



UNION BANK EMPLOYEES' UNION - TAMILNADU

(Affiliated to AIBEA & AIUBEA)

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Circular No.134:2018

01.10.2018

To:

All Units:

Dear Comrade,

Outcome of PF , Pension and Gratuity trust Meetings and DRF Administrators Meeting

"We reproduce hereunder the text of All India Union Bank Employees Association's Circular No.GS:3:139:18 dated 29th September 2018 on the captioned subject for your information and record.

The Annual Meetings of the captioned trusts were held On 27th September. On behalf of the Association the nominated office bearers who were appointed as trustees in the respective Trust/ fund attended the meeting. While PF Trust Meeting was presided over by MD & CEO the DRF was presided over by GM (HR) and the other trusts were presided over by Executive Director Shri R K Verma. We furnish here under the fund Position of all 4 funds / Trust along with the outcome of the meeting.

Pension Trust Meeting:

Our representative Trustee Com **Pronab Bhattacharjee** attended the meeting. The financial position of the Fund as on 31st March 2018 with comparative figures of previous year is as under along with our observations. The Amount quoted is in Rs Cr.

Item Under Liability	2017	2018	Item under Asset	2017	2018	Item Under PL	2017	2018
Pension Fund	9679	11119	Investment	10714	11876	Interest earned	1369	936
Surplus	1353	933	Cash & Bank Bal	218	176	Exp	16	03

- 1) The Bank made contribution of Rs.742.38 cr to pension fund as per the actuaries calculation & as certified by the auditors. The Total Pension Paid in the year amounts to Rs 659.09 cr. The Bank made surplus of Income over Expenditure to the tune of 933 cr.
- 2) The total number of Pensioners is 22094, within which the Family Pensioners number is 3936
- 3) The pension fund earns surplus that is equivalent to 142% of the pension paid during the year.
- 4) The yield on investments is at 8.47% and the investments are sound with good rating.
- 5) Under portfolio management with LIC as the major Fund Manager the Pension fund has investment of 7933. 18cr.

During the meeting our Representative submitted a written note containing our views, opinions and suggestions on all the agenda. It sought clarifications on certain items of the financials including the inflow and outflow of funds for next fiscal, furnished few suggestions to improve the yield, demanded for holding NPS meeting and sought an assessment to ensure safety and security of the pension fund investments. It was decided to look in to all our suggestions and do the needful.

Gratuity trust Meeting:

Com **R Manjunath** our Representative Trustee was present in the Meeting. The financial position of the Gratuity fund as on 31st March 2018 is as under. The Amount quoted is in Rs Cr.

Item Under Liability	2017	2018	Item under asset	2017	2018	Item Under PL	2017	2018
Gratuity fund.	1155	1183	Investment	1277	1259	Interest earned	167	103
Surplus	165	102	Cash & Bank Bal	43	26	Exp	01	01

- A) The Bank has provided its contribution through the internal accruals of the Trust and the same has been certified by the auditors. However we raised our concern for such method of funding and sought clarifications.
- B) The Bank has paid Gratuity of Rs 137.44 cr in the year 2017-18.
- C) The forfeited gratuity for the year amounts to Rs 1.13 Cr in the current year.
- D) The Gratuity fund has portfolio investment with LIC as fund manager for Rs.795.84 cr.

Our Representative Trustee submitted his points on all the agenda through a written submission. It contained 9 points relating to funding the gratuity liability, payment of Gratuity to Deposit collectors, implementation of Supreme Court Judgment on forfeiture of Gratuity on Moral Turpitude, effective fund management, need for assessment of Bank's liability on account of recent Labour Machinery interpreting the service conditions to pay more and additional Gratuities. Bank has agreed to look in to besides furnishing its point wise reply to our points.

PF Fund:

Com **J G Kunder** our nominated trustee attended the meeting. The financial position of the provident fund as on 31st March 2018 is as under. The Amount quoted is in Rs Cr.

Item Under Liability	2017	2018	Item under asset	2017	2018	Item Under PL	2017	2017
PF Fund	1283	1299	Investment with Interest	1230	1266	Interest earned	112	112
General Fund	35	41	Cash & Bank Bal	29	13	Exp	103	107
Other Liabilities	01	01	Loans & Other assets	60	62	Surplus	09	05

The fund has an yield of 8.43% on its investments for the year 2017-18. The surplus of Income over Expenditure for the year 2017-18 has declined to Rs 5.34 cr from 9.14 cr in the last year. The Trust has General Fund account consisting of carried over surplus amounting to Rs 40.86 cr. Our Representative Trustee submitted a written note raising points relating to clarifications on some items of financials, ATR and interest to be paid on members' contributions and raising the refundable loan available to employees. It was agreed to provide copies of financials to the members who seek the same. Accordingly our members can seek the same from TBD section in writing. Our Proposals to revise the interest rate payable on members' contribution and increase the PF loan quantum were discussed and it was decided to obtain certain additional information to decide suitably. We shall inform the same shortly.

Death Relief Fund:

Com **R D Patnaik** our representative Administrator attended the Meeting. The position of the Fund as on 31st March 2018 is as under:

- The fund's corpus is at Rs 21.01 cr.
- The total Members under the scheme is 21655 and there are 16383 staff members who are not members. Out of the total number of non-members officer number amounts to 10151. Award Staff numbered 6232. There is a need for units to mobilize more members and we should take up the task seriously.
- The Members contribution for the year was Rs 3.54 cr and the ex-gratia paid amounted to Rs 3.32 cr. Number of deaths in the year was 78.
- The DRF earned interest Income of Rs.1.25 cr . It paid Income Tax of Rs.0.42 cr and earned a net surplus of 0.83 cr.
- Our Representative administrator presented a written note and raised the points relating to 1) increase the membership and 2) improve the ex-gratia quantum. It was decided to call for more details and decide accordingly.

The units are requested to explain the above outcome of all the trust and other committee meetings among our members and employees.

We have been alert, vigilant and positive to ensure that all the retirement funds are financially strong with adequate provisions and better yield.”

With Greetings,

Yours Comradely,

(A.CHIDAMBARAM)

General Secretary

Medical Insurance Policy for In-service Employees/officers:

Year	Employees		Officers	
1-10-2018 to 30-9-2018	Premium	11613	Premium	15483
Revised rate	GST	2090	GST	2787
Increase of 11%	Total	13703	Total	18270

Note: As agreed between IBA and UFBU, bed charge/room rent per day is revised from Rs.5000 to Rs.4000 from 1-10-2018. Policy for Retirees is due for renewal from 1-11-2018. Reduction in premium rate is under discussion.