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**Pr President**

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**Retired Officers' Association (Regd.)**

**31, NEW GREEN PARK COLONY, PATIALA**

**(Affiliated to All India Bank Retirees’ Federation )**

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**Circular No. 15 of 2017-20 Dated 3rd August 2018**

Dear Comrades

**Meeting with IBA Officials**

**Demand for constitution of Consolidated Pension Fund**

**For public sector banks.**

We give below text of circular No. 2018/77 Dated 30th July 2018 issued by Shri S.C.Jain, General Secretary AIBRF.

“During our discussion/ interaction with IBA officials, DFS officials and other government authorities, one point emerges prominently is that due to fund constrain and present poor performance of banks, it is not possible to consider retires demand of improvement in family pension, pension Updation etc. though they accept unofficially that demands raised are genuine, reasonable and overdue. They also point out that pension scheme in banking industry is fund based scheme and demands related to pension can be considered subject to availability of adequate funds.

2. We find that presently combined balances available in these pension funds are to the tune of about Rs. 1.58 lakh crores. By any standard, it is quite huge amount. It is being felt that despite availability of such huge funds, retirees’ demand remain pending and unconsidered. One reason is that these funds are not at one place and not under control of one authority. They are scattered laying in pension fund accounts of 20 and odd public sector banks.

3. This situation puts retirees in to disadvantageous position in the following manner:

(a) Scattered funds do not reflect real strength and power it actually has.

(b) They are presently controlled by several bank managements who are also responsible to implement various provisions of pension regulations for guaranteed payments. This provides enough scope for bank management to carry out several adjustments like not providing enough allocations to these funds as per the commitment and statutory requirement, investment of funds as per their priority affecting yield adversely and use them as per the corporate requirement to project profitability etc.

(c) All pension related demands are linked to allocation of funds for wage negotiation of employees.

4. In view of this in order to get better deal in pension improvement, better and true strength power of pension fund in banking industry, AIBRF and other retiree organisations should demand and work for constituting Consolidated Pension Fund under independent and professional fund manager with statutory power. This consolidated pension funds will be with corpus of nearly 1.58 lakhs crores and will probably be the largest one in the country.

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It will have the following advantages for retirees:

1. It will improve yield considerably with better investment by professional fund managers.
2. It will be completely free from influence and pressure of bank managements who have used them for their priority as happened last time in PNB.
3. Statutory liability of banks towards pension funds as provided under pension regulations/ other laws will be calculated and demanded by the independent authority from bank managements. It will certainly improve fund corpus and thereby yield.
4. It is seen that Actuary Report/ Due diligence being carried by bank managements on annual basis as per requirement of pension regulations get influenced due to conflict of interest affecting bank pensioners adversely presently. Such incidents can be completely eliminated with constitution of consolidated fund.
5. All pension related demands can be considered independently.

If this becomes reality, it will be revolutionary step and the biggest reform in the pension history of India. We propose to draft and submit comprehensive memorandum to the authorities to secure support of political class, bureaucrats, unions, bank managements, IBA , and experts/ professionals. We know it is difficult and long drawn task. But if want to secure interest of pensioners in the fast changing economic environment, we have no option but to work for it. We propose to discuss this issue in the forthcoming Central Committee Meeting to take some definite view on it. In the meantime, we invite suggestions from you on the subject to prepare Discussion Paper for the meeting.

Mr. J.V. Ratnam Central Committee Member and President of Andhra Pradesh State Committee has offered his services to collect required data/ information to draft discussion paper. “

Nomination under Regulation 51 - Payment of arrears of pension in terms of decision of Hon’ble Supreme Court to surviving spouses/family pensioners EAssociate Bank retirees (who have retired during

We give below text of letter dated 2nd August 2018 sent to Chairman IBA by C N Prasad

V Sombabu, P D Vaidya, Conveners 0f Coordination of E Associate Banks' Retirees’ Organizations.

“ EAssociate Bank retirees (who have retired during the period from 1.4.1998 to 30.4.2005) are entitled to arrears of Pension, including Dearness Relief, Commutation and interest thereon at 9%, in terms of decision of Hon’ble Supreme Court in Civil Appeal 5525/2012 of Bank of Baroda Vs G Palani & Ors. Those who retired under VRS – 2001 and Exit Policy 2005 -2007 are also eligible for payment of pension duly including service to the maximum extent of five years, under Regulation 29(5), as per this Judgment.  However, we have been informed by our units that Local Head Offices are insisting on several documents including Indemnity from Family Pensioners also for payment of arrears of pension, including commutation, interest and cost to these family pensioners.

In this connection, we draw your kind attention to Regulation 51 of Bank Employees’ Pension Regulations, 1995, which provides for nomination. This Regulation provides for nomination of one or more persons to receive amounts which are payable under these regulations.  Consequently, need for documents, including Indemnity would arise only in the event of absence of valid nomination, not otherwise.  Therefore, we request you to kindly advise concerned Local Head Offices to pay these arrears as per nomination made by the Pensioners and obtain required documents including Indemnity only if no nomination is available.   We have extracted Regulation 51 for your immediate reference.

We request you to kindly order payment & oblige. Please acknowledge receipt.”

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**Extract of Regulation 51 of Bank Employees' Pension Regulations:**

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 becomes 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.

**Donation to SBPROA out of Arrears –**

**We request all members who have received arrears on account of pension revision based on 1616-1684 points D.A. index (Hon’ble Supreme Court decision) to please remit donation to the tune of Rs.500/- upto arear amount of 50000 and Rs.1000/- by those who get arear of more than 50001 to Rs.100000/- and Rs.1500/- by those who will get arear more than Rs.1,00,000/- to the SBPROA so as to enable us to remit levy share per member for the total membership as on 31.12.2017 to AIBRF as per the decision taken by office bearers’ meeting of AIBRF held at Vijayawada.**

**PAYMENT OF YEARLY SUBSCRITION OF ASSOCIATION**

**The yearly subscription of Association @Rs.500/- has become due for the year 2018-19 w.e.f. 1st April 2018. Still many members have to pay the subscription for the year 2018-19. We shall be grateful if you will please remit the above mentioned amount (if not paid so far) to enable us to bring your account up-to-date.**

**Further we may add that the account holders have to pay charges for deposit of any cash in the account. Hence we request you to transfer the amount to our Saving Bank A/c No. 55124497548 in the name of State Bank of Patiala Retired Officers’ Association (Regd.), Patiala maintained at State Bank of India, Mall Road Branch, Patiala (code 5012) . Please arrange to credit the amount at SBI branch by giving your name & membership number under an intimation to Association.**

With Warm Greetings,

**Yours sincerely,**

**(B.C.Bassi)**

**GENERAL SECRETARY**