

editorial

10th Bipartite Settlement signed sans settling Retirees' issues

TIME NOT TO DESPAIR AND DISARRAY BUT TO PUT OUR ACT TOGETHER

**We may be at the dusk of our
lives but we too ought to have our dawn**

When not a single issue of the retirees has been settled and IBA rubbed salt into the wounds with their snub of now infamous assertion, “There is no contractual relationship between banks and retirees” in the Record Note on Retirees’ issues, the moan of anguish and the cry of anger shook all the negotiating parties. The air was so thick with the ire of retirees that there could be no high decibel celebration of 10th Bipartite Settlement. We are happy AIBOC has since written a fitting response to the IBA rejecting IBA’s proposition of “No contractual relationship between banks and retirees.”

1. Anger and anguish of retirees are understandable but let the retirees lose not hopes as it is not the end of the road. There is no need to despair and disarray and all we have to do is to put our act together. Though it is sad that we may lose some more of our comrades as the journey at the dusk of our lives is going to take a little longer, the dawn cannot be taken away from us.

2. The signing of X Bipartite settlement on 25th May, 2015 brought to conclusion the 30 month-long wage negotiation to an end but it brought no cheers to the retirees as none of the

pension related issues of retirees was addressed. This sudden turn of events bringing an anti-climactic end to the expectations of retirees brought anguish to many and even anger to some. All along every one was led to believe that resolution was within sight in respect of major issues concerning retirees and serious efforts were afoot to find a meeting ground to overcome the vexed question of costing and not a communication from UFBU or from any of its constituents gave an inkling that Bipartite Settlement would be signed without agreement on any of the pension related issues. Even when MOU was signed it was expressly stated that other issues in the Charter of Demands would be discussed for concluding the X Bipartite Settlement within 90 days. Retirees’ issues formed very much a part of the Charter of Demands and the mandate IBA got from individual banks did not expressly exclude these issues.

UFBU Circular of 8/1/15 said, “ We also raised the issues relating to improvements in Pension related demands like 100% DA for pre-Nov. 2002 pensioners, family pension formula, periodical updation of pension, etc.”

The same UFBU signed Record Note in May 2015 recording

IBA's infamous response. An issue raised even as late as January 2015 as part of Negotiation met such a fate in mere 4 months perplexes everybody, outrages some and disheartens many.

3. In fact, the circulars issued by unions after holding of meetings with IBA invariably indicated strong positive orientation towards taking up issues of retirees viz. 100% DA neutralization to pre 1/11/2002 retirees, updation of pension, extension of another option of pension to left-overs, group mediclaim policies etc. From time to time, it was also made known in very many public fora that IBA was inclined to accept demands of increased family pension and 100% DA neutralization in line with RBI and that IBA though sympathetic was raising the issue of cost in relation to our demands of "updation" but at no point of time a contrary view of IBA negating any of these issues was indicated.

4. AIBPARC also played a role to complement the efforts of the UFBU. Members of AIBPARC cutting across age, rank and region, made a success of all action programs of holding rallies/demonstrations in different parts of the country. AIBPARC represented retirees' case to IBA/Secretary DoFS, GoI/Finance Minister etc. With a view to keeping in focus retirees' issues as the Bipartite talks were drawing to a close, AIBPARC launched a massive action program of public demonstrations at vantage places in various centres across the country and submission of representation by State Units of AIBPARC to all CMDs/MDs/CEOs of Nationalized Banks and Private Sector Banks. Kerala state topped in holding demonstrations in very many centres. AIBPARC's leadership switched to top gear and were lobbying hard with politicians, parliamentarians, Ministers and bureaucracy; its General Secretary Com.S.R.Sengupta went full steam and put to full use all his contacts, and its President Com.K.V.Acharya travel led across the country to mobilize opinion and support and contacted the UFBU leaders till the day before the settlement was signed, pleading with them to settle the issues of retirees along with signing X Bipartite Settlement.

5. When it became clear that the issues of retirees would find no place in the Bipartite Settlement barring a marginal relief in Medical Aid, the best in this worse scenario was to ensure that retirees' issues did not go away from negotiation table. AIBPARC did not want to react on impulse. It did not want to indulge in antics and rhetoric but wanted to ensure IBA is bound to keep the issues alive for discussion. In the two page Record Note of 25/05/2015, though IBA's prefatory response was hostile what followed in the text was conciliatory and almost pleading that IBA was for considering these issues as welfare measures on humanitarian consideration but for cost consideration and sub judice.

6. There is widespread criticism about the Record Note and it is perceived by some that it has doomed the hopes of retirees forever leaving no room for settlement of these issues. IBA's contention that there is no contractual relationship between Banks and Retirees and hence the retirees have no vested right to raise any demands after retirement, is perceived as the

most damning part of its response. This response has created a tide of protest and understandable outrage among the retirees. Having taken such a position, IBA went on to record, however, that these are welfare measures deserving consideration on humanitarian consideration but for cost coming in the way of implementing uniform family pension, pension updation, pension upgradation uniformly by merger at 4440 index points and sub-judice coming in the way of implementing 100% DA neutralization.

7. IBA has not closed the doors though entry for the present is prevented on the pretext of costs and sub-judice. Unions have rightly responded to come with their cost estimates to gain entry and we will endeavour to make the best out of this situation. With this perception over the Record Note, we should consider this an opportunity to commence the next phase that shall be the final phase resolving all our issues satisfactorily. AIBPARC has already swung into action by writing to IBA repudiating IBA's views on the issues of retirees and requesting IBA to hold discussion with them. AIBOC has also sent its response to IBA rejecting IBA's understanding of the nature of these issues and emphasized in unequivocal terms, echoing the views of AIBPARC that the issues of retirees are their rights, statutory or constitutional.

8. It has to be admitted that stated position of IBA is not new. In fact, it is the known and stated position of IBA in all the cases pending before various High Courts and Supreme Court. In all these cases, IBA has been maintaining that there is no contractual obligation to accept any of the above demands. When this is the stated position of IBA before courts, one can hardly expect IBA to have a different position at the negotiating table. IBA has reiterated its position because AIBOC, the only negotiating union asserted these are rights of retirees and in fact submitted to IBA in writing that Pension Updation is mandatory as per Reg.35(1) of Pension Regulations. On the contrary one major constituent of UFBU is on the same page with the IBA as we all know that this constituent in its letter to the Finance Minister admitted to the detriment of retirees that there was no provision for pension updation in Pension Regulations and has been maintaining that some of the issues matters being subjudice are impediments to their resolution.

9. Be that so, the UFBU as a collective body was able to commit IBA to have the issues on the negotiating table albeit as welfare measures and subject to agreement on cost estimations. So the door is not shut but the door is wide open – If we are able to convince IBA (read Finance Ministry-GoI), these issues are our entitlements and rights, then IBA by implication agrees to their implementation irrespective of cost, else IBA is open to consider them as welfare measures on humanitarian grounds subject to unions satisfying it about cost implication. We have done our costing and it shows the cost of all the issues do not require anything more than what is being now contributed to the pension corpus. Either the yield and gradually the PENSION CORPUS too would be used to meet future pension

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pay-outs such that the pension corpus becomes NIL when the last pensioner under the Defined Benefit Pension Scheme breathes his last. Or, as pension payout obligation starts declining due to declining number of pensioners in another 15 years, the PENSION CORPUS has to be gradually written back to the bank's P&L. THEREFORE, THERE IS NOT GOING TO BE EXTRA COST IN THE LONG RUN ON ACCOUNT OF THESE ISSUES.

10. Retirees taking objection to IBA's contention of retirees having no contractual relationship after retirement, should take cognizance that a major constituent of UFBU and even some organizations of retirees are in explicit or implicit agreement with IBA and this is the reason for the tragedy of their continuing to present these issues as new demands without seeking their implementation as existing rights. But AIBPARC hold contradictory view on retirees' demands. AIBPARC & AIBOC are on the same page in their perception about the nature of these issues as under:-

- i) Pension updation is a right provided in Reg.35(1) of Bank Employees Pension Regulations and even implemented once when the pension scheme was introduced in 1995.
- ii) Pension being a deferred wage, has to be revised (updated) in every wage revision, to all retirees irrespective of their date of retirement like wages of all serving employees are revised in wage revision irrespective of their date of recruitment.
- iii) Uniform 100% DA neutralization to pre 1/11/2002 retirees is a fundamental right to equality upheld by Supreme Court's Constitution Bench in D.S.Nakara's case where it was held that pensioners being a homogeneous class were entitled without exception to any improvement in pension scheme.
- iv) Uniform 30% of Basic Pay as Basic Pension to all Family pensioners in as much as the deceased pensioners had no such discrimination when alive and were entitled to basic pension of 50% of their pay irrespective of their scale of pay.
- v) Family pension is payable only on the death of the retiree and hence is not in addition to normal pension but in place of normal pension. Normal pension at 50% of basic pay is presently replaced by family pension ranging from 15% to 30% of basic pay and when banks have provided for normal pension at 50% of basic pay when the member was alive how can the family pension's hike from 15% to 30% of basic pay will amount to additional outlay? This is the arithmetic of humanitarian IBA and these are days of strange arithmetic!

- vi) All the above benefits available to Central Government retirees have to be extended to bank retirees too in as much as the pension scheme was sold to bank employees on the express promise that it would be on the lines of the pension scheme of Central Government employees and hence any resistance by IBA in this regard is not merely a breach of contract but a breach of trust.
- vii) All left overs i.e. resignees and others who have otherwise put in pensionable service have to be given the option for pension, more so when those with a mere 15 years' service under Special VRS have been given option for pension. This should also form part of the agenda in future negotiation.
- viii) Uniform Medical Aid should be mandatorily extended to all past retirees without creating two classes of retirees to avail this benefit, the benefit should be a charge on P&L A/c and not on Welfare Fund and there shall be no entry fee in as much there is no such fee for MDs & EDs .
- ix) IBA's contention of cost is not backed by any data, leave alone reliable data. It is a bogey not substantiated by facts. IBA has also failed to note that the membership to the scheme is closed and hence there will be no addition but only deletion and hence the yield on the present Pension Corpus with further additions in the normal course is more than sufficient to meet the cost of all these issues. IBA's apprehension about difficulty in compliance with AS 15(R) is ill founded or is a false pretext to deny the retirees of their legitimate dues.

11. ACTION PLAN

This is no occasion to lament and despair however disappointed we are. Let us strive to get our voices heard and justice done. But every member shall participate in the action program.

- A) To start with, every member shall send separate applications under RTI to their respective banks and other banks for each of the following:
 - i) Provision made by individual bank to meet the pension updation cost as per Reg.35(1) r/w Reg.56 of Bank Employees' Pension Regulations on the lines of Central Government Pension Rules and if not done, the reasons for the same and steps taken to make disclosure of the same in the Balance Sheet of past years till 31/03/2015

- ii) Provision made for 100% DA neutralization in view of the dispute pending before the Supreme Court and if not made steps taken to make disclosure of the same in the Balance Sheet of past years till 31/03/2015
- iii) Data submitted by the bank to IBA and data shared by IBA with the bank regarding costing in respect of pension updation, 100% DA neutralization to pre 1/11/2002 retirees, Family pension etc
- iv) Actuary's certificate on present pension corpus vis-a-vis pension obligations, Present rate of yield on pension corpus, the highest rate of yield among nationalized banks, number of banks having a higher rate of yield than your respective bank, the composition of trustees of pension corpus, the procedure followed for investment of pension corpus
- iv) Service conditions altered on the advise of IBA without amending the Service Regulations like stopping payment of leave encashment to compulsorily retired and the report made or concurrence/consent of the Central Government obtained for such unilateral subversion of service condition in contravention of Service Regulations.
- v) Contracts including Information Technology/computerization contracts worth above Rs.25 crore awarded at the Corporate Head Office without following any tender process
- vi) Board Meetings held outside the Corporate Office or its Registered Office during the last financial year and total expenses with break up of TA, HA, Hotel, Alcoholic Drinks etc.

B) All our members who are shareholders in banks shall attend the coming Annual General Body Meetings of every bank and question the balance sheets drawn without making provision for pension updation as per Reg.35(1) and provision/disclosure report for 100% DA neutralization that is pending before various High Courts and Supreme Court and caution the Statutory Auditors that they will be personally liable for certifying the balance sheet as true and fair when there is neither provision nor disclosure report for pension updation, family pension, 100% DA neutralization etc.

C) Public Awareness Programs – AIBPARC may come out with action programs to draw the attention of the public and the powers that be, regarding our issues. It may be Dharnas, Human Chains, Demonstrations, Street campaigns, Press Conferences/Press Releases etc. Please ensure your participation and co-operation to make them all successful. NOT MERE LEGITIMACY BUT NUMBER DO MATTER IN DEMOCRACY. Let us show our full strength. (Members may individually send the representation annexed to the persons mentioned therein by post or email)

12. Enraged members are already working hard to find out means to crack the nut and Suggestions from them are pouring in. It shows the members are all ready to take the bull by its horn and are not willing to be bullied by threats, intimidations, provocations, and betrayals.

We may be at the dusk of our lives but we too ought to have our dawn– Sun shall shine soon in our lives too -

Struggle ahead! Struggle ahead – March on! March on! ■

Annexe to editorial

Representation to be sent by every member to Central Ministers, Parliamentarians (past and present), trade union leaders, political party leaders, media editors and reporters, bureaucracy etc.

"Dear Sir,

ON RIGHTS OF SENIOR CITIZENS DEPRIVED BY INDIAN BANKS' ASSOCIATION

When bank employees wanted pension as a third benefit in addition to PF and Gratuity, Government refused and agreed to introduce pension in banks as a second benefit in lieu of PF, that too only on the lines of pension scheme obtaining in Central Government. The government refused to allow banks give better pension as a second benefit and ultimately pension similar to that obtaining in government was introduced in banks in 1995 and provision for updation with every wage revision was also incorporated.

Though it is insisted and declared in MOUs that preceded Bank Employees' Pension Regulations that bank pension scheme is and has to be on the lines of Central Government pension scheme, improvements made in pension scheme of Central Government employees in subsequent pay commission recommended wage revisions, were not extended to bank employees or even if extended were not extended to past retirees, creating thus a lot of anomalies and distortions, as a result of which, Central Government Pensioners, irrespective of date of retirement, are all getting nearly same pension but a bank-employee who retired 20 years ago is not

getting even 1/4 pension of the employee retiring today gets. Please find enclosed the letter narrating in detail the injustice meted to bank retirees for the past 20 years. Please intervene and use your good offices to restore parity and dignity to bank retirees.

Soliciting your intervention to get justice against unilateral suspension of retiral benefits, discriminatory treatment to past retirees and family pensioners by Indian Banks' Association

- We the retirees from the Nationalized Banks and Private Sector Banks make this representation praying your intervention to get justice on the following issues:.
- Very many benefits are arbitrarily, illegally and unfairly denied by Indian Banks' Association (IBA) to bank retirees in spite of service rules providing for these benefits and/or court rulings upholding fundamental right to equal entitlement by all pensioners who are a homogenous class.
- In fact these benefits are already obtaining in Central and State Government for their employees for more than two and three decades now.
- None of the demands of the retirees are new or unique, but are already prevalent in Central & State Government and in RBI for their employees.
- None of the demands of the retirees are beyond the resources of banks as payment for these benefits are already adequately provided. Even today, banks have an annual surplus of over Rs.1000 crore from the interest yield on pension corpus after meeting yearly pension payouts.
- If wages are uniform to similarly placed serving employees irrespective of their date of recruitment, pension being a deferred wage has to be uniform among similarly placed retirees irrespective of their date of retirement. (If pension is a deferred wage for past service how can the same number of years of past service can fetch different wages for different persons merely because they have retired on different dates and this anomaly is removed in Central Government and State Government by having pension updation with every pay commission wage revision)
- Giving the chaff in CCS Pension Rules of Central Government and denying the grain in CCS Pension Rules to Bank retirees is unfair and arbitrary.

Main demands are –

1. **Revision of pension** of all retirees whenever wage is revised periodically as provided in Reg.35(1) of Pension Regulations and is being done to Central & State Government pensioners for more than three decades now.

2. **100% DA neutralization** i.e. 100% protection against inflation granted to pensioners who retired on or after 1/11/2002 to be extended to those who retired prior to 1/11/2002 because Central & State Government & RBI have no such discrimination.
3. **Uniform 30% of Basic Pay as family pension** with no ceiling to all the family pensioners of deceased employees/retirees irrespective of the last drawn pay scale as obtaining in Central & State Government & RBI.
4. **Extension of Pension** to all left overs without irrational cut-off dates.
5. **Uniform Post Retirement Medical aid scheme** as obtaining in Central Government and on the lines presently extended to **retired Managing Directors and Executive Directors.**
 - But, we are dismayed to know now that **IBA who refused to discuss with retirees' organizations preferring to discuss only with UFBU, has refused** to concede any of the above and other issues concerning retirees and pensioners *even though these are statutory and constitutional rights and form part of the Charter of Demands submitted by UFBU and mandate was obtained from all Banks for holding discussions on the entire Charter of Demands.*
 - *While IBA differing with retirees and contending that these are not rights, however went on to admit these are welfare measures that deserve consideration on humanitarian consideration provided the cost is affordable.*
 - We do not want to enter into a debate over the nature of these demands as to whether these are rights or welfare measures because most of these issues are before various High Courts and Supreme Court. IBA talking of cost is not sharing the working sheet of cost estimation because the working sheet proves the contrary and supports the pensioners' view that cost is well within paying capacity and does not require any extra contribution than the banks are making now to the pension corpus.
 - While this is the position in law, fact and tradition, IBA's refusal to settle Pension and other issues is a great disappointment to senior citizens many of whom are in their eighties, **drawing a meager pension of ¼ the pension of a current retiree due to non-implementation of Pension Updation, 100% D.A neutralization etc.**
 - In these circumstances we have no alternative but to seek the support and intervention of your goodself to use your good offices to take up the matter with the IBA/Hon'ble Prime Minister and Hon'ble Finance Minister to get justice for us that is eluding us. ■

The story of Pension Updation



S.B.C.Karunakaran

Emloyees in the financial sector found that PF alone was not a sound social security for old age. SBI was the only bank having pension as third retirement benefit in addition to PF and Gratuity. All employees were demanding a similar third benefit and there were protracted struggles and strikes by employees but to no avail. Government was steadfastly maintaining that it was favourably disposed to introduce pension only as second benefit in lieu of PF, thattoothe pension scheme has to be similar to that obtaining for Central Government employees and there can be no improvement or modification of the same. As a result, pension becomes payable to a bank employee like to a government employee, subject to maintaining good conduct even after retirement.

