



**ALL INDIA CANARA BANK RETIREES' FEDERATION (Regd.)**  
(Affiliated to All India Bank Retirees' Federation)  
"A.K.Nayak Bhavan", 2<sup>nd</sup> Floor,  
14, Second Line Beach, Chennai – 600001.

Ref No:53:2015

July 12, 2015

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**To: All Affiliates, Office Bearers & Central Committee Members**

Dear Sir/Madam,

**10<sup>TH</sup> BIPARTITE SETTLEMENT/JOINT NOTE – REVISED PENSION AND COMMUTATION FOR THOSE RETIRED BETWEEN 01.11.2012 & 25.5.2015**

10<sup>th</sup> Bipartite Settlement/Joint Note dated 25.05.2015 is effective from 1.11.2012 and employees who retired after 01.11.2012 are eligible to receive the arrears of the revised emoluments from 01.11.2012 till date of retirement. In addition, they are also eligible for revised pension and commutation and the difference amount will be paid to them.

Since the Basic Pay/Pay has been substantially increased due to merger of DA upto 4440 points, the Basic Pension also stands increased accordingly. On account of this, while the commutation amount would be increased substantially, the quantum of pension after such commutation would stand reduced to that extent.

Hence, a special provision has been added in the Bipartite Settlement/ Joint Note as under:

**"Employees in service of the Banks as on 1<sup>st</sup> November, 2012 and retired thereafter but before 25<sup>th</sup> May, 2015, and who had opted for commutation of pension will have an option not to claim incremental commutation on revised Basic Pension".**

Hence such retired employees can exercise their option either **(1) to receive the arrears of commutation and reduced pension or (2) not to claim the arrears of commutation and receive higher monthly pension.** In this regard, we furnish for your information contents of the Vishranthi News Letter dated 07.07.2015 released by our Pension Fund on the subject of exercising option.

As such, we request our affiliates and functionaries of our Federation to reach this message to employees retired on or after 01.11.2012 in the matter of exercising the option in respect of incremental commutation. The illustrations given in this circular letter explaining the position would help such retirees to exercise their option as they desire. With Greetings,

Yours Sincerely,

(S.V.Srinivasan)  
General Secretary

Encl: Option Letter

**PENSION – COMMUTATION UNDER 10<sup>TH</sup> BPS FOR THOSE WHO RETIRED BETWEEN  
1-11-2012 TILL 25-5-2015**

**EXAMPLE: SENIOR SPL. ASST WITH GRAD/CAIIB AT 8<sup>TH</sup> STGN.**

**INCRMENET – IN A CENTRE 45 LACS & ABOVE - RETIRED ON 31-1-2014**

	<b>9<sup>TH</sup> BPS</b>	<b>10<sup>TH</sup> BPS</b>
BASIC PAY AT MAX	24,900	40,710
SPL. ASST PAY	1,180	1,930
PQP	1,230	2,010
FPP – INCREMENT PORTION	800	1,310
<b>TOTAL PAY</b>	<b>28,110</b>	<b>45,960</b>
BASIC PENSION – 50 %	14,055	22,980
DA FOR MAY 2015 – 110.10% / 33.30 %	15,475	7,652
TOTAL PENSION – without Commutation	<b>29,530</b>	<b>30,632</b>
<b>INCREASE IN PENSION</b>		<b>1102</b>
<b>COMMUTED PENSION 1/3 OF 14055 / 22980</b>	4685	7660
COMMUTATION AMOUNT	<b>515,518</b>	<b>901,735</b>
<b>ARREARS OF COMMUTATION PAYABLE</b>		<b>386,217</b>
BALANCE 2/3 BASIC PENSION	9370	15,320
DA ON FULL BASIC PENSION	15,475	7,652
PENSION FOR MAY, 2015	24,845	22,972
<b>REDUCTION IN PENSION DUE TO INCREASED COMMUTATION</b>		<b>1,873</b>
PENSION RECOVERABLE FROM FEB. 2014 TO MAY 2015 Feb. to July 2014 : 2000 x 6 = 12000 Aug to Jan 2015 : 1969 x 6 = 11814 Feb to May 2015 : 1873 x 4 = 7492		31,306
Arrears after adj. of pension recovery : 3,86,217 – 31,306		<b>354,911</b>
<b>MONTHLY INTEREST On EXTRA COMMUTATION @ 10% P.A.</b>		<b>2,957</b>
<b>REDUCTION IN PENSION</b>		<b>1,873</b>

