**VIJAYA BANK RETIREES’ ASSOCIATION(Regd.)**

**(Affiliated to A.I.B.R.F.)**

**CENTRAL OFFICE**

**TKV MEMORIAL, P.B.NO.3673, COLLEGE P.O. MAHAKAVI BHARATHIYAR ROAD,**

**NEAR K.S.R.T.C. BUS STAND, KOCHI – 682 035**

**CIRCULAR NO.4/2012**

 **Kochi**

 15-06-2012

**REASONABLE EXPECTATIONS OF BANK RETIREES IN INDIAN ENVIRONMENT:-**

1. To have tension-free life for self, his/her spouse and family.
2. To maintain life-style matching to his/her pre-retirement status/position in the bank.
3. To ensure good health for self and his/her spouse
4. To have longevity in life.
5. Social Security as well as physical security
6. Respectful and dignified life
7. To have regular source of income, free of any risk, to fulfill above objects, our demand as are follows:-
8. Pension on the lines of 6th Pay Commission(Updation Exercise)
9. Higher Pension to Super Senior Citizen on the lines of 6th Pay Commission
10. Improvements in Family Pension on the lines of 6th Pay Commission
11. 100% DA Neutralization for those retired before October 2002.
12. One more pension option to VRS optees, compulsory retired employees and resignees who have been left out under 9th Settlement.
13. Dearness Allowance revision on quarterly basis instead of present system of 6 monthly review.
14. Enhancement of Ex-Gratia to Pre-1986 Retirees
15. Enhancement of Ex-Gratia to Surviving Spouse of Pre-1986 Retirees
16. Uniform Medical Scheme.
17. Separate Welfare Funds for Retirees.
18. Establishment of Grievance Redressal Cell and their effective functioning.
19. Weightage for Qualifying Service to Specialist Officers.
20. Recognition of Retiree Organisation by IBA/Government for negotiation.
21. Interest-free Festival Advance.
22. Funeral Expenses to Retirees.

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In this connection AIBRF submitted a representation to Dr.Sudarsan Nachiappan on 04-05-2012 and the same is reproduced below for information:-

Dr.Sudershan Natchippan

Honorable Member of Parliament(Rajya Sabha)

New Delhi

Respected Sir,

Re: Retiree Demands:

We express our sincere thanks and gratitude for sparing your valuable time out of busy schedule to inaugurate 3rd Triennial Delegate Session of AIBRF held at Kolkata on 1st March 2012 and to deliver inaugural address. This inaugural session was attended by more than 1500 delegates and observers and members representing 32 banks. Your address was highly inspiring and motivating for all of us. You were kind enough to extent your unqualified support for pending demands of bank retirees and work for their solution.

2. On 2nd & 3rd March 2012, we had business session which was attended by more than 600 delegates and observers and many issues concerning retirees were deliberated and based on comprehensive discussions, the House passed **24 Resolutions** unanimously. We are pleased to enclose copy of **24 Resolutions** for your information and with a request to take the issues at the appropriate level for solution.

3. **We the bank retirees, shall never forget your initiative in convening meeting of the parliamentary committee in January 2009 to discuss retiree issues. It was historical movement for bank retirees. It had raised new hope for early solution of the pending demands**. We became highly enthusiastic when officials of IBA and Banking Department while participating in the meeting assured to consider issues like 100 percent DA neutralization to pre-2002 retirees, separate welfare fund for retirees etc favorably.

4. Immediately after Parliamentary Committee Meeting in 2009, we initiated follow-up measures by holding series of meetings with IBA/Banking Department officials to take the issues to logical conclusion.

5. Further, during last 3 years, we have carried out several agitational programmes to keep our issues alive and to create required pressure on the concerned authorities. In March 2011, we had submitted Memorandum to 26 Members of Parliament, 6 Central Ministers, 14 Chairmen of banks, RBI Governor etc. In the month of March & April 2011, 12000 Retirees had sent hand written POST CARDS to the Finance Minister, Shri. Prnab Mukerjee drawing his attention on our pending demands. Simultaneously, we have kept close contacts with the leaders of United Forum of Bank Unions(UFUB), the confederation of Unions representing more than 10 lakh employees and its constituents on our demands. We are happy to inform that UFBU has also whole heartedly supported our demands and at our request it has included retiree demands as main pending issues in the banking industry. They have also been representing our issues to IBA & Government.

