



## ALL INDIA BANK EMPLOYEES' ASSOCIATION

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**CIRCULAR LETTER No. 28/114/2018/62**

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**TO ALL OFFICE BEARERS, STATE FEDERATIONS AND  
ALL INDIA BANKWISE ORGANISATIONS**

Dear Comrades,

**Reg: Strike Day Wage Cut and its impact on calculation of Pension**

Repeatedly queries are being raised with us as to how pension will be calculated for employees retiring in the month during which an employee or an officer joins a strike and hence his one day wage is cut on account of this. In fact, on the wrong premises that because of such wage cut the pension amount will be reduced, some of such employees/officers do not join the strike.

This question has been clarified in the past also. However, we wish to repeat and reiterate the following clarification based on IBA's clarification to Banks.

**Quote:** " The issue which was placed before the Working Group of IBA in its meeting held on 18<sup>th</sup> April, 2000 was the procedure to be adopted for calculating average emoluments for the purpose of pension where the employee concerned had participated in strike/s during the last 10 months before his retirement from service.

Having regard to the fact that any reduction in pension can only be effected following proceedings instituted against the employee either while he was in service following provisions of service rules or in terms of Pension Regulations, 1995 after his retirement from services, the Working Group was of the view that the participation of an employee in strike/s during the last 10 months before retirement **should not affect his pension for all times to come** and therefore, average emoluments for the purpose of arriving at pension payment in such cases may be arrived at in terms of the provisions of sub-regulation (4) of Regulation 38 of Bank (Employees') Pension Regulations, 1995."

Our units should convey these clarification to those employees/officers who are to join our strikes during last 10 months of their service so that all of them go on strike without any confusion or wrong impression that their pension may be reduced because of participation in strike.

With greetings,

Yours Comradely,

**C.H. VENKATACHALAM  
GENERAL SECRETARY**