**IF THIS RETIREE EXERCISES OPTION NOT TO CLAIM  
INCREMENTAL COMMUTATION**

	<b>Received under 9<sup>th</sup> BPS</b>	<b>Receivable under 10<sup>th</sup> BPS</b>
Pay	28110	45,960
Basic pension	14,055	22,980
1/3 Basic pension commuted	4,685	(no change) 4685
Commutation amount	515,518	(no change) 515,518
2/3 Basic pension	9,370	18,295
DA – May, 2015 on 14055/22980	15,475	7,652
Total Pension	24,845	25,947
Increase in Pension		<b>1,102</b>

**There will no change in commutation amount, but monthly pension will increase**

**EXAMPLE: DAFTARY AT 8<sup>TH</sup> STG. INCRMENET – IN A CENTRE 45 LACS & ABOVE  
RETIRED ON 31-1-2014**

	<b>9<sup>TH</sup> BPS</b>	<b>10<sup>TH</sup> BPS</b>
BASIC PAY AT MAX	14,150	23,785
SPL. ASST PAY	340	560
FPP – INCREMENT PORTION	400	655
<b>TOTAL PAY</b>	<b>14,890</b>	<b>24,345</b>
BASIC PENSION – 50 %	7,445	12,172
DA FOR MAY 2015 – 110.10% / 33.30 %	8,197	4,053
TOTAL PENSION - without Commutation	<b>15,642</b>	<b>16,225</b>
<b>INCREASE IN PENSION</b>		<b>583</b>
<b>COMMUTED PENSION 1/3 OF 7455 / 12172</b>	2,482	4,057
COMMUTATION AMOUNT	<b>292,181</b>	<b>477,590</b>
<b>ARREARS OF COMMUTATION PAYABLE</b>		<b>185,409</b>
BALANCE 2/3 BASIC PENSION	4,963	8,115
DA ON FULL BASIC PENSION i.e. 7455 / 12172	8,197	4,053
PENSION FOR MAY, 2015	13,160	12,198
<b>REDUCTION IN PENSION DUE TO INCREASED COMMUTATION</b>		<b>992</b>
PENSION RECOVERABLE FROM FEB. 2014 TO MAY 2015 Feb. to July 2014 : 1120 x 6 = 6720 Aug to Jan 2015 : 1042 x 6 = 6252 Feb to May 2015 : 992 x 4 = 3968		16,940
Arrears after adj. of pension recovery : 185,409 – 16,940		168,469
<b>MONTHLY INTEREST On EXTRA COMMUTATION @ 10% P.A.</b>		<b>1404</b>
<b>REDUCTION IN PENSION</b>		<b>992</b>

**IF THIS RETIREE EXERCISES OPTION NOT TO CLAIM INCREMENTAL COMMUTATION**

	<b>Received under 9<sup>th</sup> BPS</b>	<b>Receivable under 10<sup>th</sup> BPS</b>
Pay	14,890	24,345
Basic pension	7,445	12,172
1/3 Basic pension commuted	2,482	(no change) 2,482
Commutation amount	292,181	(no change) 292,181
2/3 Basic pension	4,963	9,690
DA – May, 2015 on 7445 / 12172	8,197	4,053
Total Pension	13,160	13,743
Increase in Pension		<b>583</b>

**There will no change in commutation amount, but monthly pension will increase**



विश्रान्ति VISHRANTHI

संवाद / NEWS LETTER

केनरा बैंक कर्मचारी पेंशन निधि/  
CANARA BANK EMPLOYEES' PENSION FUND

खंड/Volume No.12/2015 दिनांक/ Date: 07.07.2015

*Dear Pensioners,*

We are happy to inform that the Indian Banks' Association, Mumbai (IBA) on behalf of Bank Managements and Workmen Unions / Officers Associations have signed X Bipartite Settlement (BPS) / Joint Note dated 25-5-2015 finalising salary revision for Workmen / Officer employees in Banks. Revised scale of 'PAY' as per X BPS/ Joint Note is effective from 01.11.2012. Accordingly, the pension of employees retired on or after 1.11.2012 are to be revised and arrears of pension and commutation are to be disbursed. Further, in respect of employees deceased on or after 1.11.2012, family pension will also to be revised and arrears of pension are to be disbursed.

