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Editorial

BANK NATIONALISATION AT 57: DEFENDING THE LEGACY, SHAPING THE FUTURE!

As we commemorate 57 years since the nationalisation of banks, we are called not just to remember this historic policy decision from July 1969 but to reaffirm the ideals that inspired it. Bank nationalisation transformed banking from an exclusive commercial activity serving a privileged few into a powerful instrument of national development. It expanded banking services to rural and semi-urban India, strengthened priority sector lending, supported agriculture and small industries, and aided weaker sections of society, thus laying the groundwork for financial inclusion. The achievements of public sector banks stand as a testament to the wisdom of this historic decision.

From its inception, the All India Bank Officers' Confederation (AIBOC) has remained steadfast in its commitment to defend and strengthen the public sector character of Indian banking. Our opposition to privatisation is not due to ideological rigidity or institutional self-interest. Instead, it stems from the conviction that banking is a strategic sector that must serve the broader interests of society and the economy. The global financial crisis and the repeated failures of unregulated private financial institutions have repeatedly highlighted the dangers of treating banking solely as a profit-maximising enterprise.

The remarkable resilience demonstrated by public sector banks during times of economic distress reinforces this position. Whether faced with financial crises, natural disasters, economic slowdowns, or the challenges posed by the pandemic, public sector banks have fulfilled their developmental responsibilities while maintaining financial stability. While private institutions may choose markets and customers based solely on profitability, public sector banks remain dedicated to serving the nation, even when commercial considerations suggest otherwise.

Despite these achievements, the agenda of privatisation and denationalisation continues to arise in various forms. The argument that public ownership is inherently inefficient overlooks the significant contributions made by public sector banks to nation-building and economic transformation. Rather than undermining public institutions, we should focus on strengthening them through adequate capital support, operational autonomy, and professional governance. Ongoing efforts to dilute public ownership threaten not only the livelihoods of employees but also the millions of ordinary citizens who rely on accessible and affordable banking services offered by public sector banks.

AIBOC has consistently maintained that, while trade unions cannot ignore public policy, they must refrain from becoming instruments of adherent political interests. The strength of our movement lies in its independence, credibility, and ability to unite officers across various beliefs, regions, and backgrounds. Any attempt to subordinate our organisational priorities to partisan agendas risks weakening our collective strength and diverting attention from the real issues facing the banking industry.

The challenges before the banking sector today are significant. The increasing pressure of performance-linked policies, manpower shortages, technological disruption, outsourcing, a culture of excessive mis-selling, and threats to service conditions necessitate a united and focused response. These issues require professional trade unionism grounded in facts, constructive engagement, and principled struggle. A divided movement, distracted by external influences, cannot effectively protect the interests of officers or uphold the integrity of public sector banking.

We congratulate all members on the 57th anniversary of bank nationalisation. We express our heartfelt gratitude to our seniors who courageously defended against subtle attempts at privatisation while ensuring the expansion of public sector banks to the far reaches of the country.

#SavePSBs
#HaltFurtherMergers
#BankingInThePublicSector
#YesToAdequateRecruitment
#MarchOnComrades,
#NationAgainstPrivatisation
#BankBachaoDeshBachao

SHARED ARTICLE

LIST OF PSU BANKS IN INDIA
WITH ESTABLISHMENT YEAR

S. No.	Bank Name	Year of Establishment
1	State Bank of India (SBI)	1955
2	Punjab National Bank (PNB)	1894
3	Bank of Baroda	1908
4	Bank of India	1906
5	Bank of Maharashtra	1935
6	Union Bank of India	1919
7	Canara Bank	1906
8	Central Bank of India	1911
9	Indian Bank	1907
10	Indian Overseas Bank	1937
11	Punjab & Sind Bank	1908
12	UCO Bank	1943

