



CIRCULAR NO. CHO/PMG/2020-21/ 12

Date: 12.05.2020

**ALL BRANCHES / OFFICES IN INDIAN UNION**

**Sub: Payment of Commutation Arrear to employees/officers who were retired on or after 01.04.1998 and before 01.05.2005, with 9% interest, in terms of IBA letter no. HR&IR/2019-20/SKK/G2 dated 04.06.2019 with simultaneous recovery of difference amount of commuted basic pension with 9% interest**

The Board of Directors in their meeting held on 11.05.2018 had approved the release of pension arrear amount to the eligible beneficiaries who were retired on or after 01.04.1998 and before 01.05.2005 in compliance of the Order dated 13.02.2018 passed by the Hon'ble Supreme Court of India in Civil Appeal no. 5525/2012 filed by bank of Baroda & others.

Subsequently, Indian Banks' Association, has advised that "... as such, the pensioners who had commuted the pension with giving effect of 1616 CPI points instead of 1684 points are entitled to get the difference if any, in said commutation...".

As advised by IBA, the matter was reviewed/re-examined and a Note was placed before the Board of Directors, which was duly approved on 06.03.2020 as under:

**"Payment of Commutation Arrear to employees/officers who were retired on or after 01.04.1998 and before 01.05.2005, with 9% interest, in terms of IBA letter no. HR&IR/2019-20/SKK/G2 dated 04.06.2019 with simultaneous recovery of difference amount of commuted basic pension with 9% interest."**

Based on the above, the further course of actions to be adopted by the Staff pension paying Branches is enumerated below:

1. A copy of the Circular should be displayed in the Notice Board of the Branch for the information of all concerned.
2. Letter of Undertaking to be obtained from the staff pensioners as per Annexure-I, who were retired on or after 01.04.1998 and before 01.05.2005. This Annexure-I is to be executed by the staff pensioners before availing the benefit, if any.
3. If the concerned pensioner submits a duly filled copy of the Annexure-I under his signature, the same should be immediately sent to Staff Pension Cell, Personnel Services Department, Head Office-II, keeping another copy with the branch record.
4. Before forwarding the Annexure-I to Staff Pension Cell, Personnel Services Department, Head Office-II, it is to be ensured by the Branch Head/Asst. Branch Head that the signature of the concerned pensioner is verified by the authorized branch official.

All Staff Pension Paying Branches/Zonal Offices are advised to take careful note of the above and act accordingly. A Copy of the Circular should also be put up on the Notice Board of Branch Office/Zonal Offices or at conspicuous part in the Branch/Zonal Office premises so that the same is clearly visible to all concerned.

  
(Naresht Kumar)  
General Manager  
HRM, PSD, Training & OL





**ANNEXURE-I**

(Annex. to Circular No. CHO/PMG/2020-21/12 dated 12.05.2020)

**LETTER OF UNDERTAKING IN THE MATTER OF COMMUTATION ARREAR PAYMENT**

Date: \_\_\_\_\_

To,  
General Manager  
Personnel Services Department  
UCO Bank  
Head Office, Kolkata

In my understanding, I am eligible for payment of commutation arrear in terms of Head Office Circular No. CHO/PMG/2020-21/12 dated 12.05.2020 and my particulars are as under:

Name: \_\_\_\_\_

Pension Disbursement Order (PDO) No. \_\_\_\_\_

Emp. No. : \_\_\_\_\_

Date of Retirement: \_\_\_\_\_

Month & Year of Commutation last availed: \_\_\_\_\_

I have read the Bank's circular No. CHO/PMG/2020-21/12 dated 12.05.2020 carefully and hereby agreed to be bound by the said circular.

I understand that :

- If the difference of amount payable to me over the amount recoverable from the arrear stands positive, I shall obtain the difference amount.
- The difference amount payable to me over the amount recoverable from the arrear may stand negative. This shall imply that I shall be liable to pay the difference amount to the Bank from my subsequent pension payments.

I hereby undertake and agree THAT I HAVE FULLY UNDERSTOOD THE MATTER AS STATED ABOVE AND ALSO AUTHORIZE THE BANK TO PROCESS MY CLAIM OF COMMUTATION within the ambit of Bank's circular No. CHO/PMG/2020-21/12 dated 12.05.2020.

**Signature of the Pensioner**

Signature Verifying Official:  
Name:  
Designation:  
Emp. No.