

COMMITTEE ON SUBORDINATE LEGISLATION

(2016-2017)

(SIXTEENTH LOK SABHA)

TWENTIETH REPORT

THE RBI PENSION REGULATIONS, 1990



सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

4 AUGUST, 2017/13 SRAVANA, 1939 (Saka)

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(PRESENTED TO LOK SABHA ON 10.8.2017)



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COMPOSITION OF THE COMMITTEE ON SUBORDINATE LEGISLATION

(16th LOK SABHA)

(2016-2017)

Shri Dilipkumar Mansukhlal Gandhi Chairperson

Members

2. Shri Idris Ali
3. Shri Birendra Kumar Choudhary
4. Shri S. P. Muddahanumegowda
5. Shri Shyama Charan Gupta
6. Shri Jhina Hikaka
7. Shri Janardan Mishra
8. Shri Prem Das Rai
9. Shri Chandul Lal Sahu
10. Shri Alok Sanjar
11. Shri Ram Prasad Sarmah
12. Adv. Narendra Keshav Sawaikar
13. Shri V. Panneer Selvam
14. Shri Ram Kumar Sharma
15. Shri Nandi Yellaiah

SECRETARIAT

1. Smt. Sudesh Luthra - Additional Secretary
2. Shri Ajay Kumar Garg - Director
3. Smt. Jagriti Tewatia - Deputy Secretary

(iii)

INTRODUCTION

I, the Chairperson, Committee on Subordinate Legislation having been authorised by the Committee to submit the report on their behalf, do present this Twentieth Report.

2. The matters covered by this Report were considered by the Committee on Subordinate Legislation at their sitting held on 15.5.2017 during which oral evidence of the representatives of Ministry of Finance (Department of Financial Services) and Reserve Bank of India were taken.

3. The Committee considered and adopted this Report at their sitting held on 4.8.2017.

4. Minutes of the Thirteenth Sitting of the Committee (2016-17) held on 15.5.2017 and Extracts from Minutes of Nineteenth Sitting of the Committee (2016-17) held on 4.8.2017 relevant to this Report are included in Appendix-I of the Report.

DILIPKUMAR MANSUKHLAL GANDHI

Chairperson

Committee on Subordinate Legislation

**New Delhi;
4 AUGUST, 2017
13 SRAVANA, 1939 (Saka)**

REPORT

PART – I

The Reserve Bank of India (RBI) is the Central Bank of the country which was established on 1 April, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934. It was nationalized in 1949. The RBI plays the role of regulator of the banking system in India. The Banking Regulation Act, 1949 gives RBI the power to supervise and regulate the operations of the banking system in India.

Recruitment and other Service Conditions of the Employees of RBI

2. The matters relating to recruitment and other service conditions of the employees are regulated by Reserve Bank of India (Staff) Regulations, 1948 and pension in RBI is payable to the retirees of RBI as per the RBI Pension Regulations, 1990 framed under RBI Act, 1934.

3. In terms of Section 7 of the RBI Act, 1934 Central Board of RBI has been vested with the powers regarding general superintendence and direction of the affairs and business of the bank. Whereas, as per Section 58 of the RBI Act, the Central Board may, with previous sanction of the Central Government, by notification in the official gazette, make regulations consistent with the Act to provide for all matters for which provision is necessary or convenient for the purpose of giving effect to the provisions of this Act. Section 58 (2) (j) of the Act provides for framing regulations regarding the constitution and management of staff and superannuation funds for the officers and servants of the Bank. Accordingly, the RBI has framed and notified the Pension Regulations in exercise of the powers conferred under Section 58((2)(j).

4. The Committee during their study visit to Mumbai held discussions with the representatives of RBI on 11 January, 2017 on Rules/Regulations framed under the RBI Act, 1934. An array of issues were discussed pertaining to the rules/regulations framed under the RBI Act, 1934, which included issues relating to cooperative banks, Non-performing assets, the impact of demonetization on Banks' performance, the provisions relating to liquidation of the banks, etc.