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6. However, we have to advise you with disappointment that despite so much efforts put up in last 3 years on continuous basis and senior leader like you taking keen interest in retiree issues on continuous basis and following them with the concerned authorities, IBA/Banking Department have paid scant attention on them and have also not fulfilled the commitment made before the P:arliamentary Committee in 2009 and have thereby shown attitude of contempt towards retirees who happen to be senior citizens.

7. We find that recently the Government of India has advised public sector banks vide Letter No.14/7/92-IR(Vol-II) dated 24-02-12 to enhance allocation of staff welfare funds by Rs.10 crores in large public sector banks and by Rs.5 crores in medium size PSU banks.

8. But we are shocked to find that while enhancing allocation of staff welfare funds, they have neither considered our demand for separate welfare fund for retirees nor specific allocation of amount for retirees out of total welfare funds. This attitude of the government towards retirees is shocking and humiliating. Welfare measures are needed more by the retirees in particular in the area of medical facilities when their income sources and saving funds keep on reducing.

9. Bank retirees are passing through highly tough time financially and live in pathetic conditions. Those who retired prior to 1986 get paltry amount of Rs.2000/-per month, totally insufficient for survival, while government retirees under the same age group get 10 TIMES more pension compared to their counterparts in banks and also draw SUPER PENSION at the rate of 125, 150 & 200 percent. Since introduction of pension scheme in 1995 in the banking industry, basic pension has not been revised in last 17 years while salaries of employees in banks as well as in all sectors have increased 3 to 4 times. While there are provisions to revise pension of past government retirees simultaneously with revision of salaries of in service employees, it is very sad that government is not ready to have even look on this aspect for past retirees of banks. **Because of this attitude of the government, bank retirees today draw 70 to 80 percent less pension than government retirees in comparable position.**

10. Sir, you know that because of this situation retirees are becoming restless day by day. They want justice without further delay. Retirees predicament is that they do not have unlimited time at their disposal. With the advancement of age, they desire from their core of heart that they must receive justice during their life time.

11. Sir, the following demands are most urgent and need to be resolved immediately. While delivering inaugural address, you had also agreed that they need immediate solution and had extended your full support for it.

1. 100 percent DA neutralization to pre-2002 retirees
2. Separate Welfare Fund for retirees with 2 percent allocation.
3. Uniform Medical Scheme
4. IBA entering into delegate with representatives of retirees on their demands.
5. Increase in Subsistence Allowance to Pre-1986 Retirees.

12. We are fully geared up to launch massive agitational programme to create required pressure on the authorities.

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13. We shall be glad if you will guide us and provide your valuable leadership for successful agitational programme. We also request you take up the issues with the Banking Department as promised by you during the conference. Incidentally, we many advise you that at our request honorable

M.P.Shri.Gurudas Dasgupta has written letter to the Finance Minister on retiree issues. Copy of the same is enclosed for your ready reference.

 With respectful regards

 Yours Sincerely

 Sd/-

 General Secretary

5 YEARS NOTIONAL WEIGHTAGE:-

In our Circular No. 3/2012 we have communicated that our President met the Chairman and GM(Per) on 03-05-2012 and requested to settle the issue of weightage of service in view of the rejection of appeal of the bank by the Divisional Bench of Hon’ble High Court of Karnataka. We have also informed the Members that we reasonably hoped that the management would take positive decision to settle the issue regarding weightage of service to the VRS optees. However we now learn that the Management is going ahead with challenging the verdict of the Division Bench of Hon’ble Karnataka High Court as per the Legal advice. It is very cruel on the part of the management to make all efforts to rob the retired personnel their legitimate dues. Our organization would fight the case in Supreme Court if the Management files SLP. However we are still pursuing the matter with the Management. The attitude of the management is a lesson to all retired employees. **Only option for the retirees is to organize under one banner irrespective of the cadre and union affiliation while in service**. Division of retirees would only harm the interest of all retirees and help the bank managements. We urge upon all our members to actively involve in enrolling members in our organization. Ours is the only organization in our bank, which is initialing legal steps and organizational approach to ensure justice to all retirees with the support of AIBRF.

