenty days specified in clause (a) above the entire amount of the Bank's contribution to this Provident Fund, including interest accrued thereon together with a further simple interest at the rate of six per cent. Per annum from the date of settlement of the Provident Fund account of the employee till the date of refund of the aforesaid amount to the Bank;

- (9) Notwithstanding anything contained in sub-regulations (1), (2), (3), (5) and (8) an option exercised before the notified date by an employee or the family of a deceased employee in pursuance of the settlement shall be deemed to be an option for the purpose of this chapter if such an employee or the family of deceased employee refund within sixty days from the notified date, the amount of the Bank's contribution to the Provident Fund including interest accrued thereon together with a further simple interest in accordance with the provisions of this Chapter and in case employer's contribution of Provident Fund has not been received from Provident Fund Trust, has authorized or authorizes within sixty days from the notified date the trustees of the Provident Fund of the Bank to transfer the entire contributions of the Bank to the Provident Fund including interest accrued thereon in accordance with the provisions of this Chapter to the credit of the Fund constituted for this purpose under regulation 5.

4. Option to subscribe to the Provident Fund:-

- (1) Notwithstanding any thing contained in sub-regulation (4) of regulation 3, an employee who joins the service of the Bank on or after the notified date at the age of thirty-five years or more, may within a period of ninety days from the date of his appointment, elect to forego his right to pension, where upon these regulations shall not apply to him.
- (2) The option referred to in sub-regulation (1) and regulation (3), once exercise, shall be final.

CHAPTER III : THE FUND

5. Constitution of the Fund:

- (1) The Bank shall constitute a Fund to be called the _____ Bank (Employees') Pension Fund under an irrevocable trust within one hundred twenty days from the notified date.

(2) The Fund shall have for its sole purpose the provision of the payment of pension or family pension in accordance with these regulations to the employee of his family.

(3) The Bank shall be a contributor to the Fund and shall ensure that sufficient sums are placed in it to enable the trustees to make due payments to beneficiaries under these regulations.

6. **Liability of the Provident Fund trust:-** The Provident Fund trust shall, immediately after the constitution of the Fund, transfer to the _____ Bank (Employees') Pension Fund, the accumulated balance of the contribution of the Bank to the Provident Fund and interest accrued thereon upto the date of such transfer in respect of every employee.

7. **Composition of the Fund:** The Fund shall consist of the following namely:-

- (a) The contribution by the Bank at the rate of ten per cent, Per month of the pay of the employee;
- (b) the accumulated contributions of the Bank to the Provident Fund and interest accrued thereon upto the date of such transfer in respect of the employees;
- (c) the amount consisting of contributions of the Bank along with interest refunded by the employees who had retired before the notified date but who opt for pension in accordance with the provisions contained in these regulations; .
- (d) the investment in annuities or securities purchased out of the moneys of the Fund and interest thereon;
- (e) amount of any capital gains arising from the capital assets of the Fund;
- (f) the additional. annual contribution made by the Bank "in accordance with the provisions contained in regulation 11 of these regulations;
- (g) any income from investments of the amounts credited to the Fund;
- (h) the amount consisting of contribution of the Bank along with interest refunded by the family of the deceased employee.

8 Board of Trustees. -

- (1) The Board of trustees shall consist of such number of persons not less than three and more than nine, as may be determined by the Board, to be appointed by the Bank.
 - (2) The power to appoint the trustees shall be vested with the Bank and all such appointments shall be made in, writing.
 - (3) The Bank shall nominate one of the trustees to be the Chairman of the Board of trustees. The Bank shall also nominate a trustee to be an alternate Chairman who shall act as Chairman in the absence of the Chairman.
9. Trustees to carry out the directions of the Bank. The trustees shall comply with all such directions as may be given by the Bank for the proper functioning of the Fund.

10. Books of accounts of the Fund:-

- (1) The accounts of the Fund, shall contain the particulars of all financial transactions relating to the Fund in such form as may be specified by the Bank.
- (2) Within one hundred and eighty days from the closing of each financial year, the trust shall prepare a financial statement of the trust indicating therein the general account of assets and liabilities of the trust and forward a copy of the same to the Bank.
- 3) The accounts of the Fund shall be audited in accordance with the provisions of section 10 of the Act.

11. Actuarial Investigation of the Fund: The Bank shall cause an investigation to be made by an Actuary into the financial condition of the Fund every financial year, on the 31st day of March, and make such additional annual contribution to the Fund as may be required to secure payment of the benefits under these regulations :

Provided that the Bank shall cause an investigation to be made by an Actuary into the financial condition of the Fund, as on the 31st day of March immediately following the financial year in which the Fund is constituted.

12. **Investment of the Fund:-** All moneys contributed to the Fund or received or accruing, after that date by way of interest or otherwise to the 'Fund, may be deposited in a Post Office Savings Bank Account in India or in a current account with any scheduled bank or utilized in accordance with the provisions of the Indian Trust Act, 1882 (2 of 1882).
13. **Payment out of the Fund:-** The payment of benefits by the trust shall be administered for grant of pensionary benefits to the employees of the Bank or the family pension to the families of the deceased employees of the Bank.

CHAPTER IV : QUALIFYING SERVICE

14. **Qualifying Service:-** Subject to the other conditions contained in these regulations, an employee who has rendered a minimum of ten years of service in the Bank on the date of his retirement or the date on which he is deemed to have retired shall qualify for pension.
15. **Commencement of qualifying service:-** Subject to the provisions contained in these regulations, qualifying service of an employee shall commence from the date he takes charge of the post to which he is first appointed on a permanent basis.
16. **Counting of service on probation:-** Service on probation against a post in the Bank if followed by confirmation in the same or any other post shall qualify.
17. **Counting of periods spent on leave:-** All leave during service in the Bank for which leave salary is payable shall count as qualifying service.
- Provided that extraordinary leave on loss of pay shall not count as qualifying service except when the sanctioning authority has directed that such leave not exceeding twelve months during the entire service, may count as service for all purposes including pension.
18. **Broken period of service of less than one year:-** If the period of service of an employee includes broken period of service less than one year, then if such broken period is more than six months, it shall be treated as one year and if such broken period is six months or less it shall be ignored.
19. **Counting of period spent on training:-** Period spent by an employee on training in the Bank immediately before his appointment shall count as qualifying service.

- 20. Counting of past service in the erstwhile Bank:-** In the case of an employee who is permanently transferred to a service in the Bank from any other Bank on merger, amalgamation of any other Bank with the Bank to which these regulations apply, the continuous service rendered by such an employee in any other Bank on permanent basis, if any followed without interruption, by permanent appointment, or the continuous service rendered under that Bank in a permanent capacity, as the case may be, shall qualify.

Provided that nothing contained in this regulation, shall apply to any such employee who is appointed on contract basis or on daily wage basis or on consolidated wages.

- 21. Period of suspension :** Period of suspension of an employee pending enquiry shall count for qualifying service where, on conclusion of such enquiry, he has been fully exonerated or the suspension is held to be Wholly unjustified, and in other cases, the period of suspension shall not count as qualifying service unless the Competent Authority passing the orders under the service Regulations or Discipline and Appeal Regulations or settlements governing such cases expressly declares at the time that it shall count to such extent as such authority may declare.

22. Forfeiture of service:-

- (i) Resignation or dismissal or removal or termination of an employee from the service of the Bank shall entail forfeiture of his entire past service and consequently shall not qualify for pensionary benefits;
- (ii) An interruption in the service of a Bank employee entails forfeiture of his past service, except in the following cases, namely:-
 - (a) authorised leave of absence;
 - (b) suspension, where it is immediately followed by reinstatement. whether in the same or a different post, or where the bank employee dies or is permitted to retire or is retired on attaining the age of compulsory retirement while under suspension
 - (c) transfer to non-qualifying service in an establishment under the control of the Government or Bank if such transfer has been ordered by a competent authority in the public interest ;
 - (d) Joining time while on transfer from one post to another.

(iii) Notwithstanding anything contained in sub-regulation (2), the appointing authority may, by order, commute retrospectively the periods of absence without leave as extra ordinary leave.

(iv) (a) In the absence of a specific indication to the contrary in the service record, an interruption between two spells of service rendered by a bank employee shall be treated as automatically condoned and the pre-interruption service treated as qualifying service;

(b) Nothing in clause (a) shall apply to interruption caused by resignation, dismissal or removal from service or for participation in a strike:

Provided that before making an entry in the service record of the Bank employee regarding forfeiture of past service because of his participation in strike, an opportunity of representation may be given to such bank employees.

23. Period of deputation to foreign service:- An employee deputed on foreign service to the United Nations or any other foreign body or organisation may at his option,

a) pay pension contribution in respect of his foreign service and count such service as qualifying service under these regulations; or

b) avail of the retirement benefits admissible under the rules of the foreign employer and not count such service, as qualifying service under these regulations;

Provided that where an employee opts for clause (b), retirement benefits shall be payable to him in India in rupees from such date and in such manner as the Bank may, by order specify.

24. Military Service:- An employee who has rendered military service before appointment in the Bank shall continue to draw the military pension, if any, and military service rendered by the employee shall not count as Qualifying Service for pension.