5. During the discussions, the provisions made under RBI Pension Regulations, 1990 were also discussed. It was brought to the notice of the Committee that earlier, options were given to the employees of RBI to opt for pension scheme. However, now the Ministry of Finance (Department of Financial Services) has restrained the RBI from giving any fresh option through a letter dated 4 February, 2002. It was also brought to the notice of the Committee that the directions given by the Ministry of Finance had no statutory backing. Moreover, the RBI representatives were also of the view that they *per se* had no objection in offering another option to the employees to join the pension scheme, but, they are bound by the instructions of the Ministry.

6. Thus to examine the matter in detail the Committee took oral evidence of the representatives of the Ministry of Finance and RBI on 15 May, 2017 on Reserve Bank of India Pension Regulations, 1990.

Reserve Bank of India Pension Regulations, 1990

7. The Reserve Bank of India Pension Regulations, 1990 were framed in pursuance of the powers conferred by Section 58 (2) (j) of the Reserve Bank of India Act, 1934. These Regulations were introduced in the Bank after obtaining prior approval of the Government w.e.f

1 November, 1990 i.e. when Pension Scheme was introduced in RBI. The Regulations lay down the eligibility criteria, general conditions pertaining to pension subject to future good conduct, right of the bank to withhold or withdraw pension and commercial employment on retirement. It also details the qualifying service including broken period of service of less than one year, counting of military service, counting of service on probation, counting of period spent on - leave, training, suspension and deputation to foreign service or to an organization in India or RBI, forfeiture of service on resignation or dismissal or termination, leave preparatory to retirement, etc. The Regulations also includes the description of classes of pension and conditions governing grant thereof and family pension.

8. Prior to coming into force of RBI Pension Regulations, 1990, the RBI employees were having Contributory Provident Fund (CPF) as the retirement benefit and the Pension Scheme was introduced in RBI in 1990. During the oral evidence held on 15 May, 2017, the representative of Reserve Bank of India briefed the Committee about the circumstances under which options to switch over to Pension Scheme were earlier given to the RBI employees, as under:

"To construe that for the first time the option was given to employees regarding pension, is wrong. People for the first time had to give the option for continuing under CPF, because it was said that all the people in service in the RBI as on 1 January, 1990 had to go for pension and if anyone wishes to remain under CPF then the option was to be exercised. At that time 2500 employees remained in CPF. After this, in 1992 the Pension regulations were amended under which it was stated that employees who have completed 28 years of service and are willing to take voluntary retirement will get full pension of 33 years provided they have 5 years of service remaining. As it was an improvement in the pension regulation, therefore, employees were given second option stating that, those who are in CPF and want to opt for pension, they can come under pension scheme. In RBI, pay etc. are revised every 5 years. The same was to be revised in 1992, but It got finalized in 1995. In 1995, when the pay etc. were revised , at that time again an option was given to the employees to opt for pension if they want to

opt. Thereafter salaries were to be revised in 1997 which got finalised in 2000 and in this year the employees were given fourth option to opt for pensions."

9. The representative of the RBI further submitted as under:-

"In February, 2002 RBI received a letter from Government stating that, RBI has given many opportunities to its employees to opt for RBI pension schemes. Thus in future no option is to be given, even when the pay revision is done.

After this, in 2012 the pension regulation were again amended and the duration of service for giving full pension was reduced from 33 years to 20 years. At this juncture, RBI wrote to Central Government that since this is an important change, they feel that leftover employees should be given another option to switch over from CPF to RBI Pension Scheme. However the Central Government were of the view that, the backdrop of the letter of 2002 was that if RBI is given this facility then other banks will also demand for this. RBI's financial condition is such that it can give its employees this benefit but it will have an impact on whole Banking industry because pension in other Banks also came after it was implemented in RBI. The facility came in existence in RBI in 1990 and the same was extended to other banks in 1995 against the backdrop that since RBI has pension, therefore, there should be pension in other banks also."

10. The representative from RBI also submitted that the Government were of this belief that if in RBI pension option is given then all banks will also demand this. Whereas, the other banks are not in a position to agree on this option, they have capital problem thus it was refused by them.

11. While giving reasons for not giving another option in 2010 i.e. when other Banks gave option, the representatives further clarified that, when they also told the Government that since other Banks got chance in 2010, even RBI can give to which the Government had told that, other Banks have got option only 2 times i.e. after 1996 in 2010, whereas RBI has already given option four times i.e. in 1990, 1992, 1995 and 2000.

