



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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6th Conference Slogan- Pension Update is Right of Bank Retirees

Ref. No. 2025/0013

Date: 02.02.2025

**Shri M. V. Rao,
The Chairman,
Indian Banks' Association (IBA)
MUMBAI**

Respected Sir,

Re: Review of Ex- gratia amount payable to pensioners

Re: Non-implementation of provisions of 12th Wage settlement

We wish to invite your kind attention on the following provisions on review of ex-gratia amount incorporated under Para 36 of the 12th Bipartite Settlement dated 8.03.2024 signed between IBA representing bank managements and United Forum of Bank Unions (UFBU) representing award and officer staff, which read as under:

"The next review of ex-gratia amount shall be undertaken in April, 2024 and thereafter shall be subject to review annually agreed between the IBA and the Unions/ Associations."

2. The above provision of the 12th Bipartite settlement dated 8.03.2024 makes it obligatory for the parties to the settlement to carry out review exercise annually commencing from April,24. Further, it also cast responsibility on the parties to the settlement that review exercise should be carried out annually and also in meaningful, transparent and objective manner and based on some logical and scientific formula. It is very logical to interpret that provision of annual review has been made for the reason that amount of ex-gratia payable to different group of pensioners is fixed one and benefit of variable DR in future will be considered by way of review mechanism.

3. We find that first review exercise due in April, 2024 as provided under Para 36 and of mandatory nature has not been carried out by IBA yet though about 10 months have passed. **In legal parlance, it amounts to violation of provisions of the settlement and adversely affects actionable rights of more than 7 lakhs bank pensioners.**

4. The above referred provision of the settlement confers legal right to eligible pensioners to receive monthly amount of ex-gratia along with pension amount and demand annual review of ex-gratia amount commencing from April, 2024. In case, IBA/ Bank managements do not comply the above provisions of the settlement, eligible pensioners and their organizations acquires enforceable rights to ensure its effective compliance.

5. It may also be mentioned for your kind attention that, under above provision, pensioners (retirees) constitute beneficiaries and for their grievances on proper implementation/ non-implementation, violation etc., they and their organization should get opportunity to place their grievances before IBA for resolution through deliberations across the table. However, despite several representations, IBA is not agreeable for providing any platform/ window to retirees at apex level for resolution of their issues through discussion on the plea that IBA is voluntary organization and does not have mandate from member banks to hold discussion with the retirees.

6. On the above issue, we would like to place for your kind consideration that class of beneficiary to receive ex-gratia and right of annual review is created under Para 36 of 12th Wage Settlement dated 8.03.2024. It goes without saying that the above provision has come in to existence only with the consent and mandate of member banks. Now, IBA saying that we will not talk to this class (beneficiary) on the plea of mandate even if their rights which are legally tenable gets adversely affected does not appear to be logical and needs reconsideration

6. We therefor humbly request you to kindly carry out review exercise in respect of ex-gratia which was due in April, 2024 at the earliest so 7 lakhs pensioners get their legitimate benefits without delay.

7. It will not be out of place to mention that Consumer Price Index (CPI) in August, 24 has increase by 762.74 points (9.02 percent) since August, 2022 on which amount of ex-gratia was fixed for bank pensioners. **In other words, real value of ex-gratia amount is already diluted by 9 per cent in last two years in the absence of review on due date. It is our humble request that this aspect need to be considered in the review exercise.**

8. By endorsing copy of this letter, we are requesting UFBU constituents who are signatories to 12th wage settlement to take steps to ensure immediate review of ex-gratia amount. **We also humbly request you to give appointment to our representatives to place their views/ stand in the matter for your kind consideration.**

With Respectful Regards,

Yours Sincerely,

A handwritten signature in cursive script, appearing to read 'mabas', is written over a horizontal line.

(S. C. JAIN)
GENERAL SECRETARY

C. C. to

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