



Indian Banks' Association

No.CIR/HR&IR/2012-13/G2/6213
November 9, 2012

Chief Executives of Member Banks which are parties
to the Joint Note dated 27.4.2010 on Pension Option

Dear Sirs,

Joint Note dated 27.4.2010 with Officers' Organisations for extending another option to join the Pension Scheme to those who did not opt for pension earlier

We would like to draw your attention to our Circular no.CIR/HR&IR/G2/665/90/2010-11/999 dated 10.8.2010 forwarding copies of the Settlement / Joint Note on extending another option for pension to the non-optees who were in the service of the bank prior to 29th September 1995 in case of Nationalised Banks and 26th March 1996 in case of Associate Banks of State Bank of India and continued to be in service on or after the said date and did not opt for pension earlier.

2. In terms of aforesaid Joint Note, another option for joining the existing Pension Scheme was extended **under the following clauses to those officers** who-

Clause-2(a): Were in the service of the bank prior to 29th September 1995 in case of Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank of India and **continue in the service** of the bank on the date of this Joint Note;

Clause-3(a): Were in service of the bank prior to 29th September 1995 in case of Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank of India and **retired after that** date and prior to the date of this Joint Note;

Clause-4: The family of those officers who were in the service of the bank prior to 29th September 1995 in case of Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank of India **retired** after that date and had died will be eligible for family pension.

Clause-5: The family of those officers who were in the service of the bank prior to 29th September 1995 in case of Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank of India, **but have died** while in service of the bank after that date will be eligible for family pension.

Clause-7: Officers who ceased to be in service on or after 29th September 1995 in case of Nationalized Banks / 26th March 1996 in case of Associate Banks of State Bank of India on account of **voluntary retirement under special scheme** after rendering service for a minimum period of 15 years, shall be eligible to exercise an option to join the Pension Scheme subject to the terms and conditions mentioned for retiring officers opting for joining the Scheme.

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3. The Joint Note dated 27.4.2010 for extending another option for pension to the non-optees indicates the categories of employees eligible for another option. In accordance with the provisions contained in the Joint Note dated 27.4.2010, Banks had extended the benefit of exercising another option to join the Pension Scheme to the eligible category of employees within the prescribed time schedule.

However, the Joint Note did not specifically include a provision for offering another option to join the pension scheme to those officers who took voluntary retirement. Consequently, a number of representations were made by such category of officers to banks/IBA/ Government and many of them moved to court of law. Besides, representations have also been made by UFBU to resolve the issue.

4. The above matter has been engaging the attention of Government as well as IBA for quite some time. Accordingly, the Managing Committee of IBA at its meeting held on 30.10.2012 had decided that those officers who took Voluntary Retirement within the meaning and provision of Regulation 19(1) of Bank Officers' Service Regulations, 1979 may be extended the benefit of exercising another option to join the existing Pension Scheme strictly in accordance with the terms and conditions laid down in the Joint Note dated 27.4.2010.
5. We are, therefore, to advise that the banks may, as decided by the Managing Committee of IBA extend the benefit of exercising another option to join the Pension Scheme to those officers who had taken Voluntary Retirement from the Bank's service on or after 29.6.1995 in case of Nationalised Banks /26.3.1996 in case of Associate Banks of State Bank of India in terms of rules framed by each Bank's Board pursuant to the proviso to Regulation 19(1) of Bank Officers' Service Regulations, 1979. Besides, the family of those officers who were in the service of the bank prior to 29.9.1995 in case of Nationalised Banks/26.3.1996 in case of Associate Banks of State Bank of India, retired after that date and had died thereafter will be eligible for another option to join the existing Pension Scheme for family pension. These categories of officers/ family members are to be sanctioned the benefits in terms of Regulation-29 of Bank Employees' Pension Regulations, 1995.
6. In extending the aforesaid benefits, all terms and conditions contained in Joint Note dated 27.4.2010 as enclosed with our letter no. CIR/HR&IR/G2/665/90/2010-11/999 dated 10.8.2010 should be strictly adhered to.
7. No other category of officers outside the purview of Regulation 19(1) of Bank Officers' Service Regulations, 1979 would be eligible to exercise another option to join the existing Pension Scheme.

Yours faithfully,



K UNNIKRISHNAN
DY. CHIEF EXECUTIVE