25. Period of deputation to an organisation in India:- Period of deputation of an employee to another organisation, in India will count as qualifying service,

Provided the organisation to which he is deputed or the employee pays the pensionary contributions at the rates specified in sub regulation (a) of regulation 7 of these regulations or at the rates specified by the Bank at the time of deputation, whichever is higher to the Bank.

26. Addition to qualifying service in special circumstances:-

An employee shall be eligible to add to his service qualifying for superannuation pension (but not for any of other class of pension) the actual period not exceeding one fourth of the length of his service or the actual period by which his age at the time of recruitment exceeded the upper age limit specified by the Bank for direct recruitment or a period, of five years, whichever is less, if the service or post to which the employee is appointed is one.

- a) for which, post-graduate research, or specialist qualification or experience in scientific, technological; or professional fields, is essential; and
- (b) to which candidates of age exceeding the upper age limit specified for direct recruitment are recruited;
- c) for which the candidate was given age relaxation over and above the maximum age limit fixed by the Bank on account of his possessing higher qualifications or experience;

Provided that this concession shall not be admissible to an employee unless his actual qualifying service at the time he quits the service in the Bank is not less than ten years:

Provided further that this concession shall be admissible if the recruitment rules in respect of the said service or post contain specific provision that the service or post contain specific provision that the service or post is one which carries benefit of this regulation:

Provided also that the recruitment rules in respect of any service or post which carries the benefit of this regulation shall be made with the approval of the Central Government.

27. Counting of service rendered on permanent part-time basis.

- 1) In case an employee who was employed on scale wages and on a permanent part-time basis in service of Bank and was contributing to the Provident Fund, such service rendered by him on a permanent part-time basis from the date he became a member of the Provident Fund shall be counted service.
- 2) The length of qualifying service of the employee referred to in sub regulation' (1) for the purpose of calculating the amount of pension.

CHAPTER V : CLASSES OF PENSION

28. **Superannuation Pension:-**

Superannuation pension shall be granted to an employee who has retired on his attaining the age of superannuation specified in the Service Regulations or Settlements.

29. **Pension on Voluntary Retirement:-**

- (1) On or after the 1st day of November, 1993 at any time after an employee has completed twenty years of qualifying service he may, by giving notice of not less than three months in writing to the appointing authority retire from service;

Provided that this sub-regulation shall not apply to an employee who is on deputation or on study leave abroad unless after having been transferred or having returned to India he has resumed charge of the post in India and has served for a period of not less than one year :

Provided further that this sub-regulation shall not apply to an employee who seeks retirement from service for being absorbed permanently in an autonomous body or a public sector undertaking or company or institution or body whether incorporated or not to which he is on deputation at the time of seeking voluntary retirement.

Provided that this sub-regulation shall not apply to an employee who is deemed to have retired in accordance with clause (I) of regulation 2.

- 2) The notice of voluntary retirement given under sub- regulation (1) shall require acceptance by the appointing authority.

Provided that where the appointing authority does not refuse to grant the permission for retirement before the expiry of the period specified in the said notice, the retirement shall become effective from the date of expiry of the said period.

- 3) a) An employee referred to in sub-regulation (1) may make a request in writing to the appointing authority to accept notice of voluntary retirement of less than three months giving reasons therefor,
- (b) On receipt of a request under clause (a), the appointing authority may, subject to the provisions of sub-regulation (2), consider such request for the curtailment of the period of notice of three months on merits- and if it is satisfied that the curtailment of the period of notice

will not cause any administrative inconvenience, the appointing authority may relax the requirement of notice of three months on the condition that the employee shall not apply for commutation of a part of his pension before the expiry of the notice of three months.

- 4) An employee, who has elected to retire under this regulation and has given necessary notice to that effect to the appointing authority, shall be precluded from withdrawing his notice except with the specific approval of such authority: provided that the request for such withdrawal shall be made before the intended date of his retirement.
- 5) The qualifying service of an employee retiring voluntarily under this regulation shall be increased by a period not exceeding five years, subject to the condition that the total qualifying service rendered by such employee shall not in any case exceed thirty-three years and it does not take him beyond the date of superannuation.
- 6) Pension of an employee retiring under this regulation shall be based on the average emoluments as defined under clause (d) of regulation 2 of these regulations and the increase, not exceeding five years in his qualifying service, shall not entitle him to any notional fixation of pay for the purpose of calculating his pension.

Invalid Pension:-

- (1) Invalid pension may be granted to an employee who,-
 - (a) has rendered minimum ten years of service; and
 - (b) retires from the service, on or after the 1st day of November, 1993, on account of any bodily or mental, infirmity which permanently incapacitates him for the service.
- (2) An employee applying for an invalid pension shall submit a medical certificate of incapacity from a medical officer approved by the Bank.
- (3) Where the Medical Officer approved by the Bank has declared the employee fit for further service of less laborious character than that which he had been doing, he should, provided he is willing to be so employed, be employed on lower paid post and if there be no means of employing him even on a lower paid post he may be admitted to invalid pension.

- (4) No medical certificate of incapacity for service may be granted unless the applicant produces a letter to show that the Competent Authority is aware of the intention of the applicant to appear before the medical officer approved by the Bank.
- (5) The Medical Officer approved, by the Bank shall also be supplied by the Competent Authority in which applicant is employed with a statement of what appears from official records to be the age of the applicant.

• **31. COMPASSIONATE ALLOWANCE**

- (1) An employee, who is dismissed or removed or terminated from service, shall forfeit his pension:

Provided that the authority higher than the authority competent to dismiss or remove or terminate him from service may, if.

- (i) Such dismissal or removal, or termination is on or after the day of November, 1993, and
- (ii) the case is deserving of, special consideration, sanction a compassionate allowance not exceeding two-thirds of the pension which would have been admissible to him on the basis of the qualifying service rendered up to the date of his dismissal, removal or termination.

- (2) The Compassionate Allowance sanctioned under the provision to sub-regulation (1) shall not be less than the amount of minimum pension payable under regulation 36 of these regulations.

32. Premature Retirement Pension:- Premature Retirement Pension may be granted to an employee who:-

- a) has rendered minimum ten years of service;
- b) retires from service on account of orders of the Bank to retire prematurely in the public interest or for any other reason specified in service regulations or settlement, if otherwise he was entitled to such pension on superannuation on that date.

33. Compulsory Retirement Pension

- 1) An employee compulsorily retired from service as a penalty on or after 1st day of November, 1993 in terms of Discipline and Appeal Regulations

or settlement by the authority higher than the authority competent to impose such penalty may be granted pension' at a rate not less than two-thirds and not more than full pension admissible to him on the date of his compulsory retirement if otherwise he was entitled to such pension on superannuation that date.

(2) Whenever in the case of a bank employee the Competent Authority passes an order (whether original, appellate or in exercise of power of review) awarding a pension less than the full compensation pension admissible under these regulations, the Board of Directors shall be consulted before such order is passed

(3) A pension granted or awarded under sub-regulation, (1) or, as the case may be, under sub-regulation (2) shall not be less than the amount of rupees three, hundred and seventy five per mensem;

34. Payment of pension or family pension in respect of employees who retired or died between 1.1.1986 to 31.10.1993 :-

- 1) Employees who have retired from the service of the Bank between the 1st day of January; 1986 and to the 31st day of October, 1993 shall be eligible for Pension with effect from the 1st day of November, 1993.
- 2) The family of a deceased employee governed by the provisions contained in sub-regulation (7) of the regulation (3) shall be eligible for family pension with effect from the 1st day of November 1993,

CHAPTER VI : RATE OF PENSION

35. Amount of Pension:-

- (1) In respect of employees retired between the 1st day of January, 1986 but before the 31st day of October, 1987, basic pension and additional pension will be updated.
- (2) In the case of an employee retiring in accordance with the provisions of the Service Regulations or settlement after completing a qualifying service of less than thirty three years the amount of basic pension shall be calculated at fifty per cent of the average emoluments.
 - (a) Additional pension shall be fifty per cent of the average amount of the allowances drawn by an employee during the last ten months of his service;
 - (b) no dearness relief shall be paid on the amount of additional pension.

Explanation :- For the purpose of this sub-regulation allowances means allowances which are admissible to the extent counted for making contributions to the Provident Fund.

4. Pension as computed being aggregate of sub-regulations (2) and (3) above shall be subject to the minimum, pension, as specified in these regulations
5. An employee who has commuted the admissible portion of his pension as per the provisions of regulation 41 of these regulations shall receive only the balance of pension, monthly.
- 6) (a) In the case of an employee retiring before completing a qualifying service of thirty-three years, but after completing a qualifying service of ten years, the amount of pension shall be proportionate to the amount of pension admissible under sub-regulations (2) and (3) and in no case the amount of pension shall be less than the amount of minimum pension specified in these regulations.

(b) Notwithstanding any thing contained in these regulations, the amount of Invalid pension shall not be less than the ordinary rate of family pension which would have been payable to his family in the event of his death while in service.
- 7) The amount of pension finally determined under the regulation shall be expressed in whole rupee and where the pension contains a fraction of a rupee it shall be rounded off to the next higher rupee.