The rationale for this condition to maintain good conduct is that government pension being a charge on exchequer (in other words, on the tax of/receipts from the people), the government cannot be expected to pay pension out of tax money to a person guilty of misconduct. One who failed to keep his compact with the society forfeits his right of maintenance by the society is the rationale behind this

principle.Banks do not pay pension from taxes of/receipts from the people but pay pension through their P&L A/c as per procedure laid down in their pension regulations.

Though banks have to maintain pension corpus to ensure prompt payment of pension, any shortfall has to be made good by banks charging their P&L A/c. In other words, bank employees' pension is a charge on a bank's P&L a/c and pension therefore affects payment of dividend to government and investor-public. If government employees' pension is a charge on Consolidated Fund of India bank employees' pension is a charge on bank's P&L and both government employees' pension and bank employees' pension affect therefore identically the money of the pubic. Hence the condition of good conduct was incorporated into bank pension scheme too. If in spite of huge deficits, government makes budgetary allocation to pay pension and improve pension, should not banks also make allocation in their P&L notwithstanding deficits to Pay pension on the lines of government pension scheme?

Pension Scheme similar to Central Government liberalized Pension Scheme was first introduced in 1990 in Reserve



Com. K.V. Acharya, President - AIBPARC enlightens the retirees and pensioners

Bank of India effective from 1/1/1986 and not earlier because the liberalized pension scheme of Central Government was effective from 1/1/1986. When the response from employees was not encouraging, RBI issued a circular in 1992 explaining the benefits of pension as a better social security tool and highlighting specifically the benefit of pension updation where pension of past retirees will also be periodically revised whenever wage is revised. Soon banks and insurance sector entered into settlements with the unions for introducing similar pension scheme wherein express promise was made in MOUs/Minutes that pension regulations will provide for pension updation and all benefits including Dearness Relief as available for RBI pensioners will be extended.

When Pension Regulations were framed, it was felt that as the same may not be comprehensive it was necessary to have a residuary clause that extends all that is available for Central Government Employees to pensioners in financial sector and towards this end the following regulation/rule and omnibus Residuary regulation/rule was incorporated in RBI, LIC and Banks.

RBI

Reg. 5: In the matter of the application of these Regulations regard may be had to the corresponding provisions of the Civil Service Regulations or the Liberalised Pension Rules or the Civil Pensions (Commutation) Rules or the Family Pension Scheme for Central Government employees, as the case may be, of the Government of India in so far as they can be adapted to the service in the Bank but subject to such exceptions and modifications as the Bank may, from time to time, determine.

Reg 2 (9) 'Pay' includes –

(a) substantive pay,

(b) officiating pay,

(c) special pay,

(d) personal pay,

(e) special personal pay,

(f) any other emoluments which may be classified as pay by the Central Board of the Bank

LIC

Rule 56 Residuary provisions - Matters relating to pension and other benefits in respect of which **no express provision** has been made in these rules shall be governed by the **corresponding provisions** contained in the Central Civil Services (Pension) Rules, 1972 or the Central Civil Services (Commutation of Pension) Rules, 1981 applicable for Central Government employees.

Banks

Reg.35 Amount of Pension.

(1) In respect of employee who retired between the 1st of January 1986 but before the 31st day of October 1987, basic pension and additional pension will be updated as per the formula given in Appendix-I.

Reg.56 Residuary provisions.

In case of doubt in the matter of application of these regulations, regard may be had to the corresponding provisions of Central Civil Services (Pension) Rules, 1972 or Central Civil Services (commutation of Pension) Rules, 1981 applicable for Central Government employees with such exceptions and modifications as the Bank, with the previous sanction of the Central Government, may from time to time, determine.

In view of the above regulations/rules specifically providing for updation (as in banks) or by invoking corresponding provisions

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in Central Government pension rules, all the three, RBI, LIC & Banks updated the pension of the retirees who retired between 1986 and 1987 when the pension scheme was first introduced and thereafter the updation extended by RBI in 2003 was stopped by the Government in 2008 on flimsy technical grounds (of amendment of definition of 'Pay' in pension regulations without prior approval of the Government). Even in the absence of amendment of the definition of 'Pay' RBI is empowered and bound to update pension in view of Reg.5.

Anyhow the matter is subjudice and the request for approval of the amendment is also pending before the Government for years. In the case of LIC, its Board approved updation in terms of Rule 56, but Central Government intervened saying LIC Board's acted ultra vires. So the Board resolution went into cold storage. LIC retirees agitated before courts for implementation of Board sanction and the employees won all the rounds in High Courts and the matter rests with Supreme Court where the Government is going on taking adjournments and in the meantime the retirees fighting the case are fast losing their legal funds as senior lawyers have to be paid in lacs for every appearance even if hearing is adjourned. In Banks, unlike in RBI and LIC where the boards approved updation, IBA representing banks is not yielding due to government pressure in spite of clear provision for updation in Reg.35. In Banks too, the matter is subjudice. In the case filed by the members of ARISE, Government did not even file the counter while IBA failed to address the issue of Reg.35(1).

From the above it can be seen that pension updation is a right, a statutory right flowing from pension regulations/

pension rules in financial sector apart from the promise/ commitment made by respective managements on the advice of the government. We in ARISE, our parent body AIBPARC and AIBOC hold identical views about pension updation and other pension related issues of retirees (i.e 100% DA neutralization, improvement in family pension, pension to left overs etc) that these are statutory or constitutional entitlements which are to be only implemented and are not new benefits yet to be considered and introduced. In other words, we seek implementation and not

introduction. So we reject consideration of cost coming in the way of implementation of our entitlements. These are not alms (welfare measures in the language of IBA) to be begged but are our rights to be wrested. This is the fundamental difference between those unions/associations of serving employees and retirees who present these issues as new legitimate demands and abjectly pray for their introduction and ARISE/AIBPARC/AIBOC presenting these issues as existing statutory/constitutional rights and demand legitimately their implementation.

While we take a principled stand and are willing to fight legally and organizationally, we cannot be oblivious to the fact of fading lives amidst us and hence we should be willing to have an early negotiated settlement on these issues and we ought to be conscious that negotiation always require concessions on both sides. As all our members are dear to us all these issues are also equally dear to us and will be therefore canvassed with equal force at every forum. There can be, therefore, concession on all these issues but the concession shall not be foregoing any of these issues. ■

ARISE Get to gether at DELHI - 5.4.2015

Today's Arise get together was attended by more than 150 members spouses including... Aura grand reGENCY, near Karkarduma metro station Delhi was the venue. Members sat thro for more than four hours in the comfort of A C enthralled by fantastic and melodious renditions from Com.T.S.Jyoti Raman and Troupe enjoyed tasty snacks, tea in the beginning of the mett. Lunch was terrific.. (menu: saladas, Raita, veg pulav, suffed dum aalu, shahi paneer, channa, varieties of rotis and the desert was kulfi faluda.. Even though the members contributed Rs.200/- (per person major expenditure was sponsored by Com.V.K.Jain, Com.Amolak Agarwal and Com.Subhash Ahuja..Com.A.S.Sabhaarwal, Com.K.V.Acharya, Com.Mridulkumar Chatruvedi. Com.Shyam Sharma, Com.Subhash Pahwa, Com.Ashok Shanker Madam Sabharwal, Madam Chaturvedi, graced the meet. Along with other retirees and their spouses. I on behalf of ARISE, Delhi sincerely thank the participants, hosts and Shri.JyotiRaman and family.

Regards
Sampath

The Legality of Special Allowance in X BIPARTITE SETTLEMENT

S.B.C.Karunakaran

It has become the wont of IBA to deliberately violate the law of the land and the constitution in every settlement driving the employees to the courts and fight the litigations up till the Supreme Court even though the writing is on the wall. This is a deliberate human resource policy taking advantage of the 'Docket explosion' in courts where ultimate justice at the highest court will be had not before 10-15 years and no courts have so far asked the banks to make the payment due with interest and so interest saved during those 10-15 years equals the payment to be made. In other words, the payments withheld earned interest for the banks and the interest is used to make the payments when ordered to do so by the highest court. No loss to the bank but heavy loss to the employee because he gets his money after 10-15 years when the rupee has fallen in its value many times during the interregnum. "Docket explosion" is an incentive for IBA to happily violate the Constitution and the Statutes. They have a friend in one (or shall I say twins) of the trade unions in banks which according to its leader has revised its stand vis-à-vis those challenging the settlements. This leader says, "No

settlement can be signed that is cent per cent constitutionally valid and is not violating the statutes in any manner. So any one can challenge a settlement contending that it is constitutionally or legally invalid. But as parties to the settlement, we will not be quiet in future. We have an embarrassment with IBA when the settlement we signed is challenged by our members. We will defend our settlement and be with IBA before every court."

So we have citizens in this country leading trade unions who unashamedly say that they will not stand by the Constitution of this country but by their anti-employee settlements. Settlements have to be defended provided they are not violative of Constitution and statutes and not otherwise.

IBA has already paved way for another round of litigations by the introduction of 'Special Allowance' not ranking for terminal benefits. Its equivalent 'Grade Pay' for Central Government employees rank not only for DA but also for terminal benefits. Some genius in IBA came out with this idea calling 'Grade Pay' as 'Special Allowance' to avoid

reckoning it for terminal benefits. We could rid shortage of sugar by naming salt as sugar and they can overcome any hurdle by mere change of name. As a result, for the first time, a retiree after a Bipartite settlement will not get increase in gross pension commensurate with the increase in his salary. For the first time, there will not be any significant, leave alone substantial increase in gross pension in spite of settlement, that too a settlement that saw the merger of larger number of DA points.

An allowance, by definition, is paid for a specific purpose like HRA, CCA, PQA, FPA, TA, HA, Hill & Fuel Allowance, Washing Allowance etc. and is payable only to a section of employees who qualify to get the same. Can there be any 'allowance' paid to all employees right from General Manager down to the sweeper? No, it cannot be an 'allowance' but can only be 'pay'. "A rose is a rose by whatever name you call it" and so also "Pay reckoning for DA is Pay even if it is named 'special allowance'. Courts will look not at the name given but at the character of the emoluments to decide whether it is 'Pay' or 'Allowance'. Court do not have dig deep but have to only pierce the thin veil to detect that 'Allowance' is a misnomer and is a mischief to deprive the employees of their legal dues. If such mischiefs can be performed by public sector banks who should be model employers what can prevent private employers from exploiting the working class in this country.

Let us look at the statutes and regulations to find out whether 'special allowance' can escape being reckoned for terminal benefits? 'Basic wages' or 'wages' or 'Pay' as defined by EPF & MP Act, Payment of Gratuity Act and Pension Regulations have to be studied as banks do not and cannot have different definitions/interpretations for these terms in relation to payment of terminal benefits of PF, Gratuity and Pension.

EPF & MP Act defines 'basic wages' in section 2(b) as - "basic wages" means all emoluments which are earned by an employee while on duty or on leave or on holidays with wages in either case in accordance with the terms of the contract

The Legality of Special Allowance in X BIPARTITE SETTLEMENT

we have citizens in this country leading trade unions who unashamedly say that they will not stand by the Constitution of this country but by their anti-employee settlements. Settlements have to be defended provided they are not violative of Constitution and statutes and not otherwise.

of employment and which are paid or payable in cash to him, but does not include-

(i) the cash value of any food concession;
 (ii) any dearness allowance that is to say, all cash payments by whatever name called paid to an employee on account of a rise in the cost of living, house-rent allowance, overtime allowance, bonus, commission or any other similar allowance payable to the employee in respect of his employment or of work done in such employment;

(iii) any presents made by the employer;

Payment of Gratuity Act defines 'wages' in section 2(s) as - "wages" means all emoluments which are earned by an employee while on duty or on leave in accordance with the terms and conditions of his employment and which are paid or are payable to him in cash and includes dearness allowance but does not include any bonus, commission, house rent allowance, overtime wages and any other allowance.

Bank Employees' Pension Regulations defines 'Pay' in Regulation 2(s) as - "Pay" includes, ...ii) all allowances counted for the purpose of making contribution to the Provident Fund and for the payment of dearness allowance;

In terms of EPF & MP Act, special allowance qualifies to be basic wages as it does not come under those excluded from basic wages and hence qualifies for PF. As per X Bipartite Settlement, 'Special allowance' ranks for DA. Consequently special allowance ranking for PF and DA qualifies to be Pay as Pension Regulations and hence has to be reckoned for pension. Also special allowance qualifies to be wages in terms of Payment of Gratuity Act and has to be therefore reckoned for gratuity. As per Payment of Gratuity Act, DA is also reckoned for gratuity and so DA on special allowance reckons for gratuity. It will be anachronistic if DA payable on special allowance reckons for gratuity but the special allowance itself. Special allowance qualifies for all terminal benefits and grade pay christened as special allowance is illegal, malafide and mischievous. Poor retirees have to knock at the doors of courts yet again!

(P.S. Views expressed are that of the author and not necessarily of the organization) ■

IBA thumbed its nose at the Constitution

Fundamental Right to Equality is the cornerstone of our Constitution and this has been unequivocally upheld in service jurisprudence by the famous D.S.Nakara's case decided by a 5 Judge Constitution Bench, which is the Magna Carta followed till date by the courts. But IBA does not care two hoots for the Constitution or the judgements of the Supreme Court if one peruses the settlements it makes and the dictates it gives to banks. This arrogance reached its peak in the X Bipartite Settlement concluded in May, 2015 where retirees past and future were given a raw deal. They deny, therefore, Pension Updation in spite of Reg.35(1), uniform DA (100% DA neutralization) to pre 1/11/2002 retirees, uniform 30% pay to all family pensioners irrespective of the pay scale of deceased employees, pension option to left overs etc. The retirees of the present (X Bipartite) Settlement have to go without the special allowance being reckoned for terminal benefits.

Se to We give below the excerpts from judgment in D.S.Nakara's case to understand how far the ruling elite has deviated from the directions of the Constitution.

EXCERPTS

"The quid pro quo, was that when the employee was physically and mentally alert he rendered unto master the best, expecting him to look after him in the fall of life. A retirement system therefore exists solely for the purpose of providing benefits. In most of the plans of retirement benefits, everyone who qualifies for normal retirement receives the same amount. (see Retirement Systems for Public Employees by Bleakney, page 33.)"

*"Art. 39 (d) enjoins a duty to see that there is equal pay for equal work for both men and women and this directive should be understood and interpreted in the light of the judgment of this Court in **Randhir Singh Vs Union of India & Ors.(1)** where in it was*

held- "where all relevant considerations are the same, persons holding identical posts may not be treated differently in the matter of their pay merely because they belong to different departments. If that can't be done when they are in service, can that be done during their retirement? Expanding this principle, one can confidently say that if pensioners form a class, their computation cannot be by different formula affording unequal treatment solely on the ground that some retired earlier and some retired later. Art. 39 (e) requires the State to secure that the health and strength of workers, men and women, and children of tender age are not abused and that citizens are not forced by economic necessity to enter avocations unsuited to their age or strength. Art. 41 obligates the State within the limits of its economic capacity and development, to make effective provision for securing the right to work, to education and to provide assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want. Art. 43 (3) requires the State to endeavour to secure amongst other things full enjoyment of leisure and social and cultural opportunities."

Our rulers have long since forgotten these lofty ideals of our Constitution and to them, earning a dollar is more important than spending a cent to save a life. The rulers have deviated a long way from the directive principles whatever be the political party they belong to, or whatever political philosophy they profess and practise.

But in our case, the pity is our many of our unions of employees and retirees refuse to believe that pension updation and other issues are our rights and are not to be begged as alms euphemistically christened as 'welfare measures, courtesy IBA.. They are not gratis but are our rights. BELIEVE YOURSELF AND SAY LOUD AND CLEAR 'PENSION UPDATION AND OTHER PENSION RELATED ISSUES ARE NOT GRATIS BUT ARE OUR RIGHTS. ■

Do Unions' indifference removed Bank Employees' Pension Scheme far from GOVERNMENT PENSION SCHEME?

Is our Pension Scheme on the lines of Central Government Civil Pension Scheme? Look at the disparity below and Judge yourself! Should we not try to end this injustice and force the government to fulfill its promise of extending pension scheme on the lines of government pension scheme on our giving up our demand for pension as third retirement benefit way back in 1993?

