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Shri Arun Jaitley,
Hon'ble Finance Minister,
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North Block, New Delhi 110001

Respected Sir,

SUB: REQUEST FOR RESOLUTION OF LONG PENDING ISSUES AND GRIEVANCES OF BANK PENSIONERS' AND RETIREES.

We have made several representations to your good selves and also submitted memorandum to Hon'ble Prime Minister requesting to undo the grave injustices done and being done to the Bank Retirees and Pensioners. The constituents of Coordination of Bank Pensioners' and Retirees Organisations (CBPRO) had also earlier separately submitted representations and memorandums to Hon'ble Prime Minister, Hon'ble Finance Minister, Hon'ble Minister of State for Finance and Indian Banks' Association. Unfortunately there is absolutely no movement forward either from the Government or by the IBA in respect of any of the issues we have raised. This has led to great frustration and greatly hurt the feelings of Bank Retirees and Pensioners, who had all along carried forward the Social Banking Message of the Government right after the nationalization of Banks and Banking has not only become a household name but also a very important vehicle of economic growth and development. The Public Sector Banks Officers and Employees are public servants like the Government of India Employees and in line with that when the Bank employees and officers demanded pension as third benefit the Government and IBA insisted that Pension would be given to Bank Employees only as second benefit and exactly on the lines of Central Government Employees. The Bank Employees Pension Regulation No. 56 quote" in case of doubt, 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 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" unquote. So it is imperative that any change and improvement done in the pension scheme for the Central Government employees will automatically become part and parcel of the Bank Employees Pension Scheme also. Whenever the Bank Retirees Organisations raised the issue of the non implementation of the Pension Regulation and discrimination thrust on the Bank Pensioners and when we seek regular discussions on our pending issues the IBA has been very casual in its response by either telling us that there is no contractual relationship between the Banks and Retirees after the retirement or telling us that there are too many Retirees Organisations and hence difficult to negotiate. While we assert that there is relationship between us and Banks and hence matters relating to Pensioners should be discussed with us, we also want to point out that Five Major Bank Retirees Organisations including SBI Pensioners Federation have come together and formed Coordination Committee of Bank Pensioners' and Retirees Organisations (CBPRO) representing more than 3 lac Bank Retirees and Pensioners and this should enable IBA to negotiate with the CBPRO. The issues concerning the Bank Retirees form part and parcel of the charter of demands in the Xth Bipartite settlement and they were also discussed during the

negotiations with the serving employees and officers organizations. But when the settlement was finalized shockingly the Bank Pensioners issues were reduced into items in the record note instead of being resolved, though the record note minuted IBA's position that there was no contractual relationship between Banks and Retirees after retirement. However IBA also agreed to consider the issues after studying the cost impact. IBA's stand regarding no contractual relationship between Banks and Retirees after retirement is morally, ethically and legally incorrect. The very Bank Employees Pension Regulations provide for initiating disciplinary action against the Pensioners even after retirement and that Punitive Regulation is very harshly implemented and enforced on the retirees after retirement. It is pertinent to note that Bank Employees Pension Regulations were duly passed by the Bank's Boards and published in the Gazette of Govt. of India. Whenever the Pensioners raise their issues it is sidelined quoting cost implications. In the first place cost cannot and should not come into the picture on an agreed, Gazetted and implemented benefit. The Pension Fund is created out of the Provident Fund surrendered by the employees on the solemn assurance that after retirement the employees will get pension as per the Pension Regulations. The fund so created with the current accrual is more than enough to meet any extra burden that may arise after resolving our issues. The fund is already generating surplus in spite of the Banks not having fully provided. As on date the Pension Fund so created is almost Rs Two lac crores including State Bank of India. Further Banks pension scheme is Defined Benefit Pension Scheme and is close ended with no member being added after 2010 and the pension outgo has already peaked where it may remain for a few more years after which Pension outgo will start declining and becoming almost nil in a couple of decades and huge balance left in the pension fund may slowly get written back to Bank's balance sheet which in the normal course wholly should go to the pensioners by way of improvement in the Pension Scheme from time to time. It should be noted that nearly more than one lac retirees are in the advanced age of 75 to 80 yrs and quite a few are even crossing the age of 85 yrs and any further delay in resolving the issues will only make We as an organisation guilty and you as an institution and competent authority also guilty of depriving the rightfully due benefit to the retirees. The major issues concerning the retirees even at the cost of repetition because the same have been told again and again in our memorandums and representations to all concerned, we still feel it is necessary to mention those issues before your good selves requesting to resolve the same without any further delay.

1) Pension Updation (Or Pension Revision)

Government Retirees and retirees of many PSUs are getting their pension revised whenever the salary is revised to working employees on the basis of recommendation of Pay Commission. This benefit is called Pension Updation or Pension Revision. Consequent upon this benefit, the pension payable to a Government pensioner keeps changing with every salary revision which is apart from increase in DA every half year to compensate for price rise caused by inflation. As the Bank Pension Scheme was agreed to be on the lines of Government Pension Scheme, it was separately agreed in Joint Note or MOU when Pension Settlement was signed in 1993 that pension updation will be provided in Bank Pension Scheme. Accordingly when Pension Regulations were framed and gazetted Regulation 35 specifically provided for pension updation as per Appendix-1 and the formula given in Appendix I was the very same formula applied to Government Pensioners in 1986. This formula was applied to those who retired from banks between 1/1/1986 and 31/10/1987 as that was one batch of officers and employees who required updation in relation to the Vth Bi-partite wage settlement of Nov.1987. The amended Regulation 35 still says that pension shall be updated as per formula given in Appendix 1 but the Banks/IBA failed to provide till date the updation formula in Appendix 1 for further settlement and as a result except for one updation given to one batch of retirees upto 31/10/1987, updation is denied to pensioners for nearly 3 decades. In fact, the Pension Fund is not as per AS 15(R) requirements because the Fund had not taken into account the liability of Pension updation in view of express provision of

Regulation 35. As such Pension Updation is not a new demand but an agreed and implemented issue but unilaterally stopped for nearly 3 decades.

