

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION NO.508

TO BE ANSWERED ON 20TH JULY, 2018/ ASHADHA 29, 1940 (SAKA)

Pension Benefits to Bank Employees

508. SHRI SHIVKUMAR UDASI:

QUESTION

Will the Minister of FINANCE be pleased to state:-

- (a) the total number of Bank officers/ employees that were denied pension benefits as per 2010 bipartite settlement between IBA and UFBU;
- (b) the total number of court cases that are pending all over the country in this regard;
- (c) whether it is legal and constitutional to deny pension to eligible resigned bank officers/employees and if so, the details thereof;
- (d) whether his Ministry is aware of this anomaly prevailing in the system; and
- (e) if so, the steps being taken to resolve the pension issue, if not, the steps are likely to be taken by the Government to resolve the pension issue?

ANSWER

**The Minister of State in the Ministry of Finance
(Shri Shiv Pratap Shukla)**

(a): Pension of nationalised banks is based on a bipartite negotiation process at the industry level between the Indian Banks' Association (IBA)(which negotiates on behalf of bank managements on their specific mandate) and unions/associations of bank employees. IBA has informed that as per the agreed terms and conditions of the settlement dated 27.4.2010 between IBA (on behalf of member banks) and Workmen Unions (Bipartite Settlement) / Officer Associations (Joint Note), the officers/employees who fulfilled eligibility criteria and opted for pension option are not denied pension benefits.

(b): As per inputs received from banks, 178 court cases are pending in this regard.

(c) to (e): IBA has informed that as per the terms and conditions of the settlement arrived at between IBA and United Forum of Bank Unions (UFBU), the officers/employees who had resigned from service were not eligible for pension option, although they were entitled to Contributory Provident Fund and the same was paid to them. Some of these ex-employees of different public sector banks approached different high courts praying that they be made eligible for pension option. Hon'ble Karnataka High Court, *vide* judgement dated 31.8.2017, dismissed the writ petitions filed by these ex-employees with the observation that the court does not find merit in the same.
