



UCOBANK RETIREES' ASSOCIATION KARNATAKA (Regd)

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



Regd Office: C/o UCO Bank, 3rd Floor, 13/22, Kempegowda Road, Bangalore-560009
Website: urakar.com

UBRA-KAR/CIR/0150/2017-20

Date: 14.12.2019

To all members of our unit.

Dear Comrades,

**Sub: Letter to Sri.Anurag Singh Thakur, Minister of Ste for Finance& Company
Affairs, Govt of India.**

Ms. Hema Malini, Member of Parliament in her letter no. MPO/1844/19/Mathura dated 12.10.2019 had forwarded to Shri Anurag Singh Thakur, Minister of State for Finance & Corporate Affairs, Govt. of India, New Delhi the representation by All India Bank Retirees Action Forum on revision of pension in public sector banks. This was replied by the Minister vide his letter no. DO.No.12/1/4/2017-IR dated 21.11.2019. The contents of the letter were not acceptable to majority of the Bank Pensioners / Retirees.

Shri.ANIL KUMAR VERMA, Retired Senior Manager, Uco Bank, Shimla, Himachal Pradesh vide his letter dt.12.12.2019 has pointed out certain relevant provisions of Bank Pension Regulations and brought to the notice of the Hon. Minister that it is essential that the various anomalies in the administration of the statutory pension regulations of banks are looked into and rectified forthwith.

A copy of Shri. Anil Kumar Verma's letter is appended below for the information of all members.

**B.Lakshminarayana
Hon.Secretary.**

ANIL KUMAR VERMA

Retired Senior Manager, Uco Bank, Shimla, Himachal Pradesh.

Kamla Niwas, Below Engine Ghar, Near lower Bauri Sangti Sanjauli Shimla, (H.P). 171006.

12th December, 2019

Shri Anurag Singh Thakur,
Minister of State for Finance & Corporate Affairs,
Govt. of India, New Delhi – 100 001

Most venerable Minister,

Wrong Information passed on to Ms. Hema Malini, Member of Parliament (LS) vide letter DO.No.12/1/4/2017-IR dated 21.11.2019

I am immensely glad that in response to her letter No. MPO/1844/19/Mathura dated 12.10.2019 forwarding to you the representation by All India Bank Retirees Action Forum on revision of pension in public sector banks, your good office was kind enough apprise Ms. Hema Malini, Member of Parliament as infra:-

“The matter was taken up with IBA that apprised that pension is a funded scheme in Public Sector Banks, and was introduced on lieu of Contributory Provident Fund on the basis of consensus arrived between Bank Unions/Associations and IBA on behalf of participating banks. Accordingly Bank Boards framed Employees’ Pension Regulations, which were notified under the provisions of the Banking Companies (Acquisition & Transfer of Undertakings) Acts of 1970 and 1980. It may be seen from the above that pension is payable as per the agreement between bank Unions /Associations and Banks.”

The reply aforesaid is paradoxical since pension in banks is governed not by the agreement between bank Unions / Associations and Banks but by the Employees’ Pension Regulations, which are statutory having been framed pursuant to the extant Act.

Even on assuming that pension in banks is payable as per the agreement between bank Unions/Associations and IBA, pension requires to be revised as done recently in Reserve Bank of India in view of clause 12 of the Memorandum of Settlement dated 29.09.1993 between All India Bank Employees’ Association pursuant to Industrial Disputes Act, which is as infra:

“12. Provisions will be made by a scheme, to be negotiated and settled between the parties to this Settlement by 31st December, 1993 for applicability, qualifying service, amounts of pension, payment of pension, commutation of pension, family pension, updating and other general conditions, etc. on the lines as are in force in Reserve Bank of India”.

The requirement of pension in banks is thus imperative as Ministry of Finance updated pension in RBI vide sanction of MOF vide F.No.11/5/2001-IR dated 05th March, 2019 and the agreement entered into between IBA and bank Unions / Associations is as stated above.

The above apart, regulation 35(1) of the Bank Employees’ Pension Regulations as amended in 2002 lays down that “Basic Pension and additional pension, wherever applicable, shall be updated” and regulation 56 makes it explicit that the Pension Scheme in banks is exactly on the premise of the Central Civil Pension {which gets updated with the implementation of each Pay Commission}, making essential the updating of pension in banks in tandem with the revised pay scales arising out of each Bipartite Settlement. Want of updating of pension in banks is in colossal disregard to the Pension Regulations and is opposed to natural justice as the very purpose of pension is to enable the retired employee to live with dignity which is defeated through non-revision.