36. Minimum pension.:- The amount of minimum pension shall be.

- a) Rupees three hundred and seventy five per month in respect of an employee other than a part-time employee who had retired before the 1st day of November, 1993,
- (b) Rupees hundred and twenty five per month in respect of a part-time employee who had retired on before the 1st day of November, 1993.
- (c) Rupees seven hundred and twenty per month in respect of an employee other than part-time employee who retires on or after the 1st day of November, 1993 and.
- (d) Rupees two hundred and forty per month in respect of a part-time employee who retires on or after the 1st day of November, 1993.

37. Dearness Relief:-

- 1) Dearness relief shall be granted on basic pension or family pension or invalid pension or on compassionate allowance.
- 2) Dearness relief shall be allowed on full basic pension even after commutation.

38. Determination of the period of ten months for average emoluments:-

- 1) The period of the preceding ten months for the purpose of average emoluments shall be reckoned from the date of retirement.
- 2) In the case of voluntary retirement or premature retirement the period of the preceding ten months for the purpose of average emoluments shall be reckoned from the date on which the employee voluntarily retires or is prematurely retired by the Bank.
- 3) In the case of dismissal or removal or compulsory retirement or termination of service the period of the preceding ten months for the purpose of average emoluments shall be reckoned from the date on which the employee is dismissed or removed or compulsorily retired or terminated by the Bank.
- 4) If during the last ten months of the service an employee had been absent from duty on extraordinary leave on loss of pay or had/been under suspension and the period whereof does not count as service, the aforesaid period of extraordinary leave or suspension shall not be taken into account in the calculation of the average emoluments and an equal period before the ten months shall be included.

CHAPTER VII : FAMILY PENSION

39. Family Pension

- 1) Without prejudice to the provisions contained in these regulations where an employee dies -
 - (a) after completion of one year of continuous service; or

(b) before completion of one year of continuous service provided the deceased employee concerned immediately prior to his appointment to the service or post was examined by a medical officer approved by the Bank and declared fit for employment in the Bank; or

(c) after retirement from service and was on the date of death in receipt of a pension, or compassionate allowance ;

The family of the deceased shall be entitled to family pension.

(2) The amount of family pension shall be fixed at monthly rates and be expressed in whole rupees and where the family pension contains a fraction of a rupee, it shall be rounded off to the next higher rupee;

Provided that in no case a family pension in excess of the maximum prescribed under these regulations shall be allowed.

(3) (a) (i) Where an employee, who is not governed by the Workmen's Compensation Act, 1923 (8 of 1923), dies while in service after having rendered not less than seven years' continuous service, the rate of family pension payable to the family shall be equal to fifty per cent of the pay last drawn or twice the family pension admissible under sub-regulation (1), whichever is less, and the amount so admissible shall be payable from the date following the date of death of the employee for a period of seven years or for a period up to the date on which the deceased employee would have attained the age of sixty five years had he survived whichever is less;

(ii) In the event of death of an employee after retirement, the family pension as determined under clause (a) or clause (b) of this sub-regulation shall be payable for a period of seven years or for a period up to the date on which the retired deceased employee would have attained the age of sixty five years had he survived, whichever is less;

(b) (i) Where an employee, who is governed by the workmen's Compensation Act, 1923 (8 of 1923), dies while in service after having rendered , not less than seven years' continuous service, the rate of family pension payable to the family shall be equal to fifty per cent of the pay last drawn or one and half times the family pension admissible under sub-regulation (1), whichever is less;

- (ii) the family pension so determined under sub-clause (1) shall be payable for the period mentioned in clause (a) :
- (c) after the expiry of the period referred to in clause (a) the family in respect of family pension under that clause or clause (b) shall be entitled to family pension at the rate admissible under sub regulation (1).
- (4) Notwithstanding anything contained in these regulations where the family of a deceased employee opts for pension in accordance with sub-regulation (5) of regulation 3 or is governed by the provisions contained in sub-regulation (6) or (7) or (8) of regulation 3, such family of the deceased shall be eligible for, family pension under these regulations.

40. Period of payment of family pension:- (1) The period for which family pension is payable shall be

- (a) In the case of a widow or a widower, upto the date of death or re-marriage, whichever is earlier;
- (b) in the case of a son, until he attains the age of twenty-five years; and
- (c) in the case of an unmarried daughter, until she attains the age of twenty five years or until she gets married whichever is earlier :

Provided that if the son or daughter of an employee is suffering from any disorder or disability of mind or is physically crippled or disabled so as to render him or her unable, to earn living even after attaining the age of twenty-five years the family pension shall be payable to such son or daughter for life subject to the following conditions, namely:-

- (i) if such son or daughter is one among two or more children of the employee, the family pension shall be initially payable to the minor children in the order set out in clause (e) of sub-regulation (1) until the last minor child attains the age of twenty-five years and thereafter the family pension shall be resumed in favour of the son or daughter suffering from disorder or disability of mind or who is physically crippled or disabled and shall be payable to him or her for life: -
- (ii) if there are more than one such children suffering from disorder or disability of mind or who are physically crippled or disabled, the family pension shall be paid in the order of their birth and the

younger of them will get the family pension only after the elder next above him or her ceases to be eligible.

Provided that where the family pension is, payable to such twin children it shall be paid in the manner set out in clause (f) of sub-regulation (1);

- iii) The family pension shall be paid to such son or daughter through the guardian as if he or she were a minor except in the case of a physically crippled son or daughter who has attained the age of majority;
- (iv) before allowing this, family pension for life to any such son or daughter the Competent authority shall satisfy that, the handicap is of such a nature as to prevent him or her from earning his or her livelihood and the same shall be evidenced by a certificate obtained from a medical officer approved by the Bank setting out as far as possible the exact mental or physical condition of the child;
- (v) the person receiving the family pension' as guardian of such son or daughter or such son or daughter not receiving the family pension through a guardian shall produce every three years a certificate from a medical officer approved by the Bank to the effect that he or she continues to suffer from disorder or disability of mind or continues to be physically crippled or disabled.

Explanation.-

The grant of family pension to disabled children beyond the age limit specified in this regulation is subject to the following conditions. Namely :-

- (i) a daughter shall become ineligible for family pension under this sub-regulation from the date she gets married;
- (ii) the family pension payable to such son or daughter shall be stopped if he or she starts earnings his or her, livelihood. In such cases it shall be the duty of the guardian or son or daughter to furnish a certificate to the Bank every month that
 - (A) he or she has not started earning his or her livelihood;

(B) in case of daughter that she has not yet married;

- (d) If a deceased employee or pensioner leaves behind a widow or widower, the family pension shall become payable to the widow or widower, failing which to the eligible child;
- (e) family pension to the children shall be payable in the order of their birth and the younger of them shall not be eligible for family pension unless the elder next above him or her has become ineligible for the grant of family pension;

Provided that where the family pension, is payable to twin children It shall be paid in the manner set out in clause (f) of the sub-regulation(i);

- (f) where the family pension is payable to twin children it shall be paid to such children in equal shares;

Provided that where one such child ceases to be eligible, his or her share shall revert to the other child and where both of them cease to be eligible, the family pension shall be payable to the next eligible single child or twin children, as the case may be.

- (2) Where a deceased employee or a pensioner leaves behind more child than one, the eldest eligible child shall be entitled to the family pension for the period mentioned in clauses (b) or (c) of sub-regulation (1), as the case may be, and after the expiry of that period the next child shall become eligible for the grant of family pension.
- (3) Where family pension is granted under this regulation to a minor, it shall be payable to the guardian on behalf of the minor.
- (4) In case both wife and husband are employees of the Bank and are governed by the provisions of this regulation and one of them dies while in service or after retirement, the family pension in respect of the deceased shall be payable to the surviving husband or wife and in the event of death of the husband or wife, the surviving child or children shall be granted the two family pensions in respect of the deceased parents subject to the limits specified below namely:-
 - (a) if the surviving child or children is or are eligible to draw two family pensions at the rates mentioned in sub-clauses (i) of clause (a) and sub-clause (i) of clause (b) of sub-regulation (3) of regulation 39 the amount of

both pensions shall be limited to two thousand five hundred rupees only per mensem in respect of employees who retired or died while in service prior to the 1st day of November, 1993 and four thousand eight hundred rupees per mensem only in respect of employees who retired or died on or after the 1st day of November, 1993;

- (b) if one of the family pensions ceases to be payable at the rates mentioned in sub-clause (i) of clause (a) or sub-clause (i) of clause (b) of sub-regulation (3) of regulation 39 and in lieu thereof the family pension at the rate mentioned in sub regulation (1) of regulation 39 becomes payable, the amount of both the pensions shall also be limited to two thousand five hundred rupees per mensem in respect of employees who retired or died while in service prior to the 1st day of November, 1993 and four thousand eight hundred rupees per mensem in respect of employees who retired or died on or after the 1st day of November, 1993;
 - (c) if both the family pensions are payable at the rate mentioned in sub-regulation (1) of regulation 39 the amount of the two pensions shall be limited to one thousand two hundred and fifty rupees per mensem in the case of employees who retired or died while in service prior to the 1st day of November, 1993 and two thousand four hundred rupees per mensem in respect of employees who retired or died on or after the 1st day of November, 1993.
- (5) (a) where family pension is payable to more widows than one, the family pension shall be paid to the widows in equal shares;
- (b) on the death of a widow, her share of the family pension shall become payable to her eligible child;

Provided that if the widow is not survived by any child, her share of the family pension shall not lapse but shall be payable to the other widows in equal shares, or if there is only one such other widow, in full, to her;

- (c) Where the deceased employee or pensioner is survived by a widow but has left behind eligible child or children from another wife who is not alive, the eligible child or children shall be entitled to the share of family pension which the mother would have received if she had been alive at the time of the death of the employee or pensioner;

Provided that on the share or shares of family pension payable to such a child or children or to a widow or widows ceasing to be payable, such share or shares shall not lapse but shall be payable to the other widow

or widows or to other child or children otherwise eligible, in equal shares, or if there is only one widow or child, in full, to such widow or child;

- (d) Where the family pension is payable to twin children it shall be paid to such children in the manner specified in clause (f) of sub-regulation (1) above;
- (e) except as provided in this sub-regulation the family pension shall not be payable to more than one member of the family at the same time.
- (6) Where a female employee or male employee dies leaving behind a judicially separated husband or widow and no child or children, the family pension in respect of the deceased shall be payable to the person surviving:

Provided that where in a case the judicial separation is granted on the ground of adultery and the death of the employee takes place during the period of such judicial separation, the family pension shall not be payable to the person surviving if such person surviving was held guilty of committing adultery.

