

Shri Anil Kumar Bhatia 11.07.2022
Under Secretary
Committee on Petitions
Parliament House/Annexe
New Delhi 110001

Dear Sir,

PETITION SEEKING REVISION/UPDATION OF PENSION FOR BANK EMPLOYEES

I wish to mention that I had submitted a petition to the Committee on Petition (Rajya Sabha) on 04.04.2022, which was forwarded by you vide reference No.RS 7(11)/2022-Com-II dated 08.04.2022 to -

The Secretary,
Department of Financial Services,
Ministry of Finance,
Jeevan Deep Building,
Parliament Street,
New Delhi

A copy of your letter was also endorsed to me.

You had been kind enough to forward a copy of the response received from the Government to me under cover of your letter No.RS 7(11)/2022-Com-II dated 23.05.2022. In this connection, I humbly wish to submit the following facts with a request to take up the matter with the Secretary, Department of Financial Services, Ministry of Finance, for an appropriate and pointed response to the issue of updation of pension raised in my original petition dated 04.04.2022:

1. The Government has stated in the first para of its response dated 17.05.2022 that the Pension Regulations made by the Banks' Board do not have provision for revision (updation) of pension and the pensioners are being granted Dearness Relief on half yearly basis.

FACTS:

a) The Government has enclosed a copy of the Gazette Notification dated 15.03.2003 in respect of Bank of Baroda having amended some portions of their Pension Regulations which included amendment to Regulation 35(1) under para 2(i) of the Gazette Notification as under:

Quote

2(1) in Regulation 35 for Sub-Regulation (1) the following sub-regulation shall be substituted, namely,

"(1) Basic Pension and additional Pension, wherever applicable, shall be updated as per the formulae given in Appendix-I"

Unquote

b) The above amendment has been carried out by the Board of bank in exercise of the powers conferred by Section 19, read with Sub-section 2 of Section 12 of the Banking Companies (Acquisition & Transfer of Undertakings) Act 1970 (5 of 1970) in consultation with the Reserve Bank of India and with the previous sanction of the Central Government. The Gazette



Notification does not refer to any agreement arrived at between the Bank Unions/Associations and the Banks for the above amendment.

c) It would be appropriate for the Government to cite Reasons and Objects for granting its previous sanction and Bank's consultation with the Reserve Bank of India before the bank's Board amending the Regulation 35(1) mentioned above.

d) It is beyond comprehension that an amendment to Banks Pension Regulation 35(1) carried out with the previous sanction of the Central Government and in consultation with the Reserve Bank of India in March 2003 has not been implemented so far despite a lapse of about two decades. One fails to understand the alacrity on the part of the Government, RBI and the Board of the Bank to amend the Regulation 35 (1) to make it open ended and universal in nature by removing the dates which originally provided for updation of pension for those who had retired between 1.11.1986 and 31.10.1987 as they alone were eligible for updation at the time of implementation of the scheme.

e) The reference to grant of dearness Relief in the response of the Government is beside the point as it is provided under Pension Regulation 37 and has nothing to do with the periodical Updation of Pension which is clearly provided under Pension Regulation 35(1) as amended in March 2003.

2. The Government has stated in this para that the matter is subjudice in Hon'ble Supreme Court.

FACTS:

a) Some individual pensioners had approached the Court for rendering justice as the banks denied to extend the benefit of updation of pension.

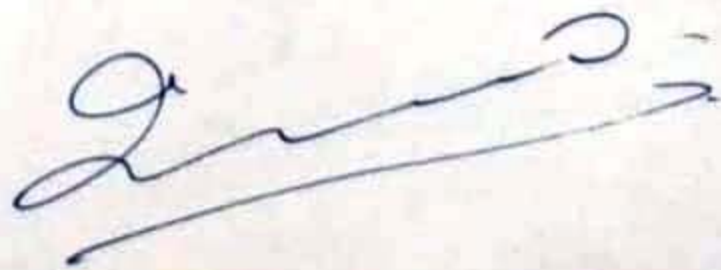
b) It is against the proclaimed policy of the Government of India that the employees should not be driven to the Court. The Hon'ble Chief Justice of India has recently stated that the judicial system is hugely burdened as 95% of the pending cases involved the Government as a litigant. This speaks volumes about the employees knocking the doors of judiciary and winning some and losing some due to lack of financial resources to engage eminent lawyers to fight the mighty Government.

c) It is humbly submitted that if the Government is kind enough to recognise the merits of the case of Bank Pensioners and implements the provisions of the Regulation 35(1) as amended in March 2003 by notifying the Pension Updation Formulae in accordance with the Appendix - I in respect of every periodical wage revision from 1.11.1992 onwards as was done in case of RBI Pensioners (w.e.f 1.3.2019), the matter which is sub-judice in Hon'ble Supreme Court shall be rendered infructuous.

