

SYNDICATE BANK PENSIONERS & RETIREES ASSOCIATION (REGD.)

(Affiliated to AIBPARC, a wing of AIBOC)



CENTRAL OFFICE

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(PLEASE CIRCULATE TO ALL MEMBERS/RETIREES)

Cir.No.11//2019

Date: 11.6.2019

Dear Comrades,

**ARREARS OF COMMUTATION AND INTEREST ARISING OUT
OF RE-FIXATION OF PENSION TO RECTIFY DA ANOMALY**

As per Supreme Court judgment in the case of DA anomaly rectification, banks have re-fixed Basic Pension and disbursed arrears to those who retired in between 01.04.1998 and 31.10.2002 as well as between 01.11.2002 and 30.04.2005. Some of the banks have paid commutation value and some have not paid. We are happy to inform that IBA has since advised the banks (which made a reference for clarification) to pay the difference of commutation with interest. On enquiry with SWD: HO we came to know that our bank is yet to get clarification sought. We have requested them to follow up and to expedite payment of arrears to the concerned pensioners. We will pursue the matter further. Text of AIBPARC circular in this regard for clarity is attached herewith.

With greetings

Yours comradely,

C Gangadhar Yadav

GENERAL SECRETARY

SBPRA - ZINDABAD
AIBPARC - ZINDABAD
CBPRO - ZINDABAD

Quote//Text of AIBPARC Cir No. 36/19 date 10.06.2019

Sub: Arrears of Commutation and interest thereon arising out of re-fixation of basic pension to rectify DA anomaly for a specified group of retirees.

Members are aware that Supreme Court by its judgement delivered on 13.02.2018 granted revision of pay by merger of DA at 1684 points in respect of pensioners who retired in between 01.04.1998 and 31.10.2002 with 9% interest till date of payment. The same principle was applied for pensioners who retired between 01.11.2002 and 30.04.2005. Some of the banks paid commuted value

on the revised pension while most of the banks did not do so on the ground that IBA did not make a specific mention about it. CBPRO strongly protested against it and asked IBA to issue uniform guidelines to all the member banks.

Kindly refer to AIBPARC circular no. 52/18 dated 22.06.2018 wherein the communication of Joint Convenors of CBPRO dated 21.06.2018 addressed to the Chief Executive, IBA was reproduced. The relevant portion of the communication is being narrated hereunder for information of members :

“However we learn that banks have not paid the arrears of commutation and interest thereon as per the entitlement arising out of refixation of basic pension. You will appreciate that the payment of commutation becomes the natural corollary of refixation of basic pay after removal of anomaly. It is a plain understanding that a correction in computation of basic pension would necessarily warrant a corresponding correction in the computation of commuted amount..... We request you to advise member banks to recompute the amount of commutation on the basis of re-fixed basic pension in terms of judgment of the Hon’ble Supreme Court and effect payment of arrears of commutation along with interest at 9%”

It has come to our knowledge that IBA advised the banks (which made a reference for clarification) to pay the difference with interest. In view of this development, our affiliates are requested to check up the position of each bank. In case the bank made the reference to IBA, it is to be ascertained whether reply from IBA has come and if so whether actions have been taken. In case, however, no reference has been made to IBA, the said banks are to be requested by our affiliates to make an immediate reference.

With best wishes,

Sd/-

(SUPRITA SARKAR)

GENERAL SECRETARY // Unquote.