



## **ALL INDIA UNION BANK EMPLOYEES' ASSOCIATION**

CENTRAL OFFICE

C/o UNION BANK OF INDIA, 6<sup>TH</sup> FLR, M.S. MARG BRANCH, 66/80 M.S.MARG, MUMBAI -400023

Phone: 22629486(Bank); 22629509(U.O.); Fax: 22642785(Bank); 9819375526(M)

E-mail: aiubeaco@gmail.com

GS/3 /121/22

20<sup>th</sup> September 2022

To,

All Office Bearers & Units,

Dear Comrades,

Sub: **Outcome of Union Bank of India Employees' Gratuity & Pension Trusts & DRF**

The annual Meeting of the Union Bank of India Employees' Pension & Gratuity Trusts and Death Relief Fund was held yesterday in Mumbai in Bank's Central Office Mumbai. While both the trust meets were presided over by the Executive Director Shri Rajneesh Karnatak, the DRF Administrators' meet was presided by CGM HR Shri Lal Singh. On behalf our Association, Com P K Maheshwari Com Pooja Mulye & Com Ravi Yadav attended the Pension trust, Gratuity Trust & DRF Administrators' meetings respectively. Officers' Union representatives were also present in addition to the management Trustees.

The outcome of the meeting and the fund position of trusts & DRF are given as under.

**1) Pension Trust:**

The position of Pension Fund as per audited financial is as under with the comparative figure for last year.

Amount in Cr

Item	As of 31 <sup>st</sup> March 21	As of 31 <sup>st</sup> March 22	Item	As of 31 <sup>st</sup> March 21	As of 31 <sup>st</sup> March 22
Pension Fund	26778.79	26972.93	Investments	26783.69	26953.80
Provision for NPI	41.75	50.00	Other Assets	16.06	13.95
Provisions	0.06	0.06	Bank balance	20.85	55.24
Total	26820.60	27092.99	Total	26820.60	27092.99

- 1) The Pension Fund makes earnings of Rs 1987.79 cr and surplus of 1971 cr after absorbing amortization of premium & making provisions towards Non Performing Investment.
- 2) The average yield on investments is around 6.41%
- 3) The pension out go for the year 2122 is 2340.13 c. First time a portion of the corpus is being used for payment of Pension.
- 4) For the year 21-22 Bank has provided Rs 551.42 cr towards pension fund and the same is as per calculations of actuarial. The family pension improvement cost is also being provided by the Bank by amortizing the

same as per directions. The arrears of Family pension amounted to more than Rs 50 Cr.

From our side, our Trustee representative, besides seeking clarifications on certain points relating to financials & initiation of steps to address the concerns towards recovery of Non Performing Investments for which trust has provided fully, also raised the need for holding the meeting half yearly to assess the fund position & investments so as to decide corrective actions if needed. He also raised the need for steps to effectively address the complaints of pensioners and improve the system to facilitate easier way of submitting Life certificates & capture the dearth of pensioners to avoid huge recovery from family pension. The meeting has decided that it will hold half yearly trust meeting or provide half yearly position of funds among trustees to know & decide. The department will also hold discussions with the retirees' organization shortly to sort out their issues relating to Pension. The meeting also decided to keep ceiling on investments with Private Insurance Cos to protect Pension Funds.

## 2) **Gratuity Trust:**

The position of Gratuity Fund and its comparative figures with last year are as under.

Amount in Cr

Item	As of 31 <sup>st</sup> March 21	As of 31 <sup>st</sup> March 22	Item	As of 31 <sup>st</sup> March 21	As of 31 <sup>st</sup> March 22
Gratuity Fund	2742.93	3356.16	Investments	2715.05	3319.50
Provision for NPI	2.00	NIL	Other Assets	0.06	0.05
Liabilities	0.20	0.23	Bank balance	30.02	36.84
Total	2745.13	3356.39	Total	2745.13	3356.39

- The Gratuity Fund earned Rs 235.98 cr for the year 21-2 and made a surplus of Rs 235 .21 Cr.
- Trust has paid Gratuity of Rs 465.42 Cr to 2534 employees and 11<sup>th</sup> BP Gratuity Arrears to 8995 employees.
- Bank's contribution was Rs 843.37 cr for the year 21-22
- It has forfeited Gratuity of Rs 0.74 cr pertaining to 9 officers as per rules.

Our representative trustee raised the issue of payment of Gratuity to deposit Collectors by submitting that the law is clear & Bank should not delay or deny the same. Further Bank is facing more disputes from Deposit collectors and also loosing the appeals preferred by it in cases where the RLC/ ALC have given directions to Banks to pay the gratuity. It was conveyed by the Bank that steps are being initiated to resolve the issue. She also raised the issue of adhering to all rules & procedures and also to court judgment while forfeiting gratuity besides being compassionate. Bank conveyed that all needed precautions are being taken.

## 3) **DRF FUND:**

The death Relief Fund financials indicate the fund position as under;

Amount in Cr

Item	As of 31 <sup>st</sup> March 21	As of 31 <sup>st</sup> March 22	Item	As of 31 <sup>st</sup> March 21	As of 31 <sup>st</sup> March 22
Fund Corpus	25.70	25.32	Investments	2.17	2.24
			Other Assets	0.16	0.06
			Bank deposits	23.37	23.02
Total	25.70	25.32	Total	25.70	25.32

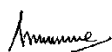
- ✓ The number of members as on 31<sup>st</sup> March 22 is 19529.
- ✓ The fund received contributions of Rs 3.53 cr through subscriptions from members for the year 21-22.
- ✓ The fund paid death relief to 122 members amounting to Rs 5.475 cr
- ✓ It is found that after digitization of enrollment of membership through Union Parivar the enrollment has increased. In last 20 days 512 new members have joined.
- ✓ Bank is popularizing the scheme by giving a document detailing the scheme along with other documents in the welcoming kit for new recruits.

In the meeting various proposals to improve the membership and also improve the benefits were discussed. Looking to the various issues it was decided to not to relax the provisions of payment of subscription or to increase it .The possibility of devising separate additional employee funded scheme either through an insurance cover from Insurance co or to be managed through Bank were also discussed. It was decided to collect more details to decide improvement and or other schemes so that family of deceased employees will get reasonably better relief. Our units should improve the membership by popularizing the scheme among our members & employees to enroll more & more members to improve the sustainability of fund and scheme.

We request our units to take note of the outcome of trusts & guide the employees accordingly.

With warm regards,

Yours Comradely,



(N. Shankar)  
General Secretary