



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



Office of GS at:
C/O BOIOA,
(EASTERN INDIA BRANCHES)
BOI, KOL. MAIN BRANCH,
23 A, NETAJI SUBHAS ROAD, KOLKATA – 700 001
Mobile: 9674188524,
E-mail: aibparc2@gmail.com

Regd. Office:
57 A, POCKET 3,
MAYUR VIHAR, PHASE - 1
DELHI 110091

Senior Office Bearers
PRESIDENT SHRI K.V. ACHARYA, MOB - 9868220338
GENERAL SECRETARY SHRI S. SARKAR MOB – 9674188524
WORKING PRESIDENTS: =====
1. SHRI C. GANGADHAR Yadav MOB – 9440528806
2. SHRI P.S. PATKI MOB – 8805607239
3. SHRI S.B.C. KARUNAKARAN, MOB – 9444772016
4. SHRI A.N. KRISHNAMURTHY, MOB NO. 9845697198
5. SHRI S. KUPPUSWAMI MOB- 9444315928
6. Shri S.C. AHUJA MOB: 9650068773
SR. VICE PRESIDENTS: =====
1. SHRI M.R. GOPINATH RAO. MOB – 9886309244
2. SHRI R.S. TRIVEDI MOB – 9825049640
3. SHRI R.M. JOSHI, MOB NO. 9820127193
4. SHRI R. K. SHARMA MOB – 8171461116
5. SHRI RAM PAL MOB – 9784405801
6. SHRI K.S. RENGARAJAN MOB- 9941304028
7. SHRI PAUL MUNDADAN MOB – 9895378557
8. SHRI PREM KUMAR MALHOTRA MOB- 9425156535
9. SHRI N.K. PAREEK MOB – 9829015773
10. SHRI S. NAGARAJ MOB – 9986644118
11. SHRI PRAKASH KAROTYA MOB- 9818821395
12. SHRI DAU DAYAL MAHESHWARI MOB: 9958739618
TREASURER: =====
SHRI TARUNESH CHATTERJEE, MOB -9051601591

Circular no 37-24

Date: April 14, 2024.

For circulation among members of the Governing Council, State Secretaries, Special Invitees, Advisors, Affiliates, Constituents of CBPRO and Members.

Dear Comrade,

Sub: Long unresolved issues of Bank Pensioners and Retirees.

We are reproducing here under the text of CBPRO Letter dated 14.04.2024 to The Joint Secretary, Ministry of Personnel & Pensioners Welfare, GOI on the above-mentioned subject.

This is for information of members.

With best wishes and regards,

Comradely yours,

Suprita Sarkar
General Secretary

Encl: As stated

CBPRO/03/2024

Date: April 14, 2024

The Joint Secretary,
Ministry of Personnel & Pensioners Welfare,
Janpath Bhawan,
B wing, 8th Floor,
Janpath, New Delhi - 110001

Dear Sir,

Sub: Long unresolved issues of Bank Pensioners and Retirees.

We have been pursuing the under noted issues affecting the interest of Bank Pensioners and Retirees for a pretty long time. The normal grievance – redressal outlet for Bank Pensioners and Retirees is the Indian Banks' Association, Mumbai



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

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



and the Department of Financial Services, MOF, GOI. We have made good number of correspondence and have undertaken follow up measures with both the authorities for effective resolution of our grievances.

As the issues are continuing to remain unresolved for a pretty long time, the pensioners and retirees of the Banking industry who are mostly in advanced age are feeling anguished at the fag end of their lives and hence the cause of appeal on our part arose. This may please be noted that CBPRO is a conglomerate of different organizations of Bank Retirees including the one of State Bank of India and a collective decision has been taken in the forum to approach your good self with the high hope of redressal of grievances.

We shall narrate in brief the principal cause of grievances which are commonly applicable to all the constituents of CBPRO:

1. UPDATION OF PENSION:

You are well aware of the fact that in the Bank Employees Pension Regulations (1995), there is a well laid down provision of pension updation spelt out in Appendix-1 of Regulation 35.1 which was subsequently amended in the year 2003 to make the clause universally applicable to all eligible Pensioners duly published in the gazette by Government of India. This is an established fact that the Pension Rules of Banks are modelled on the patterns of the same as applicable for Pensioners of GOI/RBI.