S.No.	Central Government Civil Pension Scheme	Bank Employees' Pension Scheme
1.	Qualifying Service to get Full Pension reduced from 33 years to 20 years in 2006	Qualifying Service to get Full Pension still remains at 33 years
2.	Pension is payable (for full qualifying service) at 50% of last drawn pay or average of last 10 months' pay whichever is higher since 2006	Pension is still payable (for full qualifying service) at 50% of average of last 10 months' pay only
3.	Pension updation: Pension is revised with every Pay Commission so that all similarly placed retirees irrespective of their date of retirement draw almost equal pension getting the benefit of every pay revision under Pay Commission	Pension updated only once to those who retired before the V Bipartite Start date (i.e . to those who retired between 1/1/86 and 31/10/87) (Pension updation provision in Reg.35(1) remains unimplemented from VI Bipartite onwards)
4.	Pension Upgradation* - Effective from 2006 Pension (including family) is increased to 20% of pension on reaching the age of 80, and gradually further increased every five years upto 100% of pension on attaining the age of 100	There is no provision for pension upgradation
5.	Uniform 100% DA neutralization is extended to all retirees since 1996	Uniform 100% DA neutralization is denied to those who retired before 1/11/2002 and is extended only to those who retired on or after 1/11/2002, that too only from 1/5/2005.
6.	Family Pension is uniformly 30% of last drawn pay or average of last 10 months' average pay whichever is higher	Family Pension is 15% of average of last 10 months' pay for all officers and many clerks
7.	In case of death in harness, family pension may be paid at enhanced rates for a period of 10 years .	Family pension is paid at enhanced rate only upto 7 years or upto deceased employee's age of 65 years whichever is earlier
8	Constant attendant allowance on the lines existing in Defence Forces for pensioners with 100% disability is paid	No provision for Constant attendant allowance

***Reasoning that older Pensioners require a better deal because their needs, especially those relating to health, increase with age. Quantum of pension available to the old pensioners has been increased as follows :-**

On attaining age of	Additional quantum of pension
80 years	20% of basic pension
85 years	30% of basic pension
90 years	40% of basic pension
95 years	50% of basic pension
100 years	100% of basic pension

A FLAWED JUDGMENT

S.B.C.Karunakaran

It is one another judgment that went against the employees. I give below the relevant extracts of the judgment (*with emphasis supplied by us*) with my comments at the end. If IBA can talk of 'No contractual relationship with retirees', it is because of such judgments. This judgment states in para 36, "In normal circumstances when an employee retires from service, his relationship with the employer comes to an end.." This judgment upheld the denial of wage revision to the retirees who were in service

IN THE SUPREME COURT OF INDIA

CIVIL ORIGINAL JURISDICTION

TRANSFER CASE (CIVIL) NO. 48 OF 2010

Manojbhai N. Shah &Ors. Petitioners

Versus

Union of India &Ors. Respondents

J U D G M E N T

ANIL R. DAVE, J.

1. A common legal issue was involved in several writ petitions and appeals pending before different High Courts and therefore, transfer petitions had been filed in this Court so that all pending cases can be transferred to and decided by this Court.

3. The issue involved in all these cases is with regard to retiral benefits to be given to a special class of retired employees of five nationalized general insurance companies. The undisputed facts and legal issues involved in all these cases are as under:

The insurance companies, who have been described herein after as "the Employers" were in financial difficulties and so as to cut their expenditure, the Employers framed a scheme named "General Insurance Employees Special Voluntary Retirement Scheme, 2004" (hereinafter referred to as "the Scheme"), so as to enable its employees to retire prematurely on certain conditions with some special benefits.

10. After retirement of the aforesaid employees, the Employers revised pay scales of their employees under Notification dated 21st December, 2005 giving benefit of revision of pay retrospectively with effect from 1st August, 2002, **provided the employees were in service on or after 1st August, 2002.**

11. The issue involved in all these cases is whether after acceptance of voluntary retirement under the Scheme, such retired employees would be entitled to get benefit of the revision of pay, which was retrospectively given from 1st August, 2002 under the Notification dated 21st December, 2005, which was called the "**General Insurance (Rationalisation of Pay Scales and Other Conditions of Officers) Second Amendment, 2005** and hereinafter referred to as "the Notification".

12. The Employers denied the benefit of the said Notification or retrospective increase in the salary to the employees who had retired under the Scheme, whereas the said retired employees claimed that they should be given benefit of the retrospective increase in their pay and their pension should be revised because they were in service on 1st August, 2002 and had retired only in or after 2004.

16. So far as the Scheme is concerned, the relevant portion, with which we are concerned for the purpose of deciding these cases, is as under:

5. Amount of ex-gratia:-

(1) An employee seeking Special Voluntary Retirement under this Scheme shall be entitled to lower of the ex-gratia amount given below, namely:-

Sixty days salary for each completed year of service,

OR

Salary for the number of months of remaining service.

(2) The ex-gratia shall be computed on the basis of his/her salary as on the date of relieving. In case wage revision is effected from a date prior to the date of this notification in the Official Gazette, the benefit of revised pay for the purpose of payment of ex-gratia will be allowed.

6. Other Benefits:-

(1) An employee opting for the scheme shall also be eligible for the following benefits in addition to the ex-gratia amount mentioned in para 5, namely:-

(a) Provident Fund,

(b) gratuity as per Payment of Gratuity Act, 1972 (39 of 1972) or gratuity payable under the Rationalisation Scheme, as the case may be;

(c) pension (including commuted value of pension) as per General Insurance (Employees') Pension Scheme, 1995, if eligible. However, the additional notional benefit of the five years of added service as stipulated in para 30 of the said Pension Scheme shall not be admissible for the purpose of determining the quantum of pension and commutation of pension.

17. The Notification dated 21st December, 2005, by virtue of which pay scales and other terms and conditions of service of certain employees had been revised with retrospective effect contained the following clauses which are necessary for our purpose:

(1) This Scheme may be called the General Insurance (Rationalisation and Revision of Pay Scales and other conditions of service of Supervisory, Clerical and Subordinate Staff) Second Amendment Scheme 2005.

(2) Save as otherwise provided in this Scheme, this Scheme shall be deemed to have come into force on the 1st day of August, 2002.

(3) This Scheme shall be applicable to all employees who were in whole-time service in Supervisory, Clerical and Subordinate Staff cadres of the Corporation or Company as on, or after, the 1st day of August, 2002: Provided that the employees whose resignations had been accepted or whose services had been terminated during the period from the 1st

day of August 2002 and the date of publication of this Scheme, shall not be eligible for the arrears on account of revision under this Scheme:

Provided further that the employees, who had sought special voluntary Retirement under:

(a) The General Insurance Employees' Special Voluntary Retirement Scheme, 2004(S.O.B.(E) dated the 1st January, 2004), in the case of company; or

(b) The General Insurance Corporation of India Employees' Special Voluntary Retirement Scheme, 2004 (S.O. 454 (E)dated the 1st April, 2004) in the case of Corporation.

And have been relieved there under prior to the date of this notification shall not be eligible for any benefit arising from this Scheme other than that provided for by sub-paragraph 2 of paragraph 5 of the General Insurance Employees' Special Voluntary Retirement Scheme, 2004, or, the General Insurance Corporation of India Employees' Special Voluntary Retirement Scheme, 2004, as the case may be.

18. In the light of the afore stated Scheme and the Notification, we have to consider whether the employees who had opted for voluntary retirement under the Scheme are entitled to get the benefit of additional pension on the basis of revised salary in pursuance of the Notification.

35. Normally, retrospective rise in salary is given to those who are in service at the relevant time or who had retired in normal circumstances. The employees who had opted under the Scheme had not retired as per the normal conditions of service but had retired under the Scheme upon taking some special additional benefits.

36. It is also pertinent to consider clause 5(2) of the Scheme, which has been reproduced herein above. According to the said clause, ex gratia amount was to be paid to the concerned employees on the date of his/her being relieved and it was clarified that in case of wage revision effected from a date prior to the date on which the said Scheme had been notified in the Official Gazette, the benefit of revised pay for the purpose of payment of ex gratia would be allowed. Meaning thereby, the employees who had opted under the Scheme and retired from service were entitled only to revision of ex gratia amount upon retrospective increase in the salary. Intention of the Employers is clearly revealed from clause 5(2) of the Scheme.

The intention was to give benefit only in relation to ex gratia amount and not in relation to the pension. Had the intention been to give benefit of additional pension also, the said fact would have been incorporated in the aforesaid clause. In normal circumstances when an employee retires from service, his relationship with the employer comes to an

end..... the retired employee would not have any right of redetermination of his pension but only in cases where salary is revised with retrospective effect, the retired employee gets the benefit of additional pension and that too in certain cases.

37. In the instant case, it is crystal clear that the employees had already opted under the Scheme - under a specially made Scheme, which was framed only with an intention to reduce future expenditure of the Employers. If all these benefits are given to the persons who had already opted under the Scheme and had retired, the real purpose with which the Scheme had been framed would be frustrated.

38.....The employees who retired under the Scheme form a separate class of employees who were given many benefits, which are not given to employees retiring in normal course. If they all form a separate class, by no stretch of imagination it can be said that all those who retired under the Scheme and those who retired in normal course, are similarly situated. Thus, in our opinion, there is no violation of Article 14 of the Constitution of India in the instant case.

39. Similarly, there is no violation of the principle of equal pay for equal work. True, that those who retired under the Scheme did the samework which was being done by those who retired in normal course, but one cannot forget the fact that those who retired under the Scheme got substantially higher retirement benefits. In the circumstances, we do not accept the said submission also.

40. Some submissions were made by the learned counsel for the employees regarding power of the Employers in relation to issuance of the Notification dated 21st December, 2005. We are of the view that an Employer can fix salary for itsemployees and we do not agree with the submission that the Notification was not issued properly or legally.

41. In the circumstances, we are of the view that the employees who had opted for retirement under the Scheme would not be entitled to additional pension upon revision of pay effected under the Notification dated 21st December, 2005.

42. All judgments directing the Employers to make a dditional payment of pension to the employees retiring under the Scheme are set aside and, accordingly, all the transferred cases are finally disposed of and Special Leave Petition (C) No.10903 of 2011 is dismissed.

.....J.

(ANIL R. DAVE)

.....J.

(SHIVA KIRTI SINGH)

New Delhi

January 07, 2015

(P.S.Emphasis supplied by us)

Comments by the author

It is quite unfortunate such a retrograde judgment that flies in the face of established service jurisprudence has been delivered by the highest court of the country. While a court has to deliver what is legal much of its discussion in this judgment has been spent on misplaced legitimacy due to its fixation on ex-gratia paid to these retirees that has no relevance to the case. The case before the court was simple- it was, whether the employees retiring under special voluntary retirement scheme would be ineligible for wage revision and consequential pension revision though they were in service on the date from which the wage was revised.

Curious logic of this judgment is that only ex-gratia would be revised and arrears paid but not wages or pension because the Special Voluntary Retirement Scheme expressly provided for revision of ex-gratia when wage is revised but was silent about payment of revised wages or pension. *The court ought to have known that Wages are governed by Service Regulations/Rules and Pension by Pension Regulations/Rules and not by Special VR Scheme which governs only the ex-gratia payable in respect of employees having pensionable service.* Special VR Scheme is a contract but Service Regulations and Pension Regulations are subordinate legislations having statutory force leaving no scope for their exclusion by any contract between the employer and employee. Even assuming these regulations can be excluded by a contract, there should have be an express provision in the contract (i.e. in SVRS) excluding relevant Service Regulations and Pension Regulations. Absence of such provision in the SVRS shows there was no intention to exclude Service Regulations or Pension Regulations.

In every contract '*consensus ad idem*'(i.e identity of minds) is essential. How did the court come to the conclusion that there was '*consensus ad idem*' between insurance companies/insurance corporations and the employees who opted for SVRS to exclude wage revision under Service Regulations and consequent pension revision under Pension Regulations?

In the absence of classification of employees based on nature of voluntary retirement in these Regulations which are statutes, **the insurance companies/insurance corporations had no authority to make such a classification.** Making such a classification was tantamount to amending these Regulations which could not be done without the prior approval of the Government through laid down procedure. No such amendment was carried out and hence the classification of an otherwise statutorily homogenous class through

administrative orders is *ultra vires*. But the Apex Court has not gone into this aspect of *vires* at all.

Through a curious logic and labored explanation the Court upheld the classification of employees into those voluntarily retired under normal Regulations and those voluntarily retired under special scheme. Voluntary retirement of employees with pensionable service is a voluntary retirement only under Pension Regulations and not under SVRS which was only an inducement to them to retire voluntarily under Pension Regulations. In fact, such an arbitrary and irrational classification was struck down years ago by the same Supreme Court (Different Bench) when employees of banks challenged the denial of addition of notional 5 years/benefit for computing pension to those who retired under SVRS. The substance of that judgment was that pension optees with pensionable service can voluntarily retire only under Pension Regulations and the SVRS is only an inducement to these employees to exercise the option to retire under Pension Regulations and it is not SVRS which confers pension benefits to these employees and so the pension benefit of these employees are governed only by Pension Regulations and not otherwise. Unfortunately the Bench hearing the case of insurance employees was oblivious of this earlier judgment.

The court ought to have known that classification is not only *ultra vires* but also arbitrary. It is settled constitutional principle that *any classification has to be rational and ought to have nexus to the objective of the legislation*. The objective of periodical wage revision is to provide reasonable wages to the employees in service and provide reasonable terminal benefits (that include pension) to those who are retiring with a view to neutralizing erosion in real wages/pension and providing for upward moving lifestyle. This objective is defeated if the same is not extended to SVRS retirees and so the classification of SVRS retirees as a separate class is not rational and bears no nexus to the objective of wage revision. The court ought to have known that *ex-gratia* in SVRS is not in lieu of entitlements of wage revision under Service Regulations and pension under Pension Regulations. In fact, the very SVRS admitted/affirmed entitlement to gratuity and pension as per Payment of Gratuity Act and Pension Regulations/Rules.

It is also a settled constitutional principle that a homogenous class cannot be further subdivided. Retirees under Pension Regulations or Service Regulations, being one homogeneous class cannot be further subdivided in respect of payment of pension or wages on account of wage revision..

Ex-gratia is linked an employee's actual wages paid/payable at the time of voluntary retirement. How can *ex-gratia* be revised without the corresponding wages being revised and becoming payable? *Ex-gratia* does nowhere

state that it would be linked to a notional wage which was not payable but would be reckoned for payment of **ex-gratia**.

This Judgment is contrary to established constitutional principles and precedents. It has turned the whole service jurisprudence topsy-turvy and unfortunately through its convoluted logic and due to obsession with the *ex-gratia* paid to the employees, upheld arbitrary action. Though such accidents causing miscarriage of justice do happen, we can trust our Supreme Court to set right the error soon in another case.■

SHAMELESS MANAGEMENT COMMITTEE OF IBA

IBA Management Committee made of CMDs/CEOs of Banks was said to be behind the now infamous introductory remark of “*no contractual relationship between banks and retirees*” in the Record Note of X Bipartite Settlement. These very gentlemen who were deemed to have retired from their respective banks wanted to extend their contract under Pension Regulations and never had qualms, to persuade (or shall we say pester) the government for pension for their tenure as ED and MD and got it ultimately.

CMDs/MDs/EDs who are government appointees secured post retirement full reimbursement of hospitalization expenses for self and spouse to the debit of Bank's P&L but bank's own appointees, General Managers to sweepers, are not entitled to any reimbursement post retirement.

Tail Piece- Chairman of IBA Mr.T.A.Bhasin remorselessly led the mayhem of retirees' rights and he has since been appointed as a Vigilance Commissioner in Central Vigilance Commission. Please do not jump to conclude that it is a reward for the crores saved by him on denial of rights to retirees. We cannot confirm. We oppose such appointment on grounds of propriety. Propriety demands that people who were at the helm of commercial organizations, that too commercial banks, should not be appointed in watchdog body like Central Vigilance Commission as the conflict of interest would compromise the Commission's integrity. Credibility of CVC is at stake because of such appointments. As a norm government should never appoint any public servant before two years after retirement to any constitutional or government posts to restore credibility to such posts. Justice should not only be done but should appear to be done.

EXCERPTS FROM LIC PENSIONER'S CHRONICLE ON PENSION UPDATION

Following excerpted from the Chronicle gives an account of the genesis of pension updation in LIC. LIC delivered the baby of pension updation through its Board resolution. But at government's insistence they want to put the baby back into the womb and the LIC employees successfully defeated the attempts through court battles. But the last battle at Supreme Court is not over yet due to adjournments being taken by LIC and the Government. Please read the excerpts given below:

1) **Important & CRUCIAL line in the Note prepared by ED(P) that paved the way for the Board Resolution** is, "it may be mentioned that such a **provision to upgrade the pension due to periodic revision** in case of Central Govt employees is incorporated in the Central Civil Services(Pension) Rules, **on the basis of which LIC of India (Employees) Pension Rules 1995 have been drafted.** Further, it is to be borne in mind that LIC itself, in its SECRET letter dt 31/12/2001 secured under RTI & 11/8/2003, to MOF/UOI state clearly " there is an urgent need to rationalize the DR structure available to different groups of pensioners in order to reduce the administrative inconvenience & also to see that different generations of pensioners are protected by merging the pension to a suitable index" **This clinches the issue of successive pension revisions with every wage revision. It has a vital bearing on continued pension upgradation. It stretches & goes beyond Board Resolution to capture full & continuous pension revision at CPI 600, 1148, 1740, 2328, 2994.**

2) It is also added " Central Civil Services (Pension) Rules, on which LIC (Employees) Pension rules has been broadly designed, contains such an upgradation formula corresponding to revisions effected for Central Govt Employees."

3) Jaipur Single judge Hon Bhandari in his order dt 12/1/2010 has observed as follows:

i) "Learned counsel for petitioners has further submitted that **there exists anomaly even in regard to the revision of the pay scale. The benefit of revision in the pay scale from time to time was not extended to the pensioners. In view of aforesaid, even an officer retiring in the**

higher pay scale started getting less pension than to the employee retiring subsequently in lower pay scale. Aforesaid aspect was also considered along with the first issue, by the Board in its meeting held on 24.11.2001"

ii) Hon'ble Rajasthan High Court has held that on the basis of date of retirement there cannot be any discrimination between the Pensioners inter se. All pensioners are entitled to revision of pensions as and when pay scales are revised. The decision of the Board taken in its meeting dated 24/11/2001 but not implemented on account of misnomer of approval of the Central Government has been directed to be implemented with the above modifications.

iii) While dismissing the appeal of LIC on 21/1/2011, the HC Division Bench of Jaipur observed as follows: The Board of LIC, who is the appellant before us against the judgment of the learned Single Judge, had itself taken a decision to remove the disparities and the discrimination with regard to the payment of Dearness Allowance and pension to the retired employees under its resolution of the Board dt.24.11.2001, which was in public interest. It could not and should not have filed the present appeal against the judgment of the learned Single Judge as the learned Single Judge has provided an umbrella to the appellant for the implementation of the decision of the Board dt. 24.11.2001 on the categorical statement made by the learned counsel appearing on behalf of the Union of India and not assailed in appeal by the Union of India."

iv) a) Combining the above part of the Jaipur Single judge Bench order and the portions of the ED(P)'s letter dt 31/12/2001 and also the DB judgment of Jaipur HC Bench, it is crystal clear that the Board had approved the proposal for both 100% DR neutralization for pre-Aug 1997 retirees and updation of pension as per the scales of pay revised from 1/8/1997.

b) At the time of the said Board meeting, the latest wage revision was only that w.e.f 1/8/1997. So when the principle of updation is accepted, it will extend to the further wage revision dates of 1/8/2002 and 1/8/2007 as well and all existing pensioners will have to be provided benefits of updation arising from such wage revisions. ■



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(AIBPARC - A wing of AIBOC)

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Date: 11.03.2015

To

The Hon'ble E.M.Sudarshan Nachiappan
Chairman
Parliamentary Committee
Personnel Grievances, Pension Law & Justice
Room No.126, Parliament Annexe
New Delhi

Dear Sir,

sub: Urgent issues concerning Bank Pensioners & Retirees

Our organisation (AIBPARC) represents a vast majority of Bank Pensioners and Retirees and is a wing of the All India Bank Officers' Confederation (AIBOC) which represents more than 85 per cent of Officers serving in the banking Industry. We are an independent organisation espousing the cause of bank Pensioners who had put in very valuable service in achieving the objectives of nationalisation reaching the poorest of the poor even in the remotest rural areas and hardship centres. But unfortunately the very same persons in their advanced age as Senior Citizen have been put to humiliation during their retired life by denying to them fair pension.