IBA wrongly apprised your good office that there is no provision for revision of pension in banks as Pension is a Funded Scheme in lieu of CPF. In fact Pension is a Funded Scheme and payment of pension in banks involves no cost either to banks or to the government. The Pension Fund was previously fed by the contribution to CPF to be made by banks on behalf of the employee to the CPF till the commissioning of the Pension Scheme and thereafter to the Pension Fund. As Pension Funds are built up with the statutory wages of the employee, it is the money, property and deferred wages of employees. The denial of updating out of the money of the employees is also in breach of trust by the banks. The Pension Funds of banks are abounding and can foot two to four times the present pension to all the pensioners with no cost to the banks and to government in the case of all public sector banks. Cardinal realities, being such, IBA is causing banks and government commit a crime in not updating pension in banks and fielding false statements before the Hon’ble Minister which gets endorsed by the Government. It was a travesty that comments of the culprit was collected in response to the letter of the respected Member of the Parliament and supplied to her.

Tracing the origin of IBA, it was a cocktail club of the heads of various banks. Its members include private banks, foreign banks, new generation banks, Regional Rural Banks, Co-operative banks and even NBFCs. IBA has no registration under any Indian statute and is not even a legal person. It is thus a heavenly body and a special purpose vehicle for syphoning public money from banks in Crores of Rupees by way of subscription every year by Public Sector Banks at their whim when demanded by its Managing Committee. It is not recognised in law, in the Pension Regulations or in the Act enacted by the Legislature. Yet it is allowed to give directions to banks intercepting the statutory regulations put in place by the Legislature of India. Majority of the members in the governing council of IBA are people booked by CBI and ED for various economic offences. It is essential and apposite that IBA is

expeditiously abandoned and abolished and a Pay Commission be appointed for determining fair wages and pension in banks to prevent siphoning of huge public money and to ensure fair play.

It is very much pertinent here that the Hon'ble Supreme Court has held in Civil Appeal No. 1123 of 2015 viz. State of Rajasthan & Anr. Vs. Mahendranath Sharma on 01.07.2015 that pension shall not be lower than 50 percent of the running pay bands corresponding to the pre-revised pay scales which has become law of the land. The ruling emanated in a scenario when pension is payable with a cost to "state" and in such a situation, denial of pension out of the Pension Fund which is the money, property and deferred wages of employee, when such payment involves no cost to banks or to government is a serious crime, rendering the Ministry of Finance, which oversees banks, contemptors of Court.

I further bring to your kind notice that the IBA sought and obtained permission from Ministry of Finance to amend the statutory pension regulations of banks for validating the wrongs banks did on the basis of its Joint Note/Settlement dated 27.04.2010 concluded with bank Unions / Associations, raising a contribution of 2.8 times revised pay for November, 2007 from serving employees and 56 percent of CPF from retired employees apart from collecting the CPF for granting them option for pension and denying the retired employees of their pension from the date of retirement to 27.11.2009 a date arbitrarily determined by IBA and Unions/Associations in defiance of the Pension Regulations and contravening the provisions of the Pension Regulations and made banks to cause notifications in the gazette of India. The notification further excluded employees who joined service of banks after 31.03.2010 from the pension scheme, which was impermissible under section 19.1 and 19.4 of the extant Act, rendering the amendments a severe crime, making the members of both the Houses of the Parliament parties to the loot of the Pension Fund through lapse to the banks when all the pensions get extinct. IBA made all the MPs mere puppets dancing as per the tunes it play in taking the nod of the Houses of the Parliament which are decorated by legal luminaries too. The notification was corrupt, opening with an averment that the Boards of Banks make the regulations in exercise of powers conferred by Act 5 of 1970/1980 when the Act confers on the Boards powers to make regulations that are not inconsistent with the Pension Scheme and the amendments made were inconsistent with the Pension Scheme and the Boards of Banks had no powers to make such regulations. The excerpts of the notification of UCO Bank, one of the nationalised banks with the delinquencies marked on it is enclosed by way of proof to what I say.

It has to be assessed carefully that the sanctity of the gazette of India was destroyed through the black pages in the notification and the Houses of the Legislature fell into a cess pool while according nod to the notification of Public Sector Banks containing impermissible amendments. IBA transformed the Legislature of India, the law making body of the nation into a slaughter house of law.

