

# **COORDINATION OF BANK PENSIONERS' AND RETIREES ORGANISATIONS**

Flat No. 1103, Block-3B, S.M.R. Vinay Fountainhead, Culvary Temple Road,  
Hydernagar, Hyderabad – 500 049.

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## **FOR CIRCULATION AMONG MEMBERS OF THE GOVERNING COUNCIL OF AIBPARC** **CIRCULAR NO. - 40-20 DATED – 04/06/2020**

**Dear Comrades, please find here under CBPRO communication Dated- 03/06/2020.**

**With best wishes,**  
**S.Sarkar, GS, AIBPARC**

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Dated: 03.06.2020

Shri Debasish Panda  
Secretary, Department of financial Services,  
Ministry of Finance,  
Govt. of India  
New Delhi

Dear Sir,

### **PENDING ISSUES OF BANK PENSIONERS & RETIREES**

We are a Coordination of Bank Pensioners and Retirees consisting of Federation of SBI Pensioners' Associations, AIBPARC, RBONC, AIRBEA and FORBE. We have been taking up the grievances of the Bank Pensioners and Retirees with DFS, IBA and Banks to seek appropriate redressal.

We are conscious of the fact that entire world has been busy fighting against Covid 19 and we in India are no exception. Some of the Bank Employees and Officers also became the victims of Corona Virus while rendering services to the Nation as Corona Warriors. Our members being more vulnerable and on the wrong side of the age were also affected by the Virus at different places. We sympathise with the working class and other Corona Warriors who have taken the brunt of the Pandemic while serving humanity. It has caused huge damage and enormous loss to mankind and more particularly the economy.

We also take pride in mentioning that our constituent organisations in different Bank's had given call to the Bank Pensioners and Retirees to contribute liberally to Prime Minister's CARES FUND and also to CM 's Relief Fund apart from providing relief to those in distress in their neighbourhood though Bank Pensioners have been drawing a meagre Pension.

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It is in this backdrop, we wish to request you to sympathetically consider the following long pending issues of Bank Pensioners and Retirees who have been finding it difficult to make both ends meet while also struggling to manage their growing medical expenses:

## 1 Family Pension:

Even though the Pension Scheme in the Banks was introduced we have been taking up the issue of improvements in Family Pension at par with RBI/Govt, but its resolution has been eluding us. The Family Pension in Banks ranges from Rs 4000 to Rs 14000 as the Family Pension is restricted to 15% of the last drawn Basic Pay that too with ceiling. We are glad that with our persistent efforts and follow up, IBA was kind enough to recognise the plight of Family Pensioners and had recommended to DFS for Improvements in Family Pension at par with RBI. The issue is now pending consideration at DFS for nearly one year. The Covid 19 Pandemic has shaken the confidence of the Pensioners towards life more particularly the Family Pensioners who are largely the **women spouses** of the Retirees and also in the late evening of their life.

We, therefore, humbly request your good self to help the family pensioners by granting the necessary improvements at par with RBI/Government Family Pensioners.

## 2. 100% DA Neutralisation to Pre-November 2002 retirees:

The Bank Officers who retired after 1.11.2002 are eligible for 100% DA Neutralisation whereas those who retired prior to November 2002 are still getting tapered DA thus creating a class within the class violating the principle of equity provided under Article 14 of the Constitution of India. The issue has been taken up with IBA and it was not considered since the matter was then sub-judice. But the Hon'ble Supreme Court has disposed off the matter and there is no bar on extending the benefit of 100% DA Neutralisation to all those who retired prior to November 2002. They constitute a smaller number and are more than 80 years of age. It is thus a vanishing tribe in desperate need of help. We wish to reiterate that the DA in Banks is linked to Consumer Price Index which affects all retirees including Pre-2002 retirees similarly without any discrimination. This is a long-standing anomaly and we request your good self to remove the same by granting the benefit of 100% DA Neutralisation to those who have retired prior to November 2002.

## 3. Updation Of Pension:

The pension in the banks including State Bank of India has not been updated after its implementation despite provisions in the **Regulations and Court Judgements. The Hon'ble Supreme Court has also held that the Pay Revision and Pension Revision are inseparable.** While the Updation of Pension has been given to Government Pensioners with every Central Pay Commission Recommendations and same also has been extended to the Pensioners of RBI w.e.f 1.4.2019. It is painful that in spite of that Updation of Pension has not been done to Bank Pensioners and they are arbitrarily denied the benefit of Updation of their Pension.

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As a consequence, even General Managers who had retired 25 years ago are drawing lesser pension than a clerk who retired recently. This is injustice and discriminatory. We therefore request your Good Self to remove this discrimination by according Updation.

#### 4. IBA's Medical Insurance Scheme for Bank Retirees:

DFS vide its letter. Dated 24.2.2012 had advised IBA to evolve a Medical Insurance Scheme for serving and Retired Bank employees. Accordingly, IBA introduced the scheme whereby the Insurance Premium for serving employees is borne by the Banks while the Retired employees are made to pay the premium. It is pertinent to mention that the communication dated 24.2.2012 from DFS to IBA did not provide for such discriminatory treatment. The insurance premium which was Rs 7500/- during the first year of introduction has been successively raised unilaterally and presently it is around Rs. 90000/-. It is unaffordable and so many of the Retirees opted out of the scheme with no medical relief available to them. To top it all, we are required to pay 18% GST on the Insurance Premium. We have been requesting for the premium to be paid by the Bank's like in the case of serving employees. Alternatively, a new scheme like CGHS be introduced after collecting a fixed amount at the time of Retirement/introduction stage. We request you to consider our request favourably.

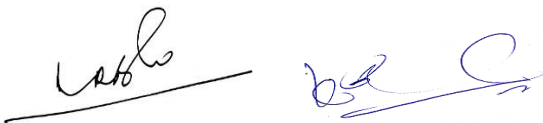
#### 5. Reckoning Special Allowance for Pension & Gratuity:

IBA has introduced a Special Allowance during the last Wage Settlement (w.e.f 1.11.2012). This Special Allowance attracts DA and also taken into consideration for encashment of leave. But the wage settlement provided for its exclusion for the purposes of Pension and Gratuity. Not reckoning of Special Allowance for Pension and Gratuity is unfair and also amounts to distortion of the definition of Pay. It has been held by the Hon'ble Supreme Court that any allowance which is paid to all the employees and is not assigned to performance of any specific duty and is also paid for the period when the employee is on leave is to be treated as a part of Basic Pay. We therefore request you to rectify this anomaly and take the Special Allowance into consideration for the purpose of Computation of Pension and Gratuity for all those who have been adversely affected by such exclusion.

We request your good self to resolve our long pending grievances and render justice.

With regards.

Yours faithfully,



(A. Ramesh Babu) (K.V. Acharya)  
Joint Conveners, CBPRO

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