Our Organisation has been making representations after representations to the Hon'ble Finance Minister, past and present, to the Indian Banks' Association, the Secretary, Department of Financial Services, Government of India. The issues are mainly as under:

Pension Updation: The Bank Retirees have been denied the benefit of pension updation (Pension revision) as and when wage revisions take place for Bank Employees and Officers. As a result of this, persons who retired as early as in 1990s and even before are getting a very low pension as compared to the employees who are retiring with the latest wage revision. It is shockingly painful to note that a bank General Manager, who retired in 1986, is getting a pension, much less than the junior most officer or clerk who would be retiring today. This

gross distortion has to be corrected, especially when the Bank Employee Pension Regulation 1995 clearly provides for updation and the same is also approved by Government of India and published in the official gazette of Government of India. The Regulation 35 clearly speaks about updation of Basic Pension and Additional Pension and Regulation 56 also clearly states that Bank Pension Regulations are on the lines of Central Government Pension Rules.

Improvement of Family Pension: The Reserve Bank of India has already improved the family pension for its employees and officers in line with Government employees and increased the family pension to 30 per cent of the last drawn basic Pay whereas for the bank employees it continues to be only 15 per cent.

100% D.A Neutralisation for Pre 01/11/2002 Retirees: This again has been accepted and implemented in the Reserve Bank of India as available to Government employees. Even in the Memorandum of Undertaking on Pension, it was clearly agreed that DA would be as per the DA pattern for serving employees. Even as per the famous Supreme Court judgment in D.S.Nakara's case it has been made abundantly clear that there can be no discrimination among people of same class and pensioners as a whole form a single homogeneous class and any improvement made in pension scheme should be applicable to all Retirees irrespective of date of retirement.

Uniform Medical Scheme: Government Retirees get



**ALL INDIA BANK PENSIONERS'
& RETIREES' CONFEDERATION**
(AIBPARC - A wing of AIBOC)

Date: 16th March 2015

To

Shri Arun Jaitley
Honourable Minister of Finance
Ministry of Finance
Government of India
North Block
New Delhi

Respected Sir,

Sub: Bank Pensioners' Issue

We refer to our various representations to your goodself and to the Secretary, Department of Financial Services and Indian Banks' Association in regard to the very long pending issues of bank Pensioners and Retirees. There is a very urgent need to end the deprivation caused to the Retirees, because of the persistent indifference shown by IBA specially on issues concerning the bank Retirees. We fervently hope your valuable intervention in the matter will ensure justice to us.

Pension Updation:

Bank Employees Pension Regulation 1995 has clearly spell out Quote: **"Pension and Additional Pension wherever applicable shall be updated as per formulae given in Appendix I (Regulation 35)"** Unquote. The same was also promptly notified in the Government Gazettee.

Further Regulation 56 – Residuary provisions clearly states:

"in case of doubt in the matter of application of these Service Regulations reference may be had to the corresponding provisions of Central Civil Services Rules 1972 or Central Civil Services Rules 1981, applicable for Central Government Employees...."

However, it is unfortunate that the IBA is still refusing to direct the Banks to implement Regulation 35 vide on the lines of Regulation 56 of Bank Employees Pension

benefit under CGHS but there is no such scheme for Bank Retirees. Whatever schemes formulated by different Banks are at variance with each other and even the relief is abysmally poor.

Resignees' Issue: Pension for Resignees who had put in pensionable year of service is still denied just because they had resigned from the bank. Many of these resignees had to submit resignation mainly because there was inordinate delay between the signing of the Memorandum of Settlement in 1993 and the framing of regulations in late 1995 after which only the pension scheme was introduced.

Bipartite Forum: We request your good self to provide us a proper forum to discuss matters concerning Retirees with IBA so that the Retirees organisation will have a proper platform to discuss the issues concerning the Senior Citizens of the Banking Industry who contributed their best to the success of bank Nationalisation and economic development of the country.

The above issues of the Retirees are pushed under the carpet for so many years under the guise of cost implication. The Pension Funds as available and the return on that would be more than sufficient to meet the above without hitting the profitability of the banks. It is also noteworthy that the Public Sector Banks have been making huge profits inspite of high provisions on NPAs and the net profit of the Public Sector banks for the year 2013 crossed Rs.50,000 crores.

We shall be highly grateful to your goodself if you can kindly take up the above issues which are of great concern to the Senior Citizens of the Banking Industry. In this connection, we also would like to state that AIBPARC had organized a massive dharna of over 5000 Senior Citizens of Banking Industry on 20.09.2013 which was addressed by Hon'ble Prakash Javedekar who assured the Retirees at that time that when their party formed the Government at the Centre they would undo the injustice and ensure pension updation for the Bank Retirees. We are anxiously waiting to see the present Government carries out the assurance given by one of their own responsible leaders. This will enhance our faith in the Government.

With regards,

Yours Sincerely,
sd- K.V.Acharya
President, AIBPARC
098682 20338



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(AIBPARC - A wing of AIBOC)

Regulations. It is also interesting to note that the Pension Fund so created after the Pension settlement is having a huge Corpus of nearly Rs.1,10,000 crores excluding State Bank of India and this Pension Fund is created out of the management contribution of PF to the employees surrendered by them – While opting for Pension as per the Pension Regulation. This Pension Fund belong to the Bank Employees who were recruited before 2010 and more than 90 per cent of them have already retired or retiring in another 3 years. Out of these, many have already crossed 75 years of age and the life span if taken on an average 75 years of age by the year 2030 almost all the Retirees would almost cease to exist, whereas the Corpus amount would remain in tact with some more further inflows. When the Retirees under this Pension Scheme cease to exist, the Pension Corpus would remain superfluous.

So it is necessary to start utilizing to make payments from the Corpus itself so that it will not result in additional burden due to implementation of **Pension Updation, 100% DA Neutralisation and improvement in Family Pension**. All the three are already being implemented for the Central Government Employees. Even the most conservative estimate would show that it would not cost more than Rs.2000 crores for the entire Banking Industry which works out to roughly Rs.50 Crores per year per Bank.

In view of the above, we once again request your goodself to give necessary instructions to IBA to implement the Pension Regulation in toto. We also request your goodself to instruct IBA not to frustrate the Retirees to approach the Courts again and again though on matters like **extending second option for pension to those Resignees and few other categories of Employees in whose favour already the Supreme Court has given favourable judgments**.

We once again fervently request your goodself to consider our submissions on humanitarian grounds to ensure justice to the Bank Retirees and Pensioners.

Thanking you,

Yours faithfully,
sd/- K.V.Acharya
President
Mob: 098682 83322

Camp: Chennai
1st Floor, 6/4 3rd lane
M K Amman Koil Street
Mylapore, Chennai 600004

19.05.2015

Shri. Arun Jaitley
Hon'ble Finance Minister
Government of India
New Delhi
Respected Sir,

SEEKING YOUR URGENT INDULGENCE TO INTERVENE FOR RESOLVING DECADES' OLD BANK PENSIONERS' AND RETIREES' ISSUES

We are the Confederation representing retirees in the Nationalised Banks and Private Sector Banks.

There are very many issues concerning retirees that remain unresolved for decades now inspite of favourable provisions in respective Service Regulations of bank employees and officers. In fact these benefits are already obtaining in Central and State Government for their employees. None of the demands of the retirees are new or unique, but are already prevalent in Central and State Government and in RBI. Banks are in fact built adequate corpus and made adequate provisions to extend the benefits listed below like Pension Updation, Gratuity etc. The Department of Financial Services taking a sympathetic view of our grievances communicated to IBA to hold discussions with retirees organisation, but IBA refused to discuss the issues concerning the retirees on the plea that all these form part and parcel of wage revision settlements, for which they are already holding negotiations with multiple unions representing officers and employees. Not wanting to make an issue on who should negotiate, we agreed to wait patiently for negotiations with unions to resolve our issues.

But, we are dismayed by the indications given by the



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(AIBPARC - A wing of AIBOC)

negotiating unions that IBA is not inclined to concede major issues concerning retirees and pensioners even though these issues form part of the Charter of Demands submitted by UFBU and mandate was obtained from all Banks for holding discussions on the entire Charter of Demands.

Pension being a deferred wage, all pension related issues used to be part of wage settlement. In fact it was replied by the then Minister of State in the Ministry of Finance Shri. Namo Narain Meena to an unstarred question No.196 on 6.8.2013 in Rajya Sabha that IBA negotiates salary and service conditions of employees. As part of negotiations, the terms of payment of pension are also discussed along with the salary revision.

While this is the position in law, fact and tradition, any attempt to exclude the issues of Pension from the wage settlement will be a great disappointment to senior citizens many of whom are in their eighties drawing a meager Basic Pension of Rs.1700/-, due to non-implementation of Pension Updation, 100% D.A neutralization etc. It is curious that everything that is not advantageous is sought to be introduced for Bank Pensioners citing CCS Pension Rules applicable to Central Government Employees. However, anything that is available in CCS Pension Rules which is advantageous for Bank Pensioners is steadfastly refused.

It is not late even now for IBA to reconsider its stand and settle the following in the 10th Bipartite Settlement itself as all these are legitimate and legal entitlement and within the paying capacity of the Banks requiring no additional contribution other than what has to be contributed as per the 10th Bipartite Settlement that is going to be signed most probably on 22nd May 2015.

1. Re-implementation of Pension Updation that has already been provided under Regulation 35 (1) and Regulation 56.
2. Uniform 100% D. A neutralization to all pre 1.11.2002 retirees in conformity with Article 14 of the Constitution of India that has been upheld in D.S.Nakra's case. It is already available in RBI.
3. Uniform formula of 30 per cent of Basic Pay for family pension with no ceiling irrespective of the scale of pay

of the deceased employee so as to do away with the discrimination and to be in conformity with Article 14 of the Constitution of India that has been upheld in D.S.Nakra's case. It is already available in RBI.

4. Extension of Pension Option to all resignees and retirees who have completed Pensionable service of 20 years that has been upheld by High Courts.
5. Leave Encashment to all Compulsory Retirees as upheld by Courts.
6. Uniform Medical Scheme to all retirees. It may be noted that medical and hospitalization reimbursement is already available to retired Chairman, Managing Director and Executive Director.

Sir, your goodselves will agree that -

- It is not a fair policy to drive senior citizens to seek remedies always in Courts.
- It is also not a fair policy to go back on commitments made when pension scheme was introduced.
- It is also not a fair policy to deny Pensioners of their full right to not only to the yield but also to the entire corpus lying in Pension fund.
- The present pension corpus of Rs.1,14,000/- Crores as on 31.3.2014 with further periodical contributions to the corpus has to be used for retirees past and future and cannot be allowed to lapse without being used for the benefit of retirees.
- It is not fair to refuse discussion of Retirees' issues.
- In short, it is not fair to short-change senior citizens in the Banking Sector of their rightful share in the evening of their life.

Sir, we request your kind indulgence to intervene urgently and instruct IBA to settle all the above issues which are pending for more than two / three decades in the ensuing 10th Bipartite Settlement itself, for which act of kindness, the whole lot of senior citizens in banking industry will remain ever grateful to you and our Government.

With regards,
Yours sincerely,
sd/- K V ACHARYA
PRESIDENT



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(AIBPARC - A wing of AIBOC)

Press Release 19.05.2015

Unilateral suspension of retiral benefits, discriminatory treatment of past retirees and family pensioners by Indian Banks' Association

We are the Confederation representing retirees in the Nationalized Banks and Private Sector Banks.

- Very many benefits are denied by Indian Banks' Association (IBA) to bank retirees in spite of service rules providing for them and/or court rulings upholding fundamental right to equal treatment of all pensioners who are a homogenous class.
- In fact these benefits are already obtaining in Central and State Government for their employees for more than two and three decades now.
- None of the demands of the retirees are new or unique, but are already prevalent in Central & State Government and in RBI for their employees
- Main demands are -

1. Revision of pension of all retirees whenever wage is revised periodically through bipartite settlement as is being done to Central & State Government pensioners for more than three decades now.

2. 100% DA neutralization i.e. 100% protection against inflation granted to pensioners who retired on or after 1/11/2002 is not extended to those who retired prior to 1/11/2002 though no such discrimination is practised in Central & State Government & RBI.

3. Uniform 30% of Basic Pay as family pension with no ceiling to all the spouses of deceased employees/retirees irrespective of the last drawn pay scale.

- Banks have in fact built adequate corpus and made adequate provisions to extend the benefits listed above. The Department of Financial Services taking a sympathetic view of our grievances communicated to IBA to hold discussions with retirees organizations, but IBA refused to discuss the issues concerning the retirees on the plea that all these form part and parcel of wage revision settlements, for which they are already holding negotiations with multiple unions representing serving officers and employees negotiating under the banner United Forum of Bank Unions (UFBU). Not wanting to

make an issue on who should negotiate, we agreed to wait patiently for negotiations with UFBU to resolve our issues.

- But, we are dismayed by the indications given by UFBU that **IBA is not inclined** to concede the above and other issues concerning retirees and pensioners even though these issues form part of the Charter of Demands submitted by UFBU and mandate was obtained from all Banks for holding discussions on the entire Charter of Demands.
- **Pension being a deferred wage** all pension related issues used to be part of wage settlement. In fact it was replied by the then Minister of State in the Ministry of Finance Shri. Namo Narain Meena to an unstarred question No.196 on 6.8.2013 in Rajya Sabha that IBA negotiates salary and service conditions of employees. **As part of negotiations, the terms of payment of pension are also discussed alongwith the salary revision.**
- While this is the position in law, fact and tradition, any attempt to exclude the issues of Pension from the wage settlement will be a great disappointment to senior citizens many of whom are in their eighties, **drawing a meager Basic Pension which is not even Rs.1700/- to one who retired as a General Manager, due to non-implementation of Pension Updation, 100% D.A neutralization etc.**
- It is curious that everything that is not advantageous is sought to be introduced for Bank Pensioners citing CCS Pension Rules applicable to Central Government employees. However, anything that is available in CCS Pension Rules which is advantageous for Bank Pensioners is steadfastly refused by IBA.
- It is not late even now for IBA to reconsider its stand and settle the following in the 10th Bipartite settlement itself as all these are legitimate and legal entitlement and within the paying capacity of the Banks requiring no additional contribution other than what has to be contributed as per the 10th Bipartite Settlement that is going to be signed most probably on 22nd May 2015.
 1. Re-implementation of Pension Updation that has already been provided under Regulation 35 (1) and Regulation 56.
 2. Uniform 100% D. A neutralization to all pre 1.11.2002

KV Acharya

President

Camp: Chennai

1st Floor, 6/4 3rd lane, M K Amman Koil Street,
Mylapore, Chennai 600004

retirees in conformity with Article 14 of the Constitution of India that has been upheld in D.S.Nakra's case. It is already available in RBI.

3. Uniform formula of 30 per cent of Basic Pay for family pension with no ceiling irrespective of the scale of pay of the deceased employee so as to do away with the discrimination and to be in conformity with Article 14 of the Constitution of India that has been upheld in D.S.Nakra's case. It is already available in RBI.
4. Extension of Pension Option to all resignees and retirees who have completed Pensionable service of 20 years that has been upheld by High Courts.
5. Leave Encashment to all Compulsory Retirees as upheld by Courts.
6. Uniform Medical Scheme to all retirees. It may be noted that medical and hospitalization reimbursement is already available to retired Chairman, Managing Director and Executive Director.

IBA taking a contrary stand is not fair.

- It is not a fair policy to drive senior citizens to seek remedies always in Courts.
- It is also not a fair policy to go back on commitments made when pension scheme was introduced.
- It is also not a fair policy to deny Pensioners of their full right to not only to the yield but also to the entire corpus lying in Pension fund.
- The present pension corpus of Rs.1,14,000/- Crores as on 31.3.2014 with further periodical contributions to the corpus has to be used for retirees past and future and cannot be allowed to lapse without being used for the benefit of retirees.
- It is not fair to refuse discussion of Retirees' issues.
- In short, it is not fair to short-change senior citizens in the Banking Sector of their rightful share in the evening of their life.

IT IS SINCERELY HOPED EVEN NOW THAT THE IBA WILL SIGN A SETTLEMENT ON ALL THE ABOVE ISSUES WHEN THEY ARE LIKELY TO SIGN X BIPARTITE SETTLEMENT IN A COUPLE OF DAYS.

sd/- K V ACHARYA
PRESIDENT



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(AIBPARC - A wing of AIBOC)

CIRCULAR NO. 24/15

26th May, 2015

(For circulation among Members of the Governing Council, Secretaries of State Units and Special Invitees for information and percolation downwards)

Dear Comrades,

Re : Conclusion of 10th Bipartite Settlement without addressing the principal issues of the Retirees of the Banking Industry – Review of the present situation and formulation of future tasks are the needs of the hour.