NET PROFIT OF PUBLIC SECTOR BANKS
FOR 2025-26

	BANK	NET PROFIT (₹ CRORE)
1	STATE BANK OF INDIA	80,032
2	BANK OF BARODA	20,021
3	CANARA BANK	19,187
4	UNION BANK OF INDIA	18,697
5	PUNJAB NATIONAL BANK	16,904
6	INDIAN BANK	12,156
7	BANK OF INDIA	10,527
8	BANK OF MAHARASHTRA	7,019
9	INDIAN OVERSEAS BANK	5,208
10	CENTRAL BANK OF INDIA	4,531
11	UCO BANK	2,768
12	PUNJAB & SIND BANK	1,322

TOTAL ₹1,98,372 CRORE

STRONG BANKS · STRONG ECONOMY · STRONGER INDIA

REVIEW OF THE PERFORMANCE OF PUBLIC SECTOR BANKS FOR FY 2025–26

Secretary, Department of Financial Services (DFS), Shri M. Nagaraju chaired a review meeting of Public Sector Banks (PSBs) to assess their performance and progress across key operational, financial and strategic priorities during FY 2025–26. The meeting was attended by Special Secretary, Department of Financial Services, senior officials of DFS, Chairman, State Bank of India, Managing Directors & Chief Executive Officers (MD & CEOs) and Executive Directors of Public Sector Banks.

Performance of Public Sector Banks across key areas including business growth, profitability, asset quality, implementation of Government schemes, financial inclusion, digital ecosystem, MSME credit flow, cyber resilience and operational risk management was comprehensively assessed. It was highlighted that Public Sector Banks demonstrated strong financial and operational performance during FY 2025–26. Aggregate business of PSBs reached approximately ₹283.3 lakh crore as on 31 March

THERE HAS TO BE EVIL SO THAT GOOD CAN PROVE ITS PURITY ABOVE IT

2026, while aggregate net profit increased to around ₹1.98 lakh crore, recording the highest-ever annual net profit in the history of Public Sector Banks. Asset quality also remained robust, with Gross Non-Performing Assets (GNPA) reaching a historic low of 1.93% and Net Non-Performing Assets (NNPA) declining to 0.39%, reflecting continued strengthening of balance sheets and prudent risk management practices.

Progress under major financial inclusion initiatives including Pradhan Mantri Jan Dhan Yojana, social security schemes, Pradhan Mantri Mudra Yojana, PM Vishwakarma and digital lending initiatives was also reviewed. Public Sector Banks continue to play a pivotal role in expanding financial access and strengthening last-mile delivery of banking services across the country.

Status of implementation of end-to-end digital lending journeys for small-value loans and welfare-linked schemes was also reviewed during the meeting. Public Sector Banks highlighted measures such as paperless processing through e-KYC and digital documentation, straight through processing (STP) and integration with Government platforms to improve accessibility and customer experience. Deliberations also covered strengthening of digital banking ecosystems, enhancement of cyber security frameworks and initiatives for improving access to credit for MSMEs and other productive sectors of the economy.

The discussions also underscored the need for Public Sector Banks to adopt prudent expenditure and austerity measures at all levels while maintaining resilience amid evolving global uncertainties. Banks were advised to provide proactive and need-based support to eligible borrowers under ECLGS 5.0, strengthen grievance redressal mechanisms with adequate oversight, improve operational efficiency and explore new business opportunities to sustain profitability and long-term growth.

Banks were advised to maintain preparedness and adaptability to the recent crisis in the Middle East and evolving global situation.

Special Secretary, DFS highlighted the importance of strengthening institutional capabilities, operational efficiency and innovation-driven banking practices to meet the evolving requirements of a rapidly transforming financial ecosystem. He emphasised that Public Sector Banks should continue leveraging technology responsibly while remaining focused on inclusive growth, customer service and long-term institutional resilience.

