



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



C/O BANK OF INDIA OFFICERS' ASSOCIATION
(EASTERN INDIA BRANCHES)
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Circular no. 65-22

Date: October 18 , 2022.

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

Dear Comrade,

Sub: Minutes of the meeting held between Officials of IBA and leaders of AIBPARC at the office of IBA on 11th October,22 on issues pertaining to the interest of Retirees and Pensioners of the Banking Industry.

We reproduce hereunder the text of the above minutes for information of members.

We again assure that our relentless efforts will continue to settle all the issues which are near to our heart.

With best wishes and regards,

Comradely Yours,

Suprita Sarkar
General Secretary.

Encl: :As stated.

AIBPARC/IBA/Negotiation/Email/2022.

Dated: October 18,2022

**Shri A.K. Goel
Chairman,
Indian Banks' Association,
Mumbai**

Respected Sir,

Sub: Meeting between IBA officials and leaders of AIBPARC on 11th October 22 at IBA Office on issues pertaining to the interest of Bank Pensioners and Retirees.

At the outset, we convey our sincerest thanks and gratitude for giving us the opportunity of presenting our case and of being heard. We also record our admiration and appreciation for the concern and care with which the Officials carried on the dialogue for more than three hours . It was an interactive session which we believe would prove fruitful results. The proceedings of the meeting are briefly reported hereunder for record and reference:



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



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

IBA was represented by Shri Gopal Murali Bhagat, Deputy Chief Executive, Shri Brajeswar Sharma, Senior Advisor (HR& IR) and Shri Sankaranarayan, Advisor.

AIBPARC was represented by S/Shri K.V. Acharya, President, AIBPARC & Joint Convenor, CBPRO, Suprita Sarkar, General Secretary, Dr J.D. Sharma, Vice President, and K.S. Rengarajan, Joint General Secretary.

The discussions went on in respect of Issues hereunder

• Agenda 1: Pension Updation.

The detailed views of our organization were placed in the following manner.

** On Pension Updation, we discussed at length the provisions of Regulation 35(1) (Appendix- A) and its subsequent amendment in the year 2003 to make the provision an open-ended one with universal applicability.

Quote

Basic Pension and Additional Pension, wherever applicable, shall be updated as per the formulae given in Appendix-I.

Unquote

** We also referred to Regulations 5, 7 and 11, which deal with Formation and adequacy of Corpus, Statutory responsibility of the Banks - Reg. 35(1) to Update Pension with each salary revision of serving employees and officers, BEPR 1995 having been framed by the Boards of the Banks, with the previous sanction of the Government of India and in consultation with the RBI, on the pattern of Central Government and RBI Pension Schemes. We also shared the previous correspondence of IBA with then General Secretary of AIBOC, Com R N. Godbole standing as testimony to our contentions mentioned herein before and as per the minutes of Small Committee Meetings of IBA, Unions & Officers" Associations.

** We emphatically argued that Cost should not be cited as a reason to deny legally accrued rights and benefits of Pensioners and Retirees in a Defined Benefit Pension Scheme where Pension was held as Deferred Wages by Hon'ble Courts. Still, we handed over the detailed calculation sheets prepared by AIBPARC which shows the cost of Pension Updation of all member Banks including SBI and which is very well- manageable, a proposition within the annual yield of the corpus. We pointed out the un- naturalness of certain assumptions of the Actuaries which had pushed the cost to an astronomical proportion. We then handed over all the documents on which we relied upon to make our presentation. We also submitted the reply of DFS to the Petition given by Shri J D Sharma to the Petitions Committee of Rajya Sabha where they had enclosed the Gazette Notification in respect of amendment to Regulation 35 (1) with reference to Bank of Baroda and further carried out by other Banks.

** We did not conceal our dismay and disappointment over the contents of the Affidavit filed by IBA

to the Hon'ble Supreme Court in the well-known M.C Singhla (deceased) case. We appealed for quicker disposal of the issue in view of the advanced age of the Retirees.