Dear Comrades,

1. For past couple of months, we have been constantly feeding you with different developments which are optimistic in nature. No such information has been collected by us from air. It is received from normal organizational communication-channels of AIBOC as well as UFBU. Even the circulars issued after holding of meetings with IBA on 16th March, 16th April and 23rd April, it was made known to us that strong views have been expressed about taking up of issues of retirees like 100% DA neutralization for retirees prior to 01.11.2002, updation of pension, extension of another option of pension to resignees, group mediclaim policies etc.. From time to time, it was also made known that IBA was inclined to accept demands of increased family pension and 100% DA neutralization in line with RBI and that IBA was raising the issue of cost in relation to our demands of "updation" but at no point of time it was negated. This is needless to say that our organisation made its matching contribution by holding rallies/demonstrations in different parts of the country and also represented our case to IBA/Secretary DoFS, GoI/ Finance Minister/Prime Minister etc.
2. Suddenly, what came in between? We were surprised to see that the General Secretary of another retirees' organisation (not ours) started accusing the components of UFBU in a most intemperate language and one of the major constituents of UFBU started to defend itself in a language not too fair. From such exchange of correspondence, it came to us that nothing is happening to the benefits of retirees except improved Group Medical Insurance coverage. The retirees of the whole country stood on their toes. They shuddered in disbelief. How is it happening overnight? What made us roofless? The rumour came true when we came across the draft Joint Note from which it was also clear that except

improved medical/ hospitalization facilities, the entire Bipartite talks were going to be ended without addressing any of the issues of the retirees.

3. A rude shock came to us. Anxiety, restlessness and despondency engulfed the entire community of pensioners and retirees. Our leaders started making frantic efforts to keep in touch with the leaders of AIBOC as well as UFBU to make them feel the necessity of documentation about where they started and where they ended. Com. K.V. Acharya, our President had dialogue with Com. Y. Sudarsan, President, AIBOC, Com. Harvinder Singh General Secretary, AIBOC, Com. Anandakumar, Senior Vice President, AIBOC and Com. P.V. Murali, Convener, UFBU and requested them to look into the documentation-part of the entire exercise. We are grateful to all the comrades for the active initiative taken by each one of them and the support and sympathy displayed by them towards the cause of pensioners. A two page paper has been created and signed by representative of IBA and Unions/Associations on 25.5.2015 which deal with some of the issues of the retirees.

4. To remain faithful to the clientele whom we represent, we feel the need of examining each aspect of the issue and record our views on which we consider as favourable for us and which are highly derogatory for us. In the process of doing so, we do not have any intention of hurting the sentiment of any one because we are thoroughly dependent on each party to the agreement – be it management or Unions/Associations. Still, as elder citizens of the country, we are duty-bound to point out the fallacies which might have escaped the notice of the signatories for many reasons like compulsive situation or last minute haste. Some of our observations are noted hereunder:-

A) We are thoroughly against IBA's contention that its contractual relationship with the elder citizens of the industry ends with retirement. It is to be clearly understood that when the issue of "upgradation" or any other like element is discussed, it does not affect the present retirees only. It has its consequence on the in-service persons who would be retiring in future. Law of contract is not relevant here at all. Relation between banks and retirees is a statutory one which is established by Pension Regulation framed under section 19(1) of Banking Companies Act, 1970. We agree that government pays pension to its employees through budgetary allocation but the source of allocation is payment of revenue by the citizens of which we are one.

B) We are happy to note that the benefits of the coverage of the revised Hospitalisation/Medical

expenses reimbursement scheme for in service employees and officers would be extended to the retirees; but the next few lines add to our anxiety because we do not know the quantum that a pensioner will have to pay from his pocket because the amount of contribution by such persons shall be decided at respective bank level.

- C) When IBA is sympathetic to the issue of increased family pension, the so called issue of "cost" does not sound nice because our Pension Regulation is based on RBI Regulation and GoI has permitted RBI to amend their pension regulation to give effect to it.
 - D) The course of law is a lengthy and time consuming one. Most of the pre-01.11.2002 retirees are old over 70 years and they need quicker delivery of justice. Any delay might prove to be costly.
 - E) IBA's reaction on upgradation of BP at a uniform index of 4440 point is rather positive and it needs quicker delivery.
 - F) On IBA's denial to update pension on grounds of cost, our question is; has there been any responsible calculation to assess the cost of upgradation? We must not forget that the issue has been tabled before IBA before 2 years and a half.
5. All said and done, a pertinent question comes- can we ignore the paper lock stock and barrel? Answer is a bold "No". There are many things which hurt us mentally and financially; still it opens the door partially for carrying on the negotiations to a reasonable conclusion. When we find that IBA is sympathetic to some of the important issues, we shall try to resolve those points at the earliest. We shall make efforts to record many other issues of the retirees which have been left out altogether. Let us imagine a situation that 10th Bipartite ended without the so called declaration on retirees. We would have been left in the lurch. Though we have many disagreements and disapprovals, we shall make sincere efforts to bring the situation to our advantage.

Comrades, next meeting of the Governing Council is fixed on 14th July, 2015 at Chandigarh. It is still at a time distance of one month and a half. We cannot wait till then. The undersigned will talk to all leading comrades within a few days and chalk out our plans of action. Please do not lose heart. Stand bold with courage and conviction. AIBOC has assured us of all help and co-operation in any intensified struggle by AIBPARC with regard to the demands of the retirees.

With best wishes to all.

sd/- SUPRITA SARKAR

JOINTGENERAL SECRETARY



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(AIBPARC - A wing of AIBOC)

C/O BANK OF INDIA OFFICERS' ASSOCIATION (EASTERN INDIA BRANCHES)
BANK OF INDIA, KOLKATA MAIN BRANCH, 23A, NETAJI SUBASH ROAD, KOLKATA - 700 001
Mobile 98304 03145 email: aibparc@gmail.com

Circular No. 25/15

29th May, 2015

For circulation among Members of the Governing Council, Secretaries of State Units and Special Invitees for information:

Dear Comrades,

Sub : AIBPARC demands immediate negotiation with IBA on matters relating to retirees

Please note that circular no. 24/15 dated 26.05.2015 has already been displayed in our website and hard copies have been sent to all concerned. The said circular contains the observation and reaction of the organisation on the Record Note of discussion between IBA and UFBU dated 25th May, 2015.

Without any loss of time we have written to IBA on 27th May, 2015 demanding an immediate negotiation with us on matters relating to retirees. We are reproducing the copy of the letter written to IBA for information of members.

This is further brought to the notice of the G C members that individual letter has been sent to the General Secretary of each affiliate asking them to declare the membership position as on 31.03.2015 and pay the annual subscription for the year April 2015 to March 2016 with immediate effect. The financial position of the Organisation is precarious. All concerned are requested to act fast.

With best wishes,
sd/- S. Sarkar
Joint General Secretary

Letter to IBA

AIBPARC/IBA/7(b)/COURIER/2015 27th May, 2015

Shri M.V. Tanksale,
Chief Executive Officer,
Indian Banks' Association, Centre I Building,
World Trade Centre Complex,
6th floor, Cuff Parade, Mumbai - 400005

Dear Sir,

Re : Record Note of Discussions between IBA and UFBU on demands of retirees of Banks dated 25th May 2015

With reference to the above subject, we like to lay before you the following facts for your kind consideration :

i) For past few months, we have written different letters and sent memorandum on different dates by highlighting the issues of the Retirees and demanding a resolve of the same through bilateral negotiations.

ii) Although it is needless to say, still for record we like to convey that our organisation, sponsored by AIBOC, commands nearly 50,000 retirees (mostly officers) and we have affiliates in Public Sector Banks, Private Sector Banks, RRBs etc. The organisation is led among others by Com. K.V. Acharya, President and Com. S.R. Sengupta, General Secretary, who in past have signed several Joint Notes in the industry. This is about our credentials.

iii) As regards the two page note, we are not the authors of it; hence we abstain from making comments on it in this letter of ours. Although we have valid grounds to be dismayed by many assertions, still we feel that this paper will pave the way for future negotiations and all of us can jointly make an effort to arrive at reasonable conclusions.

iv) When IBA and components of UFBU decided wisely to keep our issues outside the Bipartite settlement as well as the Joint Note and preferred to record the discussion on a separate sheet, we presume that IBA now will not have any difficulty to have dialogue with us on matters relating to retirees. In view of what has been told above, we request you earnestly to kindly call us for discussion on a date convenient to both the sides. Any message in this regard may please be communicated to the following mode of communication

E-mail : aibparc@gmail.com

Mobile : G.S : 098304 03145.

Mobile : President : 098682 20338.

With kind regards,

Yours faithfully,

sd/- S. SARKAR

JOINT GENERAL SECRETARY



ALL INDIA BANK PENSIONERS' & (AIBPARC - A wing of AIBOC)

Circular No.27/2015

June 15, 2015

(For circulation among Members of the Governing Council, State Secretaries and Special Invitees)

Dear Comrade,

AIBOC lodges protest against some of IBA's response to the demands of Retirees and urges upon holding of immediate dialogue on demands of Retirees

In line with discussions held at the meeting of the Executive Committee of AIBOC at Hyderabad Com.Harvinder Singh, General Secretary, AIBOC wrote an encouraging letter to the Chairman, IBA wherein he lodged firm protest against some of IBA's response to the issues of the retirees and demands an immediate dialogue for resolving the issues. We are reproducing hereunder the letter of AIBOC for information of members. The contents of the letter may please be made known to the members at grass root.

With best wishes
Sd/- S R SENGUPTA
GENERAL SECRETARY

Ref: IBA/2015/68

12/06/2015

Chairman, Indian Banks' Association, 6th Floor, Centre 1 Building, World trade Centre Complex, Cuff Parade, Mumbai – 400005.

Sir,

JOINT NOTE ON SALARY REVISION FOR OFFICERS RECORD NOTE ON THE ISSUES OF BANK RETIREES

We invite reference to the Record Note dated 25.05.2015 jointly signed by the representatives of IBA and all the 9 Unions/ Associations of Bank Employees/ Officers on the issues pertaining to Bank Retirees along with Joint Note on Salary Revision.

2. While the above Record Note incorporates some of the demands of Retirees referred to in the Charter of Demands and discussed by officers organization with IBA during the process of discussion and IBA's response there to, we would like to put the records straight by furnishing in brief our view point as under on IBA's response:

- a) At the outset we do not accept that no contractual relationship exists between Banks & Retirees and that their demands can be examined only as a "Welfare Measure". We maintain that payment of Pension cannot be construed as a mere Welfare Measure. As a matter of fact, there are several court judgments upholding that pension is a deferred portion of the compensation for the service rendered. In landmark "Narkara Case", the Hon. Supreme Court has held that "Pension is a statutory, inalienable, equally enforceable right that has been earned by the sweat of brow. As such it should be fixed, revised and modified/ changed in the ways not entirely dissimilar to the salaries granted to serving employees.
- b) Besides, the Pension Regulations have been framed under section 19(1) of Banking Companies (Acquisition & Transfer of Undertakings) Act 1970/1980 and as such the relationship between Banks & Retirees is a statutory one.
- c) Officers' Service Regulations/ Bi-partite Settlement provisions for workmen, inter- alia, provide for post-retirement benefits including Pension/ PF/ Gratuity etc. These are in the nature of statutory obligations on the part of Banks. In these circumstances, how can it be inferred that there is no contractual relationship between Banks & Retirees/ Pensioners? Moreover in case of officers, Officers' Service Regulations/ Disciplinary Rules providing for disciplinary proceedings after retirement will lose the test of validity before law in the absence of contractual relationship.
- d) Like wise in the absence of any contractual relations with Pensioners, Clause 48 of the Pension Regulations 1995 i.e. right to proceed against retired employees will also not have any sanctity.

RETIREES' CONFEDERATION

e) As regards comparison with Central Government Pension Scheme, we specifically bring to your notice that Pension Regulations under the head Residuary Provisions, specifically stipulates that “in the matter of application of these Regulations regard may be had to the corresponding provisions of Central Civil Services Rules 1972 or Central Civil Services (Commutation of Pension) Rules 1981 applicable for Government Employees with such “modifications as the Bank with previous sanction of Central Government, may from time to time determine”. It is clearly understood that Bank Employees’ Pension Scheme has been drawn primarily on the basis of Pension Scheme applicable to Central Government Employees/ RBI Employees. Hence comparison with the Central Government Employees Pension Scheme is not out of Place.

3. Referring to IBA’s response to the demands referred to in the Record Note, we have to state as under:

a) While on several aspects of pension improvement, IBA has been repeatedly forwarding the plea of cost burden but at no point of time during negotiations, authentic data has been presented in support of its contention. On the contrary, authentic pension fund data categorically reveals that as on 31.03.2014, the corpus of Pension Fund stood at about Rs.1,14,000/- crores. More importantly Pension Funds of Banks are in surplus consecutively over the years and such surplus is growing year by year despite the fact that Banks have failed to provide for the required sum in pension funds as agreed in Bipartite Settlements. Under these circumstances, demands of retirees for improvement in Family Pension in line with RBI, 100% DA neutralization to pre Nov 2002 retirees as also updation of Pension, cannot be delayed/denied.

b) We may point out that Bank Employees Pension Regulations specifically provide for updation of Pension. We invite reference to Regulation 35 (1) thereof which reads as under; “Basic Pension and additional pension wherever applicable shall be updated as per formula given in Appendix I” As a matter of fact, such updation has already been given effect earlier for the pensioners retired prior to 01.11.1987, who were positioned on par with retirees under 01.11.1987 Wage

Settlement. In view of the above, updation of Pension has a statutory basis and it becomes a statutory obligation.

c) In the matter of 100% DA neutralization for retirees prior to 01.11.2002 for which IBA was positive during discussion, there have been several speaking judgments and favourable court orders. Though the matter is still sub- judice, IBA should settle the matter positively so that the expensive litigation can be put to rest once and for all. But waiting for conclusion of court proceedings will only add to the delay denying justice to pensioners who are above the age of 72-75 years and are anxiously waiting for the justice.

d) The issue of Pension to left overs also a vital one. The category of those retired compulsorily and the resignees have been denied benefits due to strict interpretation of instructions from the Government in June, 2012. Existing Pension Regulations categorically provide for pension to those compulsorily retired from service. Denial of pension option to them is violative of the very existing Pension Regulations itself. Denial of Pension option to Resignees has also been tested through litigation and several judgments including the one in Vijaya Bank Case, is a clear pointer that they cannot be denied pension after the stipulated period. In fact consequent upon such court verdict, several resignees have already been conceded the benefit of pension option. It is also pertinent to note that the number of those retired compulsorily as also those resigned from Banks (after putting in requisite pensionable service) is very small and the cost cannot stand in the way of extending benefits to them.

e) Apart from the above, there are still several issues of pension, which need to be discussed and sorted out.

We, therefore, request you to take a positive view and hold discussion on all the issues of retirees on the basis of authentic facts, data and figures. On our part, we are also willing to exchange facts and figures so that a meaningful dialogue can take place with a view to resolving these issues.

We look forward to your early response.

Thanking you,

Yours faithfully,
Sd/- HARVINDER SINGH
GENERAL SECRETARY



ALL INDIA BANK PENSIONERS' & (AIBPARC - A wing of AIBOC)

CIRCULAR NO. 28/2015.

June 22, 2015

(For circulation among Members of the Governing Council, State Secretaries and Special Invitees)

Dear Comrade,

When anguish and deprivation loom large, it is the general rule that a sense of hopelessness prevails. It is exactly what has happened to a few lakhs of pensioners in the Banking Industry. We, the leaders and forerunners of the movement of retirees will have to keep our head cool and find out ways and means to fulfill the aspiration of the people whom we represent and to keep the movement intact without any sense of waste. It is a time of test and we shall have to pass it with honour.

2. You will definitely agree that the largest challenge before the leadership is to reach the members who are residing in distant parts of the country. The message of the organisation must go to them. It is an admitted fact of life that a negligible percentage of pensioners have access to websites and far less number have participation in Face-Books. This negligible percentage of members cannot become the movers of opinions. There are large number of members who do not have any access to such individual opinion-building exercise through social opinion-sharing mechanism but their opinion and participation is very vital for us.

3. When a record-note was signed on 25th May, it is quite natural that IBA would not be reversing its views within a very short period. It is a time taking battle which is to be fought every inch by patience and time bound steps are to be taken to achieve the goal. As a first step, it was a necessity to tell to membership what we feel about the document. It has already been conveyed by different circulars. The second step was to record our views with each constituent of UFBU. The same has been done without any loss of time. This is really heartening for us to note that AIBOC, a very important constituent of UFBU, has come out with an open letter addressed to IBA recording its views in a manner which is praiseworthy and demanded immediate restoration of dialogue on pensioners issues.

4. As for agitation, we have taken series of programmes prior to finalization of 10th Bipartite Settlement. Such

programmes included submission of memorandum and holding of protest demonstrations in important centres of the country. Although participation was large, fulfillment of aspiration was virtually nil. The call of the hour is a joint movement by all the Retirees' Organizations in the country. Keeping this aim in view, we remained in constant touch with Com. P.P.S. Murthy, the Convener of the Joint Forum to explore the possibility of calling a meeting of the Retirees' Organisations so that we can evolve Joint Action Programmes. Com. Murthy conveyed to us in writing that the General Secretary of one component is not in a position to meet before mid-July and Com. Murthy will have to go to Delhi to attend the final phase of a long drawn legal battle fought by our comrades in SBI and we have also our EC meeting at Chandigarh. Accommodating all the three pre-occupations, a sincere attempt will be made to arrange for a meeting in the month of July 2015 to make a thorough review of the situation and to explore the possibility of joint struggle. After seeing the outcome of the aforesaid meeting, we shall have to take protracted line of action.

