



**ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION
(A.I.B.P.A.R.C.)**



**C/O BANK OF INDIA OFFICERS' ASSOCIATION
(EASTERN INDIA BRANCHES)
BANK OF INDIA, KOLKATA MAIN BRANCH
23A, NETAJI SUBHAS ROAD, KOLKATA – 700 001
Mobile : 9674188524, E-mail : aibparc@gmail.com**

Date: 16.11.2020.

Circular no 107--20.

For circulation among members of Governing Council, Special Invitees, State Secretaries and Advisors.

Dear Comrade,

Sub: Updation of Pension for Bank Retirees and other important issues.

We are reproducing hereunder the text of two letters --written to Union Finance Minister and MOS for Finance on the above subject by our organization on 15.11.20 for information of members.

With best wishes and regards,

Comradely yours,

Suprita Sarkar
General Secretary

Quote: 2 Quotes

Quote: 1

Dated 15.11.2020

Ms Nirmala Sitharaman
Hon'ble Finance Minister
Government of India
North Block
New Delhi

Respected Madam,

UPDATION OF PENSION FOR BANK PENSIONERS

FAMILY PENSION:

We wish to express our sincere gratitude to your good self for advising the IBA/DFS and other Officials to resolve our long pending issues which were reiterated in your address to the 73rd Annual General Meeting of IBA On 10.11.2020. It was heartening to note that the improvements in the family pension scheme @ 30% of pay drawn by the employee without any ceiling has been agreed by IBA and the same has been incorporated in the XI Bipartite Settlement and Joint Note signed between IBA and the Trade Unions as under:

Subject to approval by the Government, it is agreed that the family pension shall be payable at the uniform rate of 30% of the pay of the deceased employee and that there shall be no ceiling on family pension. It is agreed that these provisions, when approved by the Government, shall apply to SBI also.

It is also pertinent to submit that IBA's recommendation to DFS for improvement in Family Pension has been under consideration of DFS for about one and half years and yet again the agreement dated 11.11.2020 makes it subject to approval by the Government. It is quite intriguing. We therefore request you to get the family pension improvements implemented along with salary revision including payment of arrears to the beneficiaries of the improvements in Family pension.

We place it on record our deep sense of Gratitude for your inspiring speech and direction to IBA and DFS when You delivered Your Address as Chief Guest to the Annual General Meeting of IBA. It was our long pending Request and emotionally close to our heart as it has a direct impact on the life and well-being of the spouses of the deceased employees and the beneficiaries are mostly the Widows who are living in penury.

We take this opportunity to once again thank you for being kind and generous.

UPDATION OF PENSION:

Hon'ble Madam, you will appreciate that our demand for the updation of pension which has been impacting the life of every pensioner including the family pensioners has not been settled yet. Even at the cost of repetition, we wish to mention that despite several ruling by the Apex Court that the Salary Revision and Pension Revision are inseparable; Pension is not a bounty; Pension is a deferred wage etc, our Pension has not been revised despite Six Salary Revision Settlements after 1987. It has created such an anomalous and unfair situation that a Top Executive Grade General Manager who retired after 01.01.1987, draws lesser pension than a senior clerk who retires currently. We had expected this also to be set right in the Salary Revision Settlement which was signed by the concerned parties on 11.11.2020 immediately after your address and advice to the IBA and DFS. It has left more than 4,00,000 pensioners disappointed. In this connection we wish to submit the following for your kind and sympathetic consideration:

Our request for updation of pension is not a demand to grant a fresh benefit as it is already provided in the Pension Settlement of 1993 and incorporated in Bank Pension Regulations vide Regulation 35(1) as under:

Basic Pension and Additional Pension, wherever applicable, shall be updated as per the formulae given in Appendix - I (Government Gazette Notification No.9 dated 1.3.2003)

It is inexplicable and beyond human comprehension as to why the benefit of a legal and pre-existing provision is being denied in a completely brazen and arbitrary manner. What has hurt the senior and super senior citizens of the banking industry more is that despite your unambiguous message the procrastination continues on some pretext or the other.

We on our part as a responsible organisation have been writing to your Goodself, MOS, DFS and IBA for several years duly furnishing the detailed working and the annual increase in the pension for all the Banks including SBI comes to Rs. 5,322 crores, which does not involve any additional provision at this juncture as illustrated below:

a) The amount of regular pension and family pension during the year 2018-19 was Rs.17,415.16 crores

b) The interest income and regular annual contribution to the Pension fund was Rs. 32,023.00 crores

c) Undisbursed/unutilised surplus in the Pension Fund for the year 2018-19 was Rs.14,607.84 crores

d) Additional liability towards pension updation using RBI updation factors comes to Rs.5,322.87 crores

The cost of updation has been calculated for all the 4,41,000 pensioners who have retired up to 31.10.2017 and are eligible for updation of their pension as per the salary revision settled on 11.11.2020).

From the above details it is clear that even after grant of updation of pension there will remain an annual surplus of Rs. 9,284.97 crores thereby obviating the need for any additional immediate provision and thus protecting the balance sheets of the banks. If any bank has not followed the provisioning norms as per Pension Regulations or misutilised the Fund, would alone be required to provide if their annual actuarial estimate in terms of Regulation 11 so warrant.

It is humbly submitted that the Public Sector Banks are the State within the meaning of Article 12 of the Constitution and Bank Pension Regulations are made in exercise of the powers conferred by clause (f) of sub-section (2) of Section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 by the Boards of the Banks in consultation with RBI and with the previous sanction of the Central Government. Hence it is the statutory obligation on the part of the banks to implement these regulations including Regulation 35(1) which provides for the updation of the pension. While the guidelines from the Banking Regulators to provide for NPAs are followed without blinking, it is beyond common comprehension as to why statutory provisions are not being implemented perpetually with impunity.