12. When enquired / pointed out, if what RBI implements will also be implemented by all Banks, in response, the representative from RBI stated that, there is a slight difference. For

example in SBI there are three benefits. In SBI people also get CPF at the rate of 8.33% which was and is still 10% of the salary in RBI for those who have retained CPF i.e. 10% is contributed by employee and 10% RBI contributes. In SBI 8.33% of salary is given by employee, which is also statutory, legal requirement of Provident Fund and the Bank also contributes 8.33%. In other Banks also this is 8.33% which was 10% in RBI. In SBI all three i.e. Gratuity, Pension and CPF is there. Whereas in RBI there was Gratuity and CPF and in place of CPF, pension came.....

13. Explaining the reasons for having different rules in different Banks he further submitted that in all Public Sector Banks, which come under Indian Bank Association, the system is almost same. Only SBI is different, because it was formed by SBI Act and not through nationalization. Thus, one is SBI, others are public sector banks and then is RBI which is absolutely different.

14. When asked if pension is more beneficial or CPF, the witness submitted that initially interest rates were quiet high i.e. upto 12%, 13% or 14%. Thus, most of the employees who didn't opt for pension were under the impression that they will continue getting 14% interest in CPF. If they would have continued to get 14% interest, then today also CPF may have been better, but now interest rates have come down to 6 to 7%. Thus in this changed scenario Pension is more beneficial.

15. Regarding the number of employees who were in service as on 1.1.1986 and are not covered by Pension Regulations, 1990, the RBI in its written reply submitted as follows:-

"17,314 employees who were in the Banks service on 1 January, 1986 are drawing pension as on 31 December, 2016. As intimated to the Government of India (GOI) on November 7, 2001. 2568 serving employees had retained their Contributory Provident

Fund (CPF) option as on December 1, 2000 i.e. after closure of last pension option. 1408 such employees have since ceased to be in Bank's employment because of retirement/resignation/death etc. At present i.e. in January, 2017, 1160 serving employees are covered under CPF.

16. While further explaining the reasons as to why RBI failed to reopen pension option to small number of CPF optees, the RBI in its written reply submitted as follows:-

"(i) The Reserve Bank of India Pension Regulations, 1990 have been framed under Section 58 (2) (j) of the RBI Act, 1934 which specifies the powers of constitution and management of staff and superannuation funds with the previous sanction of the Central Government. The Pension Regulations neither prevent the Bank from giving fresh option for pension nor do they specifically empower the Bank to do so.

(ii) The GOI vide letter dated February, 04, 2002 had advised not to give fresh option in future even after conclusion of the fresh wage settlement.

(iii) Several reference were made to GOI on pension related issues between 2002 to 2011. As the Pension Regulations have been framed with the prior approval of the GOI and also in view of the GOI letter dated February, 4, 2002 specifically advising RBI not to open the pension option any further, the matter was put up before the Committee of the Central Board for their guidance in 2011.

(iv) As directed by the Committee of the Central Board, a reference was made to GOI (vide letter dated October 11, 2011) to allow one last option to the Staff to opt for pension scheme. The letter had unambiguous endorsement of RBI in favour of allowing such an option."

17. On being asked as to why the Ministry of Finance has not given concurrence on request submitted by RBI vide letter dated 11 October, 2011, the Ministry of Finance (Department of Financial Services) vide their written reply dated 8 May, 2017 stated the following:-

"Pension in Reserve Bank of India (RBI) is payable to retirees of RBI as per the RBI Pension Regulations 1990 framed under RBI Act, 1934. As such, RBI has already given four options to its PF Optees till 2002 to switch to Pension Scheme. Giving another option of pension would make more employees eligible for pension who have already opted out of such scheme. Besides this, the pension scheme entails long-term financial cost and it shall have far reaching repercussions in the Banking Industry and financial sector. New Pension System (NPS) has been introduced in RBI w.e.f

1.1.2012. Therefore, giving another option for pension shall be further detrimental to those now covered under NPS."

18. With regard to the legal aspect of the letter dated 4 February, 2002 of the Government of India to the RBI, restraining the latter from giving any fresh option the RBI in its written reply dated 10 February, 2017 submitted as below:-

"GOI letter dated February 4, 2002 was received by the Bank. Legal Department opinion on GOI letter was as under:

(i) There is nothing in the RBI Pension Regulations, 1990 to prevent RBI, if so decided, to give fresh option to CPF optees in future.