In the above connection, we have communicated the matter to concerned retired employees through SMS / email registered with us and also through the Retirees Association/Federation. Pensioners who have retired on or after 1.11.2012 but before 25.5.2015 and who had opted for commutation of pension **will have an option not to claim the incremental commutation** on the revised basic pension. Such of those pensioners **who do not wish to claim incremental commutation on the revised basic pension are only required to submit an option letter as per the attachment so as to reach us on or before 25.7.2015** to enable us disburse the pension/commutation arrears to all the eligible pensioners at the earliest.

We have furnished in the Annexure the other details of pension, Dearness Relief, Family Pension, Minimum Pension as per X BPS/ Joint Note.

With warm regards,

**C.P. GIRI**  
General Manager

## X BIPARTITE SPECIAL

**Sub: Revision of Pension of employees who have retired on or after 01.11.2012 consequent upon the wage revision as per X BPS and Joint Note dated 25.05.2015.**

- Wage revision of Award Staff and Officers in terms of Bipartite Settlement/ Joint Note signed between IBA on behalf of Bank Managements and Unions/Officers Associations on 25.05.2015, which also provided that w.e.f. 1st November, 2012, the 'Pay' so revised and drawn by the employees who are members of the Pension Fund shall be taken into consideration for the purpose of calculation of pension as per the Pension Fund Rules/ Regulations in force.
- We have now been advised by IBA that consequent upon the above wage revision, the pension, dearness relief, family pension, minimum pension, etc., payable in respect of those employees who ceased to be in the service on or after 01.11.2012 and eligible for pension, need to be revised subject to amendments to Canara Bank (Employees') Pension Regulations, 1995.
- Pending such amendments to the Regulations of 1995 and other legal formalities, the Bank has decided to give effect to the revised pension retaining the right to adjustments, if necessary, at a later date.
- In this connection, it may be carefully noted that on a test check of the projected revised pension structure it is observed that in cases where the pensioners have commuted a portion of the Basic Pension, the 'pension', i.e., Revised Basic Pension after commutation together with Dearness Relief, will be less than the pre-revised monthly pension (including D.R.) to certain extent as a result of giving effect to incremental Commutation on revised pension.
- Due to such reduction in monthly pension after revision, some amount out of the pre-revised pension (already paid) will become in excess over eligible revised monthly pension. Such excess amount of pension (including D.R.) already paid, over the revised pension (including D.R.) payable on revision, will be adjusted against the incremental commutation amount on revised Basic Pension and the balance of commutation difference will be paid to the pensioners. In this connection, it may be noted that commutation amount is not taxable and the pension recovered, if any, will be reduced from total pension payable for FY 2015-16 for IT calculation purpose.
- As per the said X BPS/Joint Note dated 25.05.2015, the workmen /officer employees who were in service of the Bank as on 1st November 2012 and who have retired thereafter but before 25th May 2015 and who had opted for commutation of pension, will have an option not to claim incremental commutation on revised basic pension. In this connection we have attached an Option Letter to such of those retired workmen /officer employees who have retired on or after 01.11.2012 but before 25.05.2015 and earlier opted for commutation and now not willing to claim incremental commutation on revised basic pension. Such eligible pensioners are advised to submit their option letter in the said format, so as to reach us before 25.07.2015.
  - **ONLY THOSE ELIGIBLE PENSIONERS WHO DO NOT WISH TO CLAIM INCREMENTAL COMMUTATION ON REVISED BASIC PENSION ARE REQUIRED TO SUBMIT THE OPTION LETTER. IF THE SAID OPTION LETTER DOES NOT REACH US WITHIN THE PRESCRIBED DATE FROM THE ELIGIBLE PENSIONER IT WILL BE PRESUMED THAT HE/SHE WISHES TO AVAIL THE BENEFIT OF INCREMENTAL COMMUTATION ON REVISED BASIC PENSION.**
  - **THE ELIGIBLE PENSIONERS WHO WISH TO AVAIL THE BENEFIT OF INCREMENTAL COMMUTATION ON REVISED BASIC PENSION NEED NOT SUBMIT THE SAID OPTION LETTER.**

