

# ALL INDIA BANK PENSIONERS AND RETIREES CONFEDERATION

Camp Office: J 208, Vijay Rattan Vihar, Sector 15 Part II, Gurgaon 122001

Mobile: 9868220338 Email: acharyavedavyasa46@gmail.com

Dated: 05.05.2016

**Shri M.V. Tanksale,  
Chief Executive Officer,  
Indian Banks' Association,  
World Trade Centre 6<sup>th</sup> Floor,  
Centre 1 Building,  
World Trade Centre Complex,  
Cuff Parade, Mumbai 400005**

Respected sir,

**Sub: PENDING ISSUES AND GRIEVANCES: - BANK PENSIONERS' AND RETIREES.**

We thankfully acknowledge receipt of your letter No. HR&IR/KU/G5/73 dated 16.04.2016 in response to our letter dated 07.04.2016.

The contents of your letter though have given us a sense of satisfaction that our concerns are being addressed, it also makes us worry as to the ambiguities expressed in respect of each issue. We don't want to get into any argument in respect of the reasons given by IBA for not being able to resolve the issues in spite of our repeated requests that the IBA must show great urgency as the Retirees are aging and have been waiting for justice nearly for three decades after the Pension Regulations came into force.

Even at the cost of repetition we have to submit that as the Pension Scheme in Banks is a **DEFINED BENEFIT PENSION SCHEME** unlike the **Defined Contributory Pension Scheme**. Hence there is no escape except implementing the Pension Regulations in letter and spirit. Cost is not and should not be a constraint while implementing the Pension Regulations. This is the case with other Public Sector Undertakings also where the Pension Scheme was introduced as Defined Benefit Pension Scheme. Specially implementation of 100% Dearness Relief to pre 2002 Retirees w.e.f from 01.05.2005, improvement in Family Pension and Updation of Basic Pension should happen automatically as is happening for Government Retired Employees. The compilation of Data/information received from the Banks and after assessing the cost factor as well as provisioning requirement as per actuarial calculation should have been a routine annual exercise as on 31<sup>st</sup> Day of March every year and additional contribution to the fund as may be required should be made by the management to secure payment of the Pension Benefits (Pension Regulation 11). When the Banks could make huge provisions for mounting NPA's, the provision in respect of implementation of Pension Scheme is comparatively very

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small. We don't want to get into the subject of huge NPA's as it has already become a hot topic of discussion and the person responsible for such NPAs and the clout such delinquent borrowers have got with the power centers is slowly coming into public domain.

In the same way bringing the Resignees who have put in pensionable years of service and extending Pension Benefits to compulsorily retired persons should not have been an issue of unending discussions when the Hon'ble Supreme Court has already delivered judgments in respect of those who had filed writ petitions. It is naturally expected that the IBA would extend the benefit of those judgments to all similarly placed persons whose total number, both Resignees and Compulsorily Retired persons, would not even exceeds four thousand. When they are brought into the Pension Scheme their PF component also gets pumped into the Pension Fund. The leave encashment is a legal entitlement of the employees who saved leaves during their service and hence naturally should be paid to all compulsorily retired persons irrespective of the date of such retirements and not only to those retired compulsorily after 30.04.2015. The new **Medical Scheme** introduced for Retirees should also be implemented in toto with **domiciliary treatment reimbursement** and IBA should force the Insurance Company to honour the commitments.

The Pension Fund itself consists of very major contributions out of the Provident Fund surrendered by the Retired Employees in lieu of Pension. The Pension fund on its own is growing with the contribution of PF as well as income accrued thereon and the Fund is entirely at the disposal of Pension payments including DA, Family Pension and Updation of Basic Pension. Hence we hope the IBA will not make this as a constraint to consider our long pending requests.

Interestingly we have come across a letter dated 13.04.2016 written by IBA to **Shri E.M. Sudarsana Nachiappan, Hon'ble Member of Parliament and Chairman Parliamentary Committee on Personnel, Public Grievances, Law and Justice** in regard to holding discussion with the Banks Retirees' Organisations. While the management committee of IBA has directed all the Member Banks to set up Grievances Cell at the Corporate Office of each Bank to look into the grievances of the Retired Employees periodically the same should have been the position in regard to holding discussions at Industry level with the Retirees' Organisations in regard to the grievances of the retired Employees. The reason given by IBA about the multiplicity of Retirees Organisations is not understandable as at the Industry level the IBA is holding negotiations with number of serving Employees/Officers Organisations. Further just like major serving Employees/Officers Organisations have formed themselves into a single body namely United Forum of Bank unions (UFBU), major All India Bank Retirees Organisations

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have also formed a single body namely **Coordination of Bank Pensioners' and Retirees Organisations (CBPRO)** representing almost the entire Bank Pensioners and Retirees community. The CBPRO has been meeting regularly and organizing various action programmes including the most massive Dharna at Jantar Mantar on 11<sup>th</sup> December, 2015. The CBPRO is also in correspondence with IBA and Government. It is unfortunate that the IBA is refusing to see the reality and giving the reason that there is no set prescribed procedure to verify the majority status or membership details of the Bank Retirees Organisations. We only hope that the unity shown by Bank Retirees should be both respected and recognised and IBA should use the wisdom of the homogenous combination of Bank Retirees Organisations and come forward to negotiate and settle the issues immediately.

The IBA should also ask the Member Banks to give the mandate for discussions and negotiations with Bank Retirees Organisations on the same lines as they use to seek mandate from Member Banks to negotiate with Serving Employees and Officers Organisations in regard to wage negotiations and other issues.

In view of the above we request you to hold discussions with CBPRO and initiate the well established tradition of dialogue and negotiation at Industry level with the Bank Retirees' Organisations.

Thanking you,

Yours Sincerely,



K.V.Acharya

**President AIBPARC**