



UCOBANK RETIREES' ASSOCIATION KARNATAKA (Regd)

(Regd as S.No: 699/97-98 Dated 20/01/1998 with the
Registrar of Societies, Karnataka)

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UBRA-KAR/CIR/040/2017-2020

17/06/2018

To All Members of our Unit.

Dear Comrades,

Sub: Levy on Arrears for merging: DA @ 1684 points from 1616 points
Ref: In the Supreme Court of India /Civil Appellate Jurisdiction
Civil Appeal No No 5525 OF 2012-Bank of Baroda and Another

In terms of the Judgement it states as follows:

Quote:

In these civil appeals, question arises with respect to the calculation of the pension on the basis of the definition of average emoluments given in Regulation 2(d) read with definition of the pay, as defined in Regulation 2(s) of the Bank (Employees) Pension Regulations, 1995 (hereinafter referred to as, "the Regulations of 1995), of the concerned Banks. The dispute is with respect to the employees who retired or died while in service on or after 1.4.1998 and before 31.10.2002.

.....It appears that Indian Banks' Association was negotiating with the Officers' Association and a Joint Note had been entered into and was signed on 14.12.1999, with regard to periodical pay revision of the officers of the member Banks. Joint Note indicated the date of effect of scale of pay, dearness allowance and pension, as was agreed to be with effect from 1.4.1998. Thereafter, on 18.1.2003 amendment had been made in the definition of 'pay', as defined in Regulation 2(s) of the Regulations of 1995 and explanation thereof was added.

.....The amount of pension finally determined under these regulations 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."

"Regulation 37:

37. Dearness Relief: -

(1) Dearness relief shall be granted on basic pension or family pension or invalid pension or on compassionate allowance in accordance with the rates specified in Appendix II.

(2) Dearness relief shall be allowed on full basic pension even after commutation."

.....It was also contended on behalf of officers that pension is not a bounty. The right to receive pension under the prevailing formulae could not have been taken away with retrospective effect by amending the provisions of the Regulations. The requisite amendments were not made in other provisions of the Regulations, which were necessary to take away the said rights. It was also contended that only for few years the said provision had been incorporated so as to deny the benefit from 1998 to 2002. Thereafter, by amending the Regulations in the year 2005 the benefit has again been restored and pension had been paid all throughout on the basis of emoluments, which were drawn in the preceding ten months from the date of retirement.

.....Thus joint note/agreement could not have been in derogation of the existing statutory Regulations and regulation 2(s)(c) could not have been given retrospective effect. Thus, in our opinion, the Regulations which were in force till 2003, would apply with full force and as a matter of fact, the amendments made in it by addition of Explanation (c) in Regulation 2(s) did not have the effect of amending the Regulations relating to pension, as contained in Regulation 38 read with Regulations 2(d) and 35 of the Regulations of 1995. It was not open to forgo the benefits available under the Regulations to those officers who have retired from 1.4.1998 till December 1999 and thereafter, and to deprive them of the benefits of the Regulations



A Unit of All India UCOBank Pensioners' Federation, Kolkata
Affiliated to All India Banks' Pensioners' and Retirees' Confederation



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The Joint Note had no force of law and could not have been against the spirit of the statutory Regulations and the basic service conditions, as envisaged under the Regulations framed under the Act of 1970. It is held to be arbitrary and irrational. More so, in view of the fact that only by way of a temporary measure, that discrimination was created and the Explanation was deleted with effect from 1.5.2005.

.....The appeals filed by the Banks are dismissed and the appeal filed by the Association is allowed. Resultantly, let the amount which was due and payable be paid with 9% interest, be calculated and paid within four months from today.

Unquote:

In view of the above, IBA has instructed all Banks paying pension to be guided by the decision of the Hon. Supreme Court of India. All banks have started calculating the arrears to be paid to all persons retired /gone of VRS between 1998 to April 2005, when the anomaly was rectified. In our bank also the process has begun. We are given to understand that the process is time consuming as each service folder had to be dealt individually as the basic will differ, the date of retirement will differ. Added to this once the merger of basic with 1684 points of DA is done then commutation has to be calculated till date of retirement.

In addition, the Basic will change for the persons who retired after 1998 to 2005. This has to be separately calculated depending on the increments received each year. In addition interest @ 9 has to be calculated on the arrears amount from the very first date. Moreover the arrears to be received will depend on several factors and will differ from person to person

As such, the process will take time. Say up to end of July 2018. Please bear with delay.

In the Executive Committee of our Association held on 09/06/2018, it has been decided to charge a Levy on the arrears received by our members to strengthen the financial position of our Association / Trust. As per per calculation about 100-120 members are likely to receive the arrears. In case all members cooperate and pay arrears as per the chart given below, it will help to boost the financial position of the Association and help us to improve our Welfare Schemes.

The chart is as follows:

Arrears received up to Rs 50,000-	Rs 2,500/-
Arrears received up to Rs 50,001 to Rs 1,00,000	Rs 2,500 + Rs 1,000 = Rs 3,500/-
Arrears received up to Rs 1,00,001 to Rs 1,50,000	Rs 3,500 + Rs 1,000 = Rs 4,500/-
Arrears received up to Rs 1,50,001 to Rs Actuals	Rs 4,500 + Rs 1,000 = Rs 5,500/-

our Committee is very hopeful that our members will cooperate and pay the levy without reminding them on the issue.

Your faithfully,



Ravindra Krishna
Honorary Secretary