- (7) (a) where a female employee or male employee dies leaving behind a judicially separated husband or widow with a child or children, the family pension payable in respect of the deceased shall be payable to the surviving person provided he or she is the guardian of such child or children;
- (b) where the surviving person has ceased to be the guardian of such child or children, such family pension shall be payable to the person who is the actual guardian of such child or children.
- (8) If the son or unmarried daughter eligible for the grant of family pension has attained the age of eighteen years, the family pension may be paid to such son or unmarried daughter directly.
- (9) (a) If a person who in the event of death of an employee while in service, is eligible to receive family pension under these regulations, is charged with the offence of murdering the employee or for abetting in the commission of such an offence, the claim of such a person, including other eligible member or members of the family to receive the family pension, shall remain suspended till the conclusion of the criminal proceedings instituted against him;

- (b) If on the conclusion of the criminal proceedings referred to in clause (a) the person concerned;
- (i) is convicted for the murder or abetting in the murder of the employee, such a person shall be debarred from receiving the family pension which shall be payable to the other eligible member of the family, from the date of death of the employee;
 - (ii) is acquitted of the charge of murder or abetting in the murder of the employee., the family pension shall be payable to such a person from the date of death of the bank employee;
- (c) the provisions of sub clauses (a) and (b) shall also apply for the family pension becoming payable on the death of an employee after his retirement.

CHAPTER VIII : COMMUTATION

41. Commutation:-

- (1) An employee shall be entitled to commute for a lump sum payment of a fraction not exceeding one- third of his pension:

Provided that In respect of an employee who is governed by sub-regulation (5) of regulation 3 of these regulations, the family of such employee shall also be entitled to commute for a lump sum payment a fraction not exceeding one-third of the pension admissible to the employee.

- (2) An employee shall indicate the fraction of pension which he desires to commute and may either indicate the maximum limit of one - third pension or such lower limit as he may desire to commute.
- (3) If fraction of pension to be commuted results in fraction of rupee, such fraction of a rupee shall be ignored for the purpose of commutation.

- (4) The lump sum payable to an applicant shall be calculated in accordance with the Table given below: -

TABLE
Commutation values for a pension of Re. one per annum

Age next birthday	Commutation value Expressed as number of year's purchase	Age next birthday	Commutation value Expressed as number of year's purchase
17	19.28	51	12.95
18	19.20	52	12.66
19	19.11	53	12.35
20	19.01	54	12.05
21	18.91	55	11.73
22	18.81	56	11.42
23	18.70	57	11.10
24	18.59	58	10.78
25	18.47	59	10.46
26	18.34	60	10.13
27	18.21	61	9.81
28	18.07	62	9.48
29	17.93	63	9.15
30	17.78	64	8.82
31	17.62	65	8.50
32	17.46	66	8.17
33	17.29	67	7.85
34	17.11	68	7.53
35	16.92	69	7.22
36	16.72	70	6.91
37	16.52	71	6.60
38	16.31	72	6.30
39	16.09	73	6.01
40	15.87	74	5.72
41	15.64	75	5.44
42	15.40	76	5.17
43	15.15	77	4.90
44	14.90	78	4.65
45	14.64	79	4.40
46	14.37	80	4.17
47	14.10	81	3.94
48	13.82	82	3.72
49	13.54	83	3.52
50	13.25	84	3.32
		85	3.13

Notes:-

- 1) The Table above indicates the commuted value of pension expressed as number of years' purchase with reference to the age of the pensioner as on his next birthday. The commuted value in the case of an employee retiring at the age of fifty eight years is 10.46 years' purchase and, therefore, if he commutes rupees one hundred from his pension within one year of retirement, the lump sum amount payable to him works out to Rs. $100 \times 10.46 \times 12 = \text{Rs. } 12,552$.
- 2) An employee who had commuted the admissible portion of pension is entitled to have the commuted portion of the pension restored after the expiry of a period of fifteen years from the date of commutation.
- 3) An applicant who is authorised a superannuation pension, voluntary retirement pension, premature retirement pension, compulsory retirement pension, invalid pension or compassionate allowance shall be eligible to commute a fraction of his pension under these regulations.
- 4) In the case of a pensioner eligible for superannuation pension or pension on voluntary retirement or premature retirement pension, no medical examination shall be necessary, if the application for commutation is made within one year from the date of retirement. However, if such a pensioner applies for commutation of pension after one year from the date of his retirement, the same will be permitted subject to medical examination.

Explanation:- An applicant who-

- (i) retires on invalid pension under regulation 30 of these regulations; or
 - (ii) is in receipt of compassionate allowance under regulation 31 of these regulations; or
 - (iii) is compulsorily retired by the Bank and is eligible for compulsory retirement pension under regulation 33. Shall be eligible to commute a fraction of his pension subject to the limit specified in sub-regulation (1) after he has been declared fit by a medical officer approved by the Bank.
- (5) The commutation of pension shall become absolute in the case of an employee-
- (a) retiring on superannuation or voluntary retirement, who submits an

application for commutation of pension before the date of retirement, on the date following the date of retirement:

Provided that the employee governed by sub-regulation (3) of regulation 29 shall not apply for commutation of a part of his pension before the expiry of the notice of three months and the commutation of pension shall become absolute only on the expiry of the period of notice referred to sub-regulation (1) of regulation 29.

- (b) retiring on superannuation or on voluntary retirement or on premature retirement, if he applies for commutation of pension after the date of retirement but before the completion of one year from the date of retirement on the date the application for commutation is received by the Competent Authority;
- (c) retiring on superannuation or on voluntary retirement or on premature retirement, if he applies for commutation of pension after one year from the date of retirement, on the date of the medical certificate given by a medical officer approved by the Bank;
- (d) who has retired prior to the 1st day of November, 1993 and who opts to be governed by these regulations, on the 1st day of November, 1993, where the application for commutation is made within the period specified by clause (b) of the sub-regulation (1) of regulation. 3;
- (e) who was in the service of the Bank on or after the 1st day of November, 1993 but who retired prior to the publication of these regulations on the day immediately following the date of his retirement, where the application is made within the period specified by clause (b) of sub-regulation (2) of regulation 3;
- (f) who retired on or after the 1st day of November, 1993, but died prior to the notified date, on the day immediately following the date of his retirement, where the application for commutation is made by the family of the deceased within the period specified by clause (a) of sub-regulation (5) of regulation 3;

- (g) in respect of whom invalid pension under regulation 30 or compassionate allowance under regulation 31 or compulsory retirement under regulation 33 is admissible, commutation shall become absolute on the date of the medical certificate given by a medical officer approved by the Bank.

CHAPTER IX : GENERAL CONDITIONS

42. Pension subject to future good conduct:-

Future good conduct shall be an implied condition to every grant of pension and its continuance under these regulations.

43. Withholding or withdrawal of pension:-

The Competent Authority may, by order in writing, withhold or withdraw a pension or a part thereof, whether permanently or for a specified period, if the pensioner is convicted of a serious crime or criminal breach of trust or forgery or acting fraudulently or is found guilty of grave misconduct:

Provided that where a part of pension is withheld or withdrawn the amount to such pension shall not be reduced below the minimum pension per mensem payable under these regulations.

44. Conviction by Court:-

Where a pensioner is convicted of a serious crime by a Court of law, action shall be taken in the light of the judgment of the court relating to such conviction,

45. Pensioner guilty of grave misconduct:-

In a case not falling under regulation 44 if the Competent Authority considers that the pensioner is prima facie guilty of grave misconduct, it shall, before passing an order, follow the procedure specified in _____ Bank Officer Employees' (Discipline and Appeal) Regulations, 1976 or in Settlement as the case may be.

46. Provisional Pension:-

- (1) An employee who has retired on attaining the age of superannuation or otherwise and against whom any departmental or judicial proceedings are instituted or where departmental proceedings are continued, a provisional pension, equal to the maximum pension which would have been admissible to him, would be allowed subject to adjustment against final retirement benefits sanctioned to him, upon conclusion of the proceedings but no recovery shall be made where the pension finally sanctioned is less than the provisional pension or the pension is reduced or withheld etc, either permanently or for a specified period.
- (2) In such cases the gratuity shall not be paid to such an employee until the conclusion of the proceedings against him. The gratuity shall be paid to him on conclusion of the proceedings subject to the decision of the proceedings. Any recoveries to be made from an employee shall be adjusted against the amount of gratuity payable.