5. Till then, we should gear up the propaganda campaign once again. Meeting at subdivision district and state capitals may be organized by different affiliates where others can also be invited. The post bipartite situation should be explained to the audience in great detail and tell them that we are on the job and for the job. There is nothing to lament but to move with resolution. As propaganda materials should be fact based and uniform, we write hereunder the assessment of the organization about different aspects of the record note. This material may please be given widest publicity. The campaign material is being enumerated in detail in para no. 6 onwards.

Campaign materials :

6. The signing of X Bipartite settlement on 25th May, 2015 brought to conclusion the 30 month-long wage negotiation to an end but it brought no cheers to the retirees as none of the pension related issues of retirees

RETIREES' CONFEDERATION

was addressed. This sudden turn of events bringing an anti-climactic end to the expectations of retirees brought anguish to many and even anger to some. All along every one was led to believe that resolution was within sight in respect of major issues concerning retirees and serious efforts were afoot to find a meeting ground to overcome the vexed question of costing and not a communication from UFBU or from any of its constituents gave an inkling that Bipartite Settlement would be signed without agreement on any of the pension related issues. Even when MoU was signed it was expressly stated that other issues in the Charter of Demands would be discussed for concluding the X Bipartite Settlement within 90 days. Retirees' issues formed very much a part of the Charter of Demands and the mandate IBA got from individual banks did not expressly exclude these issues.

In fact, the circulars issued by unions after holding of meetings with IBA invariably indicated strong positive orientation towards taking up issues of retirees viz. 100% DA neutralization to pre 1/11/2002 retirees, updation of pension, extension of another option of pension to resignees, group mediclaim policies etc. From time to time, it was also made known in very many public fora that IBA was inclined to accept demands of increased family pension and 100% DA neutralization in line with RBI and that IBA though sympathetic was raising the issue of cost in relation to our demands of "updation" but at no point of time a contrary view of IBA negating any of these issues was indicated.

We also played our role to complement the efforts of the UFBU. You all made a success of all our organizational action programs of holding allies/demonstrations in different parts of the country. We represented our case to IBA/Secretary DoFS, GoI/Finance Minister etc. With a view to keeping in focus our issues as the Bipartite talks were drawing to a close, we launched a massive action program of public demonstrations at various centres across the country and submission of representation by State Units of AIBPARC to all CMDs/MDs/CEOs of Nationalized Banks and Private Sector Banks. We were also lobbying with politicians, Parliamentarians, Ministers and bureaucracy. Our

General Secretary & President went full steam and put to full use all their contacts.

When it became clear that the issues of retirees would find no place in the Bipartite Settlement barring a marginal relief in Medical Aid, we wanted to make sure that retirees' issues did not go away from negotiation table. We did not want to react on impulse. We did not want to indulge in antics and rhetoric but wanted to ensure IBA is bound to keep the issues alive for discussion. We were successful in persuading AIBOC to get the issues of retirees recorded for resolution by further negotiation.

There is widespread criticism about the Record Note and it is perceived by some that it has doomed the hopes of retirees forever leaving no room for settlement of these issues. IBA's contention that there is no contractual relationship between Banks and Retirees and hence the retirees have no vested right to raise any demands after retirement is perceived as the most damning part of its response. This response has created a tide of protest and understandable outrage among the retirees. Having taken such a position IBA went on to record, however, its sympathy but cost coming in the way of implementing uniform family pension, pension updation, pension upgradation uniformly by merger at 4440 index points and sub-judice coming in the way of implementing 100% DA neutralization. IBA has not closed the doors though entry for the present is prevented on the pretext of costing. Unions have rightly responded to come with their costing to gain entry and we will endeavour to make the best out of this situation. With this perception over the Record Note, AIBPARC considers it an opportunity to commence the next phase that shall be the final phase resolving all our issues satisfactorily.

We differ with IBA's perception over the nature of relationship between retirees and banks on these issues. **But this is not a new stated position of IBA. In fact, it is the known and stated position of IBA in all the cases pending before various High Courts and Supreme Court. In all these cases, IBA has been maintaining that there is no contractual obligation to accept any of the above demands.** When this is the stated position of IBA before courts, it is naïve to expect IBA to have a different position at the negotiating table. IBA has

reiterated its position because AIBOC, the only negotiating union asserted these are rights of retirees and in fact submitted to IBA in writing that Pension Updation is mandatory as per Reg.35(1) of Pension Regulations. On the contrary one major constituent of UFBU is on the same page with the IBA as we all know that this constituent in its letter to the Finance Minister admitted to the detriment of retirees that there was no provision for pension updation in Pension Regulations and has been maintaining that matters being subjudice are impediments to their resolution. Be that so, the UFBU as a collective body was able to commit IBA to have the issues on the negotiating table albeit as welfare measures and subject to agreement on cost estimations. **So the door is not shut but the door is wide open – If we are able to convince these issues are our entitlements and rights then IBA by implication agrees to their implementation irrespective of cost, else IBA is open to consider them as welfare measures on humanitarian grounds subject to unions satisfying it about cost implication. We have done our costing and it shows the cost of all the issues do not require anything more than what is being now contributed to the pension corpus. PENSION CORPUS HAS TO BE EXHAUSTED AT THE END WHEN THE LAST PENSIONER UNDER THIS DEFINED BENEFIT PENSION SCHEME BREATHES HIS LAST. THEREFORE, THERE IS NOT GOING TO BE EXTRA COST ON ACCOUNT OF THESE ISSUES BECAUSE THE PENSION CORPUS APART FROM THE YIELD OUGHT TO BE MADE AVAILABLE TO MEET THE COST IN THE LONG RUN.**

Action plan

In view of what has been told in para Nos. 1-5, we shall declare our organizational action plan which will be long and time consuming by the end of July, 2015. Members are requested to hold patience for a few days only. This is required to finalise our stand in the meeting of the Governing Council first and then to explore the possibility of evolving out joint action programmes if otherwise consensus can be arrived at. In case, however, no consensus can be reached at, we shall be going in our own way. Members may keep rest assured that no stone will be left unturned to achieve the goals.

With best wishes,

Sd/- S.R.SEN GUPTA
GENERAL SECRETARY

8th April 2015

Smt.Indira Padmini
General Manager (PAD)
Indian Overseas Bank
Central Office
Chennai

Madam,

Sub: Pensioners Loan

While we are thankful for the enhancement of Pensioner Loan to Rs.5,00,000 for pensioners aged upto 70 and Rs.3,00,000 aged above 70, we are receiving representations from our members that the conditions therein deny the benefit of enhancement to them. Hence we request the following modification in respect of these conditions:

1) To allow Pre-closure by adjustment- Pre-closure by adjustment is not allowed. It will be difficult for senior citizens to close the existing loan out of their own funds and avail thereafter the newly enhanced loan. As a one time measure, pre-closure by adjustment may please be allowed, else the pensioners may be allowed a second loan for the difference between the outstanding in the present loan and the enhanced loan amount.

2) Waiver of Processing Fee - Even after reduction in interest it is still high with good spread for the banks. Added to the spread is the history of almost NIL NPA of pensioner Loans. In these circumstances, there is no case for levying processing charges. Our Bank committed to '*touching hearts and spreading smiles*' ought not to be driven by profits alone, that too when senior citizens are involved. So please remove this condition.

3) To Remove the condition of Guarantee of spouse/ family member and/or Third Party Guarantee It will be too embarrassing for a senior citizen aged above 70 to approach any third party to stand surety for a loan he wants to take from a bank. Likely failure is only when there is no family pensioner and hence no family pension would be available to make recovery. The probability of such failures is very low. Hence the condition of third party guarantee may be withdrawn. We request you to kindly consider the above requests with all sympathy.

Thanking you,

Yours faithfully

Sd/- K.S.RENGARAJAN
President

30/04/2005

To

The CEO & MD,
Indian Overseas Bank

Dear Sir,

Sub: Request to restore full additional interest on term deposits of former staff members

We are dismayed and disappointed to see from Bank's circular of 24th April, 2015 that the bank has decided to curtail the benefit of extra interest extended to retired staff members on deposits kept by them with the bank. Hitherto senior-citizen retired employees were enjoying additional interest as a retired staff member in addition to additional interest payable to a senior citizen. Bank has now decided to cap the aggregate of additional interest payable whereby senior citizen retired employees are made to lose ½ per cent on all their deposits with our bank.

RBI's guidelines allowing payment of extra interest not exceeding 1per cent on deposits is equally applicable to employees and retired employees and also equally to all retired employees irrespective of their age. Every senior citizen, be he a former employee or an outsider is entitled to ½ per cent extra interest. Hence the capping of interest affects only the extra interest a former employee is otherwise enjoying.

The capping reduced the additional payable to a retired employee who is a senior citizen by ½ per cent as of now. This is discriminatory even in terms of RBI guidelines which do not distinguish between serving employees and retired employees and also among retired employees based on their age. While serving employees and retired employees below the age of 60 would be getting full 1 per cent additional interest the retired employees above the age of 60 would get only ½ per cent additional interest i.e the additional benefit is reduced by 50 per cent to senior citizen retired employees. Is it a sin to be a senior citizen and hence has to be penalized thus?

Apart from the above untenable legal grounds of discrimination, it is unreasonable that the bank should think of shoring up its bottom-line by axing the benefit of retired

employees who are all senior citizens and who contributed to the growth of the bank. One instance which we can cite about the loyalty of retired employees of our bank is when the bank went for IPO, it was not an attractive investment and no market pundits recommended a 'BUY' of IOB shares. In spite of its being branded an unattractive investment, we all subscribed fully to the quota allotted for employees and also encouraged our family members to subscribe to the IPO. To this lot, it has now befallen this fate that they cannot claim parity with serving employees on deposit interest rate.

Even the argument of bottom-line bears no close scrutiny. We understand that the term deposits of former staff members are below Rs. 200 crore and the saving of ½ per cent due to capping will be below Rs.1 crore. Should our Bank decide to deprive hundreds of senior citizens by saving a mere Rs.1 crore? This is the same bank which when posted the highest loss in the industry wiping off its capital in the 1990s provided Rs, 50 lakhs to the staff welfare fund when other banks were yet to start it. Such is the venerable tradition our bank has towards its human resources. We do hope that this tradition will be taken forward and solace be brought to retired employees who are already suffering because of denial of parity in pension related matters by the IBA.

When you reduced the interest rate on pension loan for ex-staff members and waived processing charge immediately on our request, we saw your fairness. We are confident that the same fairness will get us a favourable decision. You and your team of management will agree that bottom-line consideration for the decision of capping additional interest can stand neither legal scrutiny nor moral scrutiny. You will appreciate that capping of additional interest is unreasonable and unwarranted.

We from ARISE, the organization representing retirees of our Bank request you, therefore, to kindly reconsider the bank's decision and restore full additional interest benefit without capping it.

With regards and thanks,
Sd/- S.B.C.KARUNAKARAN
General Secretary



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(AIBPARC - A wing of AIBOC)

CIRCULAR NO.3/2014-15

Date: 25.05.2015

To
ALL OFFICE BEARERS AND EC MEMBERS

Dear Comrade,

MEMBERS MEET ON 23.05.2015 ON BI-PARTITE DISCUSSIONS

Kudos to all our members and other retirees who have thronged the Karnataka Sangha Hall braving the hot sun to attend the Members Meet organized by our State Unit on 23.05.2015. They were more than 500 in number and anxiety and concern was writ large on their faces as to what will happen to the issues of Retirees in the 10th Bi Partite Settlement that is going to be signed on 25.05.2015.

Com.S.B.C.Karunakaran, President of the State Unit, Com.K.V.Acharya, President, AIBPARC, Com.JD Sharma Joint General Secretary, AIBOC, Com.T.K.Balasubramaniam, RNBOC and other leaders of AIBPARC namely Com.S.Kuppuswamy, Com.K.S.Rengarajan, Com.T.T.Natarajan, Com.Surianarayanan, Com.K.V.Varadarajan and Com.K.Chandrasekaran, Secretary of the State Unit constituted the dais. Many other leaders of AIBPARC and former leaders of AIBOC graced the occasion by their presence.

Com.K.Chandrasekaran extended a warm welcome to the leaders and the gathering. Touching upon the fact that the meeting is being held just two days before the signing of the 10th Bi-partite and the propaganda that is in the air that nothing is going to happen to the issues of retirees, he appealed to the members to exercise patience and requested Com.JD Sharma to convey the feeling of retirees to the leadership of AIBOC and UFBU so that suitable steps are taken to find reasonable solutions to the issues of Retirees..“

Com.J.D.Sharma explained the earnest efforts taken by AIBOC to highlight the issues of Retirees in the UFBU platform and in the Bi-Partite discussions. He said that the AIBOC is conscious that a working comrade of today is the retiree of tomorrow and the interest of both are interwoven and assured that AIBOC will put its best efforts to resolve the issues of retirees in a reasonable manner.

Comn.S.B.C.Karunakaran, in is presidential speech echoed the large scale restlessness that is prevailing in the minds of the retirees and said that certain quarters are trying to take advantages of the situation and they are the people who wished away the existence of the Regulation No.35 of Pension Regulations, 1995 that provide for updation in their letters and communications. He made a passionate appeal for the

formation of a Central Pension Commission like a Central Pay Commission to decide on the grievances and issues of bank pensioners where both retirees' prgamosatopms amd ONA wopi;d ne eqia; nefpre am arnotratpr im;ole the [resemnt sotiatopm wjere the retorees are imeiqa; enfpre ONA wjp resies tp [rpve ots cpst c;a0,s pm retorees's issues. He requested the retirees who hold the shares of the Banks to raise the issue in the Geneal Body Meeting of every bank as to what provision ahs been made towards updation of Pension in terms of Rgulation 35 (1). Com.T K Balasubramaniam, former leader of INBOC and the present functionary of RNBOC thanked the AIBPARC leadership for extending the invitation to him to address the meeting. He made a fervent appeal for a united struggle and assured that he would persuade his organisation RNBOC to extend the fullest support in that direction. He complimented AIBPARC for the efforts taken to rederess the grievances of the Retirees.

Com.K.V.Acharya, president, AIBPARC kept the audient spell bound by his powerful speech. He traced the stellar role played by AIBPARC in advancing the cause of Pensioners and Retirees. He said that AIBPARC has always played a complementary role parallel to UFBU and the efforts were always complementary and never competitive. AIBPARC has written to Government / IBA / Political personalities and all who matter highlighting before them the deprivation and discrimination met to the retirees of the Banking Sector and urging upon them the need to address the issues of the retirees and find a reasonable solution. Hoping that AIBOC would renew their efforts to facilitate for a reasonable solution for the issues of retirees, he assured that AIBPARC would leave no stone unturned to pursues the issues of retirees to a logical conclusion.

Com.R.Suryanarayanan, Vice President, AIBPARC proposed the vote of thanks and complimented ARISE and the State Committee for the successful conduct of the meeting.

With Greetings,

Yours comradely,
K.Chandrasekaran
Secretary

Note: The entire meeting arrangements made by ARISE – Association of Retired IOB's Employees. ■

MINUTES OF THE MEETING HELD AT BANGALORE ON 24.05.2015

A meeting of ARISE members was arranged at Bangalore on 24.05.2015, when Com K V Acharya, President, AIBPARC and Vice President, ARISE, was in the city. Com S Kruparam, Joint General Secretary, Arise also participated.

The meeting was presided over by Com M R Gopinatha Rao, Vice-President, ARISE & Deputy General Secretary, AIBPARC.

The meeting was attended by more than 85 members. Sri B S Keshava Murthy, Former Chief General Manager, Sri R Vaidyanathan, Sri B G Ranganatha, Sri M Lakshminarayana, Sri C S Vasantha Kumar, who all retired as General Managers of the bank also participated along with many other executives, officers and award staff retired and settled in Bangalore. Sri K V Krishna Murthy, the retired Deputy General Manager from Hyderabad also participated. The members from Mysore, Hubli, Chitradurga also attended the meeting.

Sri Ch. Radhakrishna Prasad, General Manager, Bangalore, was away on official engagement, he could not grace the meeting. However he had conveyed his greetings and best wishes to the meeting.

Com K.S. Narasimha Murthy, Organising Secretary welcomed the members. One minute silence was observed to mourn the death of our members deceased during the recent past and also to the unfortunate victims of the recent flood havoc in Nepal and other places. The members were informed about the steps initiated by Com K V Acharya and Com M R Gopinatha Rao along with other office bearers of our ARISE, to maintain a cordial relationship with the management of IOB and also to clinch the maximum benefit to the members compared to their peers in other banks.

Com M R Gopinatha Rao addressed the gathering and conveyed the messages of our Central Unit wishing our meeting a grand success. He narrated the contribution of K V Acharya to the bank heading the IOBOA for more than a decade staying away from family, contributing even now for the ARISE and AIBPARC.

He mentioned that the recently concluded settlement of UFBU with the IBA is not a good settlement and it is against the interest of the members. AIBPARC has

already taken up the matter again with AIBOC and other officials at the secretariat to help the retirees.

Com M R Gopinatha Rao mentioned that life membership of ARISE, as decided during the conference, has gained momentum and already more than 100 members have become Life Members from Karnataka and requested all the other members to become Life Members at the earliest. Spontaneously, there was an overwhelming response and 15 members became life members instantly and set a big trend to other regions to follow in this regard.

Com K V Acharya, lauded IOBOA, for taking steps to ensure that all the new retirees from IOB become the members of the ARISE immediately. He informed that the ARISE has taken up with the management to restore the original interest rate to the deposits of retirees, which was withdrawn recently. He discussed about the financial health of our bank. He informed that our constant liaison, the management has helped us to get better deal for all the pensioners from our bank. However the new settlement with IBA has let down the retiree. He informed that the matter is being taken up again the AIBOC to get the issue sorted out at the earliest. He discussed about the compassionate allowance to the dismissed employees, leave encashment for the compulsorily retired employees, issuance of charge sheets to officers at the time retirement etc.,

Com Acharya informed the members that it is now an "Agni Pariksha" to UFBU, to fight with IBA and government for the welfare of the retirees. New programme has to be chalked out after discussing with UFBU and AIBOC. He mentioned that the current leadership of AIBOC are very much with AIBPARC and it has promised to fight for the justice to the retirees with IBA. He requested the members to keep this in mind and continue to extend support to ARISE and AIBPARC to achieve the success.

