

# ALL INDIA BANK OFFICERS' CONFEDERATION

(Registered under the Trade Unions Act 1926, Registration No.:3427/Delhi)

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Ref. No.: 2013/IBA/10

DATED: 23/08/2013

**The Chairman,**  
Indian Banks Association  
**MUMBAI.**

Dear Sir,

**RE: WITHHOLDING OF RETIREMENT BENEFITS OF THE EMPLOYEES PENDING ENQUIRY – UNLAWFUL REQUEST: FOR ISSUANCE OF NECESSARY GUIDELINES TO THE BANKS IN THE LIGHT OF LATEST SUPREME COURT JUDGEMENT DATED 14<sup>TH</sup> AUGUST 2013**

Respectfully, in above reference, we would like to draw your kind attention to the latest Judgment delivered by the Hon'ble Supreme Court of India, in an appeal in the case of State of Jharkhand Vs. Jitendra Kumar Srivastava. A copy of the judgment along with gist of the same is annexed with this letter.

2. The Hon'ble Supreme Court has upheld that Pension, Leave Encashment, Gratuity and other benefits on superannuation are to be considered and treated as right to property, vested in the hands of retirees. The employer cannot withhold or withdraw (stop or reduce) the pension or deny the full gratuity, leave encashment etc. on the basis of administrative instructions pending the departmental enquiry or criminal proceedings against the employee concerned. Such administrative circulars /guidelines/orders cannot override the Rules and the law.

3. We may inform that in several cases, Banks have ordered to withhold the pension, gratuity or other terminal benefits on the basis of administrative orders, pending enquiries or judicial proceedings against the concerned staff. In the light of the above mentioned judgment, we request you to issue necessary instructions to all the Banks to implement and comply with the observations made in the above said judgment immediately and to issue orders for release of superannuation benefits in such cases. Please treat the matter as urgent.

Thanking you,

Yours faithfully,

(HARVINDER SINGH)  
GENERAL SECRETARY