(ii) Unless GOI issues directions in accordance with the provisions of RBI Act, 1934 (i.e. Section 7) merely by the letter in question, which cannot be construed as direction, Government cannot ask the RBI to do so."

19. When comments of the Department of Financial Services were sought on the above opinion of the Legal Department of RBI, the Ministry in their written reply submitted as follows:-

"Section 58 of the RBI Act provides that the Central Board may, with the previous sanction of the Central Government, by notification in the Official Gazette, make regulations consistent with the Act to provide for all matters for which provision is necessary or convenient for the purpose of giving effect to the provisions of this Act. Section 58(2)(j) provides for framing regulations regarding superannuation funds for employees of RBI. As such, prior sanction of GOI is required for amendments in Regulations. Pension Regulations have been made with the previous sanction of GOI under Section 58 of RBI Act, 1934 in 1990.

RBI (Staff) Regulations, 1948.

20. In terms of Section 7 of the RBI Act, 1934, Central Board of RBI has been vested with powers regarding general superintendence and direction of the affairs and business of the Bank. Government does not interfere in the working of RBI except as provided under RBI Act .e.g. Section 58 of the RBI Act the RBI can frame regulations for its employees with previous sanction of the Central Government.

21. The matters relating to recruitment and other service conditions of the employees of RBI are regulated by RBI (Staff) Regulations, 1948 which have been framed by the Central Board of the Bank. However, RBI has been requested to frame RBI (Staff) Regulations under Section 58 of the RBI Act, 1934. The matter of framing RBI Staff Regulations under Section 58 of the RBI Act has been initiated by RBI and is under consideration in consultation with Ministry of Law & Justice.

22. While giving the latest status of framing of RBI Staff Regulations, the representative from RBI submitted before the Committee as under:-

"Sir we have discussed, the staff regulations a number of times. Normally the staff regulations should be statutorised on demand by the employee unions so that the management is not in a position to exploit the employees.

This has been in correspondence with the Government for about 25 years now. At least, two to three times, it has been decided that it is not feasible to statutorise the staff regulations purely because for the reason that the Reserve Bank is a Central Bank; it has to be absolutely nimble-footed; it has to change its policies relating to staff very frequently because you have to react to market conditions. The market changes very fast. You have to re-skill your people; sometimes you have to hire new set of skills. For instance, recently, the Payment and Settlements have grown very fast and we need more people who will be able to take care of this technological advancement.

Therefore, we need some kind of independence in terms of how we manage our staff. That is why, the Reserve Bank and the Government have been engaging. At least, thrice in the past, we have reached an agreement that the Reserve Bank Staff Regulations need not be statutorised; they should remain within the purview of the management of the Reserve Bank. They should be able to alter as and when they feel the changes are necessary. It is because, once we statutorise, then the change process becomes very cumbersome. But again, this is under correspondence. I think last month also, there was a meeting with the Government. We hope to find some conclusion to this"

23. He further submitted that:-

"..... Under Section 58 of the RBI Act, its clearly written that superannuation funds or any other fund related to retirement, their regulation will be framed under Section 58. Pension Regulation have been framed under Section 58. Government is asking to make staff regulation also under Section 58. Making Regulations under Section 58 means prior approval of Government is to be taken. Prior approval means for

any change Government's approval will have to be taken.... If staff Regulation is also framed under Section 58 then the freedom RBI is having for its staff, that will end. The staff Regulation which will be framed under Section 58 will be almost the same, but the independence to bring change in it will be decreased. Under Section 7 the bank can bring changes in it on its own. Two to three times changes are brought in it....."

