



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. 03-22

Date: January 07,2022.

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

Dear Comrade,

Sub: Study Visit by the Parliamentary Committee on Government Assurances to Bhubaneswar and Kolkata on 20th & 23rd September,2021.

We are reproducing hereunder the text of our letter dated 05.01.22 written on the above subject to The Chairman, Committee on Government Assurances, Rajya Sabha for information of members.

With best wishes and regards,

Comradely Yours,

Suprita Sarkar
General Secretary.

Quote :As stated.

AIBPARC/P Committee/Email/2022

Date: January 05,2022.

Shri A Navaneethakrishnan,
Hon'ble Member of Parliament,
Chairman
Parliamentary Committee on Government Assurances
Rajya Sabha
Parliament House
NEW DELHI 110001

Hon'ble Sir,

Sub: STUDY VISIT BY THE COMMITTEE TO BHUBANESWAR AND KOLKATA ON 20.09.2021 and 23.09.2021 IN REGARD TO REQUEST FOR UPDATION OF PENSION IN BANKS



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We wish to invite your kind attention to the deliberations during the Study Visit of your prestigious Committee at Bhubaneswar on 20.09.2021 and at Kolkata on 23.09.2021. At the outset, we as a Confederation of various Associations and Federations of Pensioners and Retirees in the Banking Industry, express our sincere gratitude to Your Goodself and other honourable members of the Committee for showing concern for the long pending issue of the Updation of Pension of the Bank Pensioners. It is heartening to learn that the Committee in its report has been kind enough to request the Banks to look into the issue of Revision/Updation of the Pension of Bank employees as it remains unrevised for the last 30 years. We once again thank you for the same. However, we would like to put the issue in proper perspective for your kind and objective consideration.

It is reliably learnt that a collective reading of the contents of para (c) and (d) under SQ 12 dated 02.02.2021, of the report, would reveal that the Representatives of the Bank Managements including three Banks that represented the case before the Committee, had submitted that it was true that the pension of retired bank employees had not been revised for the past three decades and also no communication had been received from Indian Banks' Association regarding updation of Basic Pension. They further submitted that Pension Regulation 37 provides for revision of Dearness Allowance on the basis of rise in All India Consumer Price Index for Industrial Workers every six months. As per their unanimous submissions,

there was no Provision to revise Basic Pension of the Retired Bank Employees. In this connection, we would like to make the following submissions and request you to re-examine the same objectively:

i) Revision of Dearness Allowance based on the upward or downward movement of All India Consumer Price Index for Industrial Workers under Pension Regulation No.37 is in no way connected to the Revision of Basic Pension of the retired employees and hence is quoted out of context as far as the SQ 12 of 02.02.2021 was concerned.

ii) The appropriate Regulation to deal with Revision/updation of Basic Pension is Regulation 35(1) which originally provided as under:

"In respect of employees who retired between the 1st day 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."

This scheme of Updation of Pension was implemented for the said section of Retired Employees at the time of introduction of Pension in the Banks in 1995 w.e.f January 1986 as they alone were eligible for updation at that stage. However, with a view to have an open-ended provision for giving effect to the scheme of Updation of Pension in future, the Boards of the respective banks after consultation with the Reserve Bank of India and with the previous sanction of the Central Government and in exercise of the powers conferred on the banks by Clause (f) of Sub-Section (2) of Section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act 1970, amended Regulation 35(1) to read as under:

"Basic Pension and Additional Pension, wherever applicable, shall be updated as per the formulae given in Appendix-I (Government Gazette Notification of March 2003 -

Hon'ble Sir, the IBA, Govt of India and the Banks are not revising/updating the Pension of Retired Bank Employees in an arbitrary manner. Ours, therefore, is not a fresh demand for Updation as an Additional Benefit but is a request for implementation of a pre-existing provision contained in Regulation 35(1) since March 2003.

Pension Regulation 56 further states very clearly that 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 previous sanction of the Central Government, may from time to time, determine.



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It should also be noted that Pension in Banks is given as Second Benefit only as is given to Government Pensioners and RBI Pensioners by surrendering Employer's portion of Contributions to P. F.

We had also submitted our memorandums personally to Your Good Self and Hon'ble Members of the Committee during Your visits to Bhubaneswar and Kolkata. If we had been given an opportunity to present the case of Bank Pensioners, we would have given the correct position vis a vis the wrong contention of the Bank Managements on this vital issue concerning the Bank Pensioners.

Further, we wish to submit that the Banks are obliged to pay the Pension and the quantum of Pension as per the Provisions of Bank Employees Pension Regulations which are Statutory Provisions with the force of Law. The Hon'ble Supreme Court also held that Pension is not a bounty but it is a Deferred Wage for past service and Wage Revision and Pension Revision are inseparable.

It is also necessary to mention here that the Pension Fund including SBI is more than Rs Three lakh crores as on now and Yearly accretion to the Pension Fund is much more than the Yearly Pension Pay out and the Updation Cost can easily be absorbed by the Pension Fund without any provision for Updation Purpose.

Hon'ble Sir, under the Pension Regulations, (Regulation 35 (1), we are entitled for the benefit of updation retrospectively from the effective dates of various Salary Revision Settlements every five years. But after grant of Updation benefits by the Government of India to the Pensioners of Reserve Bank of India, w.e.f 01.03.2019, we have also rationalized our request for grant of the benefit of updation of pension w.e.f from the same date and on the basis of the same formula as given to the retired employees of RBI.

Hon'ble Sir, you being an Eminent Jurist with a vast experience in the field of law as a practitioner and now as a Law Maker, we cannot find a better person than Your Goodself to understand and appreciate our concern.

We, therefore, humbly submit to Your Goodself to examine our contention afresh and help us get the benefit of long pending Updation of Pension.

Kindly oblige.

With respectful regards,

Yours faithfully,

K V ACHARYA
President, AIBPARC
& Joint Convener, CBPRO.

SUPRITA SARKAR
General Secretary
AIBPARC