Secretary, DFS also underscored the importance of maintaining robust grievance redressal systems, strong governance standards and operational preparedness to ensure that the banking system remains resilient, trusted and aligned with the vision of Viksit Bharat 2047.■

ALARMING BANK FRAUD AMOUNT SURGES TO ₹ 48,021 CRORE IN FY26!

i) Fraud cases under the card, internet and digital payments category fell to just 293 cases from 13,332 in FY25 and 28,836 in FY24. The amount involved in such frauds also declined sharply to ₹ 29 crore in FY26 from ₹ 517 crore in the frauds also declined sharply to ₹ 29 crore in FY26 from ₹ 517 crore in the previous year and ₹1,452 crore in FY24.

ii) However,the total amount involved in bank frauds rose sharply in FY2025-26 despite a steep decline in the number of reported cases, with loan-related frauds accounting for nearly 85 per cent of the overall amount involved during the year.

iii) The amount involved in bank frauds jumped to ₹ 48,021 crore in FY2025-26 from ₹ 32,803 crore in the previous year even as the number of reported fraud cases declined significantly, according to the Reserve Bank of India's Annual Report 2025-26. The RBI data showed fraud cases of ₹ 1 lakh and above fell to 10,114 in FY26 compared with 23,722 in FY25 and 35,800 in FY24. However, the amount involved rose sharply, driven primarily by a surge in frauds linked to advances and lending operations.

iv) Loan-related frauds dominated the banking fraud landscape during FY26, accounting for ₹ 40,774 crore, or nearly 85 per cent of the total amount involved across all fraud categories. The number of fraud cases in the advances segment also increased to 8,640 in FY26 from 7,924 in FY25, indicating that credit-related frauds remained the most significant source of financial exposure for banks.

v) Public sector banks accounted for the bulk of fraud amounts during the year. Fraud cases involving public sector banks amounted to ₹ 35,709 crore in FY26, representing around 74.5 per cent of the total amount involved across the banking system. While the number of fraud cases reported by public sector banks declined to 5,418 from 6,916 a year earlier, the amount involved rose sharply from ₹ 23,617 crore in FY25.

vi) Private sector banks reported frauds amounting to ₹ 11,399 crore in FY26 against ₹8,927 crore in FY25. The number of fraud cases in private banks, however, dropped sharply to 3,956 from 14,024 during the same period.

vii) The RBI data indicated a major shift in the composition of frauds over the last three years. While card, internet and digital payment frauds accounted for the highest number of fraud cases during FY24 and FY25, the advances category emerged as the dominant segment in FY26 both in terms of number of cases and amount involved.

viii) Digital payment-related frauds saw a steep decline during FY26. Fraud cases under the card, internet and digital payments category fell to just 293 cases from 13,332 in FY25 and 28,836 in FY24. The amount involved in such frauds also declined sharply to ₹ 29 crore in FY26 from ₹ 517 crore in the previous year and ₹ 1,452 crore in FY24.

ix) The deposits category accounted for frauds amounting to ₹ 377 crore in FY26, while frauds linked to off-balance sheet transactions stood at ₹ 521 crore. Fraud amounts under forex transactions rose to ₹ 125 crore during the year from ₹ 16 crore in FY25.

x) Among other banking categories, foreign banks reported frauds amounting to ₹ 290 crore during FY26, while small finance banks reported ₹114 crore and payments banks reported ₹11 crore.

THREE THINGS CANNOT BE LONG HIDDEN: THE SUN, THE MOON AND THE TRUTH

xi) The RBI also reported a sharp rise in frauds classified under the **"others"** category, where the amount involved surged to Rs 6,063 crore in FY26 compared with Rs 971 crore in FY25. The central bank clarified that frauds reported during a particular year may relate to incidents that occurred several years earlier. It also said the amount involved in fraud cases does not necessarily represent the actual loss incurred by banks, as recoveries may subsequently reduce the final loss amount. The annual report further noted that FY26 data included fresh fraud classification in 314 cases amounting to ₹ 30,199 crore pertaining to previous financial years. These cases were reported afresh after re-examination and ensuring compliance with the Supreme Court's judgement dated March 27, 2023. The RBI data highlighted that despite improvements in fraud detection and reduction in the number of cases, large-value loan-related frauds continue to pose a major challenge for the banking sector, particularly for public sector lenders with larger exposure to corporate and advances portfolios.■

SBI LEADS AS BANKS ADD STAFF IN FY26

India's eight public sector banks have added 13,223 employees in FY26, leaving their combined workforce at over 6.28 lakh with State Bank of India (SBI) at the lead.