PART - II

Observations/Recommendations

24. The Committee note that The Reserve Bank of India (RBI) is the Central Bank of the country which was established on 1 April, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934, in terms of Section 7 of the RBI Act, 1934 Central Board of RBI has been vested with powers regarding general superintendence & direction of the affairs & business of the Bank. The matters relating to recruitment & other service conditions of the employers of RBI are regulated by RBI (Staff) Regulations, 1948 which have been framed by the Central Board of the Bank.

The Reserve Bank of India Pension Regulations 1980

25. The Committee note that the RBI in the year 1990 notified RBI Pension Regulations, 1990 in exercise of powers conferred on them under Section 58(2)(j) of the RBI Act 1934 laying down the eligibility criteria and general conditions pertaining to pension of RBI Employees after their retirement. Prior to that, the retirement benefit available to the RBI Employees was Central Provident Fund (CPF). This pension scheme of 1990 was made applicable to all the employees of the RBI including those who were in the service of RBI as on 1 January, 1986 but retired later on with the stipulation that they had to surrender their CPF payment alongwith 6 percent interest. Also all such employees joining the Bank service after 1 November, 1990 were to be governed by the RBI Pension Regulations, 1990 only as the scheme of Contributory Provident Fund (CPF) was not to be made applicable to them. At the same time, the existing employees of RBI were given the option to continue under the earlier CPF Scheme instead of the RBI Pension Scheme of 1990 if they so desired. In this regard, the Committee note that as on 1 January, 1986 there were 17314 employees in the RBI. Except 3 to 4 thousand employees, all employees of RBI switched over to the new pension scheme of 1990. Thereafter significant and substantive improvements were introduced in the RBI Pension Scheme from time to time and in view of this, the employees continuing under

CPF were again given the opportunity to opt for the Pension Scheme in the years 1992, 1995 and again in the year 2000. However, subsequently the Government of India vide their letter dated 4 February, 2002 advised RBI, not to give any fresh options to the left over employees in future to switch over from the CPF to the RBI Pension Scheme.

26. The Committee express their concern over such abrupt restraining of RBI by the Ministry from giving any further option to the employees of the RBI for opting for pension through a letter which in the opinion of the Committee did not have any legal standing. In this regard, the Committee observe that though the Central Government are vested with the powers to give directions to the RBI under Section 7 of the RBI Act, 1934 but the direction given to RBI vide letter dated 4.2.2002 did not fall under the nature of directions given by the Central Government under Section 7 of the RBI Act, 1934. Apparently, keeping in with the propriety and to avoid any confrontation with Central Government, the RBI have followed the directions of Central Government given in the letter dated 4 February, 2002 despite the fact that the directions in no way were of binding nature. The Committee appreciate the restrain exercised by RBI in abiding by the directions of the Central Government despite it being not legally binding on them.

27. The Committee further note that as on 1 December, 2000 when last such option was given to RBI employees, there were 2568 serving employees who were continuing under CPF. During the intervening period between 1 December, 2000 and January 2017, about 1408 such employees ceased to be in bank employment because of retirement/resignation/death etc. and as on January, 2017, about 1160 serving employees are still there who are covered under the CPF Scheme and want to switch over to the RBI Pension Scheme but not able to do so on account of the Government of India letter dated 4 February, 2002 refraining the RBI to offer any fresh options in future. Again in the year 2012, another important amendment was carried out in the RBI Pension Regulations wherein the pensionable service to qualify for full pension benefits was reduced from 33 years to 20 years. Keeping in view this substantive amendment in the RBI Pension Scheme, the Committee note that the RBI again requested the Ministry

of Finance to give one more opportunity to the CPF optees for switching over to the pension scheme. However, the same was not agreed to by the Ministry on the ground that already four options in the years 1990,1992,1995 and 2000 were given to the RBI employees and giving another option for pension scheme would make more employees eligible for pension besides entailing long term financial costs and far reaching repercussion in the banking industry. Moreover, if fresh option is given to the RBI employees, there would be similar demands from the other banks also.