When the recommendations of the Pay Commission for existing Government Employees are implemented, the pension of each retired employee is also simultaneously upwardly revised at the time of each Pay Commission. The same thing happens in case of RBI/ NABARD Employees. Unfortunately, this concept of Updation is absent in the Banking Industry. Unlike the Govt./RBI/NABARD employees, in banking industry, the pension is fixed on the date of retirement and the basic pension amount remains unchanged till the death of the pensioners. IBA is under obligation to declare Pension Updation formula in respect of each Bipartite Settlement but instead of doing that, IBA is often taking a wrong plea and feeding the DFS **with wrong information like "Banks' Pension Scheme is a funded one and there is no provision of Pension Updation in It. "**

Records will reveal that the total amount held in the pension corpus of all Banks including SBI is Rs. 4 Lakh crores and the cost of Updation will be about Rs. 3000 crores only if the Pension Updation is done as per the RBI formula. This is because of the fact that the benefits arising out of the 100 Percent DA Neutralization is already passed on to Pre-November 2002, Pensioners. The Banks do not need to make any further provisions for Updation on that count. We are sure that the existing Corpus is sufficient to manage the burden arising out of Pension Updation. The astronomical figure, reportedly quoted by IBA, is absolutely wrong without any scientific basis. The Banks have also been making very high Operating Profits throughout and also huge Net Profits in spite of NPA Provisions.

It is beyond comprehension that the benefit of Updation which is already provided in Bank Employees Pension Regulation and Settlement is being held back illegally with the allurements of Ex-gratia to the hapless Pensioners thus exploiting their emotional vulnerability. We earnestly request that IBA may please be advised to render justice to all Pensioners of Banking Industry, by notifying the Formulae for Updation of Pension as done for RBI and NABARD Pensioners.

2. RECKONING OF SPECIAL ALLOWANCE TO COMPUTE PENSION & GRATUITY: -

A special allowance was introduced for all the officers and employees of the Banks w.e.f. 01.11.2012 (10th Bipartite Wage Settlement & 7th Joint Note) by reducing the basic pay by 7.50%, which is being paid as a "special allowance". It attracts Dearness Allowance. It is not linked to any incentive formula and is paid across the board to all employees even when they are on leave. The said features of the "special allowance" makes it accountable for superannuation benefit as adjudged by the Hon'ble Supreme Court on 28.02.2019 in the matter of the Regional Provident Fund Commissioner (II) West Bengal versus Vivekananda



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



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

Vidyamandir and ors. In the backdrop of this judgment, a case was lodged in the High Court of Kerala at Ernakulam praying for a similar relief as adjudged by the Hon'ble Supreme Court of India. The single bench has given a judgment favourable to the pensioners but the order of the single bench has been challenged by the bank as per advice of IBA and the issue is now pending with the Division Bench. In the meantime, the allowance, which at the time of introduction was only 7.5% of the basic pay has now gone up to 26.5% of basic pay through subsequent wage settlements including one that has been signed on 8th March, 2024 between IBA and constituent unions of UFBU. Your good self must appreciate the tune of loss the Bankmen are sustaining in their pension amount and in SBI in P.F. as well as they enjoy benefit of a contributory Provident Fund Scheme. We would pray to your good self to impress upon IBA to restrain themselves from dragging the issue and instead obey the said order of the Hon'ble Supreme Court keeping in mind the earlier verdict of the Hon'ble Supreme Court, which only vindicates the prayer of the pensioners.

3. CONSULTATION/NEGOTIATION STATUS TO THE APEX ORGANISATIONS OF THE PENSIONERS:

-

The Bank Pensioners' number far exceeds the serving employees and officers at more than 7.60 Lakh pensioners. But our grievances are still left at the mercy of IBA and serving Bank Officers and Employees Organizations. Our repeated requests for consultative/ negotiating status at IBA level are obstructed by IBA on the ground that the Banks have authorized the IBA to have dialogue with UFBU leaders only and not the retiree organizations. Sir, you are aware of the fact the Boards of the banks take such Resolutions at the advice of the Management Committee of IBA. If the advice is given to talk to apex level Bank Pensioners and Retirees Organizations on matters relating to Pensioners, then Banks will follow the same. Moreover, IBA has issued an advisory to all member banks to form a grievance redressal forum for pensioners at the corporate level of each bank but strangely enough IBA does not follow the same in the letter and spirit of its own guidelines at its own level. We demand that the apex level retiree organizations should be given a formal consultative status at IBA level to discuss matters relating to pensioners and retirees.

With kind Regards,

Yours sincerely,

Dipak Kumar Basu

Joint Conveners, CBPRO

K V Acharya