



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. 97-23

Date: December 05, 2023

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

Dear Comrade,

Sub: An urgent necessity on the part of MOF, GOI for intervention to ensure implementation of Regulation 35 (1) duly amended in 2003 for Bank Retirees by notifying updation formulae by IBA as done in case of RBI.

We reproduce hereunder the text of our letter written on date to The Secretary, DFS, MOF, 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

AIBPARC/DFS/MOF/GOI/PENSION UPDATION/Email/2023

Date: December 05, 2023

Shri Vivek Joshi ji, IAS,
Secretary,
Department of Financial Services,
Ministry of Finance, Government of India,
New Delhi

Respected Sir,

Sub: Pension Updation for Bank Retirees – an urgent necessity for intervention of GOI to ensure implementation of Regulation 35(1) of Bank Employees Pension Regulations (1995) and duly amended in 2003 by notifying Updation Formulae as done for RBI.

Ref: Our earlier letter on the same subject written on November 14, 2023.

1. Sir, for your ready reference and consideration, we mention hereunder the bullet points of our earlier letter written to you on 14.11.2023:

- We thanked MOF, GOI at whose instance and advice IBA has been carrying on wage-revision talks with UFBU at quicker intervals to arrive at a conclusion presumably within the month of December, 2023. At the same time, we appealed to finalise the Pension Updation formulae by IBA in respect of each Bipartite Settlement as done in case of RBI



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Pensioners, as apart of implementation of amended Regulation 35 (1) which has remained unimplemented since 2003.

- We drew your kind attention to Regulation 56 of BEPR (1995) which gives an unmistakable direction that the basic principles of Banks Pension Regulations are in line with the provisions operating in Central Government Pension rules.
- We referred to the correspondences between IBA and Shri R N Godbole, General Secretary, AIBOC in the years 1993 and 1994 wherein IBA stated that the provisions as applicable in the Pension Scheme of Central Government/Reserve Bank employees are applicable in case of Bank Pensioners too.
- Regulation 35(1) – Appendix 1 of the BEPR (1995) was made universally applicable by way of an amendment done in the year 2003 (duly Gazetted in the Notification of Government of India) which says: “Basic Pension and additional Pension, wherever applicable, **shall** be updated as per the **formulae** given in the Appendix-1.
- We narrated how IBA had misguided the officials of DFS in preparing the reply of Hon'ble Ministers to the questions raised by Members of both the Houses of the Parliament repeatedly telling that no provision for Pension Updation is there in the Bank Employees Pension Regulations. Such statements in Parliament had been in complete disregard to the fact that a clear Provision for Updation of Pension is available in black and white in Bank Employees Pension Regulation 35 (1).
- The adequacy of Bank's Pension Corpus has been duly certified by the Government –approved Auditors/Actuaries as on 31st March every year as per the requirement spelt out in the provisions of BEPR including Regulation 35 (1).
- The very legitimate demand of the Apex level Retiree organizations of being heard has been ignored by IBA although we (the Pensioners) are the Principal Stakeholders.
- The IBA is trying to give a cosmetic and distorted solution to the issue of Pension Updation by engaging with UFBU in the guise of Wage Negotiation without getting any authority either from Banks or from the Pensioners Organizations. We are afraid that it is a deliberate move to violate the provisions of Pension Regulations to the detriment of Bank Pensioners. Unfortunately, we have to come to this conclusion as IBA is strangely keeping the issue close to their chest and not sharing any information with Bank Pensioners' Organisations and at the same time allowing UFBU to coin **new jargons like “Improvement in Pension,” “Upgradation in Pension,” “Past Retirees” etc. pushing the aged Pensioners into utter tension and agony. This is surprising that they have been talking about “Improvement of Pension” and “Upgradation of Pension” instead of “Updation of Pension” which is clearly written in Pension Regulation 35(1) – Appendix-1 with its amendment in the year 2003.**
- **We raised several queries – IBA got the cost assessed by which actuary? What kind of assumptions have been relied upon? why the same paper is not being shared with the Retiree organizations for scrutiny. We have pointed out repeatedly that our Pension Scheme is a Defined Benefit Scheme and it is the mandatory statutory obligation on the part of the Bankers to allow Pension Updation at the time of each Wage Settlement, there being no rider as to the cost constraints in the BEPR 1995.**
- Finally, we sought for protection from DFS, MOF, GOI against any possible attempt to distort or dilute the RBI formulae for Updation of Pension which in fact is same as obtaining for the Government Pensioners. We have requested to ensure that Updation is done exactly in the same way as it has been done in case of RBI Pensioners in accordance with the Bank Pension Settlement and Bank Employees Pension Regulations.