Explanation -In this chapter -

- (a) the expression 'serious crime' includes a crime involving an offence under the Official Secrets Act, 1923 (19 of 1923) ;
- (b) the expression "grave misconduct" includes the communication or disclosure of any secret official code or password or any sketch, plan, model, article, note, document or information, such as is mentioned in section 5 of the Official Secrets Act. 1923 (19 of 1923) which was obtained while holding office in the Bank so as to prejudicially affect the interests of the general public or the security of the State.
- (c) the expression "fraudulently" shall have the meaning assigned to it under section 25 of the Indian Penal Code, 1860 (45 of 1860) ;
- (d) the expression "criminal breach of trust", shall have the meaning assigned to it under section 405 of the Indian Penal Code, 1860 (45 of 1860) ;
- (e) the expression "forgery" shall have the meaning assigned to it under section 463 of the Indian Penal Code, 1860 (45 of 1860).

47. Commutation of pension during departmental or judicial proceedings:-

An employee against whom departmental or judicial proceedings have been instituted before the date of his retirement or a person against whom such proceedings are instituted after the date of his retirement shall not be eligible to commute a fraction of his provisional pension, or pension, as the case may be, authorised under these regulations during the pendency of such proceedings.

48. Recovery of Pecuniary loss caused to the Bank:.

- (1) The Competent Authority may withhold or withdraw a pension or a part thereof, whether permanently or for a specified period, and order recovery from pension of the whole or part of any pecuniary loss caused to the Bank if in any departmental or judicial proceedings the pensioner is found guilty of grave misconduct or negligence or criminal breach of trust or forgery or acts done fraudulently during the period of his service.

Provided that the Board shall be consulted before any final orders are passed.

Provided further that departmental proceedings, if instituted while the employee was in service, shall, after the retirement of the employee, be deemed to be proceedings under these regulations and shall be continued and concluded by the authority by which they were commenced in the same manner as if the employee had continued in service:

Provided also that no departmental or judicial proceedings, if not initiated while the employee was in service, shall be instituted in respect of a cause of action which arose or in respect of an event which took place more than four years before such institution.

- (2) Where the Competent Authority orders recovery of pecuniary loss from the pension, the recovery shall not ordinarily be made at a rate exceeding one-third of the pension admissible on the date of retirement of the employee:

Provided that where a part of pension is withheld or withdrawn, the amount of pension drawn by a pensioner shall not be less than the minimum pension payable under these regulations.

49. Recovery of Bank's dues.-

The Bank shall be entitled to recover the dues to the Bank on account of housing loans, advances, license fees, other recoveries and recoveries due to staff co- operative credit society from the commutation value of the pension or the pension or the family pension.

50. Commercial employment after retirement:-

- (1) If a pensioner who immediately before his retirement was holding the post of an officer and wishes to accept any commercial employment before the expiry of two years from the date of his retirement he shall obtain the previous sanction of the Bank to such acceptance.
- (2) Subject to the provision of sub-regulation (3), the Bank may, by order in writing, on the application by a pensioner, grant, subject to such conditions, if any, as it may deem necessary, permission, or refuse. for reasons to be recorded in the order, permission to such pensioner to take up the commercial employment specified in the application.
- (3) In granting or refusing permission under sub-regulation (2) to a pensioner for taking up any commercial employment, the Bank shall have regard to the following factors, namely:
 - (a) the nature of the employment proposed to be taken up and the antecedents of the employer;
 - (b) whether his duties in the employment 'which he proposes to take up might be such as to bring him into conflict with the Bank;
 - (c) whether the pensioner while in service had any such dealing with the employer under whom he proposes to seek employment as it might afford a reasonable basis for the suspicion that such pensioner had shown favours to such employer;
 - (d) whether the duties of the commercial employment proposed involve liaison or contact work with Bank;

(e) whether his commercial duties will be such that his previous official position or knowledge or experience under Bank could be used to give the proposed employer an unfair advantage: -

(f) the emoluments offered by the proposed employer; and

(g) any other relevant factor.

- (4) where within a period of sixty days of the date of receipt of an application under sub-regulation (3), the Bank does not refuse to grant the permission applied for or does not communicate the refusal to the applicant, the Bank shall be deemed to have granted the permission applied for;

Provided that in any case where defective or Insufficient Information is furnished by the applicant and it becomes necessary for the Bank to seek further clarifications or information from him, the period of sixty days shall be counted from the date on which the defects have been removed or complete information has been furnished by the applicant.

- (5) Where the Bank grants the permission applied for subject to any conditions or refuses such permission, the applicant may, within thirty days of the receipt of the order of the Bank to that effect, make a representation against any such condition or refusal and the Bank may make such orders thereon as it deems fit:

Provided that no order other than an order canceling such condition or granting such permission without any conditions shall be made under this sub-regulation without giving the pensioner making the representation an opportunity to show cause against the order proposed to be made.

- (6) if any pensioner takes up any commercial employment at any time before the expiry of two years from the date of his retirement without the prior permission of the Bank or commits a breach of any condition

subject to such permission to take up any commercial employment has been granted to him under this regulation, It shall be competent for the Bank to declare by order in writing and for reasons to be recorded therein that he shall not be entitled to the whole or such part of the pension and for such periods as may be specified in the order:

Provided that no such order shall be made without giving the pensioner concerned an opportunity of show cause against such declaration:

Provided further that in making any order to under this sub-regulation, the Bank shall have regard to the following factors, namely:-

- (i) the financial circumstances of the pensioner concerned;
 - (ii) the nature of, and the emoluments from. the commercial employment taken up by the pensioner concerned; and
 - (iii) any other relevant factor.
- (7) Every order passed by the Bank under this regulation shall be communicated to the pensioner concerned.
- (8) In this regulation, the expression "Commercial employment" means
- (i) an employment in any capacity including that of an agent, under a company (including a banking company), co-operative society, firm or individual engaged in trading, commercial, industrial, financial or professional business and includes also a directorship of such company (including a banking company) and partnership of such firm; but does not include employment under a body corporate, wholly or substantially owned or controlled by the Central Government or a State Government;
 - (ii) setting up practice, either independently or as a partner of a firm, as advisor or consultant in matters in respect of which the pensioner
- (a) has no professional qualifications and the matters in respect of which the practice is to be set up or is carried on are relatable to his official knowledge or experience, or

- (b) has professional qualifications but the matters in respect of which such practice is to be set up are such as are likely to give his clients an unfair advantage by reason of his previous official position, or.
- (c) has to undertake work involving liaison or contact with the offices or officers of the Bank.

Explanation : For the purpose of this clause the expression "employment under a co-operative society" includes the holding of any office, whether elective or other Wise, such as that of President, Chairman, Manager, Secretary, Treasurer and the like, by whatever name called in such society.

51. Nomination:-

- (1) The trust shall allow every employee governed by these regulations to make a nomination conferring on one or more persons the right to receive the amount of pensionary benefits under these regulations in the event of his death before that amount become payable or, having become payable, has not been paid. Such nomination shall be made in such form as may be specified by the Bank from time to time.
- (2) If any employee nominates more than one person under sub-regulation (1), he shall, in his nomination, specify the amount or share payable to each of the nominees in such a manner as to cover the whole of the amount of the pensionary benefits that may be payable in the event of his death.
- (3) A nomination made by an employee may, at any time, be modified or revoked by him after giving a written notice to the trust of his intention of doing so in such form as the Bank may from time to time specify.
- (4) A nomination or its revocation or its modification shall take effect to the extent it is valid on the date on which it is received by the trust,

52. Date from which pension becomes payable:-

- (1) Except in the case of an employee to whom the provisions of regulation 43 and regulation 46 apply a pension other than family pension shall become payable from the date following the date on which an employee retires.
- (2) Family pension shall become payable from the date following the date of death of the employee or, the pensioner.
- (3) Pension including family pension shall be payable for the day on which its recipient dies.

53. Currency in which pension is payable:-

All pensions admissible under these regulations shall be payable in rupees in india only ;

54. Manner of payment of pension:-

A pension fixed at a monthly rate shall be payable monthly on or after the first day of the following month.

55. Power to issue instructions.-

The Chairman and Managing Director of the Bank may from time to time issue instructions as may be considered necessary or expedient for the implementation of these regulations.