Virtually the mission of IBA was for sucking the blood of the bank employees and darkening their lives while in service and afterwards by putting the retired employees to starvation in the December of their lives by acting hands in glove with the Unions / Associations. Your good office must also be knowing that retired bankers all over the country are fretting and fuming as the statutorily conferred benefits given to them for living are looted by the IBA and the key men of banks in spite of the fact that they (employees of banks) are the people who illuminated the various sectors of the economy by sacrificing their entire life by implementing the various financial policies of the government and are now living in dark in the independent India.

I humbly submit that for a proper functioning in line with the oath of office the Ministers and the various MPS have taken while assuming charge of office to render justice to all manner of people, it is essential that the various anomalies in the administration of the statutory pension regulations of banks are looked into and rectified forthwith and IBA, the celestial body which does mischief alone is expelled from the scenario by appointing a Pay Commission for banks on an SOS basis.

Looking forward for early action and to hear from you soon.

Thanking You,

Yours faithfully,



ANIL KUMAR VERMA

Ms Hema Malini, Member of Parliament (LS)
“Advaitha”, 17, Jaihind Society,
12th Road, JVPD Scheme, Juhu, Mumbai – 400 049

for kind information and for taking up the matter further, once again.

Encl: Excerpts of the corrupt notification caused in the gazette of India pertaining to UCO Bank

Excerpts of the gazette notification with the irregularities and illegalities marked in the text boxes to make things graphically clear

MINISTRY OF FINANCE
(Department of Financial Services)
NOTIFICATION
Kolkata, the 17th June, 2017

F.No.HO/PSD/PEN/2017-18/77.—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 the Uco Bank in consultation with the Reserve Bank of India and with the previous sanction of the Central Government, hereby makes the following regulations further to amend the Uco Bank (Employees’) Pension Regulations, 1995, namely :—

1. (1) These regulations may be called the Uco Bank (Employees’) Pension (Amendment) Regulations, 2017.

(2) Save as otherwise expressly provided in these regulations, they shall come into force on the date of their publication in the Official Gazette.

3. In regulation 3 of the said regulations, for sub-regulation (4), the following sub-regulation shall be substituted, namely:—

“(4) (a) join the service of the bank on or after the notified date and on or before the 31st day of March, 2010;”.

(b) after sub-regulation

(10), the following sub-regulations shall be inserted, namely:—

(11) “were in the service of the Bank prior to the 29th September, 1995 and continue in the service of the Bank as on the 27th April, 2010 provided such employee meets the requirements and comply with the conditions laid down in the settlement;

(12) were in the service of the Bank prior to the 29th September, 1995 and retired after that date and prior to 27th April, 2010 provided such employee meets the requirements and comply with the conditions laid down in the settlement;

(13) were in service of the Bank, prior to the 29th September, 1995 retired after that date and had died 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 meets the requirement and complies with the conditions laid down in the settlement;

(14) were in the service of the bank prior to the 29th September, 1995 and died while in service of the Bank after that 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 meet the requirement and complies with the conditions laid down in the settlement.”.

4. In regulation 28 of the said regulations, after the proviso, the following proviso shall be inserted, namely:—

“Provided further that employees who ceased to be in service on or after the 29th September, 1995 on account of voluntary retirement before attaining the age of superannuation but after rendering service for a minimum period of 15 years in accordance with the Scheme framed in this regard by the Board with the approval of the Government, shall be entitled to join the Pension Fund, subject to the compliance of the terms and conditions mentioned in the Scheme.”

8. In regulation 52 of the said regulations,-

(a) for sub-regulation (1), the following sub-regulation shall be substituted, namely:—

“(1) Except in the case of an employee to whom the provisions of regulation 34 or regulation 46 apply, a pension other than family pension shall become payable from the date following the date on which an employee retires.”

(b) in sub-regulation (3), the following proviso shall be inserted, namely:—

“Provided that pension including family pension to those who opted to join the Bank Employees’ Pension Scheme on or after the 27th April, 2010 shall be payable with effect from the 27th November, 2009.”

EXPLANATORY MEMORANDUM

The Regulations which have been given retrospective effect are as per the agreed terms and conditions of the settlements and Joint Notes signed between the Indian Banks’ Association on behalf of member banks on the basis of specific mandate given by the respective banks in this regard and apex level workmen unions and officers’ associations of the Banks. Therefore, interests of no person shall be adversely affected by such retrospective effect.

Sd/-

V.C. MAHAJAN, Dy. General Manager
[ADVT.-III/4/Exty./251/17]

Uploaded by Dte. of Printing at Government of India Press, Ring Road, Mayapuri, New Delhi-110064 and Published by the Controller of Publications, Delhi-110054.

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