



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



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Circular no 18-25

Date: March 11, 2025.

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

Dear Comrade,

Sub: Pension Updation and other important issues affecting the interest of Bank Retirees.

We are reproducing here under the text of our letter written on 10.03.2025 to all the Constituents of UFBU individually 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

AIBPARC/UFBU/Pending Issues/Email/2025

Date: March 10, 2025

To
The General Secretaries,
All Constituents of UFBU.

Dear Comrade,

Sub: Pension Updation and other important issues affecting the interest of Bank Retirees.

We are delighted to learn that IBA has invited all Constituents of UFBU for a meeting on 13th March 2025 to resolve the overdue Residual Issues. We consider this a welcome development in the midst of your ongoing Action Programmes.

We fervently hope that the current agitation, in the midst of which the Employees and the Officers of the Banks are engaged in at the call of UFBU will surely succeed in resolving the issues. We heartily extend our Greetings to All Our In --Service Brethren.

You are definitely aware of the fact that CBPRO/AIBPARC have extended support to your programmes requesting you to escalate the issues of Bank Pensioners and Retirees during the course of your Agitational Programmes and to explicitly highlight the issues of your Former Colleagues and your members who are going to retire on attaining their age of superannuation. At the same time, it goes without saying that we are with our Serving Brethren on the issues agitating them.



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In the above context, the letter of IBA dated March 07, 2025 inviting all the Constituents of UFBU for a discussion on 13th March, 2025 on Residual Issues is definitely a forward movement. Although there are a good number of issues affecting the interests of the serving employees and officers of the Industry, **we are certain that Pensioners and Retirees issues, mainly the Pension Updation, Special Allowance Component for Superannuation Benefits, Review of Ex-gratia amount, Uniform DA for all Retirees, and Medical Insurance will also take the Centre Stage in your discussion with the IBA and find resolution.**

About Pension Updation.

1 (a) It is our earnest hope and request to you to please tell IBA not to turn a blind eye to the **specific Provision in Bank Employees Pension Regulations 35.1 (1995) where it stated that Basic Pension and Additional Pension wherever applicable will be updated for those Retired from 1st January 1986 to 31st October 1987 as per Formula in Appendix 1.** The same Regulation was comprehensively amended in the year 2003 making it universally applicable to all Pensioners retiring at different points of time. **Quote "Basic Pension and Additional Pension wherever applicable shall be Updated as per formulae in Appendix- 1" Unquote.** Unfortunately, the IBA refuses to see the Significance of the amendment to Pension Regulation 35.1 which removed the restrictive time lag mentioned in the original Regulation 35.1 for those Retired between 01.01.1986 to 31st October 1987. The amended Regulation 35.1 removed the time lag and substituted the word **"Will Be" with "Shall Be" and "Formula to Formulae"** (Formulas) clearly directing that the Formulas have to be declared during the periodical wage revisions as done for Government Pensioners in each Pay Commission Recommendations and to RBI from March 2019.

(b) Bank Employees Pension Regulations are Statutory Regulations and implementation is mandatory. Updation was done for those Retired between 1st January 1986 and 31st October 1987 as per the Formula given in Appendix-I at that time which was on the lines of Updation for Government Pensioners at that time. In the same way with the amendment to Regulation 35.1 in 2003, Bank Pensioners Basic Pension should have been Updated on the lines of Government along with Periodical Wage Revisions. Bank Employees Pension Regulation 35.1 entitling Updation of Pension should also be read with Regulation 56 which clearly states that in case of any doubt in the implementation of the Pension Scheme in Banks, reference should be made to the Central Government Employees Pension Rules..... In addition to the above, in 1993 and 1994 IBA in its communication to AIBOC had clearly stated that the Bank Pension Scheme is on the lines of Government Pension Scheme and request for any improvement in the Bank Employees was not possible as the Pension Scheme is on the lines of Government Pension Scheme. To prove this point, DA as per CPI Index is given to Bank Pensioners Half Yearly instead of Quarterly as given while in Service because for Government Pensioners it is given Half Yearly. Pension subject to Future Good Conduct and Disciplinary Proceedings after Retirement also included in Bank Employees Pension Regulations as per Government Pension Scheme.

