



Regn. No. : 243/2003

Association of Retired IOB's Employees

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General Secretary -IOBOA

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2nd February 2014

MEMORANDUM TO CHAIRMAN AND MANAGING DIRECTOR

While we acknowledge with gratitude that every bank including ours is listening to the retirees' organizations representing the concerns of retirees we are disheartened by the lack of a structured system at the industry level to listen to the confederation of retirees' organizations. It is quite unfortunate that though there is already a structured forum in IBA representing all bank managements at industry level which is in fact holding simultaneous negotiations with multiple unions of workmen and so also with multiple unions of officers the very same IBA is fighting shy to discuss the concerns of retirees with confederations of retirees' organizations. It is not difficult to frame a structured system within this already structured forum of IBA to hold discussion/negotiation with confederation of retirees. It defies logic and reasonableness when IBA is fighting shy to frame a system and invite the confederation of retirees in spite of requests to them. Our confederation '**All India Bank Pensioners and Retirees Confederation**' (AIBPARC) has left no stone unturned to make IBA invite us for discussion.

In fact, **Com.K.V.Acharya** and **Com.S.R.Sengupta**, (President & General Secretary of **AIBPARC**) called on various officials of the Department of Financial Services, MOF, GOI right from its Secretary Mr.Rajiv Thakru and everyone of them was surprised to know that the confederations of retirees have no structured system and IBA is not inviting them to listen to their concerns. Mr.Rajiv Thakru concurred with the view of our confederation (AIBPARC) that Retirement terminates a

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Association of Retired IOB's Employees (ARISE)

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retiree's service in a bank but does not sever his relationship with it and the legitimate expectations and unresolved concerns of every retiree require a channel of expression and IBA need not be reluctant to provide that channel of expression.

Accepting the legitimacy of the request made by our confederation, the Department of Financial Services sent instructions to IBA to invite the confederations of retirees within a structured system to hold periodical discussions with them to address the concerns of the retirees. It is understood IBA invited the reaction of individual banks to the above instruction of the Department of Financial Services. There is no precedent that IBA invited member banks opinions/concurrence to implement an instruction of the government. This is presumably because of the wrong notion of IBA that the constituency of retirees need no attention by them. Leave alone the *legitimacy of the request to be heard*, IBA cannot refuse to address the concerns of retirees while wanting to hold the right to proceed against a retired pensioner even after retirement for alleged acts of misconduct. Can IBA insist on a right to punish the retirees but not the right to listen to the grievances of retirees aired through their collective representative confederations? The recent outbursts in civil society are only due to such intransigence of powers that be refusing to put in a transparent mechanism including Citizen's Charter to address the concerns of AAM ADMI. Retirees are of course only AAM ADMIS but that does not disentitle them to have a forum to air their concerns.

While we are thankful to the unions of officers and workmen for their taking up our concerns too they cannot be expected to give undivided attention to us when they have their hands full with concerns of their own constituency of serving employees. Further the man who wears the shoe only knows where it pinches. Retirees only know what are their concerns, how important they are to them to lead a life of dignity and why it is necessary for banks to address them. Concerns of retirees require urgent attention as they have to be resolved during their lifetime. With a good number well past their prime and weak of limbs are desperate to have the issues resolved so that they can spend the last lap of their life in dignity and peace. We have not lost hope yet in the humanitarianism of Chairman & Managing Director of every constituent bank of IBA and hence expect every one of them will persuade IBA to call **AIBPARC** for discussion. In this context we appreciate that the SBI Management wrote to IBA sometime



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back of their desire to give 100% DA neutralization to all retirees. In fact RBI on whose pension scheme bank pension regulations are modelled extended 100% DA neutralization to all retirees without making it an issue of future wage revision.

Immediate of concerns of Retirees are-

- 1) *Uniform 100% DA neutralization also to those who retired before 1/11/2002.*
- 2) *Pension Updation – Implementation of Pension updation provided in **Regulation 35** that was unilaterally discontinued after its first implementation. Implementation of Pension updation on the lines obtaining for Central Government retired employees.*
- 3) *Improvement of Family Pension as obtaining in RBI and Central Government for their retired employees.*
- 4) *Extension of Pension to all retirees and resignees who have put in 20 years of qualifying service in as much as this issue has reached finality by the Supreme Court Judgment delivered in the Writ Appeal of Vijaya Bank.*
- 5) *Non-discriminatory uniform improved Medical Aid and Hospitalization Scheme for retirees.*
- 6) *Revisit applicability of Prevention of Corruption Act to Bank employees/retirees because banks are commercial organizations working in a competitive environment unlike bureaucratic establishments that are rule bound.*
- 7) *Residual issues concerning special categories among retirees like specialist officers who ought to be given notionally additional years to their qualifying service for the purpose of pension.*

Retirees are not asking for the moon but only what are very much within the capacity of Banks. Most of the retirees are those who worked in the immediate post-nationalization period that saw geometric growth in banks taking banking to



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the remotest places having primitive living conditions and in turbulent periods of terrorism and braving extremism. They also braved the post-reform period and sweated to bring banks BASEL-compliant and healthy. Present problems in banks are definitely not due to these retirees. Present problems are transient and mostly due to economic downturn and also because of faulty NPA norms which the IBA have to address, even if necessary by confronting the RBI on the rational of the present unrealistic NPA norms which have no parallel in the developed world. It is necessary that Ceaser's wife should not only be honest but should also appear honest and should be above suspicion. It is therefore hightime banks were also brought under CAG audit to prevent adventurism and arbitrariness in banks. While these reforms are all needed these cannot and shall not stand in the way of the retirees getting their due share.

Legitimacy, legality and urgency of the above issues are no exaggeration. ARISE therefore requests you to use your good offices to mobilize support within IBA and ultimately persuade IBA to invite **AIBPARC** for structured discussion on the above issues and have a positive attitude and approach to resolve the above issues to the satisfaction of retirees.

(K S RENGARAJAN)
President

(S B C KARUNAKARAN)
General Secretary

To

Shri.M.Narendra
Chairman & Managing Director
Indian Overseas Bank
Central Office
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