56. Residuary provisions.-

In case of doubt, in the matter of application of these regulations, regard may be had to the corresponding provisions of Central Civil Services Rules, 1972 or Central Civil Services (Commutation of Pension) Rules, 1981 applicable for Central

Government employees with such exceptions and modifications as the Bank, with the previous sanction of the Central Government, may from time to time, determine)

SCHEDULE TO BANK EMPLOYEES' (PENSION) REGULATIONS, 1995

COMPETENT AUTHORITY			
Sl. No.	Regulation/ Clause/ Sub-Clause	Purpose	Competent Authority
1	3	Acceptance of option from Employees/Retired Employees family of the deceased employees/retired employees	As nominated by the Managing Director.
2	29	Acceptance of voluntary retirement	Workmen Employees Deputy G.Manager Officers in Scale I, II & III - G.Manager Executives in Scale IV V, VI & VII Board of Directors.
3	31 & 33	Sanction of compassionate allowance / Compulsory Retirement Pension. a) Sanction of Pension	Next Authority higher to the respective, Disciplinary Authority.
4	41	b) Commutation of Pension & receipt of Application commutation :	: Workmen/Officers in : Scale I -Deputy : General Manager. : Officers in Scale II & for : III -General Manager. Executives in Scale IV & V -Executive Director. Executives in Scale VI
5	51	c) Receipt of : nomination: for pension: benefit :	&VII-Managing Director.
6	43	Withholding and withdrawal of Pension and. instituting Departmental Proceedings after retirement & recovery of pecuniary loss from pension	Workmen/Officers in Scale I-Deputy General Manager Officers in Scale II & III -General Manager Executives in Scale IV & V -Executive Director. Executives in Scale VI & VII-Managing Director.
	50	Granting permission for commercial employment after retirement in respect of officer employees	Officers in Scale I, II III-General Manager Executives in Scale IV, V. VI & VII-Board of Directors.

SECTION VI (i)**(REVISED BASIC PAY, PQP AND FPP)****IX BIPARTITE SETTLEMENT**

REVISED BASIC ON REVISION OF SALARY											
SCALE I			SCALE II			SCALE III			SCALE V		
Stages	Present Basic	Revised Basic	Stages	Present Basic	Revised Basic	Stages	Present Basic	Revised Basic	Stages	Present Basic	Revised Basic
1	10000	14500	1	13820	19400	1	18240	25700	1	24140	36200
2	10470	15100	2	14320	20100	2	18800	26500	2	24760	37200
3	10940	15700	3	14880	20900	3	19360	27300	3	25380	38200
4	11410	16300	4	15540	21700	4	19920	28100	4	26000	39300
5	11880	16900	5	16000	22500	5	20480	28900	5	26620	40400
6	12350	17500	6	16560	23300	6	21040	29700			
7	12820	18100	7	17120	24100	7	21660	30600	SCALE VI		
8	13320	18700	8	17680	24900	8	22280	31500	1	26620	42000
9	13820	19400	9	18240	25700	+1	22900	32400	2	27300	43200
10	14320	20100	10	18800	26500	+2	23520	33300	3	27980	44400
11	14880	20900	11	19360	27300	+3		34200	4	28860	45600
12	15440	21700	12	19920	28100	+4		35100	5	29340	46800
13	16000	22500	13	20480	28900						
14	16560	23300	14	21040	29700						
15	17120	24100	15	21660	30600	SCALE IV			SCALE VII		
16	17680	24900	16	22280	31500	1	20480	30500	1	29340	46800
17	18240	25700	+1	22900	32400	2	21040	31500	2	30020	48100
18	18800	26500	+2		33300	3	21660	32400	3	30700	49400
19	19360	27300	+3		34200	4	22280	33300	4	31600	50700
20	19920	28100				5	22900	34200	5	32600	52000
+1	20480	28900				6	23520	35200			
+2	21040	29700				7	24140	36200			
+3		30600									
+4		31500									

+ INDICATES STAGNATION INCREMENT

IX BIPARTITE SETTLEMENT

FIXED PERSONAL PAY (FPP)

Increment Component	D.A. as on 01.11.2002	Total FPP payable Where Bank's Accommodation is provided	Increment Component	D.A. as on 01.11.2007	Total FPP payable Where Bank's Accommodation is provided
1	2	3	4	5	6
560	23	583	800	58	858
620	25	645	900	65	965
680	28	708	1000	72	1072
1000	41	1041	1100	79	1179
			1200	86	1286
			1300	94	1394

IX BIPARTITE SETTLEMENT

PROFESSIONAL QUALIFICATION PAY (PQP)

ELIGIBILITY	PQP			PQP		
	1 year After Reaching Max		Difference	2 year After Reaching Max		Difference
	Old	New		Old	New	
CAIB Part - I /						
JAIB	300	410	110	300	410	110
CAIB (Both Parts)	300	410	110	750	1030	280

DEARNESS ALLOWANCE:

On and from 1.11.2007, Dearness Allowance shall be payable for every rise or fall of four Points over 2836 points in the quarterly average of the All India Average Working Class Consumer Price Index (General) Base 1960=100 at 0.15% of Pay.

SECTION VI (ii)
VIII BIPARTITE SETTLEMENT

COMBINED FITMENT CHART

SCALE - I		SCALE - II		SCALE - III		SCALE - IV		SCALE - V		SCALE - VI		SCALE - VII	
Existing B.P	Revised B.P	Existing B.P	Revised B.P	Existing B.P	Revised B.P	Existing B.P	Revised B.P	Existing B.P	Revised B.P	Existing B.P	Revised B.P	Existing B.P	Revised B.P
7100	10000	9020	13520	12540	18240	13900	20480	16140	24140	17660	26620	19340	29340
7440	10470	10180	14320	12980	18960	14240	21040	16520	24760	18080	27300	19760	30020
7780	10940	10500	14850	13220	19360	14620	21660	16900	25380	18500	27900	20180	30700
8120	11410	10840	15440	13560	19920	15000	22280	17280	26000	18920	28660	20700	31600
8460	11880	11180	16000	13900	20480	15380	22900	17660	26620	19340	29340	21300	32600
8800	12350	11520	16560	14240	21040	15760	23520						
9140	12820	11860	17120	14620	21660	16140	24140						
9480	13320	12200	17680	15000	22280								
9820	13820	12540	18240	15380	22900								
10160	14320	12880	18800	15760	23520								
10500	14880	13220	19360										
10840	15440	13560	19920										
11180	16000	13900	20480										
11520	16560	14240	21040										
11860	17120	14620	21660										
12200	17680	15000	22280										
12540	18240	15380	22900										
12880	18800												
13220	19360												
13560	19920												
13900	20480												
14240	21040												

PROFESSIONAL QUALIFICATION PAY (PQP)

ELIGIBILITY	PQP			PQP		
	1Years after Reaching Max Old New		DIFFERENCE	2 Years after Reaching Max Old New		DIFFERENCE
CAIIB Part I/ JAIIB	150	300		150	300	
CAIIB (Both Parts)	150	300	150	360	750	390

Payable w.e.f.1.11.2002

FIXED PERSONAL PAY (FPP)

OLD			NEW		
Increment Component	D.A. as on 1.11.1997	Total FPP Where Banks Accommodation is provided	Increment Component	D.A. as on 1.11.2002	Total FPP Where Banks Accommodation is provided
1	2	3	4	5	6
340	4.28	345	560	23	583
380	4.78	385	620	25	645
420	5.29	425	680	28	708
600	7.56	608	1000	41	1040

Note : FPP for officers eligible for HRA will be "4 + 5" plus HRA drawn by the officer when the last increment of the relevant sacale of pay is earned.

Payable w.e.f.1.11.2002

Dearness Allowance

(a) For the period from 01.11.2002 to 31.01.2005:

For every rise or fall of 4 points over 2288 points in the quarterly average of the All India Average Working Class Consumer Price Index (General) Base 1960=100 at the following rates:-

- i) 0.18% pf 'pay' upto Rs. 9,650/- plus
- ii) 0.15% of 'pay' above Rs.9,650/- and upto Rs.15,350 /- plus
- iii) 0.09% of 'pay' above Rs.15,350/- and upto Rs.16,350/-plus
- iv) 0.04% of 'pay' above Rs.16,350/-

(b) On and from 1st February 2005:

Dearness Allowance shall be payable for every rise or fall of 4 points over 2288 points in the quarterly average of the All India Average Working Class Consumer Price Index (General) Base 1960=100: at 0.18% of pay.

VII BIPARTITE SETTLEMENT

SALARY REVISION FOR OFFICERS-COMBINED FITMENT CHART

STAGES	SCALE I		SCALE II		SCALE III		SCALE IV		SCALE V		SCALE VI		SCALE VII	
	Old BP	New BP	Old BP	New BP	Old BP	New BP	Old BP	New BP	Old BP	New BP	Old BP	New BP	Old BP	New BP
1)	4250	7100	6210	9820	8050	12540	8970	13900	10450	16140	11450	17660	12650	19340
2)	4480	7440	6440	10160	8280	12880	9200	14240	10700	16520	11750	18080	12950	19760
3)	4710	7780	6670	10500	8510	13220	9450	14620	10350	16900	12050	18500	13250	20180
4)	4940	8120	6900	10840	8740	13560	9700	15000	11200	17280	12350	18920	13600	20700
5)	5290	8460	7130	11180	8970	13900	9950	15380	11450	17660	12650	19340	14000	21300
6)	5520	8800	7360	11520	9200	14240	10200	15760						
7)	5750	9140	7590	11860	9450	14620	10450	16140						
8)	5980	9480	7820	12200	9700	15000								
9)	6210	9820	8050	12540	+ 9950	15380								
10)	6440	10160	8280	12880	+10200	15760								
11)	6670	10500	8510	13220										
12)	6900	10840	8740	13560										
13)	7130	11180	8970	13900										
14)	7360	11520	9200	14240										
15)	7590	11860	9450	14620										
16)	7820	12200	9700	15000										
17)	8050	12540	+9950	15380										
18)	8280	12880												
19)	8510	13220												
20)	8740	13560												
+1	8970	13900												
+2	9200	14240												

+ Indicates Stagnation Increment

A) Fixed Personal Allowance

Fixed Personal Allowance together with House Rent Allowance shall be at the following rates and shall remain frozen. for the entire period of service.