** We also categorically asserted that what is required to be done by the Banks is to implement Regulation 35 (1) which was amended in 2003 making Updation of Pension to all Pensioners covered under the Defined Benefit Scheme without further delay and to implement the same **as per RBI Formula to all Pensioners upto 11th Bi-partite Settlement respecting the Statutory Obligation.**

** We cited Regulation 56 to drive home a point that our Pension Scheme is on the same lines as the Central Government (Pension & Commutation) Rules and Central Civil Pension Rules 1972.



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



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

** After oral presentation during the meeting, we handed over copies of all documents which have been relied upon by us to substantiate our contentions on the subject. Sir, you will appreciate that we definitely deserve an explanation and are entitled to know the valid reasons as to why only Regulation 35 (1) is not implemented despite a lapse of two decades of its amendment when all other Regulations including 43, 45, 48.... relating to penal provisions including initiating disciplinary proceedings against pensioners are implemented with alacrity?

Views Of IBA

The Officials of IBA informed us that they were aware of the developments and familiar with the documents relied upon by us. It was further informed that the issue of Updation of Pension is on IBA's Agenda.

• **Agenda No 2: 100 per cent DA neutralization to pre–November 2002 Retirees:**

** On 100 per cent DA neutralization for pre–November 2002 Retirees, We submitted the copy of the relevant extract of the Bipartite Settlement to make home the point that there was no discrimination in between the Pre and Post November 2002 Retirees as regards date of implementation. Any subsequent advice to Banks by IBA, not being substantiated by Settlement, has little value in the eye of Law notwithstanding Hon'ble Supreme Court Judgement. We explained the rationale or otherwise of the judgement and the need to objectively read the Judgement.

** We further argued that the recommendation sent by IBA to the Government has not been turned down but certain clarifications have been sought for. IBA should reopen the chapter with clarifications and recommendations to the Union Government. We also brought to the notice of IBA that because of enormous and inhuman delay, nearly 50 percent of the original beneficiaries have left the world and it is high time to act upon.

Views of IBA:

The Officials observed that certain clarifications had been sought for by GOI and the same was being provided.

• **Agenda no 3: Group medical insurance scheme for Bank Retirees:**

Our views placed in the meeting are as under:

** On Group Medical Insurance Scheme for Bank Retirees, We started the discussion by submission of the GOI guidelines issued to IBA in the year 2012 for framing a suitable policy for the Retirees and Serving Employees where there was no such advice as to the payment of premium by Bank Retirees. The financial burden has been consistently increasing every year and it has now been a nightmare. This is a cruel joke and the burden is beyond the affordable limit. True to our known stand in this regard, we demanded that the premium is to be paid by Banks only as in cases of serving employees and Retired MDs and Eds.

Views of IBA:

The Officials observed that they were also seized with the problem. Following the guidelines of GOI & IBA, the tendering process was conducted and the lowest bidder was selected. Different serving organizations have also asked how different state-owned companies were offering lower rates. The said companies were also contacted by IBA and they confirmed that any reduction in premium was possible only when some Compromise on the quality of the insurance coverage was done.

As the views of the two sides could not reach any unanimity, We demanded full reimbursement since the letter of GOI to IBA in the year 2012 did not spell out anything about sharing of the Premium by the Retirees.



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



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

Agenda no 4: Special allowance to be reckoned for superannuation benefits:

The views placed by AIBPARC are as under:

** we argued that it was not being paid to specialized persons for doing specialized jobs; it was an allowance of general nature attracting Dearness Allowance and it was paid even for leaves, holidays and leave encashment. In fact, it was a camouflaged Basic pay which must reckon for calculation of superannuation benefits viz., Pension & Gratuity. The 10th & 11th bipartite settlements on the contrary were ultra vires and be modified.

Views of IBA:

This has been agreed upon by both the parties in Bipartite settlement/ Joint Note and this is not possible for IBA to change anything unilaterally. At this stage, the leadership of AIBPARC contended that there had been judgement of the court on similar situation and it was high time for IBA to have a Relook into the issue.