India's eight public sector banks have added 13,223 employees in FY26, leaving their combined workforce at over 6.28 lakh with State Bank of India (SBI) at the lead. The comparative figure in the year-ago period was 6.15 lakh.

According to data compiled by PTI from banks' annual reports, the staff strength in eight of the total 12 public sector banks stood at 6,28,203 at the end of 31 March 2026 compared with 6,14,980 in FY25

The eight banks include SBI, Bank of Baroda, Canara Bank, Punjab National Bank, Bank of India, Indian Bank, UCO Bank and Bank of Maharashtra.

Four other public sector lenders — Punjab and Sind Bank, Union Bank of India, Central Bank of India and Indian Overseas Bank — have not yet released their annual reports.

As per the report, SBI led the workforce expansion among the tracked lenders, adding 8,905 employees during the year. The country's largest lender's employee strength rose to 2,45,131 in FY26 from 2,36,226 in FY25.

SBI's contribution to the increase was significant, accounting for nearly 67% of the total workforce addition among the eight tracked banks.

Bank of Baroda added 1,685 employees, taking its workforce to 76,693 from 75,008 a year ago, PTI reported.

Bank of Maharashtra reported an increase of 1,005 employees, with its employee strength rising to 15,596 in FY26 from 14,591 in FY25.

Canara Bank added 567 employees during the year, taking its workforce to 81,827, while Punjab National Bank increased its employee strength by 527 to 96,738.

Bank of India's workforce rose by 446 employees to 51,010, while Indian Bank added 153 employees to reach 40,224. The increase in employees' numbers in the eight banks come despite rapid digitalisation and automation in banking operations, PTI reported.

The addition of employees comes as public sector banks report improved financial performance, stronger balance sheets and higher business growth, prompting lenders to strengthen manpower across functions, including technology, risk management, operations and branch banking.■

Source: Indian Banking News Dt. 11/06/2026

BETTER THAN A HUNDRED YEARS OF IDLENESS IS ONE DAY SPENT IN DETERMINATION

PUNJAB NATIONAL BANK (PNB), BANDHAN, OTHER BANKS RAISE INTEREST RATES ON FCNR (B) DEPOSITS

Private-sector lender increases FCNR(B) deposit rates following RBI's forex swap facility and temporary removal of the interest rate ceiling on eligible deposits

A clutch of banks, including Punjab National Bank (PNB), Bandhan Bank, South Indian Bank and Equitas Small Finance Bank, have raised interest rates on Foreign Currency Non-Resident (Bank) [FCNR(B)] deposits, offering returns ranging from 6.5 per cent to 7.13 per cent.

PNB has enhanced interest rates on its [FCNR(B)] deposits, offering up to 6.6 per cent per annum on deposits of $1 million and above with maturities of up to five years.

For deposits below $1 million, the bank is offering interest rates of up to 6.5 per cent on US dollar- and pound sterling-denominated FCNR(B) deposits. Euro-denominated deposits will earn up to 4.95 per cent, while Canadian dollar and Australian dollar deposits will fetch up to 4.9 per cent and 5.5 per cent, respectively.

For deposits of $1 million and above, interest rates rise to 6.6 per cent for US dollar and pound sterling deposits, 5.05 per cent for euro deposits, 5 per cent for Canadian dollar deposits and 5.6 per cent for Australian dollar deposits.

