



Bank of Maharashtra Officers' Organisation

(Affiliated to NOBO & BMS)

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Ref: BOMOO/NPS/5/2023-24

Date: 08/05/2024

To
The General Manager
Human Resource Management
Bank of Maharashtra
H.O., Pune

Dear Sir,

Sub: **Urgent Implementation of NPS Guidelines for Choice of Pension Fund Manager and Investment Pattern.**

- Ref: 1. **GOI Gazette Notification no 1/3/2016-PR dated 31.01.2019 by Ministry of Finance.**
2. **GOI, MOF Notification No : F. NO. 1(3)EV/2020 dated 21.10.2021.**
3. **BOMOO request letter dated 25.01.2022 .**
4. **BOMOO's request Letter dated 12.07.2022 .**
5. **BOMOO's request letter dated 02.10.2023 .**

We refer to our previous correspondences, notably our letters dated 25th January 2022, 12th July 2022, and subsequent reminders regarding the urgent need for streamlining the implementation of the National Pension Scheme (NPS) guidelines as stipulated by the Government of India and the Pension Fund Regulatory and Development Authority (PFRDA).

Despite our repeated requests and the clear guidelines issued by the Ministry of Finance and the Department of Financial Services, it is with considerable concern that we note the absence of any significant progress in allowing our employees the autonomy to select their NPS fund managers and investment patterns. **This delay not only contravenes the stated policies but also hinders our employees' ability to optimize their retirement benefits according to market conditions and their individual risk appetites.**

For reference, it is learnt that the **Reserve Bank of India (RBI) has effectively implemented** similar guidelines through their circular dated September 9, 2014, wherein they transitioned the scheme preference **under NPS from 'Corporate' to 'Subscriber' level, granting employees the autonomy to decide their Pension Fund Manager (PFM) and investment choices.** This proactive adjustment by the RBI serves as a commendable model that aligns with current financial practices and employee benefits optimization.

Given the fluctuating market dynamics, **the inability to switch to potentially higher yield fund managers or to diversify investment patterns as per individual preferences has likely resulted in not insubstantial opportunity costs. Such scenarios directly affect the financial well-being of our employees post-retirement.**

We urge you to address this issue with the urgency it demands. **A transparent timeline for the implementation of these critical changes would greatly alleviate concerns and help in planning better financial futures for our employees.**

We respectfully urge you to consider the importance of this issue. We are ready to support in any way necessary to facilitate swift action.

Thank you for your attention to this pressing issue. We look forward to your prompt response and the resolution of this matter at the earliest.

Yours faithfully,



(Santosh K. Gadade)
General Secretary

Copy to

1. The Managing Director and Chief Executive Officer, Bank of Maharashtra, Head Office, Pune -5
2. The Executive Director, Bank of Maharashtra, Head Office, Pune -5