



ALL INDIA BANK OFFICERS' ASSOCIATION

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To:

ALL UNITS / STATE COMMITTEES

Comrades,

ISSUES RELATED TO PENSIONERS HISTORY TO BE REVISITED

Social media is used, misused and abused by one and all and retired Bank employees are also equally active. One of the prominent question that is often raised was that why pensioner's issues are not taken up with the IBA a representative body of the Bankers, by the nine constituents in the wage talks.

Let us turn the pages of history to rekindle our memory.

In the background of RBI employees getting the "**Pension in lieu of Provident Fund**", the need was felt to raise the demand of Pension and clinch the same with utmost care and urgency. When it was demanded to be included as an issue in the second joint note exercise for officers by the AIBOA Founder General Secretary Com.P.K. Menon, we were left alone, and resultantly did not sign Joint Note in 1989, due to non inclusion of the demand for meaningful resolution.

Pension in lieu of Provident Fund

Comparing the Pension scheme available in State Bank of India, there were serious debates, whether "**two**" retiral benefits are beneficial or "**3**" available in SBI was best. But it was AIBOA that spearheaded the campaign that "**two**" is always beneficial than "**3**" and finally established its supremacy in clinching the introduction of pension on 29th October 1993 with effect from 1st January, 1986. Claiming superiority, Banking workforce, some of them misguided by the then "**JAC**" [Joint Action / Attack Committee] exercised the option in favour of DA upto 1148 points scheme in which DA was credited to PF account of the non-optees. The first settlement signed on 29th October 1993 **was without any extra contribution to pension fund ie; 10% of Basic Pay**

One more option achieved in 2010 – with additional contribution by PF optees:

The Government of India was adamant in considering the one more option, the corpus required was stated to be **Rs.26000 crores** by GOI. A committee was constituted by IBA with two independent actuaries one from Hyderabad and another from Kolkata along with 9 UFBU representatives to arrive at the mutually accepted pension corpus of **Rs.6000 crores**.

To get back to same scheme of 1993 after 17 years ie; **2010**, out of the additional corpus of Rs.6000 crores, Rs.4200 crores was credited to pension fund to extend Pension cover to serving employees 2,65,000 and 65,000 retirees. Thus pension became a reality. When an officer was inflicted with compulsory retirement, he / she was not extended the option in the year 2010. **It was AIBOA, which took steps** to secure the cover for “**compulsorily retired**” officer **under pension scheme** too.

As on date, there are few important issues concerning the retirees.

- a. Family Pension
- b. 100% DA for the retirees, retired on or before 01.11.2002. [Supreme court dismissed the case]
- c. Updation of pension
- d. Insurance backed hospitalisation scheme

In the history of wage negotiations, it was on 25.05.2015, the record note was signed by the nine constituents covering many issues including the above listed one. In addition to the Record Note of 2015, retirees prior to 1986, they are being paid an ex-gratia of meagre amount with the approval of Government of India. The number of retirees being few and also aged 93 years, the amount of exgratia needs to be enhanced.

One thing all of us should appreciate that when the **serving employees issues are moving in a snail pace**, there is a need to have restrain in expressions in the social media by the retirees. **Getting the family pension settled gains importance and priority** besides the updation of pension on account of RBI getting the nod from Government of India in the first week of March 2019, as there exists minutes of 1994 on record between both the parties.

The existing pension corpus also includes employees' recruited upto 31.03.2010. While the expectations are genuine, we should also develop patience to clinch the matter, without comprising the set of rules meant and established over a period of time.

Efforts are sincerely made to realise the above demands. Equally patience is the need of the hour.

Yours comradely,



**/S.NAGARAJAN/
GENERAL SECRETARY**

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**Mangaluru
08.07.2019**

Sd/-
**(K. RAGHAVA)
GENERAL SECRETARY**