3) the Government has stated in its response that Pension Regulation 35(1) and its Appendix - I is specifically applicable for computing pension to those who retired between 1.1.1986 and 31.10.1987.

FACTS:

a) The response of the Government talks about original Pension Regulation 35(1) made in 1995 which covered the pensioners who retired between 1.1.1986 and 31.10.1987 as they alone



were eligible and due for updation on the basis of last wage revision which came into effect from 1.11.1987, whereas our petition prayed for updation for all pensioners in terms of Pension Regulation 35(1) amended in March 2003 based on the wage revisions which had taken place during the years subsequent to 1987.

b) It is humbly prayed that the updation of pension is a continuous process on every wage revision as held by the Hon'ble Supreme Court that Salary Revision and Pension Revision(updation) are inseparable.

The contention of the Government that Appendix-I referred to in Pension Regulation 35(1) provided for the updation formula only to those pensioners who retired between 1.1.1986 and 31.10.1987 is reflective of its oblivion to the very concept of updation of pension which is not an one time dispensation but a continuous and periodical revision of pension on every revision of pay.

The amended Regulation 35(1) necessitated and made it incumbent on the Government & Banks to notify the updation formulae on the basis of every periodical wage revision subsequent to 1.11.1987 in terms of Appendix-I to Regulation 35(1) amended.

c) The failure on the part of the Government/Banks to notify the updation formulae in terms of Appendix-I in respect of every periodical wage revision as done in case of RBI after the Government lost the case in the Hon'ble H.C. at Mumbai, should not be used to deny the Bank Pensioners their legal right provided under Pension Regulation 35(1) amended in March 2003.

d) The unfortunate demise of thousands of the bank Pensioners without getting the legitimate benefit of the updation of pension is a sad commentary on the reluctance of the Government and it's Officials who have been enjoying the benefit of the periodical updation of their Pension with every revision of salary but protracting the issue of grant of the legal right to bank Pensioners.

4. The contention of the Government in this para that Hon'ble High Court of Punjab & Haryana has asserted that the Bank had an independent pension scheme and banks Pension Regulation 56 would apply only in case of doubt and it itself cannot be a source for claiming a right at par with Reserve Bank of India employees or Central Civil Services Employees.

FACTS:

a) The contention of the Government is fallacious as the Hon'ble High Court at Chandigarh did not question the applicability and relevance of Pension Regulation 56 in respect of an interpretation of Pension Regulation 35(1) amended in March 2003 which clearly provided for updation of Pension.

b) The Government has not been agreeing on the contents of Pension Regulation 35(1) amended in March 2003 and also notified in the Gazette of India on 15.03.2003. This clearly leads to a doubt about the interpretation of the provisions of Banks Pension Regulation 35(1) as amended in March 2003.

Hence a reference to the Central Services (Pension and Commutation) Rules as envisaged in Banks Pension Regulation 56 is inevitable and Government should not shy away from making such a reference by quoting the order of the Hon'ble High Court of Punjab and Hararyana out of context.

PRAYER:



More than 5,50,000 lakh bank Pensioners are arbitrarily denied their legal right of updation of Pension which is dully provided in Pension Regulation 35(1) as amended in March 2003 and also published in the Gazette of India on 15.03.2003.

It is humbly prayed for implementation of the amended provisions of Pension Regulation 35(1) by notifying the updation formulae in accordance with Appendix-I, as done in case of RBI in respect of every wage revision subsequent to 1.11.1987 given to bank employees since the salary revision and pension revision(updation) are held by the Hon'ble Supreme Court as inseparable. Hon'ble SC has also held that Pension is not a bounty but a deferred wage. It is thus the natural corollary that when wages are revised, the pension can not remain static and unrevised.

The Government is requested to reconsider its decision in view of the forgoing submissions and render justice to the Bank Pensioners by granting updation of pension forthwith.

With regards,

Yours faithfully 
(Dr Jai Deo Sharma)
Vice President
All India Banks Pensioners & Retirees Confederation (AIBPARC)

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