Bandhan Bank on Friday raised interest rates on Foreign Currency Non-Resident (Bank) [FCNR(B)] deposits, offering 7.1 per cent on US dollar-denominated deposits of $1 million and above for tenures of three to five years. The bank has also increased the rate on deposits of up to $1 million to 7 per cent.

Similarly, South Indian Bank has revised the interest rate on its [FCNR(B)] USD Deposits to 6.50 per cent per annum for deposits with a maturity period of three to five years. And Equitas Small Finance Bank has revised its FCNR (B) deposit rates, offering NRIs returns of a US Dollar–Rupee Forex Swap Facility for banks on fresh FCNR (B) deposits mobilized for a minimum tenor of three years and up to 5 years.
This regulatory measure aims to encourage foreign currency inflows into the banking system.

This regulatory measure is aimed at encouraging foreign currency inflows into the banking system. It is expected to help NRI customers secure stable and competitive returns over a longer tenure, while also mitigating exposure to potential exchange rate fluctuations, particularly in the event of rupee depreciation.

Interestingly, the upward revision in rates by these comes after RBI removed the interest rate ceiling on fresh deposits with maturities of three to five years.

Banking industry sources said the central bank's decision to temporarily withdraw the interest rate ceiling on fresh FCNR(B) deposits in the three-to-five-year maturity bucket until September 30, 2026, came after requests from smaller banks.

Industry sources have said that banks will likely offer upto 7.10 per cent on these deposits.

Before the relaxation, FCNR(B) deposits with maturities of three to five years were subject to a ceiling of the overnight alternative reference rate for the respective currency or swap rate plus 350 basis points (bps).

Most of the banks have already increased FCNR(B) deposit rates in recent months to attract overseas deposits. While some headroom is there for increasing

YOU WILL NOT BE PUNISHED FOR YOUR ANGER, YOU WILL BE PUNISHED BY YOUR ANGER

the rate, but bankers also say that rates are already very high.

Among major lenders, State Bank of India (SBI), HDFC Bank, ICICI Bank, and Axis Bank currently offer rates of up to 6 per cent on FCNR(B) deposits with maturities ranging from three to five years. Interestingly, state-owned Bank of Baroda (BoB) has raised interest rates on FCNR(B) deposits further by up to 50 bps on Tuesday, offering a peak rate of 6.25 per cent on five-year deposits. Some of the smaller private sector banks are offering a higher rate than their larger peers. Yes Bank offers up to 6.6 per cent on five-year FCNR(B) deposits, and AU Small Finance Bank is dangling a peak rate of 7.1 per cent on such deposits. CSB Bank increased rates on deposits with maturities of three years to less than four years by 290 bps to 6.95 per cent.■

Source: Business Standard, Dt: 23/06/2026

CIRCULARS

36 dated 04th June, 2026	:	Text of UFBU Letter No. UFBU/2026/03 dated 04.06.2026 To the Secretary, Department of Financial Services on requisition and deployment of Bank Officers and Employees for non-banking duties .■

JUDICIAL

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NO. 4279 OF 2026
(ARISING OUT OF S.L.P. (CIVIL) NO. 12462 OF 2022

K. G. SESHADRI ... APPELLANT(S)

VERSUS

THE TRUSTEES OF STATE BANK OF INDIA AND ANOTHER ... RESPONDENT(S)

J U D G M E N T

PRASHANT KUMAR MISHRA, J.

1.Leave granted

2. This Appeal is directed against the impugned judgment and order dated 27.04.2022 passed by the High Court of Judicature at Madras in W.A No.1065 of 2022, whereby the Division Bench of the High Court dismissed the appeal filed by the appellant and upheld the order passed by the learned Single Judge of the High Court.

FACTUAL MATRIX

3. The appellant was appointed as a Clerk in the respondent-Bank and the same was confirmed after the probation period of six months i.e., from 17.02.1979 till 12.12.1998. The appellant ceased to be in the job and left for abroad in the year 1989. After returning in the year 2004, he gave a letter to rejoin the service. However, the respondent-Bank turned down the said request and, vide letter dated 21.07.2008, the respondent-

THE FOOL WHO KNOWS HE IS A FOOL IS MUCH WISER THAN THE FOOL WHO THINKS HE IS WISE

Bank declared that the appellant has been voluntarily retired.

