



ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION (A.I.B.P.A.R.C.)



C/O BANK OF INDIA OFFICERS' ASSOCIATION
(EASTERN INDIA BRANCHES)
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Circular no. 11-24

Date: February 18, 2024

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For circulation among members of the Governing Council, State Secretaries, Special Invitees, Advisors, Affiliates, Constituents of CBPRO and Members.

Dear Comrade,

Sub: Updation of Pension to Bank Pensioners. 30 Years of Waiting and still Hoping for Justice

We reproduce hereunder the text of our letter written on 17.02.2024 to The Hon'ble Union Finance Minister, GOI on the above-mentioned subject.

This is for information of members.

With best wishes and regards,

Comradely Yours,

Suprita Sarkar,

General Secretary

Encl: As stated

AIBPARC/FM/Pension Updation/Email/2024

Dated: February 17, 2024

Smt. Nirmala Sitharaman Ji,
Hon'ble Union Finance Minister,
Government of India,
New Delhi.

Respected Madam,

Updation of Pension to Bank Pensioners. 30 Years of Waiting and still Hoping for Justice. You are our Hope.

Respected Madam, Your concern for Bank Pensioners and Retirees issues was well articulated by none other than yourself while addressing the Managing Directors & Chief Executive Officers of the Banks in the 73rd AGM of Indian Banks' Association in 2021. You, very emotionally and unequivocally, exhorted and enlightened the Managing Directors and CEOs of Banks that they need to treat Ex-employees of the Banks as their own family members and resolve their long pending issues. The Bank Pensioners and Retirees whole heartedly hailed Your Good self for the kind concern you exhibited in your address.



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We may kindly be excused for these long submissions but we request you to appreciate the compelling reasons to make this elaborate representation as the issue is still eluding resolution.

Subsequently when you gave us an audience in the month of October 2022, Your Good Self emphatically reiterated your sincere concern that the Bank Pensioners issues should get resolved and this made IBA to call us to discuss the issues. We also Very Gratefully thank Your Good Self for giving us another opportunity to meet you on 19th June 2023 to further submit the progress made on issues. Your Good Self helped the Very Old Pensioners to get 100 Percent DA Neutralization Benefit.

But as regards the Main Issue of **Pension Updation which is pending for more than 30 years**, the IBA though discussed the same with us showing all concern, but categorically told us that they would not make a U Turn as they had earlier taken a position in the Courts that there was no provision for Updation of Pension in the Banks Employees Pension Regulations 1995. Such a peculiar position by IBA not only shows an oblivion to Pension Regulation 35 (1) which provides for Updation but their contentions were contrary to provision for Updation contained in Bank's Pension Regulations 1995, as under:

Regulation 35(1):

"Basic Pension and Additional Pension, wherever applicable, shall be updated as per the formulae given in Appendix-I" (as amended in March 2003 and notified in Union Gazette of India).

1. IBA also gave a lame and blatant excuse that the matter is pending before the Hon'ble Supreme Court and hence it is Sub-Judice. It is a well-established legal convention that out of Court Resolution of any issue through mutual settlement is always appreciated and welcomed.

Respected Madam, it is pertinent to submit that Hon'ble Courts have not passed any interim injunction in the matter of Updation of Pension. Under such circumstances, if the contending parties mutually resolve the issue of Pension Updation, the pending cases shall become infructuous, putting an end to the agony of the Petitioners as well as the Respondents. This position is very well known to IBA too. Such a display of fairness we expected from IBA. But, Unfortunately the IBA chose not only to disregard the rightful request of 7.60 lakhs Senior Citizens of the Banking Industry who enormously contributed for the socio-economic development of the Nation and its People, but in the same breath ignored Your Well-intended message to them as to how they should treat their Ex-Employees.

2. What is more dangerous is the continuous and constant attempt by IBA to mislead Your Good Self and Your Ministry by not telling the Truths about the legal validity of our request for Updation of Pension as provided in Pension Regulation 35(1) as mentioned hereinbefore. It is on innumerable occasions that IBA drafted replies to starred and unstarred questions raised in Parliament which were also far from truth and undermined the legality of Pension Regulations thus demonstrating a callous and cynical disregard to the provision contained in the Subordinate Legislation ie Bank Employees Pension Regulations 1995.