28. The Committee do not agree with the above contention of the Government. The Committee note that the earlier options given to the employees under CPF were based on account of substantial improvements and revisions in the pension scheme of 1990. Secondly RBI is the Central Bank of the country and it would not be appropriate to compare the stature and status of RBI with the other nationalised banks in the country who are governed by their own set of rules/ regulations while RBI is governed by the RBI Act, 1934 and its mandate is entirely different from the other nationalised banks. Also the options given to the RBI employees were restricted during a short period of 1992 to the year 2000 whereas the last such option given to the employees of the nationalised banks was in the year 2010. The Committee also do not agree with the stand of the Government that after coming into force of the New Pension Scheme (NPS) introduced in RBI w.e.f. 1.1.2012, giving another option for pension shall be detrimental to those covered under NPS. The Committee fail to understand this logic as NPS is in no way concerned with the pension affairs of either employees continuing under CPF or all other employees already covered under the pension scheme of 1990. The Committee also observe that the number of CPF optees which was 2568 after the last option given in December, 2000 has continued to remain same counting both retired and continuing employees under this category. As regards, the financial implications likely to arise if a fresh option is given to left over CPF optee employees, the Committee note that there is a separate RBI pension corpus fund for this purpose. Secondly, the employees opting for pension scheme have to return to the RBI their entire PF contribution accrued to

them alongwith 6% interest thereon during their entire tenure under CPF. It may also be kept in mind that not all those employees retired after 1 December, 2000, will be willing to opt for the RBI pension scheme as the employees will have to return their entire PF contribution accrued to them alongwith 6% interest thereon during their entire tenure under CPF. Therefore number of employees opting for RBI pension scheme will be much less than 2568. The Committee, therefore, are of the considered opinion that no serious financial implications are likely to occur on account of giving one last time option to the left over employees under CPF. Moreover, to meet the principles of natural justice and keeping in mind the concept of welfare state, the Committee strongly urge the Government to allow RBI to give one last option to its left over employees from switching over from the CPF to the RBI pension scheme covering even those employees who retired after 1 December, 2000 while making it clear that this one is the last and final such opportunity.

RBI (Staff) Regulations, 1948

29. The matters relating to recruitment and other service conditions of the employees of RBI are regulated by RBI (Staff) Regulations, 1948 which have been framed by the Central Board of the Bank.

30. The Committee note that in terms of Section 7 of the RBI Act, 1934, Central Board of RBI has been vested with powers regarding general superintendence and direction of the affairs and business of the Bank. The Government does not interfere in the working of RBI except as provided under RBI Act e.g. Section 58 of RBI Act under which the RBI can frame regulations for its employees with the previous approval of the Central Government.

31. The Committee further note that the RBI (Staff) Regulations, 1948 have been framed under Section 7 of the Act. However, RBI has been requested to frame RBI (Staff) Regulations under Section 58 of the RBI Act, 1934.

32. The Committee while recognizing the RBI as a premier institution of the country regulating the functioning of banking system including all the public/private sector banks, find the autonomy and independence of the institution as imperative and integral part of any Central Bank of a Nation which in opinion of the Committee should not be compromised at any cost. especially, in matters relating to the service conditions of the employees viz recruitment, pay, pensions, etc. The institution of the stature of RBI requires freedom to take decisions in order to facilitate the smooth functioning of the institution. The Committee strongly feel that the independence of institution like RBI is vital and the decision making in the service matters of the Bank etc. should exclusively fall within the domain of the RBI. In this regard, the Committee fully agree with the submission made by the representatives from the RBI before the Committee that, 'it is not feasible to statutorize the staff regulations purely because for the reason that the RBI is a Central Bank and it has to change its policies relating to staff very frequently in order to react to market conditions'. The Committee also fully endorse that RBI should always have the freedom to attract the best talent to the institution according to its needs enabling it to perform its role as financial regulator in an effective manner. The Committee, therefore, feel that statutorising the service Regulations under section 58 of the RBI Act instead of allowing them to continue under Section 7 is likely to have an adverse impact on the overall freedom available to RBI besides causing procedural delays and urge the Government that the RBI (Staff) Regulations, 1948 may continued to be framed under Section 7 of the RBI Act, 1934.

