



# 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 : 9830403145, E-mail : [aibparc@gmail.com](mailto:aibparc@gmail.com)

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(For circulation among all the members of the Managing Committee as well as the Governing Council of AIBPARC, Special Invitees, State Secretaries and Advisors with a request to percolate the information to the grassroots.)

Dear Comrades,

We are sending herewith a draft memorandum to be submitted by local CBPRO delegates to the Chairman/ Managing Director and CEO of Banks in respective headquarters and also to The State Governors. This is for information and necessary action.

( S. R. SEN GUPTA )  
GENERAL SECRETARY

**Quote :**

Respected Sir,

**Sub : Pending Issues of Bank Pensioners and Pensioners and Retirees.**

We the representatives of Coordination o Bank Pensioners' and Retirees' Organisation (CBPRO) are extremely thankful to your goodself for giving this audience to explain about the very long pending grievances of Bank Pensioners and Retirees. CBPRO represents national level Bank Pensioners and Retirees Organisations covering more than 4 lacs Bank Retirees from SBI and Public and Private Sector Banks. The CBPRO has been submitting memorandums to Hon'ble Minister of Finance, Secretary, Department of Financial Services and IBA. This coordinated body has also been pursuing the Bank pensioners and retirees with concerned authorities with the hope of getting justice to the entire population of banks senior citizens for many of whom the time is fast running out. We have been also requesting the IBA to hold discussions with us so that as representatives of the pensioners and retirees we can articulate our grievances effectively. We are also doubly happy that the United Forum of Bank Unions is also striving to render justice to their elder brothers.

Sir, with our today's meeting with you goodself, we are hopeful that this will certainly hasten the decision making process of IBA resulting in a comprehensive relief to the bank retirees in respect of their long pending issues. we understand that IBA has completed the data collection from different member banks in regard to all our issues and calculations by the actuaries are also completed. The required mandate is also available with the IBA from the member banks to decide on these issues when the IBA got mandate from all the banks to negotiate on the charter of demands submitted by the UFBU for the 10<sup>th</sup> bipartite

settlement. The issues of the retirees were part and parcel of the charter of demands. Hence we had a natural expectation that the 10<sup>th</sup> bipartite settlement would come out with respectable solutions in respect of our issues. Though we were dismayed seeing the record note, we still hoped that IBA would heal our agony and pain when they asserted in record note that our issues would be sorted out on humanitarian grounds and with sympathy. It is more than a year now after the conclusion of 10<sup>th</sup> bipartite settlement but the issues remain still unresolved. Now we fervently hope that with your valuable intervention we will get justice without any further delay.

We have abundantly explained our issues in our earlier correspondences. Still we wish to once again place the issues before your goodself for your kind consideration.

1. Uniform 100% DA relief to pre-November 2002 retirees.
2. Improvement in family pension,
3. Pension updation,
4. Anomaly and discrimination to SBI pensioners under 7<sup>th</sup> Bipartite settlement,
5. Realignment of pension to the SBI retirees under 5<sup>th</sup> to 8<sup>th</sup> bipartite settlement,
6. One more option to left out employees (both compulsorily retired and resigned with pensionable service).
7. Medical insurance scheme to retirees as available to serving employees,
8. Improvement in exgratia to pre-1986 retirees.

Sir, the bank pension scheme is not only the result of a settlement it also has the legal sanctity as the same has come out as regulations titled 'Bank employees pension regulations' passed by the respective bank boards, approved by the Govt. of India and also published in the official gazette of Govt. of India. The bank pension scheme is also a defined benefit pension scheme. It is also important to note that the pension corpus itself is robust with nearly Rs.150,000/- crores and any extra cost which is often quoted as a stumbling block to concede our request in respect of all the above is not only not tenable but also against the statutory provisions in the bank employees pension regulations (special reference to regulations 35(1) and 56).

In State Bank of India there are major discriminations

1. One of the major discriminations caused affecting 33 thousand pensioners retired between November, 1997 to October 2002 is continued payment of pension on salary scales in force in November 1993 and not on the basis of scales of pay in force at the time of retirement, as required under the provisions of Rule 23(1) of SBI pension fund rules.
2. There are two class of pensioners drawing 50% or 40% basic pension basing on the basic pay fixed for determining such percentage which is not there in the entire country where all the pensioners are paid 50% basic pension basing on one half of average monthly salary drawn during the last 12 months.
3. Anomaly in fixation of pension to the retirees retired under 5<sup>th</sup> BPS to 8<sup>th</sup> BPS. The chairman of SBI recommended to GOI for permission to rectify the anomaly which is within the pension fund rules of SBI.

The above are the statutory obligations which the bank managements have to fulfill. We would also like to state that an unnecessary confusion is created over the cost of funding as per AS 15 (revised). This requirement is only a one time provisioning to be made by the banks. The actuaries who were asked to work out the calculations have done the same on the basis of the assumptions given by the IBA in respect of span of life of a retired employee, probability of survival of the spouse in case of family pension obligations and the inflationary tendency in respect of 100% DA to pre-2002 retirees who are entitled for arrears from May 2005 during which period the inflation was at a much lower rate, periodicity of wage settlement and percentage of loading to the basic pay etc. In short the decision to consider our issues depends more on the willingness on the part of the bank managements to remove the impasse in regard to

these old pending issues of bank retirees rather than the affordability of the banks. It is pertinent to note that the operating profits of all the banks has been improving year after year. If in spite of this the banks have shown losses it is mainly due to mounting NPAs for which employees and officers are not responsible. The operating profits are the clear indications of the operating efficiency and effectiveness of the bank employees and officers, both past and present.

We also wish to state that when the pension settlement was signed and the pension regulations were framed it was made abundantly clear that the pension scheme in banks would be identical as available to Central Govt. employees. Over a period Central Govt. employees pension scheme has undergone various improvements with every pay commission recommendations like up-gradation and improvement in updation formula. Unfortunately in respect of bank retirees even the agreed understandings and regulations are yet to be implemented fully. This has resulted in a peculiar situation where even a General Manager who retired in 1990s getting a monthly pension of about Rs.26,000/- which is less than a senior clerk who retires today.

Sir, the issues of bank pensioners and retirees are pending for a very long period forcing the senior citizens of banking industry to knock the doors of the courts and to go to the street. This is not at all a happy situation for a welfare state like ours who value and respect the elders. These elder citizens of banking industry have put in exemplary service during their tenure in the banks and immensely contributed to all round economic development of the nation by faithfully, sincerely and enthusiastically implementing the Govt.'s policies and schemes.

Sir, we fervently hope you will render justice to us.

Thanking you,

Yours sincerely,

Sd/-

Local Delegation leaders of CPBRO

**Unquote.**