



UCOBANK RETIREES' ASSOCIATION KARNATAKA (Regd)

(Regd as S.No: 699/97-98 Dated 20/01/1998 with the Registrar of Societies, Karnataka)

Regd Office: C/o UCO Bank, 3rd Floor, 13/22,
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Website: urakar.com



UBRA-KAR/CIR/0237/2017-20

Date: 20.08.2020.

To all members of our unit.

Dear Comrades,

SUB: AIBPARC LETTER TO UFBU.

AIBPARC & CBPRO have been following up the pending issues of Bank Pensioners and Retirees and have written several letters to UFBU and its Constituents As a matter of reiteration and to emphasise that our constituents and members are eagerly looking forward to the Leadership of UFBU and IBA to settle all our pending issues AIBPARC has again written a letter to The Convener, UFBU on 17.08.2020. A copy of the letter is attached for the information of members.

B.Lakshminarayana
Hon. Secretary.

ALL INDIA BANK PENSIONERS AND RETIREES CONFEDERATION

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Dated:17.08.2020

Shri. Sanjeev Bandlish
Convener
UFBU
Chandigarh

Dear Com. Bandlishji

Pending Issues of Bank Pensioners & Retirees

AIBPARC & CBPRO have been following up the pending issues of Bank Pensioners and Retirees and have written several letters to UFBU and its Constituents. We would like to invite your kind attention to our letters written after signing of MOU by UFBU with IBA about impending BIPARTITE.

As a matter of reiteration, we would like to emphasise that our constituents and members are eagerly looking forward to the Leadership of UFBU and IBA to settle all our pending issues including the following:

1) UPDATION OF PENSION:

Updation/Revision of Pension is explicitly provided in our Pension Regulation 35 (1) wherein it is stated that the Basic Pension and Additional Pension, wherever applicable, shall be updated as per the formula given in Appendix I (Gazette Notification No.9 Dated 01.03.2003). Further, the Rule of Law was laid down by the Honourable Supreme Court that Wage Revision and Pension Revision are inseparable. Our Pension Regulation 56 provides for the similarity of our Pension Scheme with the Pension of Government and making a reference to Central Civil Pension and Commutation Rules 1972 in case of doubt.

We have also been able to effectively put across to IBA and Government that granting us the Updation of Pension using the same factors as given to RBI Pensioners w.e.f 1.4.2019, the cost of updation for 441000 and family pensioners (including SBI) will be only Rs.5,321 crores and not Rs.95,000 as was being made out initially. The aggregated Pension Funds of Banks (including SBI) at about Rs 3 lakh Crores is quite healthy as present pension pay-out is hardly about 58% of annual yield and contributions being made as per actuary 's valuations. The remaining 42% is much more than sufficient to meet the additional annual cost of updation.

It is also pertinent to mention that while contesting the case of RBI Pensioners in the Court, the Government's objection was filed quoting that grant of Pension Updation to RBI pensioner would give rise to similar demand from other Banks and Financial Institutions that were not doing well.

It is hereby submitted that affordability cannot be a ground to deny the legitimate right of Updation of Pension to Bank Pensioners as can be seen from the fact many banks were in loss even when the Pension Settlement was signed.

2) 100% DA NEUTRALISATION

We have been demanding 100% DA Neutralisation to Pre-November 2002 Retirees who are being arbitrarily discriminated in violation of Article 14 of the Constitution by creating a different class within the class of Pensioners. Since the Consumer Price Rise affects all retirees in equal measure, the demand for same DA formula for all the retirees is legitimate. The record Note signed along with Xth Bipartite stated the remarks of IBA that the matter was subjudice. It is no longer subjudice now and IBA may be requested to consider this request on humanitarian grounds as a mark of respect to Senior Citizens.

3) RECKONING SPECIAL ALLOWANCE FOR PENSION & GRATUITY

It is requested to reckon Special Allowance introduced w.e.f 1.11.2012 for Pension and Gratuity as its exclusion in the Xth Bipartite Settlement is ultra vires. The Hon'ble Supreme Court has held that there cannot be two Different Pays for the purposes of salary and Computation of Pension by using separate DA merger formula₂@1616 points for Pension and 1664 Points for Basic Pay. Since our Special Allowance attracts DA, it is akin to Basic Pay. In another case involving Chief Commissioner Income Tax,

the Hon'ble Supreme Court held that any Allowance which is not assignable to performance of any specific function/duties, is paid to all across the board and is also paid even when the employee is on leave, is to be considered as a part of Basic Pay. We have therefore been demanding that Special Allowance must reckon for computation of pension and calculation of Gratuity. The Hon'ble High Court at Ernakulam has recently held in the case of Canara Bank Officers that Special Allowance be reckoned for computation of Pension. The order of the Hon'ble High Court is an affirmation of the legitimacy of our Demand.

4) RATIONALISATION OF MEDICAL INSURANCE SCHEME

We have been agitating for last five years for Rationalisation of Medical Insurance Scheme for Retirees in accordance with directions of Department of Financial Services vide its letter dated 24.2.2012 which advised IBA to evolve a Medical Insurance Scheme both for Serving and Retired Bank Employees. The Government did not envisage payment of Premium by the retirees. But IBA on its own forced the retirees to pay the premium if they wanted the benefit of the scheme. The premium has gone from Rs.7559 (2015-16) to Rs.95000 (2029-2020) with OPD facility. We have been demanding Banks to bear the premium for retirees like serving employees in true spirit of Government Communication. Alternatively, we should be covered under a new scheme on the lines of CGHS by charging one-time contribution. We also submit that ever rising Medical Insurance Premium has forced many Retirees to opt out of the scheme, which is cost prohibitive.

We are confident that you will not leave any stone unturned to get our long pending issues settled along with XIth Bipartite in the true spirit of impending Charter of Demands.

Looking forward for a favourable response,

With Comradely regards,

Yours Comradely,



K. V. Acharya
President



S.Sarkar
General Secretary

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