



# ALL INDIA BANK EMPLOYEES' ASSOCIATION

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**CIRCULAR NO. 28/263/2020/101**

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**TO ALL UNITS AND MEMBERS:**

Dear Comrades,

**Employees retired between 1-11-2017 and 31-10-2020  
Arrears of wage revision and revision in Gratuity/Pension**

Queries have come to us from retired employees about applicability of the 11<sup>th</sup> Bipartite Settlement to them. Hence we wish to clarify the following :

- 1) The 11<sup>th</sup> Bipartite Settlement is applicable only to those who have retired from the Bank from and **after 1-11-2017**.
- 2) For these retired employees, the **arrears** on account of revised pay scale and allowances **will be payable from 1-11-2017** till their date of retirement.
- 3) They are also entitled to receive the **difference** in PF, Gratuity, Pension, Commutation and Leave Encashment.
- 4) **Option not to claim incremental commutation on revised basic pension:**

Employees who have retired during this period and who have received Commutation of Pension will have an option either

a) to claim the increase / difference in commutation amount

( or )

b) not to claim increase in commutation but can receive the revised in pension amount.

**5) Calculation of Pension for those have employees retired between 1-11-2017 and 31-8-2018.**

The pension payable to employees is based on the average of the emoluments drawn in the last ten months preceding the retirement of the employee in terms of Regulations 2 and 38 of the Pension Regulations. For the purpose of payment of pension, the Pay of the employees retiring on or after 1<sup>st</sup> November, 2017 will be taken on the basis of the Pay as is provided under this Settlement.

However, in the case of employees who have retired from the services of the Banks, on or after 1<sup>st</sup> November, 2017 but before 31<sup>st</sup> August, 2018, since the period of preceding ten months will constitute Pay both under 11<sup>th</sup> BP Settlement as well as pertaining to 10<sup>th</sup> Settlement, in such cases, the following procedure will be adopted for determining Pension payable to them.

- (i) For the period of ten months falling on and from 1<sup>st</sup> November, 2017, the actual Pay drawn by the employee under 11<sup>th</sup> BP Settlement; and
- (ii) For the period falling prior to 1<sup>st</sup> November, 2017, the actual Pay drawn by the employee under 10<sup>th</sup> BPS **plus** Dearness Allowance at the rate of 47.8 percent thereon will be notionally reckoned as Pay for the purpose.

6) Those who were in service on 1-11-2017 and are eligible for the 9<sup>th</sup> Stagnation Increment from or after 1-11-2017, as per para 3 of Clause of the Settlement, will get the arrears on account of this from 1-11-2017/ date of getting the 9<sup>th</sup> stagnation increment.

7) For those whose stagnation increment gets re-worked and hence are entitled for additional stagnation increment (para 4 of Clause 5), they will not get arrears on account of such re-working because the benefit is notional upto November, 2020. However, from November, 2020, their pension will be revised taking into account the additional stagnation increment.

Units may take note of this and guide the retired employees accordingly.

