



SYNDICATE BANK PENSIONERS & RETIREES ASSOCIATION(REGD.)

(Affiliated to AIBPARC, a wing of AIBOC)

CENTRAL OFFICE

203, Glendale Residency, King Koti Road, Abids, Hyderabad – 500001

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(PLEASE CIRCULATE TO ALL MEMBERS/ RETIREES)

Circular No. 14/2016

Date: 18.07.2016

Dear Comrades,

- 1. Existing Staff Welfare Schemes restored**
- 2. Meaning of Last drawn Wages/Salary for the purpose calculation of Gratuity under Payment of Gratuity Act, 1972 and Encashment of Privilege on Retirement**

We are happy to inform the members that certain positive developments have taken place in the matters cited above and the details are furnished hereunder:

- 1. Existing Staff Welfare Schemes restored :** As members are aware, Staff Welfare Schemes in Syndicate Bank were put on hold w.e.f. 01/04/2016. As a result, Superannuated Retirees who did not seek reimbursement of Annual Medical Aid & 50% of SyndArogya Premium as per their eligibility were deprived of the benefits. We have lodged our immediate protest and requested the bank to restore the Retirees' welfare schemes immediately as the idea itself is arbitrary and not reasonable on various counts at a time when we have been requesting Bank to extend these benefits to VRS Optees and also to improve upon some of the welfare schemes. SBOA too reacted immediately and addressed letter to Bank to withdraw the said guidelines. Now we are happy to inform that Board of Directors in it's meeting held on 23.06.2016 permitted to continue all the Existing Staff Welfare Schemes. As already communicated to members by SMS today, Bank has issued Cir.No.286/2016/BC dated 16.07.2016 in this matter. Members who are eligible but did not seek reimbursement under the said schemes for 2016-17 till now can submit their claims to their respective pension drawing branches.
- 2. Meaning of Last drawn Wages/Salary for the purpose calculation of Gratuity under Payment of Gratuity Act, 1972 and Encashment of Privilege Leave on Retirement:** In case of Employees for whom Penalty of reduction in Basic Pay was imposed during the last day/month of their retirement on account of disciplinary action, the calculation of Gratuity & Leave Encashment was made taking the reduced Pay into account for entire month, irrespective of effective date of penalty . Now it is clarified by IBA that if the effective date of Penalty is last day or last but one day of retirement, average of the Pay for the month is to be reckoned. The following example is more illustrative:

Eg., An officer awarded with penalty of reduction to lower stage in the time scale by 2 stages of pay from Rs.51490/- to Rs.48570/- for the last two days of his month of retirement (consisting of 31 days), total Basic Pay earned by him during the month was Rs.51301.60 (i.e., For 29 days @ Rs.51490/- and 2 days @ Rs.48570/-). Thus, the amount of Gratuity and PL encashment to the retired officer shall be calculated taking the last drawn Basic Pay as Rs.51301.60.

Members who were awarded with such penalty during the last month of their retirement and less paid with the Gratuity & Leave Encashment as above may send representation to the Bank seeking payment of difference amount, under information to us.

With warm greetings.

Yours comradely,

(K.Suresh Babu)

SECRETARY

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