The details in regard to the proposed revision of pension are as under:

#### **PENSION**

The basic pension will be revised on the basis of the revised pay w.e.f. 01.11.2012.

#### **DEARNESS RELIEF**

The dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every 4 points over 4440 points in the monthly average of All India Consumer Price Index for Industrial Workers in the series 1960 = 100 at the rate of 0.10 per cent per slab on the basic pension.

For the purpose of pension revision of such employees who retired between 01.11.2012 and 31.07.2013 (i.e., whose last ten months' emoluments was governed partly by 9th Bipartite Settlement/Joint Note and partly by 10th Bipartite Settlement/Joint Note), the last ten months' average emoluments of such retired employees will be arrived at by notionally upgrading the Basic Component of 'Pay' drawn during the earlier wage revision period by 60.15%. This adjustment is required as the employees who retired from services on or after 01.11.2012, the Dearness Relief payable to them along with basic Pension shall be the dearness Relief payable over and above 4440 points in the all India CPI 1960=100.

#### **FAMILY PENSION**

In respect of employees (other than part-time employees) who retire/retired from service on or after 1.11.2012, the ordinary rate of family pension shall be as under:

Scale of 'pay' per month	Amount of monthly family pension
Upto Rs 11,100	30 per cent of the 'pay' subject to a Minimum of Rs 2,785 per month.
Rs 11,101 to Rs 22,200	20 per cent of the 'pay' subject to a Minimum of Rs 3,422 per month.
Above Rs 22,200	15 per cent of the 'pay' subject to a Minimum of Rs 4,448 per month and Maximum of Rs 9,284 per month.

**Note:** In the case of part-time employees, the minimum amount of family pension and the maximum amount of family pension shall be in proportion to the rate of scale wages drawn by the employee.

#### **MINIMUM PENSION**

In respect of employees other than part-time employees, who retired on or after 01/11/2012, the amount of minimum pension shall be Rs 2,785 p.m. In respect of part-time employees who retired on or after 01/11/2012, the minimum pension payable shall be Rs 932 p.m. in respect of part-time employees drawing 1/3 scale wages, Rs 1,397 p.m. in respect of part-time employees drawing ½ scale wages and Rs 2,096 p.m. in respect of part-time employees drawing ¾ scale wages.

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## OPTION LETTER

(Option Letter for **NOT CLAIMING** incremental Commutation on revised Basic Pension in terms of X BPS / Joint note for only those employees / Officers who were in service of the Bank as on 01.11.2012 and retired thereafter but before 25.05.2015 and who had opted for commutation)

From:

Name	
Staff No.	
Date of Retirement	
Address	
Mobile No	
Email id	

To:

**The Trustees  
Canara Bank Employees' Pension Fund,  
Human Resources Wing,  
Naveen Complex, No. 14,  
M.G. Road, Bangalore - 560 001**

Dear Sirs,

I am presently drawing Pension through SB A/c No. ....  
Maintained at ..... Branch [DP Code.....]

I have gone through and understood the terms of the X BPS / Joint Note dated 25.05.2015 with regard to pension.

I do not desire to receive incremental commutation on revised basic pension, in exercise of the option granted in the Bipartite Settlement / Joint Note dated 25.05.2015 and I do hereby irrevocably opt **NOT TO CLAIM** incremental commutation on my revised pension.

This option is irrevocable and binding upon me and my legal heirs/ nominees as well.

Yours faithfully,

Place:  
Date:

(Signature)