Yours comradely,

**C.H. VENKATACHALAM  
GENERAL SECRETARY**

**Example: EMPLOYEE/SPL. ASST/GRADUATE/CAIIB/METRO CENTRE/  
RETIRED IN JANUARY,2020 – PENSION FROM FEB. 2020**

<b>Pension from Feb. 2020</b>	<b>Under 10<sup>th</sup> BPS</b>	<b>Revised</b>	<b>Revised</b>
Basic Pay	42,020	Basic Pay	65,830
Spl. Asst Spl Pay	1,930	Spl. Asst Spl Pay	2,920
PQP	2,010	PQP	3,045
FPP Increment portion	1,310	FPP Increment portion	1,990
Total Pay	47,270	Total Pay	73,785
<b>Basic Pension – 50% -</b>	<b>23,635</b>	<b>Basic Pension – 50%</b>	<b>36,892</b>
1/3	7,878	1/ 3	12,297
<b>Commutation</b>	<b>9,27,398</b>	<b>Commutation</b>	<b>14,47,603</b>
Balance 2/ 3 pension	15,757	2/ 3 pension	24,595
DA on 23635 @ 75.90%	17,938	DA on 36892 @ 19.67%	7,257
<b>Pension + DA</b>	<b>33,695</b>	<b>Pension + DA</b>	<b>31,852</b>
Difference in Commutation		14,47,603 – 9,27,398	<b>5,20,205</b>
Pension without change in commutation commuted		36,892 – 7,878 already	29,014
		DA on 36,892	7,257
		Revised pension + DA – Feb. 2018	<b>36,271</b>

	<b>OPTION A</b>		<b>OPTION B</b>
Existing pension	<b>33,695</b>	Existing pension	<b>33,695</b>
Revised monthly Pension	<b>31,852</b>	Revised monthly Pension	<b>36,271</b>
Reduction in pension	<b>1,843</b>	Increase in monthly pension	<b>2,576</b>
Increase in Commutation	<b>5,20,205</b>	No change in Commutation	<b>--</b>

**He/she can opt for either Option A or Option B**

**Example:** A clerk in 6<sup>th</sup> Stagnation Increment (Rs.39,400) retired in January, 2018.

**(out of past 10 months, 3 months under 11<sup>th</sup> BPS period and 7 months under 10<sup>th</sup> BPS period)**

His pension entitlement will be revised as under: ( last 10 month Pay )

Month	Under 10 <sup>th</sup> BPS	Revised calculation	
1. Jan. 2018	39,400	<b>59860</b>	59,860
2. Dec. 2017	39,400	<b>59860</b>	59,860
3. Nov. 2017	39,400	<b>59860</b>	59,860
4. Oct. 2017	39,400	39400 + DA @ 47.8%	58,232. 20
5. Sept. 2017	39,400	39400 + DA @ 47.8%	58,232. 20
6. Aug. 2017	39,400	39400 + DA @ 47.8%	58,232. 20
7. July 2017	39,400	39400 + DA @ 47.8%	58,232. 20
8. June 2017	39,400	39400 + DA @ 47.8%	58,232. 20
9. May 2017	39,400	39400 + DA @ 47.8%	58,232. 20
10. April 2017	39,400	39400 + DA @ 47.8%	58,232. 20
Total Pay of last 10 months	3,94,000	Total of last 10 months	5,87,205. 40
Average Pay	39,400	Average Pay	58,720.54
<b>Basic Pension – 50%</b>	<b>19,700</b>	<b>Basic Pension – 50%</b>	<b>29,360</b>
1/3 <sup>rd</sup>	6,567	1/ 3 <sup>rd</sup>	9,787
<b>Commutation</b>	<b>7,73,067</b>	<b>Commutation</b>	<b>11,52,126</b>
Balance 2/ 3 pension	13,133	2/ 3 pension	19,573
DA on 19,700 @ 52.70 %	10,382	DA on 29,360 @3.43%	1,007
Pension + DA existing	<b>23,515</b>	Pension + DA revised	<b>20,580</b>
Increase in Commutation (A)			<b>3,79,059</b>
Pension without claiming dif. in commutation 29,360 - 6567			22,793
DA on 29,360			1,007
Revised pension + DA – Feb. 2018 (B)			<b>23,800</b>

	OPTION A		OPTION B
Existing pension	<b>23,515</b>	Existing pension	<b>23,515</b>
Revised monthly Pension	<b>20,580</b>	Revised monthly pension	<b>23,800</b>
Reduction in pension	<b>2,935</b>	Increase in monthly pension	<b>285</b>
Increase in Commutation	<b>3,79,059</b>	No change in Commutation	<b>**</b>

**He can opt for either Option A or Option B**

Note: This does not include reworking of stagnation increment and revision of pension from Nov. 2020