Increment Component	DA as on 1.11.1997	Total F.P A payable here bank's accommodation is Provided.
(A) Rs. 340 380 420 600	(B) Rs 4.28 4.78 5.29 7.56	(C) Rs 345 385 425 608

Note:

- i) F.P.A as Indicated in "C" above shall be payable to those officer employees who are provided with bank's accommodation.
- ii) F.P.A for officers eligible for House Rent Allowance shall be "A" + "B" plus House Rent Allowance drawn by the concerned officer employees when, the last increment of the relevant scale of pay as specified in sub-regulation
- iii) Professional Qualification Allowance, if any, payable in the year of receipt of F. PA shall stand shifted to next year
- iv) The Increment component of F.P.A shall rank for superannuation benefits

Professional Qualification Allowance

Officers shall be eligible for professional qualification allowance as under:

- i) Those who have passed only, CAIIB - Part I Rs. 135/= p. m after one year on reaching top of the scale.
- ii) Those who have passed both parts of CAIIB -
 - a) Rs.135/- p.m after one year on reaching top of the scale
 - b) Rs.340/- p. m after two years on reaching top of the scale.

Dearness Allowance:

Dearness Allowance shall be payable for every rise or fall of 4 points over 1684 points in the quarterly average of the All India Average' Working Class Consumer price Index (General) Base 1980 a 100 at the following rates:

- i) 0.24% of "Pay" upto Rs.7100/- Plus
- ii) 0.20% of "Pay" above Rs. 7100/- to RS.11300/- Plus
- iii) 0.12% of "Pay" above RS.11300/- to RS.12025/- Plus
- iv) 0.06% of "Pay" above RS.12025 /-

SECTION VI (iv)

VI Bipartite Settlement

VI Bipartite Settlement											
CHART - I			CHART - II			CHART - III			CHART - IV		
FITMENT IN REVISED SCALE JMG - SCALE - I			FITMENT IN REVISED SCALE JMG - SCALE - II			FITMENT IN REVISED SCALE JMG - SCALE - III			FITMENT IN REVISED SCALE JMG - SCALE - IV		
STAGE	EXISTING B.P. AND PQA ACTUALLY DRAWN	AS ON 01.11.92 OR 01.07.93	STAGE	EXISTING B.P. AND PQA ACTUALLY DRAWN	AS ON 01.11.92 OR 01.07.93	STAGE	EXISTING B.P. AND PQA ACTUALLY DRAWN	AS ON 01.11.92 OR 01.07.93	STAGE	EXISTING B.P. AND PQA ACTUALLY DRAWN	AS ON 01.11.92 OR 01.07.93
1	2100	4250	1	3060	6210	1	4020	8050	1	4520	8970
2	2220	4480	2	3180	6440	2	4140	8280	2	4650	9200
3	2340	4710	3	3300	6670	3	4260	8510	3	4780	9450
4	2460	4940	4	3420	6900	4	4390	8740	4	4910	9700
5	2580	5290	5	3540	7130	5	4520	8970	5	5050	9950
6	2700	5520	6	3660	7360	6	4650	9200	6	5200	10200
7	2820	5750	7	3780	7590	7	4780	9450	7	5350	10450
8	2940	5980	8	3900	7820	8	4910	9700	8	5350+100	10450+100
9	3060	6210	9	4020	8050	9	4910+100	9700+100	9	5350+250	10450+250
10	3180	6440	10	4140	8280	10	4910+250	9700+250			
11	3300	6670	11	4260	8510	11	5050	9950			
12	3420	6900	12	4390	8740	12	5050+100	9950+100			
13	3540	7130	13	4520	8970	13	5050+250	9950+250			
14	3660	7590	14	4650	9200	14	5050+3 YRS	9950			
15	3900	7820	15	4780	9450	15	5050+3YRS+100	9950+100			
16	4020	8050	16	4910	9700	16	5050+3YRS+250	9950+250			
17	4140	8280	17	4910+100	9700+100						
18	4260	8510	18	4910+250	9700+250						
19	4390	8740	19	5050	9950						
20	4390 + 100	8740+100	20	5050+100	9950+100						
21	4390 + 250	8740+250	21	5050+250	9950+250						
22	4520	8970									
23	4520+100	8970+100									
24	4520+250	8970+250									
25	4650	9200									
26	4650+100	9200+100									
27	4650+250	9200+250									

CHART - V			CHART - VI			CHART - VII		
FITMENT IN REVISED SCALE JMG - SCALE - V			FITMENT IN REVISED SCALE JMG - SCALE - VI			FITMENT IN REVISED SCALE JMG - SCALE - VII		
STAGE	EXISITING B.P. AND PQA ACTUALLY DRAWN	AS ON 01.11.92 OR 01.07.93	STAGE	EXISITING B.P. AND PQA ACTUALLY DRAWN	AS ON 01.11.92 OR 01.07.93	STAGE	EXISITING B.P. AND PQA ACTUALLY DRAWN	AS ON 01.11.92 OR 01.07.93
1	5350	10450	1	5950	11450	1	6400	12650
2	5500	10700	2	6100	11750	2	6550	12950
3	5650	10950	3	6250	12050	3	6700	13250
4	5800	11200	4	6400	12350	4	6850	13600
5	5950	11450	5	6550	12650	5	7000	14000
6	5950+100	11450+100	6	6550+100	12650+100	6	7000+100	14000+100
7	5950+250	11450+250	7	6550+250	12650+250	7	7000+250	14000+250

CHART-9											
FPA PER MONTH (ANALYSIS)											
STAGE	INCREMENT	DA	PF	MAJOR-A	HRA			HRA	RENT	RECEIPT	
					AREA-I	AREA-II	AREA-III	MAJOR-A	AREA-I	AREA-II	AREA-III
** SCALE I	230	5.80	23	29.90	27.60	24.15	21.85	44.85	41.40	36.23	32.77
** SCALE II & V	250	6.30	25	32.50	30.00	26.25	23.75	48.75	45.00	39.38	35.63
** SCALE VI	300	7.56	30	39.00	36.00	31.50	28.50	58.50	54.00	47.25	42.75
** SCALE VII	400	10.08	40	52.00	48.00	42.00	38.00	78.00	72.00	63.00	57.00

CHART - 10			
PROFESSIONAL QUALIFICATIONAL ALLWANCE (PQA)			
WITH EFFECT FROM 01.11.1994			
Part I CAIIB	120	P.F. Deduction per month	12
Both Parts CAIIB	300	P.F.Deduction per month	30

Dearness Allowance:

Dearness Allowance shall be payable for every rise or fall of 4 points over 1148 points in the Quarterly average of the All India Average Working Class Consumer Price (General) Base 1960=100 at the following rates.

- i) 0.35% of 'pay' upto Rs.4800/- plus,
- ii) 0.29% of 'pay' above Rs.4800/- to Rs.7700/- plus
- iii) 0.17% of 'pay' above Rs.7700/- to Rs.8200/- plus
- iv) 0.09% of 'pay' above Rs.8200/-

SECTION -VIII

D.A RELIEF FOR PENSIONERS			
Retired prior to 01-11-1992 - 804 Slabs over 600 points			
Upto 125C	1251-2000	12001-2130	Abv 2130
538.68%	442.20%	265.32%	136.68%
After 01-11-1992 upto 31-03-1998 - 667 Slabs over 1148 points			
Upto 240C	2401-3850	3851-4100	Abv 4100
233.45%	193.43%	113.39%	60.03%
After 01-04-1998 upto 31-10-2002 - 533 Slabs over 1684 points			
Upto 3550	3551-5650	5651-6010	Abv 6010
127.92%	106.60%	63.96%	31.98%
Retired on or after 01-11-2002 - upto 31.10.2007 382 Slabs over 2288 points For the entire Basic Pension Amount 68.76 %			
Retired on or after 01.11.2007 slabs over 2836. For the entire Basic Pension Amount DA will be 36.75%			

PART-I		
Dearness Relief to pensioners who retired on or after 1st day of January, 1986, but before the 1st day of November, 1992/1st July, 1993		
BASIC PENSION	for the months	Slabs
	August 2009 to January 2010	713
	Average Index	3454
(i)	Upto Rs.1250	477.71 per cent.
(ii)	Rs.1251 to Rs.2000	Rs. 5971.37 plus 392.15 percent of basic pension in excess of Rs.1250.00
(iii)	Rs.2001 to Rs.2130	Rs. 8912.49 plus 235.29 percent of basic pension in excess of Rs.2000.00
(iv)	Above Rs.2130	Rs. 9218.36 plus 121.21 percent of basic pension in excess of Rs.2130.00