Majority of the bank employees suffered very huge financial loss on account of adhering to the high voltage campaign at the time introduction of Pension Scheme. The top leadership of that organization that misled the affiliates and employees is now making efforts to cause division among the retirees by floating retired officers’ organization whereas VBRA and AIBRF consist of all retirees irrespective of the cadre. While in SBI all retirees are under one banner some retired leaders of that bank is trying to divide the retirees of other banks.

Let the retirees not fall prey to such selfish actions of such leaders.

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Some of the important resolutions adopted in the 3rd Triennial Conference of AIBRF held at Kolkata reproduced here below:-

1. UPDATION OF PENSION:-

Pension concept has been in existence not only in our country but in the whole world and pension is considered as a reward for the past services rendered and has been termed as deferred wage(which he earns during service and avails after retirement)and becomes a right under Article 14 of the Constitution of India. In our country, Central/State Government employees, RBI, SBI, Allahabad Bank have been paying pension to their employees since long time.

Thanks to bank employees/officers, Unions/Associations we had Pension Settlement on 29-10-1993 by sacrificing bank’s contribution to Provident Fund. Pension has been accepted by the democracy of this country as a welfare measure and hence it should have been proper to secure this pension as a third retrial benefit. Not only that this did not happen, but in spite of clear understanding in the Settlement that updating the pension on the lines as are in force in RBI has been conveniently omitted resulting in pensioners of earlier years suffering financial loss and unable to make their livelihood in the heavily increased cost of living of the present day. Such non-updation of pension created separate class in the same class of pensioners as per their date of retirement. Some of the Chairmen of the banks who are drawing pension on the basis of their working as General Managers in the year of 1995, 1996 are drawing lesser pension than even very junior staff of present years. This great disparity and diversity is not only irrational, but also totally unacceptable not only in the eyes of administration, but also in the eyes of law. Creation of different types of pensioners in the same class of pensioners is illegal as per many judgments pronounced by Supreme Court of India. The Central government of India which is ruling this country and from whose rules pension regulations have been formulated corrected their wage increase given to central govt. employees. Following suit of central govt. decisions, State Governments also updated the pension of State Govt. retired employees.

RBI employees have also secured updation of pension in their recent settlement. In 1968, on a writ filed, Supreme Court ruled that “Pension is a binding obligation of the govt. and not a gift/reward or boundy”(WP No: 217/1968). Supreme Court opined that the employees have to lead a peaceful and honorable life after retirement and if honourable life is to be assured, updation of pension is the prime necessity”.

In the Settlement dated 29-10-1993, it is mentioned that formula for updating pension should be on the lines of the same given in RBI Pension Scheme. Any change therein should be introduced only after mutual agreement. If the Central Govt.employees or the State Govt.employees are getting updated pensions against no profit earned by their employers, it is totally unfair and unjustified that banks who are making huge profits are not permitted by the Govt: of India to update pension for retirees on the pretext of affordability. Non-acceptance of updating the pension to bank retirees has no basis, logic or legality. But it is mere unwillingness

On the part of the govt. of India, that too, discriminating them against central/state govt. retirees. The concept or principle of updating the wages of working employees is in relation to cost of living and the same principle of updation of pension as per cost of living is not followed is devoid of logic and deliberate discrimination. If pension is termed in the Constitution as a welfare measure, non-updation of pension is a violation of the same principle.

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The arguments put forth that the increase in DA is given to retirees is totally untruthful statement and the same can be seen from the principle adopted in the wage revision settlement by merger of DA into basic and allowing DA on the basic pay after merger.

With a view to ensure parity between past and present pensioners, a suitable formula aimed at total equity as between pensioners who retired before 01-11-2007 and those who retired later should be evolved by the IBA/Govt.