3. IBA's Scheme of hiding the Facts about our 30 Years long pending issue of Updation of Pension from Your Good-self and your predecessors is inexplicable and arrogantly sadistic to say the least. **We are not able to fathom the motives of IBA in so blatantly misleading all concerned including the Hon'ble Parliament on the issue of Updation of Pension. We often feel that IBA enjoys unwritten immunity for all the wrong doings they have been indulging in on our impending Updation of Pension.** We very painfully, gather an impression that **the Members of the Management Committee of IBA and Executives of IBA are more determined to protract and drag the issue perpetually, treating 7.60 lakhs Bank Pensioners and Retirees as of no consequence. In view of IBA & unfortunately even the UFB, the bank pensioners can be discriminated, condemned, and happily ignored with impunity.** Otherwise, what can be the reason for IBA not to resolve the most important issue of Pension Updation for more than 30 Years (from 1992) and continue to engage in Falsehood, Disinformation and Misinformation about the legally entitled Pension Updation?



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4. The fallacy of IBA's misadventure of forcing Bank Pensioners to approach Hon'ble Courts can be understood by the fact that IBA lost all the cases filed by the individual Bank Pensioners except one ie 100 Percent DA Neutralization case. Even here the IBA should do lot of soul searching for denying 100 Percent DA Neutralization Benefit to more than one lakh Pensioners who waited for 20 years and left the world without getting Justice though the 8th Bipartite Settlement (2005) nowhere segregated Pensioners as Pre-November 2002 and Post-2002. It was only due to Your Good Self intervention; the fortunate surviving Pensioners got the Benefit now. We profusely thank you for that kind-hearted gesture.

Hence with all humility, we bring before Your Good Self briefly once again the following points.

i. Pension was agreed by way of Settlement in 1993 as Second Benefit only like Government and RBI Pensioners as against the demand of Third Benefit by Bank Employees and Officers.

ii. Accordingly Pension Optees were made to surrender their Contributory Provident Fund with interest on the same lines as that of Government and RBI Pensioners.

iii. When the Late Shri R N Godbole, the Former General Secretary, AIBOC (All India Bank Officers Confederation) wrote to IBA in 1993-1994 asking for some improvements in the Pension Scheme, IBA refused to make any improvements, categorically stating in writing that the Pension Scheme in the Banks was exactly on the lines of Government and RBI Pension Scheme and no further Improvement in Bank Pension Scheme could be entertained. As a corollary to this the Quarterly DA Compensation which was available to us while in Service was made Half Yearly as applicable to Government Pensioners.

iv. Bank Pension Scheme is a Defined Benefit Pension Scheme as available to Government and RBI Pensioners and it is commonly known as Old Pension Scheme. Those who are recruited after April, 2010 are Not Covered under the Old Pension Scheme. They are governed under New Pension Scheme. So, the Pension Fund is exclusively for the Pensioners recruited before April, 2010.

v. If, for Government Pensioners, the Pension is paid out of Government Budget, similarly for RBI and Banks it is paid out of Pension Fund created with the Surrendered CPF of Pension Optees and should any shortfall arise after the annual Actuarial Estimation, the Banks are Statutorily required to make good the shortfall charging the same to Banks' Profit and Loss accounts as a mandatory Revenue expense.

vi. The present Balance in the Pension Fund including SBI is above the whopping Rs. 4 Lakhs Crores and the Total Payout of Annual Pension is far less than the inflow into the Pension Fund by way of annual yield and annual contributions by Banks as per Statutory Regulations.

vii. In view of the Robust Pension Fund, Provision for Updation should have been a non-issue. The IBA is unnecessarily scaring the Banks and the Government with their unsubstantiated additional Astronomical Provision figures. It may be appreciated that the Pension Funds can sustain the annual cost of Pension Updation without any additional provisioning. IBA/DFS lack transparency while denying to notify the updation formulae in Appendix-I to Pension Regulation 35(1) for the Bank Pensioners as done for RBI and NABARD Pensioners. We have submitted Bank-wise annual cost calculation of pension updation to IBA, DFS and also to the Negotiating Unions. As per our calculations, Updation of Pension on RBI Lines would not hit the Balance Sheets of Banks. The IBA should have reverted to us if they find anything wanting in our calculations. But they chose to keep our Calculations under the carpet and drag on the issue by mysteriously asserting that there is no provision for Updation of Pension when the Regulation is there in black and white and that the matter is sub-judice.