4. Aggrieved by the aforesaid letter dated 21.07.2008, the appellant filed a writ petition being W.P. No.19002 of 2008 before the High Court of Judicature at Madras. On 21.04.2009, the High Court orally directed the appellant to withdraw the case and approach the Labour Court.

5. Pursuant to the direction of the High Court, the appellant approached the Central Government Industrial Tribunal-cum-Labour Court, Chennai, by filing a claim petition being CP No.5 of 2010 under Section 33C(2) of the Industrial Disputes Act, 1947 and prayed the Labour Court to compute the appellant's pension benefits @ Rs.8,11,770/- along with interest. The Labour Court vide order dated 24.09.2010 dismissed the claim petition by observing that it had no jurisdiction and competence to decide the case, since the present case was not relating to any pre-existing right under pension rules, and, hence, it could not adjudicate the issue raised therein as per ID Act or under the SBI Pension Rules.

6. The appellant once again approached the High Court by way of a writ petition being W.P No.25597 of 2010. The learned Single Judge vide order dated 05.11.2019 concluded that the appellant could not establish any pre-existing right with reference to the eligibility conditions prescribed under the pension scheme and confirmed the findings of the Labour Court inter alia holding that since the eligibility and other terms and conditions for grant of pension are all disputed facts, the claim petition filed by the appellant could not have been entertained by the Labour Court.

7. Aggrieved by the aforesaid order dated 05.11.2019 of the learned Single Judge, the appellant filed W.A. No.1065 of 2022 before the Division Bench of the High Court. The Division Bench vide its impugned judgment and order dated 27.04.2022 dismissed the writ appeal and upheld the order of the learned Single Judge taking into consideration the limited jurisdiction of the Labour Court under Section 33C(2) of the ID Act and that the claim of pensionary benefits was disputed by the respondent(s) by a reasoned order and the challenge to it by the writ petition was not pressed by the appellant and was rather withdrawn.

SUBMISSIONS

8. Learned senior counsel appearing for the appellant would submit that appellant has completed 20 years and 3 months and 25 days of service from date of appointment/date of confirmation and, hence, he was entitled to pension as per the Pension Fund Rules, more specifically under Rule 22(i)(c) of the State Bank of India Employees' Pension Fund Rules, 1955.

9. Additionally, it was argued that the respondent-Bank denied the legitimate pension by deliberate misinterpretation of Pension Fund Rules by not applying Rule 22(i)(c) of the Pension Fund Rules, which states completion of 20 years' service, irrespective of age, the respondent-Bank is said to have approbated and reprobated in their counter affidavit that the appellant has been declared under Voluntary Cessation, but deny legitimate pension, by erroneously applying the incorrect Rule 22(i)(a), instead of 22(i)(c) of the Pension Fund Rules.

10. It was submitted that the respondent-Bank, even though a premier bank of Government of India, failed to notice that a normal Voluntary Retirement Scheme4 was introduced in the Bank on 20.09.1986, after obtaining approval from Government of India, Reserve Bank of India and Board of Directors of the Bank. The VRS was open to any employee at all point in time. So, the statement of the respondent-Bank that there was no VRS in existence when the appellant applied for the same is totally false and mischievous.

11. XXXXX

12. Per contra, learned ASG appearing for the respondent-Bank would argue that the appellant is not eligible for pension as per the applicable Pension Fund Rules since he has not completed 20 years of qualifying service and neither he has completed 50 years of age. Thus, making him non-entitled for pension under Rule 22(i)(a) of the Pension Fund Rules.

13. Additionally, the learned ASG argued that the claim petition filed by the appellant under Section 33C(2) of the ID Act was not maintainable since such a petition can only be entertained by the Labour Court when there is a pre-existing right.