In other words, all pre 01-11-2007 pensioners be brought to the level of 9th BPS/Joint Note dated 27-04-2010 by notional fixation of pay of the bank retirees(from the bipartite settlement/joint note during which period they retired to the latest Settlement), in the same way as was done for serving bank employees(Viz: by adopting the same formula as for the serving employees so that past pensioners also get the benefit of same per centage of increase). This alone would ensure total partity.

AIBRF conference unanimously resolves and requests the IBA and the Government that the already delayed updation of pension be immediately considered without harassing the bank retirees further.

1. FACILITY OF HOSPITALISATTION SCHEME TO RETIREES & THEIR SPOUSES:-

The banks have to look after the welfare of the retirees who have rendered lifelong dedicated services to their beloved institutions. Hospitalization schemes are more necessary for retired employees/officers as compared to working employees/officers. The bank managements have forgotten this responsibility of taking care of their retired employees, but have provided Schemes for working employees by linking the schemes with insurance companies. Insurance companies, naturally, are happily serving the hospitalization schemes of working employees as they make huge profits as number of claims will be much less from younger cadres.

AIBRF unanimously resolves and requests that all the banks should negotiate uniform hospitalization scheme with insurance companies covering the whole group of employees and retirees together and take such a group insurance policy which will benefit all uniformly. Thus the premium payable will be reasonable and competitive and the bank also will be in a position to pay the premium out of welfare funds earmarked to employees/retirees.

1. SEPARATE WELFARE FUND FOR BANK RETIREES:-

Allocation of separate welfare fund from profits earned by the bank exclusively for the welfare of retirees is the need of the hour. Till today, the system prevailing in the banking industry has been that very small portion of welfare fund allocated to staff is being shared by the retirees. This system naturally discomforts the serving employees and also is not meeting the expectation of the retirees.

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AIBRF unanimously resolves and requests the bank managements that at least 3% of the bank profits be exclusively given to retirees, as retirees’ welfare is also the responsibility of the bank managements. Hospitalisation/Medical expenses are to be defined as the first measure under welfare measures, as retirees are more prone to such health hazards/risks in the twilight of their years. Such welfare fund should be utilized in consultation with Bank-wise Retirees’ Organizations for avoiding improper use of welfare funds.

1. MEDICAL AID TO RETIREES:-

In most of the Banks, there is no provision for medical aid for regular check-ups and domiciliary treatments are not covered in the hospitalization scheme. Considering these aspects, some of the banks have come forward to pay specified amount of money every year for these purposes on declaration basis. Central Bank of India, Union Bank of India, Bank of Baroda etc have provided quantum payment yearly. As such, AIBRF unanimously resolves and requests that at least Rs.5000/- towards medical aid be paid to all retirees annually on declaration basis.

1. ON FAMILY PENSION:-

For Central Govt. Servants, concept of Family Pension was introduced in April 1950. Those who have put in a service of 25 years were eligible for FP. FP was 50% of Pension. It was allowed for a total period of 10 years subject to a maximum of 5 years beyond date of retirement. The stipulation of 25 years service was reduced to 20 years from 01-04-1957. Family Pension Scheme 1964 was introduced and it was made applicable to all those who were in service as on 31-12-1963. Upto 22-9-1977 two months gratuity was deducted towards Family Pension. Deduction of 2 months Gratuity was withdrawn thereafter on the basis of Supreme Court Judgment. From 01-1986, on the basis of CPC recommendations, upto the Basic Pay of Rs.1,500/- FP was 30% of Pay with a minimum of Rs.375/-. For those who draw a Basic Pay of Rs.1501 to 3000 it was 20% of pay with a minimum of Rs.450/- p.m. and for those who drew a Basic Pay above Rs.3,000 it was 15% of pay with a minimum of Rs.600/- p.m. The ceiling of Family Pension was Rs.1,250/- p.m.

As per 6th CPC recommendations, with effect from 01-01-1996 FP is granted @ 30% of Last Pay Drawn. Minimum Pension of Rs.1,275/- is made applicable to family Pensioners also from 01-01-1996. Both Son and daughter are eligible to receive FP upto the age of 25 years or marriage or employment whichever is earlier. But physically and mentally challenged children are eligible to get FP for life. 5th CPC introduced the concept of ‘Enhanced Family Pension’ for 7 years or pensioner would have attained the age of 67 whichever is earlier, if the employee died in harness. Justifying special dispensation, with effect from 01-01-2006, on the basis of 6th CPC recommendations, the period of 7 years was increased to 10 years(for those who died in harness). As per the existing orders, if the period of 7 years falls beyond 01-01-2006, then FP at enhanced rate should be given for 10 years.