DILIPKUMAR MANSUKHLAL GANDHI

Chairperson

Committee on Subordinate Legislation

New Delhi;

4 AUGUST, 2017

13 SRAVANA, 1939 (Saka)

APPENDIX - I

(Vide Para 4 of the Introduction)

MINUTES OF THE THIRTEENTH SITTING OF THE COMMITTEE ON SUBORDINATE LEGISLATION (2016-2017)

The Thirteenth sitting of the Committee (2016-17) was held on Monday, the 15th May, 2017 from 1500 to 1630 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

1. Dilipkumar Mansukhlal Gandhi - Chairperson

MEMBERS

2. Shri Idris Ali
3. Shri Birendra Kumar Chaudhary
4. Shri S. P. Muddahanume Gowda
5. Shri Jhina Hikaka
6. Shri Chandulal Sahu
7. Shri Ram Prasad Sarmah
8. Adv. Narendra Keshav Sawaikar
9. Shri Ram Kumar Sharma
10. Shri Nandi Yelliah

SECRETARIAT

1. Smt Sudesh Luthra - Additional Secretary
2. Shri Ajay Kumar Garg - Director
3. Shri Nabin Kumar Jha - Addl. Director
4. Smt Jagriti Tewatia - Deputy Secretary

WITNESSES

Ministry of Finance (Department of Financial Services)

1. Shri Anjuly Chib Duggal - Secretary
2. Shri G. C. Murmu - Additional Secretary
3. Mohd. Mustafa - Joint Secretary

Reserve Bank of India

1. Shri Deepak Singhal - Executive Director
2. Shri Anuj Ranjan - General Manager

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. Thereafter, the representatives of the Reserve Bank of India (RBI) were called in. The Chairperson welcomed the representatives of the Reserve Bank of India to the sitting of the Committee and drew their attention to Direction 55(1) of the Directions by the Speaker regarding confidentiality of the proceedings.

3. The Committee then had a briefing by the representatives of Reserve Bank of India on the RBI Pension Regulations, 1990. The Committee deliberated on various issues pertaining to the RBI Pension Regulations such as number of opportunities given to the employees of RBI to switch over to pension scheme from Contributory Provident Fund (CPF) Scheme, total number of remaining employees under CPF Scheme, rationale behind continuing under the CPF Scheme after coming into force of the RBI Pension Regulations, 1990 and the financial

implications likely to be accrued if such employees are given one last time opportunity to switch over to pension.

4. The representatives of RBI then furnished clarifications on the queries raised by the Committee. The Chairperson thanked the representatives of RBI and also asked them to furnish written replies within 15 days to the Lok Sabha Secretariat to the points on which information was not readily available.

5. Thereafter, the representatives of the Ministry of Finance (Department of Financial Services) were called in. The Chairperson welcomed the representatives of the Ministry to the sitting of the Committee and drew their attention to Direction 55(1) of the Directions by the Speaker regarding confidentiality of the proceedings.

6. The representatives of the Ministry apprised the Committee on the various aspects relating to RBI Pension Regulations, 1990. The Committee then deliberated on issues pertaining to the related provisions in RBI Pension Regulations under which the Ministry had issued instructions to RBI advising them not to give further option to the employees of RBI to opt for pension scheme and existing framework in this regard, the difference in RBI pension regulations and the pension regulations applicable to Public Sector Banks, the aspect of framing RBI (Staff) Regulations under section 58 of the RBI Act, 1934, and the scope for giving the RBI employees another opportunity to switch over from CPF to pension, etc.

7. The representatives of the Ministry furnished clarifications on the queries raised by the Committee. On some of the points, the information on which was not readily available with the representatives of the Ministry, the Chairperson asked them to furnish written replies within 15 days to the Lok Sabha Secretariat.

8. The Chairperson then thanked the representatives of the Ministry for presenting their inputs on the subject before the Committee.

9. The witnesses then withdrew.

10. The verbatim proceedings were kept on record.

The Committee then adjourned.

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee then considered the following draft Reports:-

(i) Draft Twentieth Report on the RBI Pension Regulations, 1990.

(ii) XX XX XX

(iii) XX XX XX

(iv) XX XX XX

3. After deliberations, the Committee adopted the same without any modification. The Committee also authorized the Chairperson to present the same to the House.

The Committee then adjourned.

**Omitted portion of the Minutes are not relevant to this Report