14. The respondent-Bank also denies the contention of the appellant regarding obtaining VRS, since there was no VRS in operation during that relevant time. Instead, it is argued that the appellant from 24.01.1998 to 11.12.1998 without informing and without availing leave started remaining unauthorizedly absent for a long period. During this period, the respondent-Bank, following the provisions of the Bipartite Settlement, issued notices dated 01.06.1998 and 12.11.1998 calling upon the appellant to report for work and explain his unauthorized absence. As the appellant failed to report for duty, he was declared to have voluntarily abandoned his services from 12.12.1998. During this time, it is argued on behalf of the respondent(s) that the appellant had been in employment abroad and was residing there. Thus, this was not a case of voluntary retirement, but of voluntary abandonment of services on part of the appellant.

15. XXXXX

16. The rival submissions now fall for our consideration.

ANALYSIS

17. At the outset, we make it clear that though the Labour Court and the High Court have dismissed the case of the appellant on the technical ground of nonmaintainability of the petition under Section 33C(2) of the ID Act, primarily since the proceedings under Section 33C(2) of the ID Act are in the nature of execution proceedings and, since in the present case, the issue of the grant of the pension to the appellant cannot be held to be a pre-existing right, as the same was disputed by the respondent-Bank, both, the Labour Court and High Court, decided to dismiss the case of the appellant at the threshold. However, we have decided to proceed with the case on its merits.

18. The primary question that arises for our adjudication is that whether the appellant is entitled for pensionary benefits keeping in view the Pension Fund Rules.

19. Employee's pension rights are crystallized under Rule 22 of the Pension Fund Rules. XXXXX

XXXXX

20. The reckoning of pensionable service has to be determined in accordance with Rule 20 read with Rule 7 of the Pension Fund Rules which read as follows:

> ***"20. Save as provided in rule 21, with effect from 1.11.93, service rendered by an employee/member from the date of his admission to the fund*** upto the date of retirement in terms of rule 22 infra from the Bank's service shall be reckoned as service for pension.
>
> Rule 7 of the Rules
>
> 7. Save as provided in rule 8, ***every permanent employee*** (including a permanent part-time employee who is required by the Bank to work for more than six hours a week) in the service of the Bank, who is entitled to pension benefits under the terms and conditions of his service shall become a member of the Fund from-
>
> ***(a) the date from which he is confirmed in the service of the Bank,*** or
>
> (b) the date from which he may be required to become a member of the Fund under the terms and conditions of his service."
>
> (emphasis supplied)

21. The appellant has primarily placed reliance upon Rule 22(i)(c) of the Pension Fund Rules to claim entitlement to pensionary benefits, whereas the respondent(s) has contended, by placing reliance on Rule 22(i)(a), that the appellant does not fulfil the conditions prescribed therein and is, therefore, not

HE WHO SEEKS HAPPINESS BY HURTING WILL NEVER FIND IT entitled to pension. In view of the rival submissions, it becomes necessary for this Court to examine the scope and applicability of Rule 22(i)(c) and Rule 22(i)(a) of the Pension Fund Rules.

ELIGIBILITY CONDITIONS FOR PENSION UNDER RULE 22(i)(c) OF THE PENSION FUND RULES

22. Primarily in order for the appellant to be eligible for the pension under Rule 22(i)(c) following two conditions are required to be satisfied: The employee should have completed twenty years of pensionable service, irrespective of the age, he shall have attained at his request in writing.

23. It is the case of the appellant that he completed 20 years, 3 months and 25 days, as on 12.12.1998, i.e. from the date of appointment being 17.08.1978, to the date of deemed voluntary retirement being 12.12.1998. However, the record of the case clearly shows that the appointment of the appellant was confirmed on 17.02.1979 and he was declared to have voluntarily abandoned his services from 12.12.1998.

