

THE BANK OF RAJASTHAN LIMITED  
(RERGD OFFICE:UDAIPUR)

Pension Cell  
Central Office, Jaipur

Dated 16.09.2006

The Secretary,  
Bank of Rajasthan Retired Staff Society,  
B-97, Ananadpuri,  
Moti Dungari Road,  
JAIPUR-302004

Dear sir,

Reg:-Proposal for settlement on payment of interest for delayed payment of pension and commutation of pension claimed by Bank of Rajasthan Retired Staff Society.

On the above sited matter, on the persistent request of the Society for amicable understanding on reasonable rate of interest for the delayed period on payment of arrear of pension and commutation of pension. It was mutually agreed between The Bank of Rajasthan Retired Staff Society and The Management of the Bank of Rajasthan Ltd. on the following points stated below -

1. That simple interest @9% per annum may be paid on Commuted Value of pension only to the retirees of the period 01.01.1986 to 01.04.1995 from the date of commutation i.e. 01.11.1993 or later till 01.04.1995 the date up to which interest on BCPF was charged by the Bank.
2. That simple interest @9% per annum may be paid on Commuted Value of pension only to the retirees of the period on or after 02.04.1995 and onwards, from the date of commutation till the date of refund i.e. the date up to which interest on BCPF was charged by the Bank.
3. That no interest will be paid on interest payable on Commuted Value of pension as mentioned above till the date of this settlement/ receipt of such interest by the pensioners.
4. That no interest /compound interest will be paid on delayed payment of arrear of pension and family pension.
5. That reduction of 1/3rd commuted-pension from 01.11.1993 (in case of retirees of the period 01.01.1986 to 31.10.1993) will remain intact and in case of retirees of the period after 01.11.1993 will the original date of commutation remains in force in Individual cases.
6. That the Society will enter into an compromise settlement on behalf of all the pensioners (irrespective of their membership) to be drafted legally by the Bank's Advocate which will be submitted in the Court of Law in full and final settlement of interest claim for delayed period on payment of pension and commutation of pension.



7. The Bank recovered around Rs.48.61 lac from the pensioners on account of interest on BCPF from the date of settlement of provident fund a/c till 01.04.1995 or date of refund (netting) to the Bank. Whereas on considering the demand as mentioned above, the total payment of interest on commuted value of pension only would be around Rupees One Crore only.

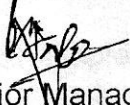
8. That the payment of interest as agreed above shall be made by the Bank and the Society will not raise any claim later on from The Bank of Rajasthan Ltd. Employees' Pension Fund Trust.

The Board of Directors has approved the proposal subject to the following Conditions: -

1. Payment 50% in Oct.2006 and 50% in April 2007.
2. It should get examined by our Law Deptt.
3. It is a one time exception and should not be taken as precedence.
4. All cases should be withdrawn unconditionally.

Kindly arrange to complete the formalities at an earliest so that 50% payment Of interest may be released in Oct.2006.

Yours Faithfully

  
Senior Manager  
22