viii. The IBA was asked by the Apex Court to submit the Report of the Committee Constituted by the IBA to examine the issue of Pension Updation as early as January 2022. The IBA dodged even the Hon'ble Supreme Court, first asking for more time stating that the Chairman of the Committee Superannuated (though his term of office was extended as Chairman of the Premier Bank, PNB for this purpose). The issue remained unresolved, though the Committee was later reconstituted. Till date, the Report of the Committee to examine



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the issue of pension updation is not in public domain including the Petitioners or the Impleading Parties. The IBA simply submitted to the Hon'ble Court that the Committee has decided not to extend the benefit of Updation.

ix. The IBA has been maintaining that it is not a Registered Body and not amenable to any Writ Petitions nor obliged to give reply under RTI Act. This stand of IBA cannot legitimize their illegitimate actions of reducing the Bank Pensioners and Retirees into mere Hapless and Helpless lot. The humane and legitimate approach of the NDA Government to all sections of society, except bank pensioners has been commendable. We feel lesser fortunate in this regard.

x. The Pension Settlement/ Regulations are clear about Updation of Pension to RBI and Bank Pensioners.

xi. Judicial Pronouncements by The Hon'ble Supreme Court are there Upholding Updation of Pension by ruling that Wage Revision and Pension Revision are inseparable and also held that Pension is not a bounty but a Deferred Wage. Still **why IBA through its Member Banks has been trying to Challenge the Petitioners (Some such Petitioners including the Main Petitioner Shri M C Singla ji have left the world without getting Justice) that are financially weak, physically frail and lack other resources, as against the Mighty Banks thus making the fight among the unequals.** The IBA and the Bank Managements should introspect and do the Course Correction to translate Pension Regulation 35(1) into reality by implementing it without further loss of time. **They only need to notify the Pension Updation Formulae as per Appendix-I to Regulation 35(1) on the RBI Pattern.**

xii. Though MOU between IBA and UFBU signed on 7th December 2023, there is no alacrity on the part of IBA/UFBU except mentioning in paragraph 5 that without prejudice to the demand for updation of pension by Unions and Association, it is agreed to give ex-gratia to the pensioners who retired upto 31.10.2022 and it shall be payable during the term of only this settlement without attracting DA. We fail to understand the purpose of agreeing to pay unspecified ex-gratia that is not provided in Bank Employees Pension Regulations or even in the Central Government Pension & Commutation Rules and RBI Pension Regulations in such an unscientific manner. It appears malicious and a sheer procrastination of a legitimate right of 7.60 lakh bank pensioners, which is well documented under Regulation 35(1).

Respected Madam, to make the IBA make amends and display sensitivity and not such a blatant Disregard to 7.60 lakh Bank Pensioners and Retirees' cry for Justice for more than 30 years and also to make them Respect Your Concerns for Bank Pensioners and Retirees and more importantly to make IBA to Declare and Demonstrate the Avowed Objective of Good Governance of Popular Government, the Coordination of Bank Pensioners and Retirees Organisations (CBPRO) consisting of All Apex Level Bank Pensioners and Retirees Organisations has given a call for a National Dharna at Jantar Mantar on 22nd February 2024 where many Aged Bank Pensioners from across the country despite Distance, Cold Weather in Delhi and Age-related Health Problems are determined to undertake long travels to participate in the Dharna with an intent to Awaken the Conscience of IBA.

Respected Madam, as We submitted in the Beginning of this letter, We wish to conclude this letter too Very Sincerely Affirming, "You are Our ultimate Hope".

With Kind Regards,

Yours Sincerely,

K V Acharya
President, AIBPARC
& Joint Convener, CBPRO

Suprita Sarkar
General Secretary