PART- II		
Dearness Relief to pensioners who retired on or after 1st day of November, 1992/1st July, 1993		
BASIC PENSION	Dearness relief for the months	Slabs
	August 2009 to January 2010	576
	Average Index	3454
(i)	Upto Rs.2400	201.60 per cent.
(ii)	Rs.2401 to Rs.3850	Rs. 4838.40 plus 167.04 percent of basic pension in excess of Rs.2400.00
(iii)	Rs.3851 to Rs.4100	Rs. 7260.48 plus 97.92 percent of basic pension in excess of Rs.3850.00
(iv)	Above Rs.4100	Rs. 7505.28 plus 51.84 percent of basic pension in excess of Rs.4100.00

**Annexure to Circular No.CIR/HR&IR/76/D/G2/2009-10/1031,
dated 1st August, 2010**

PART- III		
Dearness Relief to pensioners who retired on or after 1st day of April,1998.		
BASIC PENSION	Dearness relief for the months	Slabs
	August 209 to January 2010	442
	Average Index	3454
(i)	Upto Rs.3550	106.08 per cent.
(ii)	Rs.3551 to Rs.5650	Rs. 3765.84 plus 88.4 percent of basic pension in excess of Rs.3550.00
(iii)	Rs.5651 to Rs.6010	Rs. 5622.24 plus 53.04 percent of basic pension in excess of Rs.5650.00
(iv)	Above Rs.6010	Rs. 5813.18 plus 26.52 percent of basic pension in excess of Rs.6010.00
Note: Workmen/Officers who have drawn their pay as per the 7th Bipartite Settlement dated 27th March, 2000/Joint Note dated 14th December 1999 and in respect of those whose pension has been computed on the basis of updation formula circulated vide our circular No.PD/CIR/G2/937 and No.PD/CIR/G2/938 dated 4th September, 2000 shall draw dearness relief as per Part-III above. In the case of employees who have opted to draw pension in terms of Para-III of the said circular letters dated 4th September, 2000, dearness relief shall be paid as per Part-II above.		

PART-IV	
Dearness Relief to pensioners who retired on or after 1st day of November, 2002.	
Average Index (CPI) for quarter ended June 2009	3454
No. of Slabs	291
Rate of dearness relief on pension for the months August 2009 to January 2010	52.38% of basic pension
(Ignore decimals from 3rd place onwards)	

PART - I

Dearness Relief to pensioners who retired on or after 1st day of January, 1986, but before the 1st day of November, 1992 / 1st July, 1993

BASIC PENSION	Dearness relief for the months February to July 2010 Average Index	Slabs 804 3819
(i) Upto RS.1250	538.68 percent	
(ii) RS.1251 to Rs.2000	Rs. 6733.50 plus 442.2 percent of basic pension in excess of RS.1250.00	
(iii) Rs.2001 to Rs.2130	Rs. 10050.00 plus 265.32 percent of basic pension in excess of RS.2000.00	
(iv) Above RS.2130	Rs 10394.91 plus 136.68 percent of basic pension in excess of Rs.2130.00	

PART - II

**Dearness Relief to pensioners who retired on or after 1st day of November, 1992/
1st July, 1993**

BASIC PENSION	Dearness relief for the months February to July 2010 Average Index	Slabs 667 3819
(i) Upto Rs.2400	233.45 percent	
(ii) RS.2401 to Rs.3850	Rs. 5602.80 plus 193.43 percent of basic pension in excess of RS.2400	
(iii) Rs.3851 to Rs.4100	Rs. 8407.53 plus 113.39 percent of basic pension in excess of Rs.3850.00	
(iv) Above RS.4100	Rs 8691.00 plus 60.03 percent of basic pension in excess of Rs.4100.00	

Note: Workmen/Officers who have drawn their pay as per the 6th Bipartite Settlement dated 14th February, 1995/Joint Note dated 23rd June, 1995 and in respect of those whose pension has been computed on the basis of updation formula circulated vide our circular **No. PD/CIR/G(ii)490 dated 19th June, 1997** shall draw dearness relief as per Part-II above. In all other cases, dearness relief shall be paid as per Part - I above.

PART - III

Dearness Relief to pensioners who retired on or after 1st day of April, 1998,

BASIC PENSION	Dearness relief for the months February to July 2010 Average Index	Slabs 533 3819
(i) Upto RS.3550	127.92 percent	
(ii) Rs.3551 to Rs.5650	Rs. 4541.16 plus 106.6 percent of basic pension in excess of Rs.3550.00	
(iii) Rs.5651 to Rs.6010	Rs. 6779.76 plus 63.96 percent of basic pension in excess of Rs.5650.00	
(iv) Above Rs.6010	Rs 7010.01 plus 31.98 percent of basic pension in excess of Rs.6010.00	

Note: Workmen/Officers who have drawn their pay as per the 7th Bipartite Settlement dated 27th March, 2000/Joint Note dated 14th December, 1999 and in respect of those whose pension has been computed on the basis of updation formula circulated vide our circular **No. PD/CIR/G(ii) 937 & No. PD/CIR/G2/938 dated 4th September, 2000** shall draw dearness relief as per Part-III above. In the case of employee who have opted to draw pension in terms of para - III of the said circular letters dated 4th September 2000 dearness relief shall be paid as per Part - II above.

PART - IV

Dearness Relief to pensioners who retired on or after 1st day of November, 2002

Average Index (CPI) for quarter ended December 2009	3819
No. of Slabs	382
Rate of dearness relief on pension for the months February of basic 2010 to July 2010.	68.76% pension
(ignore decimals from 3rd place onwards)	

RATES OF FAMILY PENSION

PART A

In respect of employees (other than part-time employees) who retired during the period from 01.04.1998 to 31.10.2002, on and from 01.05.2005, the ordinary rate of family pension shall be as under:- (Payment from 01.05.05)

Scale of pay per month	Amount of monthly family pension
Upto Rs. 4,210/-	30 per cent of the 'pay' shall be the basic family pension plus 30 per cent of allowances which are counted for making contributions to Provident Fund but not for dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall not be less than Rs. 1,056 per month.
Rs. 4,210/- to Rs.8,420/-	20 per cent of the 'pay' shall be basic family pension plus 20 per cent of allowances which are counted for making contributions to Provident Fund but not for dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall not be less than RS.1,262 per month.
Above Rs.8,420	15 per cent of the 'pay' shall be the basic family pension plus 15 per cent of allowances which are counted for making contributions to Provident Fund but not for the dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall not be less than Rs.1687 per month and more than Rs.3,521 per month.

PART - B

In respect of employees (other than part-time employees) who retired from service on or after 01.05.2005, the ordinary rate of family pension shall be as under:-

Scale of pay per month	Amount of monthly family pension
Upto Rs. 5,720/-	30 per cent of the 'pay' shall be the basic family pension plus 30 per cent of allowances which are counted for making contributions to Provident Fund but not for dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall not be less than Rs. 1,435 per month.
Rs. 5,720/- to Rs.11,440/-	20 per cent of the 'pay' shall be basic family pension plus 20 per cent of allowances which are counted for making contributions to Provident Fund but not for dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall not be less than Rs.1,715 per month.
Above Rs.11,440	15 per cent of the 'pay' shall be the basic family pension plus 15 per cent of allowances which are counted for making contributions to Provident Fund but not for the dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall not be less than Rs.2,292 per month and more than Rs.4,784 per month.

Family pension in respect of employees who retired or died while in service on or after 01.11.02 but before 30.04.05 shall also be revised in terms of Part B above with effect from 01.05.2005.

In the case of part-time employees, the minimum amount of family pension and the maximum amount of family pension shall be in proportion to the rate of scale wages drawn by the employee.

VISION

AIBOC is a value based Trade Union, committed to consolidation of Bank Officers' Movement and the entire Managerial Staff in India and abroad. It is against Exploitation, Victimisation and Attacks on the Working Class. Through Dedicated Service and Struggle, it upholds the Dignity, Self esteem, Professional competence of its Members to seek Fair, Equitable Compensation and Service Conditions.

AIBOC is Politically not affiliated, Self Reliant, Internally Led, Independent Trade Union upholding Democratic values and involving itself in socially relevant issues. It is committed to National Unity, National Interest and the Public Sector.

MISSION

- > To carry forward the interests of Bank Officers working in India and abroad.
- > To remain always committed for a larger Consolidation of Managerial Staff all over the country.
- > To campaign in favour of Public Sector for protecting and furthering Public Interest.
- > Through determined, sustained Campaign and struggles strives to improve the service conditions by effectively using bipartite machinery.
- > To extend constructive and positive support to the Banks, in poverty alleviation programmes and for the improvement of the economy.
- > To work towards continuous improvements for the purpose of enhancement of customer satisfaction through dedicated customer service.
- > To Continuously search for healthy interaction amongst members and society, through enhancement of awareness and involvement in non-bargaining issues like Economic Policy, Health of the Banks, Social Service etc.,
- > To Work as a Nodal point for organising the Professional Workers of different sectors in India.
- > To strive to organise the unorganized sector for protecting and furthering their Dignity and Human rights.
- > To uphold the dignity and self esteem of the working class.
- > To maintain fraternal relationship with other trade unions.
- > To campaign in favour of alternate Economic and Banking Policy, committed to the principles of state ownership.
- > To seek and achieve a stress free work atmosphere in the Banking Industry for Officers.

All India Bank Officers' Confederation



State Bank Buildings, St. Mark's Road, Bangalore-560 001.