



BANK EMPLOYEES FEDERATION OF INDIA

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Circular No: 36/2010

19th October 2010

To All Affiliates/Office Bearers/CC/GC Members

Dear Comrades,

**Calculation of Basic Pension for retired employees
whose last 10 months were partly under both 8th & 9th BPS**


We have been receiving queries regarding calculation of Basic Pension of those retired employees in whose case the last 10 months of service was governed partly under the 8th Bipartite Settlement and partly under the 9th BPS. We took up the matter with IBA on our own, as also through UFBU. Accordingly, IBA has now come up with a circular No. CIR/HR&IR/G2/2010-11/1502 dated 13th October 2010 clarifying the method to be adopted in such circumstances.

According to clarification given by IBA, which is in consonance with our contention in this regard, "Pay" drawn by the concerned retired employee during the last 10 months of his/her service has to be taken as usual; the "Pay" drawn under 8th BPS (out of those last 10 months) has thereafter to be notionally increased by adding DA thereon at 2836 points. The sum total of last 10 Months' "Pay" thus arrived at (being Pay drawn under the 8th BPS as enhanced by addition of DA at 2836 points PLUS "Pay" drawn under 9th BPS) has to be divided by 10 to arrive at the "Average Pay" for the last 10 months. Basic Pension shall be 50% of the Average Pay.

Text of the aforesaid IBA circular is annexed for your ready reference and record.

With greetings,

Comradely yours,



(PRADIP BISWAS)
GENERAL SECRETARY

ANNEXURE : IBA CIRCULAR No.CIR/HR&IR/G2/2010-11/1502 DATED October 13, 2010.



Indian Banks' Association

HR & INDUSTRIAL RELATIONS

No.CIR/HR&IR/G2/2010-11/1502

October 13, 2010

Designated Officers of banks which are parties to the 9th Bipartite Settlement/ Joint Note dated 27.4.2010

Dear Sirs,

Pay for the purpose of Pension in terms of Bank Employees' Pension Regulations

In terms of Clause 16 of the Bipartite Settlement dated 2.6.2005 relating to workmen and Para 6 of the Joint Note dated 2.6.2005 relating to Officer employees, w.e.f. 1st May 2005 'pay' to be reckoned for the purpose of arriving at "average emoluments" for calculating pension 'shall be the pay drawn by him prior to his retirement/ death. Pay for the purpose will have the same meaning as in Clause 6 of the Bipartite Settlement dated 2.6.2005 and Note(2) of paragraph 6 of Joint Note dated 2.6.2005.

We have been receiving queries from Banks as to how the average emoluments of employees retired from 1st November 2007 to 31st July 2008 has to be arrived at as these employees were governed by the pay scales prevalent during 1.11.2002 to 31.10.2007 and 1.11.2007 onwards during the 10 months preceding their retirement.

The calculation of average emoluments and Basic Pension in respect of the employees retired between 1.11.2007 and 31.7.2008 is as given in Annexure A. This adjustment is required as the employees who retired from services on or after 1.11.2007, the Dearness Relief they will be getting along with basic Pension shall be the Dearness Relief payable over and above 2836 points in the All India CPI 1960=100.

Yours faithfully,

Sd..

(K Unnikrishnan)
Dy. Chief Executive

Encl.

Annexure A

(Enclosure to Circular No.CIR/HR&IR/G2/2010-11/1502 dated October 13, 2010)

Computation of Average Emoluments for calculating pension of employees retired between 1.11.2007 to 31.7.2008 for the preceding 10 months of retirement

(Model Calculation for an officer employee retired on 31.3.2008 having 33 years of qualifying service with Basic Pay of Rs.30,600/- as on the date of retirement)

		(Rs)
1.	For the period of service prior to 1.11.2007 (i.e. from 1.6.2007 to 31.10.2007 (5 months))	
(a)	'Pay' as in Bipartite Settlement / Joint Note dated 2.6.2005	21660x5 = 108300.00
(b)	Dearness Allowance payable @0.18% for every slab of 4 points over and above the Index numbers 2288 points and upto 2836 points in All India CPI 1960=100	5341.35x5 = 26706.75
	Total of (a) and (b) above	135006.75 .. (A)
2.	For the service rendered on or after 1.11.2007 upto the date of retirement (5 months)	
(a)	Pay as in Bipartite Settlement/ Joint Note dated 2.6.2005	30600x5 = 153000.00 ..(B)
	Total of (A) and (B)	288006.75 .. (C)
3.	Average emoluments for the preceding 10 months of retirement	$\frac{288006.75}{10} = 28800.00$.. (D)
4.	Basic Pension in terms of Regulation 35(2) of the Bank Employees' Pension Regulations	= 50% of 28800 x $\frac{33}{33}$ = 14400.00