24. Additionally, a reading of Rule 20 along with Rule 7 of the Pension Fund Rules would make it clear that service for the purpose of pension is to be reckoned from the date of the employee's admission to the fund wherein the employee shall become the member of the fund from the date on which he was confirmed in the service of the Bank. Thus, if we calculate the total period of the service rendered by the appellant, after completion of probation, it would come down to less than 20 years i.e., 19 years, 09 months and 25 days. Thus, the first condition of the appellant having completed 20 years in service is not-fulfilled.

VOLUNTARY RETIREMENT OR VOLUNTARY ABANDONMENT OF SERVICES?

25. The second condition that needs to be fulfilled is that the appellant must have obtained voluntary retirement from services of the respondent-Bank. However, looking at the record of the case, we have noticed that the present case is not of voluntary retirement, rather of voluntary abandonment of the services, wherein from 24.01.1998 to 11.12.1998, the appellant, without informing and availing leave, started remaining absent for a long time after which the respondent-Bank issued notices dated 01.06.1998 and 12.11.1998 calling upon the appellant to explain his absence.

26. After receiving a non-satisfactory reply, services of the appellant were declared to have been voluntarily abandoned. Hence, the reliance placed by the appellant on Rule 22(i)(c) of the Pension Fund Rules is completely misplaced.

27. The appellant has argued XXXXX that since pension is a pre-existing right under the Pension Fund Rules, voluntary cessation of service should be treated at par with voluntary retirement. XXXXX. This Court was concerned with employees who had undisputedly retired under a recognized Voluntary Retirement Scheme, and the controversy was limited to the interpretation of pension rules and the extent of qualifying service. The entitlement to pension itself was not in dispute, and, therefore, the Court proceeded to interpret the scheme in favour of granting benefits.

28. In contrast, in the present case, the very foundation of the appellant's claim, namely, his entitlement to pension, is seriously disputed by the respondent-Bank, particularly with respect to the fact that his case is not of voluntary retirement, rather of voluntary abandonment of service on part of the appellant.

ELIGIBILITY CONDITIONS FOR PENSION UNDER RULE 22(i)(a) OF THE PENSION FUND RULES

29. Since the respondent-Bank has submitted that the appropriate rule under which the appellant's case falls is Rule 22(i)(a) and not Rule 22(i)(c), we

DO NOT DWELL ON THE PAST OR FUTURE. CONCENTRATE ON THE PRESENT MOMENT

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shall now examine whether the appellant is entitled to pension under Rule 22(i)(a) of the Pension Fund Rules.

30. The two conditions that are required to be fulfilled are that the appellant must have completed twenty years of pensionable service provided that he attained the age of fifty years during the relevant time. Since we have already held that the total service years of the appellant is less than 20 years, the first condition remains unfulfilled. That apart, it is an admitted position on record that the appellant had not attained the age of 50 years as on the date of cessation of service. Therefore, the mandatory condition relating to attainment of the prescribed age under Rule 22(i)(a) also remains unfulfilled. In view of the nonsatisfaction of both the essential conditions, namely, completion of 20 years of qualifying service and attainment of 50 years of age, the appellant is clearly not entitled to claim pension under Rule 22(i)(a) of the Pension Fund Rules.

31. XXXXX

CONCLUSION

32. In view of the above discussion, we are of the opinion that the appellant cannot be said to be eligible for pension under the Pension Fund Rules considering that he has not completed 20 years of service nor had attained the age of 50 years, hence, making him ineligible under Rule 22(i)(a). Also, the appellant's case cannot be said to fall under Rule 22(i)(c) since the appellant was never granted VRS, instead his services were declared to have been voluntary abandoned. Keeping in view that the case of the appellant does not fall in either of the above-stated Rules, this Appeal deserves to be dismissed. The same is, accordingly, dismissed.■

....J.
(PRASHANT KUMAR MISHRA)
....J.
(N.V. ANJARIA)

New Delhi;
April 08, 2026.

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