

CIRCULAR NO. 14/15.
2015.

2nd April,

**(For circulation among members of the Governing Council, State Secretaries
and special invitees of AIBPARC with a request to percolate the information downwards)**

**Sub : Our representation to Chief Executive Officer of IBA in respect of the demands of
Pensioners & Retirees of the Banking Sector of India.**

Dear Comrade,

You are all aware that the Bipartite Negotiations are going to reach a final stage within next one month and a half. You will surely appreciate that this is the high time to raise the voice so that our agony reaches the ears of all concerned. As the first step of this voice-raising exercise, we decided to reiterate our demands before the Indian Banks Association. The letter addressed to Shri M.V. Tanksale, CEO of IBA is being enclosed for information of members. We wish that all the materials which would be uploaded in the website by way of circulation may please be given topmost publicity to achieve the desired results.

With best wishes,

(S. R. SEN GUPTA)
GENERAL SECRETARY

Encl: two pages.

Quote :

AIBPARC/IBA/Pension/7(b)/2015.
2015.

02nd April,

Shri M.V. Tanksale,
Chief Executive Officer,
Indian Banks Association,
Centre I Building,
World Trade Centre Complex,

**6th Floor, Cuff Parade,
Mumbai – 400005.**

Dear Sir,

Re : **The Issue of “Updation” – a demand which is very near to the heart of the pensioners.**

This is a great pleasure for all the pensioners and retirees of the Banking Sector to note that IBA and UFBU have already come to a mutual understanding on the annual wage-increase in salary and allowances by way of signing a memorandum on 23rd February, 2015.

2. The Pensioners and Retirees have further noted with pleasure that IBA and UFBU would talk on all other issues of the management and unions/Associations discussed during the process of negotiation and will settle the same to the mutual satisfaction. We have had the opportunity of going through the list of residual issues which will come up for discussion in the period available between signing of the memorandum and finalization of Bipartite. It is a matter of great reassurance to us that the issues affecting the pensioners and retirees will also be discussed under the residual heads.

3. You are well aware of the fact that the charter of demands of the pensioners and retirees has already been submitted through UFBU. To us, all the issues are equally important and we want a resolve of the same. We have come to know through various sources that IBA is showing a positive mind to many of our glaring deprivations and agreed to redress the same. As regards the issue of “updation”, we feel the need of bringing a few points to your notice. We are sure that as an experienced Banker for several decades, you know everything; till out of our anxiety, we like to stress upon the following :

- i) You would surely agree that if the issue of “updation” is not addressed in the 10th Bipartite settlement, nobody knows what will be its fate in the year 2017 when the character and colour of IBA and UFBU will undergo a sea-change.
- ii) How long the senior pensioners will undergo such a humiliation and subjugation? There is a mistaken notion in many quarters that the concept of “updation” is not there in the Pension Regulation. The Regulation which came into formal existence in the year 1995 has very clearly mentioned how and in what manner, the pension of a group of retirees (who got fouled on the relevant date), would be updated and the mode of calculation has been spelt out in Appendix I. In case, there has been any doubt in the matter of understanding and application of the provisions of Regulations, clause no. 56 very clearly directs to be guided by Central Civil Service Rules and other relevant provisions applicable to Central Govt. employees.

4. Now coming to the so-called concept of “cost factor”, we like to put on record that the Pension Fund of each and every Bank as per provisions of Regulation is and should be self sufficient by way of annual certification by Actuary and necessary transfer of funds by Banks. You will also agree that the present community of pensioners (retired and also in-service) are a

dwindling community in as much as the number is being depleted in every month and there will not be a single addition to the total number of pensioners who are superannuated and who will be superannuating in future years. For all practical purposes, the relevance of Pension Funds will virtually cease to exist sometimes in the years 2040-2045. The so-called cost which is being talked about at different corners is very much on the higher side and not reflective of the real situation. One of our valued affiliate has undertaken a detailed study in this regard and it has been arrived at a situation that the annual outgo for all Banks will be well within Rs.2000 crore. It might so happen that IBA does not agree to what we say; but the difference may be sorted out and explained through the process of negotiation. We also make a request to you to kindly explore the possibility of apportionment of the cost in a period of 5 years.

5. The Regulation/Statute is so strong on our side that we are sure to get justice. It cannot be explained by any civilized norm that a General Manager of yester years will be getting lesser pension than his very very junior subordinate. Kindly appreciate the basic fact that the pensioners do not have much of time left in their lives. If they have to run for justice to the Courts of Law, justice may not come in their life time. We have always approached Government/IBA to hear the views/sentiments of retirees through the organisation of pensioners. As the proposition did not materialize, we have trusted upon our working comrades and we do feel that the Bankers of the country who are at the helm of affairs will be equally responsive to us.

With kind regards,

Yours faithfully,

(S. R. SEN GUPTA)
GENERAL SECRETARY

Copy to :

1. The Convener, UFBU, for kind information,
2. Com. C.H. Venkatachalan, General Secretary, AIBEA, - for kind information,
Com. Harvinder Singh, General Secretary, AIBOC, for kind information.

Unquote.