Com S Kruparam, also lauded the active participation of members in the meeting and assured that the ARISE is responding to the members keeping rapport with our bank management.

The meeting was concluded with vote of thanks by Com A G Sathyanarayana. ■

Com KV ACHARYA PRESIDENT, AIBPARC IN KERALA FOR 3 DAYS ALL PROGRAMMES THUNDERING SUCCESS



Com. KV Acharya, our National President was in the State of Kerala from 18 to 20 July 2015. He has attended 4 major functions during this period. All the programmes were great success.

1. AIBPARC KERALA STATE COMMITTEE MEETING AT KOCHI

A meeting of AIBPARC State Committee was held at Kochi on 18th July 2015. Com. KV Acharya attended the meeting. The meeting was presided over by Com. PB Thomas, State President. Com. R Chandraseenan, State Secretary explained the recent developments after signing of 10th Bipartite Settlement. Com. KV Acharya also elaborated on this. He also mentioned that all the FOUR retirees organizations are meeting in Delhi to chalk a common course of action. The meeting decided to pursue the action programmes which are likely to be formulated in the proposed meeting.

Com Acharya congratulated the State Unit for conducting various programmes in connection with Bank Nationalization Day ie. 19th July.

2. AIBPARC ERNAKULAM DISTRICT CONVENTION

Ernakulam District Convention of AIBPARC held on Saturday 18th July, 2015 at Renewal Centre, Kaloor at 4 pm. Our All India President Com.K.V.Acharya inaugurated the convention and delivered the key note address.

Com.K.V.Acharya analyzed the comments made by IBA during 10th BPS and on the "Record Note" signed by UFBU and IBA. He strongly criticized the negative attitude of Indian Banks' Association for its remarks about the retirees' demands which is illegal and highly objectionable. He categorically stated that statement made by IBA that "No. Contractual relation exists between banks and retirees" is totally misleading and illegal.

As regarding the financial implication of our demands, he said our organization has made a detailed study of the subject and it clearly shows that no additional fund is required for pension

update as the funds available with pension corpus is more than enough to meet our demands. He further added that the proposed joint meeting of AIBPARC, AIBRF and SBI Pensioners Association scheduled to be held on 28th, July, 15 at Delhi will decide the future course of action.

Com.P.V.Mathew, National Vice President, State President, Com.P.B.Thomas, State Secretary Com.R.Chandra Senan, Com.B.Sreekumar, Ernakulam District President, Secretary Com.N.B.Viswan & Com.P.N.Vijayan Nair, Treasurer of Ernakulam District Committee of AIBPARC spoke on the occasion.

Com NPD Menon, the doyen of banking trade union movement in Kerala, the entire State Committee members of AIBPARC, leaders of various affiliated units were present in the meeting. More than 200 members participated in the meeting. The meeting was a grand success.

The meeting unanimously elected Com.B.Sreekumar, Com.N.B.Viswan, and Com.P.N.Vijayan Nair as President, Secretary and Treasurer respectively for the next 3 years period.

3. FEDERAL BANK RETIRED OFFICERS FORUM 21st NATIONAL CONFERENCE

21st National Conference of Federal Bank Retired Officers' Forum (FBROF) was held on 19th July 2015 at Municipal Town Hall, Aluva. The conference was inaugurated by Com. KV Acharya National President, AIBPARC The key note address was made by Dr. Sebastian Paul Ex MP. More than 400 members participated in the conference, out of the total membership of 1000 odd. The Conference deliberated on the recently concluded wage revision. The Conference pledged all support to the forthcoming action programmes. Com. PV Mathew presided over the function and Com. V Kailasanath, General Secretary FBROF welcomed the gathering.

The meeting honoured TWO octogenarian members. The Guest of Honour for the meeting was Shri. Thampy Kurian, General Manager, Federal Bank.

Com. Paul Mundadan. General Secretary of Federal Bank Officers' Association launched FBROF website. There was a thundering ovation to Com. PV Mohanan, the hero of Dhanlaxmi Bank, when he rose to address the gathering. Those who spoke included Com P Anitha, President, Federal Bank Officers Association, Shri Babu Thomas, Secretary Federal Bank Executive Forum. The meeting was facilitated by Com. R Chandrasenan, State Secretary. Com George Chacko General Convenor propped vote of thanks. .

4.AIBPARC THIRUVANANTHAPURAM DISTRICT CONVENTION ON 20th JULY 2015

A convention of members of AIBPARC of Thiruvananthapuram District was held on 20th July 2015 at ABOA SBT Hall, Statue, Thiruvananthapuram. More than 200 members participated in the convention and discussed the developments with regard to issues pertaining to retiree officers. The convention was inaugurated by Com. K V Acharya, National President, Com. K Vijayakumar National DGS and

a host of State functionaries also attended the function.

The meeting was presided over by Com. P B Thomas, State President of AIBPARC. Com. R. Chandrasenan, State Secretary welcomed the gathering. Both of them pointed out that the demands of retirees have been totally discarded in the latest settlement. Com. Acharya in his inaugural address agreed with them that we have been sidelined with regard to our demands like improvement of family pension, 100% DA neutralization to pre 2002 retirees, update of pension, improvement in medical benefit schemes. He recalled that it was at the insistence of AIBPARC that retirees issues became a part of common charter of demands in latest settlement. All the issues were live till last minute of signing. However IBA took a volte face at the crucial juncture. The UFBU had to surrender to this stand. This is amply clarified in the Record Note made by IBA. AIBOC has contested the Record Note by a separate letter. Com. Acharya is of the firm view that we need not be desperate with the stand of IBA towards our demands. He recalled the minutes of the 2002 settlement where it was categorically recorded that demand for one more option for pension cannot be considered. However in the next settlement we clinched the issue of option for pension. Likewise we will be able to achieve our pending demands in the coming days.

With this in mind, the AIBPARC National Executive Committee held at Chandigarh on 14th July 2015 has worked out various strategies/action programmes for achievement of our goals. A joint meeting of all the bank retirees' organizations in the country viz. AIBPARC, SBI Pensioners Association, AIBRF and RBONC is scheduled to be held on 28th July 2015 at Delhi. Action programmes/strategies will be spelt out after the said meeting. He exhorted all the members to keep in readiness for the same.

Com. Abraham Shaji John, State Secretary of AIBOC promised all support for any such action programmes. He further stated that managements/IBA/Govt will definitely listen to our voice quoting the example of the success in the recent indefinite strike of 35 days in Dhanlaxmi Bank.

There was an interaction session wherein members doubts/suggestions were amply clarified/appreciated by Com Acharya.

Com. KV Acharya was felicitated by presentation of a small memento by AIBPARC District Secretary Com. MK Vijayakrishnan Nair. The meeting also felicitated TWO recent Civil Service entrants who are wards of our members. Mr. M. Reghu son of Com. Muraleedhara Pai and Mr. R K Visakh son of Com. V Rajasekharan Nair who is also the Zonal Secretary of ABROA. The mementos were given by Com Acharya. Com. Gopakumar, District President of AIBPARC proposed the vote of thanks.

Comrades, all the programmes were grand success. The conventions/conference were attended by a large number of comrades. The quality of deliberations were of high order. The members expressed all readiness to plunge into any action programmes as directed by the leadership. ■

MINUTES OF THE MEETING ON CO-ORDINATION OF THE FEDERATIONS OF BANK PENSIONERS AND RETIREES HELD ON 28-07-2015 AT NEW DELHI

A meeting for bringing together the major apex level organizations of the Bank Pensioners and Retirees was organized on 28-07-2015 at New Delhi. The following Federations of Bank Pensioners and Retirees attended this meeting.

1. Federation of State Bank of India Pensioners' Associations
2. All India Bank Retirees' Federation
3. All India Bank Pensioners' & Retirees' Confederation.
4. Retired Bank Officers' National Confederation and
5. All India Retired Bank Employees' Association

2. Before the commencement of this meeting, two minutes silence was observed in memory of former President of India Shri A.B.J.Abdul Kalam. Shri P.P.S.Murthy, General Secretary, Federation of S.B.I Pensioners' Associations. This meeting is very important one for strengthening the Movement of Bank Pensioners and Retirees by bringing together all their important apex level organizations. The disappointment caused to the pensioners by the much expected 10th Bipartite Settlement and the declarations made in the Record Note released by IBA along with the 10th Bipartite Settlement has created the need for collective and combined efforts by all the above organizations. Shri R.N.Banerjee, President, Federation of SBI Pensioners' Associations brought to the notice of the participants the efforts made by his Federation over the last 25 years including the legal action for securing legitimate pension benefits. He said collective efforts by all of us with commitment are necessary for resolving our common issues.

3. Shri S.C.Jain, General Secretary of All Retirees' Federation referred to the challenges before us and the disappointment and frustration of the pensioners after the 10th Bipartite Settlement was concluded. He is in favour of co-ordination for bringing unity among all of us. He said that UFBRO was formed for this purpose. They could achieve certain benefits in the form of Ex-gratia to pre

1.1.1986 retirees and their spouses, could arrange for establishing grievance redressal machinery and secure the facility of one-more pension option. He felt that UFBRO could itself be utilized for the purpose of our co-ordination.. He however does not have any reservation on forming new organization of all the above Federations. He considered that we should explore the legal option for securing the updation of pension by obtaining a expert legal opinion.

4. Shri K.V.Acharya, President, All India Bank Pensioners' & Retirees' Confederation favoured the immediate formation of co-ordination of the above five Federations of Bank Pensioners and Retirees. He said that exgratia to pre 1-1-1986 retirees was granted first by the Indian Overseas Bank in 1996 before other Banks provided this facility. He said that IBA should discuss with the organizations of Bank Pensioners and Retirees on issues concerning them. He also brought to the notice of the participants the various programs of action taken by his Federation for focusing and resolving the issues of the pensioners. He said that the provision for the updation of pension is statutory and denying the updation of pension is in violation of this regulation. He also suggested to consider widening our co-ordination by including the corresponding organizations of RBI and LIC As age is not with us, he felt that there is a need for us to forge our unity without delay.

5. Shri R.D.Deshpande, General Secretary, Retired Bank Officers' National Confederation shared the view that the time is now ripe for all of us to take a positive decision on forming our co-ordination. Our members would not be satisfied without beneficial results. He said that our issues should get prioritized and action plan drawn up. He said that the second option issue of the resigned and those left over should be addressed. Shri R. Acharya of All India Retired Bank Employees' Association concurred with the view on forming a co-ordination of all the above organizations.

6. All the participants agreed to enlist the support of UFBU and other organizations of the serving employees of Banks All the participants unanimously agreed on forming a co-

ordination of all the above five Federations with the following objectives, structure, name, action plan, code of conduct, finance and Joint Action Committee..

I.Objectives

- a. To remove the discrimination caused in the payment of dearness relief to pre 1-11-2002 pensioners.
- b. To secure the upgradation of basic pension/ family pension by merging dearness relief neutralized with 100% up to 4440 points as on 31-10-2012.
- c. To secure family pension at 30% of pay uniformly to all on the same basis as followed by Reserve Bank of India. To remove the extant ceiling on family pension of Rs, 5,930/ and Rs.9, 284/ on Ninth and Tenth Bipartite pay scales respectively, pending consideration of this proposal,
- d. To take steps for securing improvements as obtaining in the Pension Scheme of Reserve Bank of India
- e. To secure the updation of pension on every revision for meeting aging needs of Bank pensioners.
- f. To secure improvements in medical facilities to the pensioners and family pensioners.
- g. To take steps for strengthening the Pensioners'/ Retirees' Movement in the Banking Industry by mobilizing more members and by bringing together the multiple organizations of Bank pensioners/ retirees in each Bank if any and
- h. To serve the ageing members of our society and in co-ordination with similar organizations in the service of the aged.
- i. To secure pension option for the resigned and all left over with eligible pensionable service.

II. Structure

The Structure can be a collective body without a formal registration under the Societies Act for the time being or as may be decided at this meeting

III. Name

The participants agreed to form a new organization in the following name with the above FIVE Federations as its members.

“Confederation of Bank Pensioners and Retirees Organizations (CBPRO)”

IV.. Action Plan

Our action plan may be decided according priority for achieving our above objectives.

- i. Our first option can be to represent our issues with the Government/ IBA/ Management of Banks through negotiations/ meetings.
- ii. To seek political support.

- iii. To seek support through print and visual media and press conferences
- iv. To fix a time frame for the above negotiated efforts depending on the developments
- v. Depending upon the progress through negotiated efforts, the other program of direct actions like peaceful Dharna or agitation can be planned..
- vi. Against decisions taken deliberately causing untenable and unjust deprivation and discrimination to the pensioners, legal action may be necessary. We should get prepared to resort to legal action although it is very only costly and time consuming. Before taking a decision on resorting to a legal action, sufficient funds should be mobilized.

V. Code of Conduct

- i. All members of this apex body should work together for achieving our objectives by strengthening fraternity among ourselves.
- ii. All members of this body would do well to commit themselves against any mutual criticism or against carrying on any activity which would not be conducive for maintaining the unity amongst them and
- iii. All members of this body should give an assurance that they would always abide by the decisions taken by this body.

VI.Finance

All travelling expenses incurred for attending the meetings of the co-ordination/action committee and also for program action to be organized at different centres will be borne by the respective organizations. The expenses for the future meetings of this committee can also borne by the respective host organization. For the present, finance would be required only for meeting the expenses connected with communications. A token contribution from each member should be sufficient for this purpose. Any other suggestion is welcome.

VII. Formation of a Joint Action Committee

This Committee may consist of a Convenor from one Federation and one Member each from the other Federations..

7. For the purpose of representing our core pension issues as per the above objectives, a draft of our appeal will be prepared. Decisions on the convenor and other members of the Joint Action Committee will be decided at the next meeting. It was decided to hold the next meeting before the end of August 2015.

P.P.Sankaranaryana Murthy

General Secretary

Federation of SBI Pensioners' Associations

Chennai

Report on ARISE meeting on 8.6.15 at Hyderabad



The meeting commenced with welcome address by Com.K.Purushottam, Vice President of ARISE. It was addressed by Com.S.B.C.Karunakaran (General Secretary) Com.M.R.Gopinatha Rao & Com.K.V.Acharya (Vice Presidents) and Com. Raghav Rao from Bank of India. Com.M.R.Gopinatha Rao after thanking the local ARISE for organizing the meeting, he highlighted the background under which the ARISE has come into existence. The organization's apex organization AIBPARC being the wing of AIBOC was floated to take up the cause of senior citizens, i.e. pensioners. He left the subjects of implications on recent settlement to pensioners and provisions of law to Com.K.V.Acharya and Com.S.B.C.Karunakaran respectively. He has stressed the need for fighting the legal battle in higher judiciary for welfare and protecting the interest of pensioners' community. He had highlighted the gross injustice done to pensioners of pre 2002 era including VRS optees. He has stressed by quoting that the seniors who retired in eighties and nineties are getting the Pension lesser than a messenger today which is tragic and unfortunate. To fight for justice on legitimate issues such as 100% DA neutralisation and pension updation the need to build up the corpus is very important. He pointed out that the legal expenses are very heavy now a days to fight for victory. Lawyers are charging as high as Rs.5 lacs per hearing. He had suggested for Life Membership drive to mobilize and build up the required corpus. He has once again thanked all the members who have chosen to be present for the meeting of the day.

Com.S.B.C. Karunakaran has very convincingly highlighted the legal provisions available to get justice to the pensioners. He has disputed the contention of the management that there is no contractual agreement with the pensioners after retirement. Service Jurisprudence goes by law and rights enshrined in contract or statutes or Constitution and cannot confer any entitlement on humanitarian ground or sympathy or as a welfare measure. There are enough provisions in Pension Regulations and Court judgments to get us justice. He elaborated on each of these aspects. All the members should collectively fight and create pain or nuisance to

the concerned who will then only take note of the grievance.

He picked holes in the Record Note and explained how that can be turned to the advantage of retirees. He dealt on the points of concerns such as, pension updation, 100% DA. Neutralization, family pension, cost for all these issues and pension fund. He suggested all the members should write to the management under RTI on these issues to call the bluff of IBA on cost. He has quoted several court judgments which are in favour of the pensioners. We are not beggars to seek sympathy we have to fight for our rights available under the law of the land.

Com Raghav Rao, Secretary, Local unit AIBPARC has crisply and effectively conveyed the need for fighting for our legitimate rights. Nothing can be achieved without fight, he said. He infused the enthusiasm among the members

Com.K.V.Acharya, President - AIBPARC, coming straight from the Executive Committee Meeting of AIBOC (where he is the permanent invitee) dealt on the issue of Record Note produced on conclusion of the latest wage settlement. Though on the face of it the note appears to be against the interest of pensioners, it can be taken to our advantage. There is enough scope to fight for our cause on the key issues. It is the opinion of the management on each issue which may or may not be accepted by us. He has assailed the cost estimate of IBA and held cost can be proved on the contrary in our favour. The pension fund is the fund of employees and the banks are only trustees. It is the irony that the leaders of some organizations of retirees are unfortunately maintaining that money in pension fund belongs to banks and not to retirees and can be, therefore used for capital adequacy of banks. It is a poor and negative mentality of the such leadership which has to be also fought by us, apart from fighting IBA. He sought the support and cooperation of all the members so that all the issues can be fought with full force.

The meeting ended with vote of thanks .

AIBPARC Delhi State Meeting on 15.06.2015



The recently concluded wage revision settlement leaving the retirees issues unsettled, has not only hurt we retirees, but has also added salt of humiliation to the wound. Innumerable queries have continued to pour in since the day of settlement i.e. 25.05.2015 and finding no tangible and tenable reply to such queries, it was deemed proper to organise a meeting of Delhi State AIBPARC to be addressed by Com. K.V.Acharya, National President of AIBPARC, as it he who has been making all out efforts before and after the wage settlement to get our issues settled, to support Com. S.R. Sengupta, who has not been keeping good health for sometime. Com. K.V.Acharya sportingly and readily agreed to our request. The meeting recorded an unprecedented attendance. Com. Hans welcomed Com. Acharya and the Committee Members and without wasting any moment requested Com. Acharya to let the Committee know, as to what transpired all of a sudden, that compelled the UFBU to leave us in lurch, by leaving all our issues undecided.