Hon'ble Madam, your interview in the Business Line and address to the 73rd AGM of IBA have truly raised the hopes and aspirations of the rank and file of our membership who contributed to the nation building during their active service and continue to chip in even after retirement whenever the occasions demanded like PMJDY campaign, Demonetization etc. You are there and our last hope to help realize our legitimate due.

We humbly request you to settle this long pending issue urgently so that this hitherto neglected section of the pensioners could get the benefit of revision of pension along with the revision of salary for the serving employees. Meanwhile, we request for grant of Interim Relief based on the RBI Pension Updation Formulae.

100% DA NEUTRALISATION TO PRE- NOVEMBER 2002 RETIREES:

We also request you be kind enough to resolve the issue of 100% DA neutralisation to Pre-November 2002 retirees who continue to be discriminated unfortunate lot. It may be appreciated that price rise affects all retirees in equal measure and discriminating against senior retirees who retired before 1.11.2002, is not only not legal but also against the principles of equity and fairness while being violative of Article 14 of the Constitution.

DISCRIMINATORY MEDICAL SCHEME:

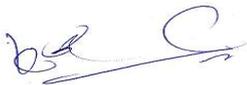
The pensioners and retirees have been discriminated in the matter of Medical Insurance Scheme which was introduced in the year 2015 in accordance with the guidelines issued by DFS to IBA vide letter dated 24.02.2012 to evolve medical insurance scheme for both the serving employees and retired employees. While implementing the same IBA advised the banks to bear the Medical Insurance Premium for serving employees and left the retirees to fend for themselves if they wished to join the scheme. The introductory premium which was Rs.7,500 in the first year was successively increased to more than Rs.90,000/ for health care and domiciliary treatment for the year 2019-20 thus making it unaffordable out of meagre pension drawn. It has driven many out of the scheme on the grounds of unaffordability. It will not be out of place to mention here that the Board Level Retirees - ED/MD/CEO/CMD are provided free medical facility as they were enjoying during their service. The serving employees are also provided free medical facility. It therefore becomes very brazen to discriminate against retirees alone against the spirit of Government Communication dated 24.02.2012.

In view of the forgoing submissions, we humbly request you to advise DFS & IBA to settle these issues also forthwith without further loss of time and provide much awaited relief to those warriors who are in the twilight of their life.

We shall always remain grateful to you for rendering justice to us at this stage of our life.

With Warm Regards,

Yours Sincerely,



(K.V. ACHARYA)
PRESIDENT,
AIBPARC &
Joint Convener, CBPRO



(SUPRITA SARKAR)
GENERAL SECRETARY,
AIBPARC

Quote: 2

Dated 15.11.2020

Shri Anurag Singh
Thakur Hon'ble Minister of State for Finance
North Block
NEW DELHI

Respected Shri Anurag Singh Thakur Ji

UPDATION OF PENSION FOR BANK PENSIONERS

We recall our meeting with your good self on 25.07.2020 in connection with our humble contribution of Rs.2.12 crores to PM-CARES FUND. We also requested you to help resolve our long pending demands. The warmth and a positive tone on your part reflected empathy and compassion. This in fact proved to be a turning point in the response of IBA to our issues.

A very favourable interview by the Hon'ble Finance Minister to The Hindu Business Line followed by the caring concern shown by your Goodself and the Hon'ble Finance Minister while addressing the 73rd AGM of IBA on 10th November 2020 has been taken by our Organisation which is a Confederation of Retirees' Associations representing the largest number of the Bank Pensioners and Retirees as delivery of justice through your Goodself and Hon'ble Madam. Apprehending the hassles in actual realisation of our legitimate dreams, we once again request you to consider the following humble submissions for expeditious settlement.

FAMILY PENSION:

We wish to express our sincere gratitude to your Goodself for advising the IBA/DFS and other Officials to resolve our long pending issues which were reiterated in the address to the 73rd Annual General Meeting of IBA On 10.11.2020 by your Goodself and the Hon'ble Finance Minister. It was heartening to note that the improvements in the family pension scheme @ 30% of pay drawn by the employee without any ceiling has been agreed by IBA and the same has been incorporated in the XI Bipartite Settlement and Joint Note signed between IBA and the Trade Unions as under:

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We place it on record our deep sense of Gratitude for the inspiring speech and direction to IBA and DFS by you and Hon'ble Finance Minister. It was our long pending Request and emotionally close to our heart as it has a direct impact on the life and well-being of the spouses of the deceased employees and the beneficiaries are mostly the Widows who are living in penury.

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(The cost of updation has been calculated for all the 4,41,000 pensioners who have retired upto 31.10.2017 and are eligible for updation of their pension as per the salary revision settled on 11.11.2020).

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sanction of the Central Government. Hence it is the statutory obligation on the part of the banks to implement these regulations including Regulation 35(1) which provides for the updation of the pension. While the guidelines from the Banking Regulators to provide for NPAs are followed without blinking, it is beyond common comprehension as to why statutory provisions are not being implemented perpetually with impunity.

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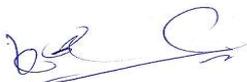
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(K.V. ACHARYA)
PRESIDENT,
AIBPARC &
Joint Convener, CBPRO



(SUPRITA SARKAR)
GENERAL SECRETARY,
AIBPARC