2. **Sir**, in the light of what has been stated in the foregoing paragraphs, we have a valid apprehension that within next few days, IBA and UFBU would sign an MOU on Wage Settlement and this is not unlikely that at the same time both the parties in an unauthorized and illegal manner would do incalculable damage to the interest of Retirees of the industry by agreeing to some unprincipled and uncalled for improvement in the form of offer of some alms to the Pensioners reducing us to insignificance. If any such thing is done, it will become not only unlawful, but



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unjust and unfair too. We earnestly request you to ensure that the Senior and Super Seniors of the Banking Sector are not driven to such a pity.

The moot question is What is the Negotiation about? When there is a clear Provision for Updation of Pension in the Pension Regulations, IBA has to only tell the Banks to implement the Regulation in letter and spirit and in its entirety. And as regards Formulae for Updation are concerned it has to be as per RBI Formulae in accordance with the provisions made in the Pension Scheme and Pension Regulations.

When an aggrieved Senior Citizen does not get justice from normal grievance- redressal mechanism system of the industry, he /she does not have any other option than to seek shelter for protection of its legitimate rights before the Government which operate principally under the established broad legal framework. **We, the Senior Citizens of the country, seek your immediate intervention into the issue and request you to advise IBA to allow Pension Updation as spelt out in BEPR (1995) and also in the same pattern as having being done in RBI.** We are confident, backed by existing Pension Corpus and it is not going to have any adverse impact on the Balance Sheets of the Banks.

Sir, you are requested to understand the fallacy of the situation – there are nearly 8 lakhs pensioners in the industry. They are Unfortunately nowhere in the process of consultation. The negotiation is being carried on by the Serving Employees' Organizations who represent more than 80% of the serving employees who are Governed by the New Pension Scheme and a meagre 20% belong to the Old Pension Scheme. There is an expressed provision that updation of pension is to be given as per mode of calculation shown in Appendix-1 but the negotiating parties are making deliberate distortions for reasons best known to them. The so - called story of Balance Sheet being adversely affected is just a bogey and it has no connection with reality. We have made our calculations available before IBA and DFS more than a year ago.

3. Sir, you are well aware of the fact that the Hon'ble Union Finance Minister in her address before the 73rd AGM of IBA advised the Bankers to treat the Retirees as members of the same family. You are also aware of the fact that because of the kind intervention of Hon'ble Union Finance Minister Smt. Nirmala Sitharamanji, and the Ministry, the issues of Family Pension Improvement at par with Government Family Pension Scheme, 100% DA neutralization and several other issues got successfully resolved. **The most valid demand of Updation of Pension is simply being blocked by IBA and other vested interest Groups on a mistaken notion of astronomical cost involved. Please take this as an urgent request from the Senior Citizens and act with the promptness it deserves.** Our claim to periodical updation simultaneously with wage revisions of serving employees is solidly backed by the fact that the Public Sector Banks are the "state" within the meaning of Article 12 of the Constitution of India and that BEPR (1995) is a subordinate legislation.

Sir, We are very hopeful of your favourable response to our submissions.

With kind regards,

Yours faithfully,

K V Acharya
President, AIBPARC
& Joint Convener, CBPRO

Suprita Sarkar
General Secretary