(c) Above being the irrefutable position as regards Pension Updation, IBA has been busy in sadistically indulging in giving excuses, untrue statements, wrong affidavits even in the Hon'ble Supreme Court stating that there is no provision for Updation of Pension. Further they wrongly state that Pension is a funded scheme, that fund is created out of Profits of the Banks. Whereas the fact is that The Constitution of the Pension Fund as per Pension Regulations is out of the surrender of CPF by the Pensioners during their Service and any shortfall as per Actuarial Estimation to be contributed by the Banks every year to the Debit of Banks' Revenue Account (Profit and Loss Account) just as other provisions including Huge Provisions for NPAs and then only the profit or loss is arrived at. Specially it should be noted that Provisions for Pension is a Statutory Obligation where as NPA Provisions are Regulators Guidelines. Statutory Provisions for Pension have precedence over Regulators Guidelines. Moreover, Pension Fund is now more than Four Lakh Crores and annual outgo as Pension Payment is much less than the Inflow into the Pension Fund. Banks have been making huge profits and this year end the Net Profits is likely to soar to more than Two Lakh Crores. So, the insufficiency of Money to give the Pension Updation is only a bogey being raised by the IBA time and again. Added to that the IBA is harping on that Pension Updation is Matter Sub-Judice ignoring the fact that nothing legally prevents them from resolving the issue as is done in RBI after the verdict of Hon'ble High Court of Mumbai. The Ministry also in their affidavit to the Hon'ble Court stated that if Updation is given to RBI Pensioners, similar demands by other Financial Sectors like Banks also has to be conceded.



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In short, The IBA is misleading everybody including the Ministry with inconsistent reasons and observations on the issue of Updation of Pension. The IBA had also not revealed to Hon'ble High Court of Punjab and Haryana about the existence of Regulation 35.1 and unfortunately The Hon'ble High Court observed Pension Settlement and Small Committee Meeting Minutes cannot substitute the Pension Regulations. The IBA was duty bound to reveal the existence of Regulation 35.1 to the Hon'ble Single Judge Bench and Hon'ble Division Bench of Hon'ble Punjab and Haryana High Court at that time and the Judgement would have been totally different

(d) IBA's arguments in negating the legitimate demand of Pension Updation is based completely on the above wrong perceptions. We hope that you will agree with the right - reasoned arguments of CBPRO/AIBPARC and raise your voice in favour of the Retirees. The IBA cannot and should not take shelter under litigations by wrongfully denying Just and Right and Legally entitled Benefits to the Pensioners despite well-defined Pension Regulations which is described as Defined Benefit Pension Scheme as available to Government and RBI Pensioners. Forcing Aged Pensioners to approach Hon'ble Courts on many grievances that have arisen due to wrong interpretations or Non-Implementation of Pension Regulations by IBA is Cruel to say the least. In the real sense the IBA has unfortunately become a Habitual Litigant instead of their claims as Advisors to the Banking Industry. **You as experienced Leaders of the Leading Trade Unions of the Banking Industry we hope will succeed in making the IBA to understand the damage they are causing to their own Former Colleagues whom the Hon'ble Union Finance Minister described as Members of the same Family and exhorted the CEOs of the Banks during the 73rd Annual General Body Meeting of IBA to treat the Pensioners and Retirees Community with all the care and concern they deserve having served the Banking Industry very well.**

2. Computation of Special Allowance for the purpose of calculation of gratuity and pension:

We are happy to see that this demand is already in the list of issues for which the current agitation is going on. You will agree that for Retirees after 01.11.2012, the updation of Pension will have little meaning if the special allowance is not taken into consideration for calculation of superannuation benefits. The oft-quoted verdict of the Hon'ble Supreme Court says that the allowance which is universally, necessarily and ordinarily paid is having the status of the Basic Pay.

3. Removal of DA disparity:

This demand is already included in the Residual Issues. You will agree with us that the Retirees are a homogeneous group and there should not be any artificial division in themselves depending on the date of retirement. The disparity should come to an end.

4. Ex gratia Review which is waiting for clearance for unduly long time. However, we are very clear that this cannot be an excuse for not doing Updation of Pension and we request you to insist on complete implementation of Updation of Pension on the lines of Government and RBI.

5. Medical Insurance Premium should be borne by the Banks as available to Serving Employees and Officers.

We shall be thankful if you take note of the above issues with all force at your Command and help your Elder Brothers and Sisters in the Banking Industry.

With best wishes,

Comradely yours,

Yours faithfully,

K.V. Acharya.
President, AIBPARC
& Jt. Convenor, CBPRO

Suprita Sarkar
General Secretary