• Agenda no 5: Improvement of Ex-gratia to Pre--86 Retirees:

The views of AIBPARC have been placed as under:

** We argued that it was an inhuman cruelty to a handful of surviving Retirees and surviving spouses mostly to live a substandard life. When some of the Banks have unilaterally revised the rate, there is no point in IBA's not coming forward with a uniform guideline to all member banks to make an honorable upward hike of the ex-gratia payable to the pre-1986 surviving retirees and spouses.

Views of IBA:

The Officials of IBA exhibited their sincere concern to us and assured an early and favourable resolution of the issue.

• Agenda no 6: One more option to pension for all eligible Retirees:

The views of AIBPARC on the issue have been placed as under:

** we argued that the Apex Court has already allowed the opportunity to some such Resignees while the benefit has not been extended to the similarity placed persons. IBA should extend the similar opportunity to the affected persons whose number was also very few and save the senior citizens from being engaged in prolonged legal battles involving money and time that too in the process negating the provisions of the Senior Citizens Litigations Policy of Government of India.

Views of IBA:

The Officials informed that IBA had taken a view in this regard that no option would be allowed to such officials since they tendered resignations with full knowledge of consequences. If any favourable judgement is received by any such person, IBA will be acting upon it.

AIBPARC contended that there had been instances in past when IBA took legal opinion on a particular Court Verdict and extended the benefits to similarly placed persons. Same process may be followed. It was also pointed out that in the Service Regulations of Officers in several Banks, the provisions of Voluntary retirement was not there and persons under compulsive situation had to tender resignation. The issue needs an immediate and considerate re-look as a group of 20 such Resignees of Vijaya Bank, who were extended pension option as they won the case in the Hon'ble Supreme Court.



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



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

- **Agenda no 7: Consultative status for Retiree organisations.**

The views of AIBPARC on the above issue were placed as under:

On consultative status of the Bank Pensioners and Retirees Organisation's, we argued that it was at the instance of the Government, IBA asked all member Banks to form a grievance redressal machinery at corporate level of each Bank but when it came to IBA itself, some peculiar logic was advocated saying that it did not have the mandate from Banks to negotiate with Retiree Organisations. This is an anomalous situation by itself. We demanded that the ongoing exercise at individual Bank Corporate level should be done at IBA level also with Apex level Retirees Organisations and negotiation status to Retirees Organisations should be given who form by themselves a separate and large homogeneous group.

Views of IBA:

The Officials of IBA contended that they formally discussed with the constituents of UFBU since the member banks gave authority to IBA in this regard but there was no such authority in respect of Pensioners and Retiree Organisations.

AIBPARC contended that the member banks do what they are asked to do. As IBA has been responsive enough to call us for discussion this time, the same process should be followed at periodic intervals for all Affiliate based Organisations of Pensioners. The Retirees are the large homogeneous group by themselves and any civilized standard of social norms cannot deny the right to be heard more particularly to the Senior Citizens.

Sir, This is well within your knowledge that we had the opportunity of meeting the Hon'ble Union Finance Minister at her office on 4th October 22 and discussed all the issues referred above. We had a very proactive response from the Hon'ble Finance Minister. The meeting with IBA in quick succession is a testimony of Her assurances and concern. We have a sincere belief that decisions will be quicker and actions will be faster as the time at the disposal of Retirees is short by the Rule of Nature. They cannot wait indefinitely for resolution of their rightful claims. We also fervently hope that IBA will take upon the responsibility of translating the wishes of the Hon'ble Finance Minister in extending the comfort of treating its Former Employees as Members of the same Family and resolve the long pending Issues of Bank Pensioners and Retirees with a Great sense of Urgency.

With kind regards,

Yours faithfully,

(K.V. ACHARYA)
PRESIDENT, AIBPARC
& JOINT CONVENOR, CBPRO

(SUPRITA SARKAR)
GENERAL SECRETARY