Com. Acharya who is a seasoned leader and has been a signatory to the past wage settlements and has been a salient crusader for our issues and has not lost heart despite recent developments, has been flooded with queries from all over the country. he requested the Committee Members present to be candid in highlighting their queries and providing exact feedback on behalf of the retirees. The Committee Members felt encouraged to pour their heart out and listed the following queries for eliciting reply, to enable them to respond to the inquisitiveness of the members in general:

*Why were the issues of the retirees included in the Charter of Demands not clinched with the settlement and instead signed the absurd Record Note, without even objecting to the intimidator and never before used "*theory of contractual relationship*"

*The 100 % DA neutralisation of the pre 2002 retirees and revision of family pension are the issues which were time and again propagated as settled and were destined to be paid with the settlement. how and why even these issues could not be clinched. both these categories had pinned very high hopes and have now become totally dismayed and disinterested, as most of them are in their dotage they can not be expected to raise hope against

hope.

*Smacking something indifferent from UFBU why did AIBPARC not make their own efforts.

*Why the need for unity amongst the retirees' organisations was not accelerated in the context of the not so assertive attitude of UFBU, as under the circumstances the only hope could be through retirees own efforts.

*Why did we not meet or plan to meet IBA of our own. Why are we only looking towards UFBU/AIBOC.

*Why the issue of reduction in pension to retirees between 01.11.2012 and June 2015 not followed by AIBPARC. How such a reduction, being allowed to happen?

*Why AIBOC has now written a letter on these issues of retirees. if they were so considerate why did they sign the agreement and the note.

*Why during prolonged period of discussions the cost impact was not explained, as AIBPARC had been claiming that they have the figures of cost impact for all our issues and that the entire cost impact can be covered under the normal income from pension corpus, which has been estimated as Rs.1,14,000 crores. why this factor was not put forth.

Having listened to members patiently, he chose to discuss the Record Note to begin with. At the outset he did not conceal his dissatisfaction about the way retirees issues have been left out by UFBU. He went to add, "I request you, the members to believe in AIPARC when it is said that the insistence regarding the Record Note was spearheaded by AIBOC/AIBPARC. The move and not the language is our creation. He deemed it necessary to take the members down the memory lane to remind them as to how the issue of 2nd pension option was kept alive despite categorical 'no' from IBA. The issue was putforth for discussion and despite denial from IBA, it was reduced to writing and later on this issue could be settled because it was kept alive in the manner said above. A similar situation was confronted this time as well. Wage Settlement was going to be signed without any mention of our issues, for reasons best known to the entire UFBU. Keeping the history in the background, it was thought better to at least record the issues in the form of a Record Note, so that at

a future date the issues could be reopened and discussed. It was a case of something is better than nothing. The language of the draft was changed by IBA, why and at whose instance is not known. Friends we must not forget the fact that Com. Harvinder Singh is the General Secretary of of serving officers and he was under immense pressure to sign along with other constituents of UFBU. Had he not signed he would have been taken to task by members and UFBU. He was certainly between the devil and the deep sea. thus the Record Note was certainly a part of the thought over strategy.” Turning his attention to the Record Note he said, “Like no one else I can also not deny that the language used is not only far from facts but absurd as well. The theory of *no contractual relationship* between the retirees and the bank has never existed. If that be so how could the 2nd option come into being. by tendering the bank’s contribution of PF and other sums, we have developed a contract with the bank to pay us pension as per Pension Regulations. if it would have been a welfare activity how could the bank initiate disciplinary actions after the retirement. It is a deferred payment of our earnings over the years, during our service in the bank. Hon’ble Courts have held this view again and again and IBA needs to be reminded of the same. Thus the contractual relationship does exist and IBA has no right to road role the same. If the IBA had been firm on their stand what was the need to discuss the issues and their cost implication. Please read the note between the lines and tell whether the same have been discussed or not. On the left side there are issues raised by UFBU and on the right side is the reply from IBA. All the demands have been denied on cost grounds which is debatable but the chapter remains open. Do not go by preface alone but go by the comments recorded after that and you would land in a situation similar to 2nd option. Although realising 2nd option took a long time but it was finally settled. Under the circumstances I see a positive lining in the creation of the Record Note. All these facts were explained in the AIBOC Comitmttee meeting dated 8th June and on being convinced with the same Com. Harvinder Singh assured to send the communication to IBA on these lines and which he has actually done, there by throwing the issues open.” He said that the contention of the 100% DA neutralisation issue being subjudice is also not tenable as in almost all the like cases in past, the issues were subjudice. Rather settlement of this issue would set to rest number of such cases thereby reducing the litigation expenses for both the parties.

Then Com. Acharya explained that cost plea is a procrastinating argument by IBA but is not founded on facts. No figures have been quoted and wherever quoted

do not have the basis of actuary’s calculation. these are hypothetical figures only to make the issue cost failure. One important fact to be acknowledged and questioned as to why the cost factor was not discussed during the discussion stage as AIBPARC had all along been confirming that the cost factor is not relevant for the demands of the retirees as our demands are self financing and can be met out of only the income portion of the corpus fund which is increasing every year after adjusting all pension payments and also despite several banks being defaulter towards the corpus fund. Thus there is no dearth of funds but there is certainly denial of intention on the part of IBA/Government. He then turned to the issue of co ordination amongst the various retirees organisations. he said that every effort has been made to harmonise the relations for the common interest but nothing could be achieved other than submitting a common memorandum which also consumed a lot of time and has also not been observed with honesty. It was informed by some of the members that when they are not in harmony within their organisation how can we expect unity with others. It was also highlighted that one of the major constituents of UFBU does not desire the issues of retirees to be clinched.

One member raised the issue that if other retirees’ organisation can seek appointment with IBA Executives why are we lagging behind. since our demonstration on 8th May 2015 they have swung into action and have met IBA authorities twice. Com. Acharya confirmed that IBA has not met any retiree organisation. At this someone informed that these are pure rumours spread to gain edge over our organisation in the eyes of their own members. It was also informed that if their letter is read carefully it would divulge that almost all the arguments have been on our lines. But the major difference is that we have been arguing for our issues on the basis of Pension Regulations whereas they are begging as alms.

Com. Acharya insisted, the letter from AIBOC has marked revival of the issues and now it is our turn to show our determination to resolve our issues alongwith the support of AIBOC as AIBOC is the only organization that has supported us to the best of their ability and in the absence of lack of unity amongst retirees our future hopes shall have to be laid on AIBOC. In their heart of hearts AIBOC is feeling the pinch for not getting our issues settled. We hope the repentance for bleak past can pave the way for bright future. Non resolving of the issue of DA Neutralisation and Revision of meager Family pension is most inhuman and AIBPARC resolves to settle these issues with utmost priority.

Clarifying on present Settlement he said, the issue of reduction in pension to the retirees after 01.11.2012 was

discussed in AIBOC meeting dated 8.06.2015. The members are not taking benefit of increased commutation into calculation and are comparing only the net pension component. Please view the revision in totality and cite actual case for taking up with AIBOC. Mediclaim proposal that includes retirees appears to be a good option because of the apparent coverage of existing diseases, no lock-in period, availability of cashless facility etc. But it is too early to endorse, as we shall have to look for riders imposed.

Com. Acharya who is a down to earth person and a firm believer in god concluded by saying that our demands especially of 100% DA and Revision in family pension are not only justified and legal but has a humanitarian angle as well and almighty will not stand with those who deny it. On the issue of making own efforts, he explained that every possible effort has been made and every possible avenue has been tapped. He also requested members to look for certain real sources and if known please intimate. He asked members not to lose heart as in past as well such battles have been fought and leadership has emerged with flying colours. Leadership is experienced and capable and with AIBOC being free of their own issues we expect them to come out boldly and forcefully. There is no hard and fast rule that issues can and have to be resolved only with the wage revision settlement. Our show of strength and hue and cry, can do miracles. He himself proposed a general meeting in Delhi to enable him to explain to members the entire scenario. He requested the Secretary and the President to look for an earliest possibility of such a meeting to restore confidence in the retirees. He reiterated that the settlement of the issues is delayed but it can not be denied, come what may!

The undersigned while proposing a vote of thanks, thanked the members for excellent attendance and lively discussions and Com. Acharya for the heart to heart talk and for clearing the doubts hovering on us. I said that this open hearted discussion would help us to tell the truth to the members and revive hopes for future. Friends, the battle is admittedly not won but it has certainly not been lost as well, as the issues have been kept open and IBA/UFBU would now be pressurized to discuss each fact that they have denied with our counterfactuals and figures. We shall have to start from zero no doubt but if we do not show our determination to fight we can not expect others to fight on our behalf. We have felt dejected because our hopes were raised sky high in the last 2 years and in result we have also thrown into oblivion the fact that like issues have taken sufficiently long time in past as well.

Friends, we do not have any other option than to fight and if we choose to become indifferent it would be the end of our hopes. Age has taught us to bear shocks, come out of

21st NATIONAL CONFERENCE OF FEDERAL BANK RETIREES' OFFICERS' FORUM - 19th JULY 2015

The National Conference of Federal Bank Retirees' Officers' Forum (FBROF) was held on 19th July 2015 at Aluva, Kerala. FBROF was started as a tiny organisation 20 years back with only 15 members is now moving towards impressive membership strength of 1000. The National Conference assumed significance with its coincidence with the 46th Anniversary of Banks' Nationalisation on 19th July 1969.

The curtain was raised at Municipal Town Hall at 10 am. The 'Acharya' of the Bank Pensioners' And Retirees Movement of our country and the President of AIBPARC, Com K V Acharya inaugurated the Conference. The session was presided over by Com P V Mathew, President, FBROF. The Key Note address was delivered by Advocate Dr Sebastian Paul, former Member of Parliament. Mr Thamby Kurian, General Manager, Federal Bank graced the session as Guest of Honour. An exclusive website of FBROF was launched by Com Paul Mundadan, General Secretary, FBOA. Com P V Mohanan, National Vice President, AIBOC, Com R Chandrasenan, Secretary, State Committee, AIBPARC, Com P Anitha, President, FBOA and Mr Babu Thomas, Secretary, Federal Bank Executives' Forum felicitated during the session. The dignitaries and the audience participated in the session were welcomed by Com V Kailasnath, General Secretary, SBROF and Com George P Chacko, General Convener, Organising Committee proposed vote of thanks.

In the afternoon, in business session, General Secretary's Report was presented by Com V Kailasnath, followed by discussions and deliberations on the reports by the delegates. Special talk on 'Health Care' was delivered by Dr Ramdas Nayak, Head of the Department, Cardiology, Rajagiri Hospital, Aluva. Com K Ravindran, Joint Secretary, FBROF proposed vote of thanks.

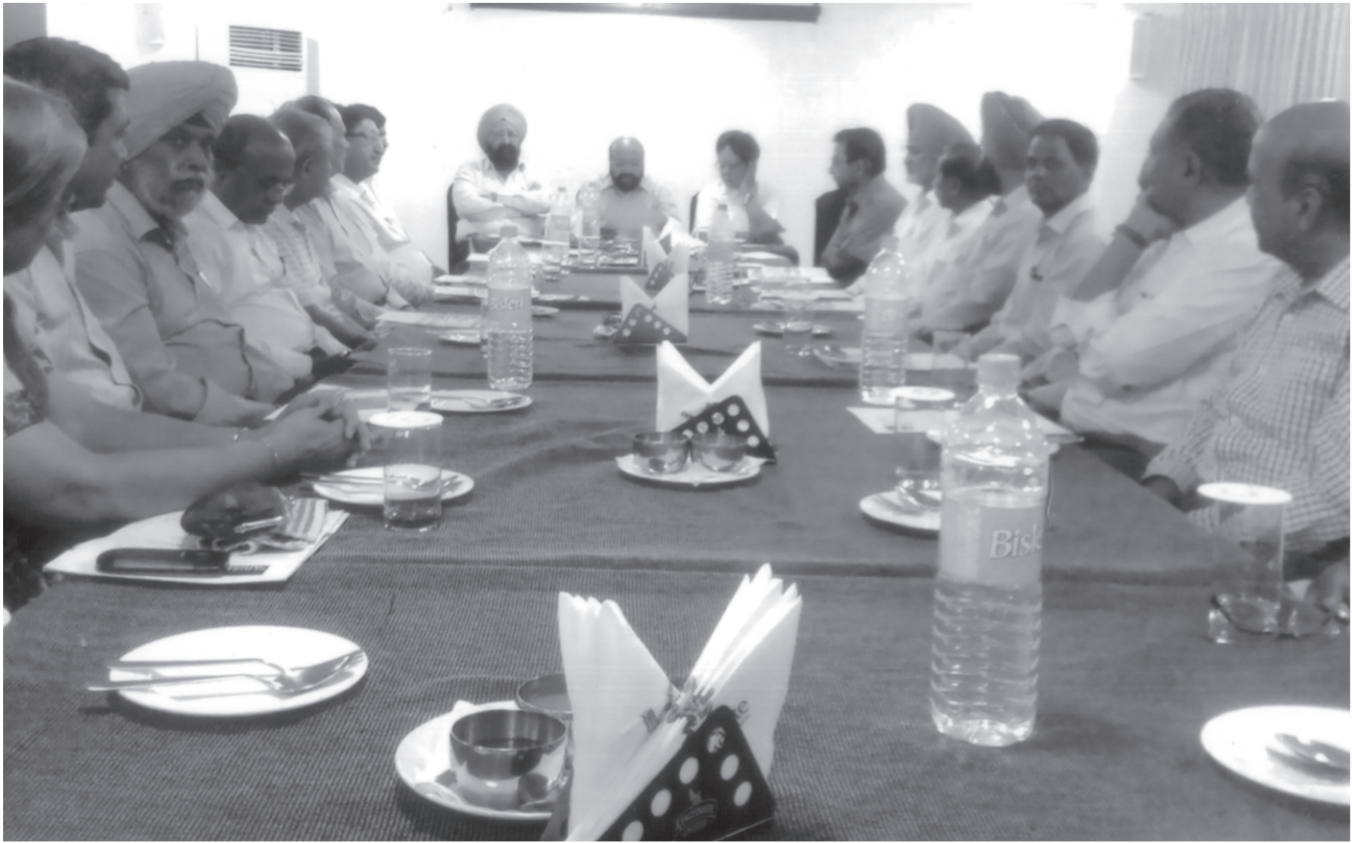
them, retire our self and lead a normal life. So is also true here. We have been shocked but have to come out of it and muster courage, energy and strength to protest and protest with renewed energy.

With Salutary Greetings.

Ashok K Nagar,
President AIBPARC Delhi State
General Secretary, CBROA, Delhi

ARISE Committe Meeting of Chandigarh Unit 14th July 2015





AIBPARC Delhi Demonstration at Jantar Mantar on 8th May 2015

Around one thousand retired bankmen converged at Jantar Mantar, New Delhi, on 8th May 2015 to demonstrate their anguish at the IBA/ Government apathy towards their long pending and just issues.

The call was given by Delhi State Committee of All India Bank Pensioners & Retirees Confederation (AIBPARC).

Amidst raising of slogans, Com. A K Nagar, President, AIBPARC Delhi State, welcomed the gathering which included Com. Ashok Rao (PWTUC), Com. K D Khera, (Former President AIBOC) and Com. Sunil Bansal, Secretary AIBOC Delhi State, out lining the reasons for which this demonstration was thought of and called for. The meeting was first addressed by Com. K V Acharya, President, AIBPARC. He dealt at length about the important issues of pension updation, increase in family pension on the lines of RBI and Central Government Employees, uniform DA for all retirees and need for medical facilities for retirees (CGHS) Pension for left out employees including those resigned after 20 years of service. He emphasized that our pension fund was created out of our surrendering the PF and the fund is self sustaining enough to bear the cost of pension revision. He also decried attempts by certain quarters in describing the pension fund as amount not belonging to the employees and the same can be taken to capital of banks. He stated it would amount to robbing away the pension fund from employees and retirees which is created out of surrendering of their PF. He profusely thanked AIBOC and UFBU for espousing the cause of retirees and the ongoing wage negotiations with IBA. He expressed confidence that in as much as the dream of pension becoming a reality and second pension option becoming a reality, pension revision also will become a reality soon, as provided for in our pension regulations and on the lines of central government employees pension rules.

Com. Ashok Rao of PWUTC made a forceful appeal to

ensure that both retired and serving bank men should defeat the evil designs of Government to privatize banks and other vital public sector industries. He also explained about the ill effects of the concept of direct money transfer on the economy in general and for the people in particular.

Com. K D Khera, Former President, AIBOC, who next addressed the gathering, felt that improvement in family pension is of foremost importance. Further he advocated the unity of all Retirees' Associations for effective presentation of our issues in all fora. He also told the gathering that it is important for us to be vigilant enough to see that banks transfer the due amount to pension fund instead of adding it to their profit.

Com. Sunil Bansal, Secretary, AIBOC Delhi State, assured total support to the issues of retirees and called upon the bank retirees to consolidate themselves and fight for achieving their rightful demands.

Com. Choudha, Vice President, AIBPARC Delhi, also addressed the gathering.

Members of the State Committee were present in the dais and participated enthusiastically in the deliberations.

The meeting concluded with Com. D K Hans, Secretary, AIBPARC Delhi State proposing vote of thanks, profusely thanking all the comrades who gathered inspite of scorching heat, in very large numbers, at a very short notice. He also urged people to be in readiness for further struggle, in case IBA and Government continue to deny the due and just entitlements of the retirees. He also thanked the various media channels who covered the demonstration.

Later on, the State Unit submitted a Memorandum to CEO, IBA directly and also through CMD of Punjab National Bank, CMD of Punjab & Sind Bank, CMD of Oriental Bank of Commerce, who have Head Offices / Corporate Offices, in Delhi.

ASHOK NAGAR
PRESIDENT

D K HANS
SECRETARY