Thus, while considering the pension package for Central Government employees, various Pay Commissions have kept in view the hardship caused to surviving spouses on account of payment of meager Family Pension and have sympathetically liberalized the FP rules over the past decades. But in the Employees’ Pension Scheme modelled on Central Civil Services Pension Rules, there has been no perceptible improvement in Family Pension for more than 16 years since introduction of Bank Employees’ Pension Regulations 1995.

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Hence AIBRF unanimously resolves to place the following demands before the IBA and the Govt. for their sympathetic consideration:-

1. Family Pension should be delinked from the present 3 slab system and should be calculated uniformly at the rate of 30% of last drawn basic pay in all cases;
2. In the case of bank employees dying in harness, family pension should be paid at enhanced rates for a period of 10 years without any upper age limit;
3. FP should also be paid to widowed/divorced/unmarried daughters of the deceased bank employees even if such daughters have attained the age of 25 years;
4. Childless young widow of deceased bank employee should continue to be paid Family Pension even after re-marriage;
5. Higher rates of pension for very old family pensioners on attaining the age of 80/85/90/95/100 by granting additional quantum of 20%, 30% 40% 50% and 100% of basic family pension.
6. PPO to contain photos of physically/mentally challenged and other eligible dependant family members to facilitate hassle-fee passing on the benefit of family pension after demise of parents.
7. ENHANCEMENT OF EX-GRATIA TO PRE-1986 RETIREES:-

It may be noted that number of Pre-1986 retirees(aged 85+) and getting Rs.300/-+DA are few hundred only or even less. These retirees badly need financial support at the fag end of their life and the delay in getting any benefit will be virtually denial thereof. This matter has been represented many times before IBA and Government of India and also to the Chairman, Public Grievances Committee who all positively responded, but with no results so far. AIBRF unanimously resolves and ardently appeals to the Government that this issue be considered on priority basis for enhancing the ex-gratia amount from Rs.300/-+ DR to Rs.2000/-+D.R.

1. ENHANCEMENT OF EX-GRATIA TO SURVIVING SPOUSE OF PRE-1986 RETIREES:-

With effect from 01-12-2006, the surviving spouse of Pre-1986 retirees are being paid a consolidated ex-gratia of Rs.1000/- only(without any dearness relief). While other classes of pensioners are being compensated for periodical increase in cost of living through increased rate of dearness relief, these segments of pensioners who are very few are facing vagaries of sky-rocketing price rise without any compensation. Hence, AIBRF unanimously resolves and requests the Government to increase Ex-gratia amount to Rs.1000/- + DR which will take care of increased cost of living.

1. ELIGIBILITY FOR FULL PENSION:-

In the 6th CPC recommendations accepted by the Govt: eligibility for full pension has been made as 20 years as against 33 years. In the banking industry, we still are maintaining 33 years as eligibility for drawing full pension.

AIBRF unanimously resolves to demand that in the banking industry also, eligibility for drawing full pension should be made as 20 years and last drawn pay on 10 months average emoluments, whichever is more beneficial, should be the criterion for fixing the pension.

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GENERAL BODY MEETING OF TAMILNADU STATE:-

It has been decided to hold the Office Bearers Meeting of AIBRF at Chennai on 08-07-2012. Hence we have arranged a General Body Meeting of the Vijaya Bank Retirees at Chennai on 07-07-2012. The meeting will be at Emerald Hall of Sangeetha Residency, Mylapore, Chennai at 10.a.m. All Vijaya Bank Retirees of Tamilnadu are requested to attend the meeting.

 For any details please visit AIBRF Website – http//www.aibrf.com/

C.GOPINATHAN NAIR S.G.EMBRAN

 (PRESIDENT) GEN.SECRETARY