

ALL INDIA BANK PENSIONERS & RETIREES CONFEDERATION

(A.I.B.P.A.R.C)

C/O. INDAIN BANK OFFICERS' ASSOCIATION
2, GANESH CHANDRA AVENUE, KOLKATA – 700013.
TEL : 033 2213 2429, MOBILE : 9830403145
E-mail : aibprc@gmail.com.

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A NOTE ON BANK PENSION ISSUES SUBMITTED TO SHRI ANUP WADHAWAN (JOINT SECRETARY), DEPARTMENT OF FINANCIAL SERVICES, GOVT. OF INDIA, NEW DELHI.

Sir,

Brief History of Pension Scheme in Banks.

1. Bank employees and officers requested for introduction of pension scheme in banks as third benefit i.e. Gratuity, Bank's contribution to PF and pension on the line of State Bank of India.
2. But the IBA while signing the settlement insisted on pension scheme as available to Central Govt. employees that means introduction of pension scheme in lieu of management's contribution to P. In other words, pension scheme was introduced as second benefit only as applicable to Central Govt. employees.
3. Pension was made available for those retired after 1st January, 1986.
4. Pension Regulations were formulated and passed by the respective Bank Boards in 1995.

5. The Bank employees Pension Regulation 1995 clearly stated quote :
“Basic pension and additional pension wherever applicable shall be updated as per the formulae given in the appendix I”. Unquote.
6. This provision of updation was given to those who retired between 1st January, 1986 to 31st October, 1987 because from 1st November, 1987 new wage revision came into force for serving employees.
7. very surprisingly, in subsequent wage revisions, say, in 1992, 1998, 2002 and 2007 the benefit of updation was not passed on to the retirees despite clear provisions in the regulations.
8. Because of this, a grave anomaly has crept in e.g. a General Manager who retired in 1990 is drawing a paltry pension of Rs.24000/= (approx) as against the junior most officer retiring today getting a pension of about Rs.26000/= (approx) and also a General Manager retiring today drawing a pension of Rs.50000/= (Approx)
9. Family Pension is still only 15% of the last drawn basic pay for bank employees whereas the same is increased to 30% for the retired RBI employees and retired Central Govt. employees.
10. Another discrimination is in respect of Compensation of DA where those who retired before November, 2002 are denied the benefit of 100% DA neutralization whereas in the Govt. and RBI, all the retirees are getting uniform DA.
11. All these discriminations despite clear provisions in the Bank employees Pension Regulations which state Quote “ In case of doubt, in the matter of application of these regulations, regard may be had to the corresponding provisions of Central Civil Services Rules 1972, or Central Civil Services (commutation of pension) Rules 1981 applicable to Central Govt. employees”. Unquote.

Request :

We earnestly request the Government to instruct Banks to implement the provisions of Pension Regulation fully and properly and help the Bank employees in overcoming the discrimination and injustice.

Submitted for kind consideration.

(K.V. ACHARYA)