2) 100% DA Neutralization

While signing pension settlement in 1993 it was settled in agreement that DA would be paid as per formula obtaining in RBI from time to time. Accordingly DA was paid to bank pensioners as being paid to RBI pensioners. While Government introduced uniform 100% DA neutralization for the entire salary to all Government Employees, the same was extended to all Government Employee pensioners (Past, present and future pensioners) doing away with the tapering DA. When RBI introduced 100% DA neutralization effective from May 2005 only to those who retired after 31/10/2002 Banks also followed the same pattern. However RBI later amended the rule and extended 100% DA neutralization to all the pensioners including those who retired before 1/11/2002 but Banks failed to follow suit in spite of clear settlement and the past practice of following strictly RBI formula.

3) Uniform 30% Pay as Family Pension without Ceiling

Presently Banks are following differential Family Pension formula of 15%, 25% and 30% of last drawn pay as pension depending on the deceased pensioners' pay at the time of retirement/death as the case may be. Family pensioner of Sub staff would get 30% while those of officers and most clerks would get only 15% of last pay and with a ceiling there on it would be much less than 15% reaching a low of 7% for higher scales of pay making a mockery of family pension. While the Pensioner is alive the pension would be 50% of pay but on his death the family pension becomes a measly 7% is inhuman. Government has done away with this anomaly and has ushered in uniform 30% of pay without ceiling to all family pensioners and RBI has also followed suit. But having committed in various discussions during Pension Talks that the Bank Pension Scheme will be on the lines of Government Pension Scheme and now refusing to improve it in any manner or to give Pension as a third benefit maintaining steadfastly that bank retirees would get nothing more and nothing less than government pension scheme, the contrary is being practiced by IBA. Government is going on improving pension scheme but not even one of those improvements has been introduced in Banks.

4. Pension for Employees resigned after putting pensionable service.

Hon'ble Supreme Court of India has already given the verdict in respect of writ petitions filed by Vijaya Bank Employees and upheld the judgment of Hon'ble High Court of Karnataka giving relief to all petitioners. But it is unfortunate that very unreasonably IBA directed the member Banks not to extend the relief of the Judgment to other similarly placed employees stating that whoever wants relief should again approach the courts. This is not only against the Seniors Citizen Litigation Policy as propounded by the Central Government but also against all legal ethics and also amounts to disregarding the Highest body of the Judiciary. In fact this also tantamounts to going against the guidelines of Department of Personnel, Public Grievances and Pensions, Government of India to all the public sector organizations that in case of Senior Citizens cases the Public Sector Organizations should not harass the Retirees by going on appeals against the favorable Judgments given by the Courts and also should not unnecessarily force the Senior Citizens to seek relief from the Courts. The number of such Resignees is very small, may not even cross one thousand and denying the relief to them is both unfair and unjust.

5. Reckoning of Special Allowance Component for Pensionary Benefits in the just concluded Xth Bi-partite settlement. In the sixth Pay Commission for Government Employees Grade Pay was introduced which has been taken for pension benefit also. On the same lines in the last wage settlement for Bank Employees and Officers a special allowance component was introduced with Basic Pay which attracts DA but not considered for pension benefits thereby virtually reducing the pension to all those who retired after 01.11.2012. This anomaly should be set right.

6 Proper implementation of the Medical Insurance Scheme.

After having agreed to extend the Medical Insurance to the retirees on lines of the scheme for the serving employees it is now worrying the retirees that the Insurance Company is trying to go back on the

understanding in respect of domiciliary treatment and critical illness etc. This is seriously hurting the sentiments of the retirees that not only they are asked to bear the insurance premium burden but also they are being given an inferior Medical Insurance Scheme as compared with the serving employees where as the retirees expected that during their old age there will be more compassionate Medical Scheme for them. This should be at least on the same lines as extended to the serving employees. The above are the major issues causing anxiety to the Bank Pensioners and Retirees. In fact as regard to pension, be it updation of Pension, Uniform 100% DA, Uniform 30% pay as family pension without ceiling and relief to Resignees, these will not be a burden on the Bank Balance Sheet as Pension Fund itself is strong enough to bear the extra cost. Unfortunately the Indian Banks Association is projecting astronomically high figures to cause jitters both in the minds of Government and Bank Managements. We as elders have painfully waited for so long and to make the authorities understand our agony we have not only made several representations and submitted memorandums but also we are forced to go on Dharna and demonstrations in Jantar Mantar and other centers, the last one being the Massive Dharna of Bank elders at Jantar Mantar on 11th December, 2015. We are certain and confident that neither the Government nor the IBA wish to force us to come to the streets at the evening of our life and The Government and IBA will come forward with all generosity and magnanimity to resolve our issues, grievances and very fair and practical expectations .

We also request you to direct Indian Banks' Association to discuss the Retirees issues on a regular basis with the Coordination Committee of Bank Pensioners' and Retirees Organisations.

Thanking you,

Yours Sincerely,

A.Ramesh Babu

K.V.Acharya

Joint Conveners