



ALL INDIA BANK RETIREES' FEDERATION

D-1/1, Sector-C, Scheme-71,
Near Kasara Bazar School, Indore – 452 009.

Ref: 2016/410

Date: 06.05.2016

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Sri M.S.Chourey

The Chairman,
Indian Banks' Association,
Mumbai.

Dear Sir,

Re: Bank Retiree Issues

We request you to refer your letter no. HR&IR/KSC/GS/2347 dated 28.03.2016 and letter no. HR&IR/KU/GS/37 dated 7th April, 2016 addressed to AIBRF on the above subject. In this connection we also request you to refer your letter no. HR&IR/KSC/GOVT/85/63 dated 13.04.2016 addressed to Dr. Natchiappan, Chairman, Parliamentary Committee on Personnel, Public Grievances, Law & Justice on bank retiree issues.

2. We note from the above communications that IBA has following stand on retiree issues:

(a) It is stated that IBA is an independent and voluntary organisation which provides advisory services to its member banks as and when asked for.

(b) IBA is unable to hold discussion with AIBRF or any other retiree organisation on retiree issues in the absence of specific mandate from member banks to do so.

(c) IBA holds discussion with Officers' Association/ Workmen Unions operating in the banking industry on behalf of member banks on the basis of specific mandate given by these banks in this regard.

(d) We find that IBA carries perception as stated in its letter addressed to Dr. Natchiappan that there are number of retiree organisations and there is no set prescribed procedure to verify majority membership/ membership detail. As such it is difficult to ascertain whom to discuss with.

(e) It is observed from the above correspondence that IBA feels that grievance redressal mechanism for retirees needs to be strengthened at banks' level and has issued circular in the month of March, 2016 addressed to member banks reiterating its earlier advice issued in 2009 and asking member banks to take further steps to see that it gets stabilised and grievances of retirees get resolved with discussion across the table. We are happy to note that IBA is serious in ensuring establishment of grievance redressal mechanism for retiree in an effective manner.

We appreciate efforts of IBA in this regard and convey our thanks for the same.

(f) We note that IBA has identified some demands of past retirees as pending issues as listed in Record Note dated 25.05.2015 which need favourable consideration. It is further informed that data for these demands are being collected from member banks to take final view on them.

3. We are happy that after long wait of many years IBA has conveyed its stand on retiree issues and the manner in which it proposes to deal with them.

4. In this regard we would like to make the following submissions:

(a) While we do not dispute your stand that IBA is an independent and voluntary organisation, we would like to point out that it is controlled and managed by the top management of member banks and not by outsiders who are not part of member banks.

(b) IBA stand that it does not hold specific mandate to hold discussion with AIBRF may at best be technically correct. But the fact remains that the Managing Committee of IBA controls the organisation. It is also fact that the Managing Committee of IBA consists of the Chief Executives of member banks and not outsiders. Therefore it is simple logic that in case Managing Committee of IBA is convinced that there is need to hold discussion/consultation with retirees in view of their fast growing numbers, the same members who are part of Managing committee and who also control banks can ensure suitable mandate to IBA for this purpose without any difficulty and loss of time. Therefore, according to our analysis, primary and basic issue is where Managing Committee has to take a call is whether appropriate time has come for review of present system and to hold discussion with the retiree organisations as it will be in the interest of all concerned for smooth resolution. If this decision is taken, according to us, mandate becomes very minuscule technicality.

(c) As you are aware retiree numbers in banking industry is fast growing and present figure of bank retirees of 5 lakhs may cross 7 lakhs (including SBI) in next 2 to 3 years. It is common knowledge that bank retirees have organised themselves in last 5/6 years and presently more than 80 percent of bank retirees are members of one retiree organisation or another.

(d) It is also in the knowledge of IBA and other concerned authorities that there is huge discontentment, disappointment and anger among the bank retirees because of no solution is forthcoming on their long pending demands under the present system. Some of the demands continue to remain unresolved settlement after settlement and are

pending for more than 10 years. Bank retirees after keeping patience for several years have now become restless for solution and on the agitational path during last one year. Several action programmes are being carried out one after another under the banner of AIBRF. Detailed reports of such programmes are being sent to you by us after end of each programme. Other apex level retiree organisations are also active. Many representations submitted to the government authorities, Central Ministers, Members of Parliament are also being forwarded to IBA with their comments for action.

- (e)** Further we would like to clarify with full responsibility that it is not correct to say that there are innumerable retiree organisations in banking industry at the apex level. We may mention for your kind information that not more than 3/4 retiree organisations are there at the apex level which covers 95 percent of the membership in the industry through their affiliates. All other retiree organisations are affiliates of these apex level retiree organisations and function under overall organisational discipline of the parent bodies. Some time, as an exception, some base units might have approached directly to IBA/Government submitting representations on retiree issues out of their concern and long delay, but certainly they are not apex level bodies.
- (f)** We do not know what is the basis of IBA carrying perception that there are many retiree organisations, but the factual position is otherwise. It seems some vested interests are giving wrong and baseless feedback with the intention to prevent IBA holding direct dialogue with retirees. In one meeting with retirees on this issue can resolve the misconception and clarity can be brought on this aspect. We may also mention that the retiree organisations have well structured set-up, function under well defined disciplined with reasonableness and ready to appreciate view of others and ready to concede points if they have logic and reasonableness.
- (g)** It is heartening to know that IBA appreciates the fact that there is need to have independent grievances redressal mechanism for retirees other than set-up available to employees. As you are aware that the set-up created for retirees at the initiative of IBA, though still not fully functional in many banks, has helped in resolving thousands of individual cases by discussion across the table which many would have, otherwise gone in litigation. Today it is win-win situation for all concerned because of grievance redressal set-up at the bank level. Then we do not know why IBA thinks otherwise for independent setup for retirees at the industry level.
- (h)** We would like to point out that the pending issues listed in Record Note dated 25.05.2015, more or less, remain as it is where they were one year back. We find that still cost study on this issue is not completed. Further, we note that as and when retirees issues listed in

Record Notes were raised in last one year, IBA comes out with standard reply that cost study not completed. Because of this position there is growing feeling among retirees that IBA is not keenly interested to resolve retiree issues and this is being used as an excuse. Otherwise, in the present world of information technology where large calculations can be done in few seconds, how collection, compilation of data can take such a long time.

In view of our above stated submissions, it is our humble request that there is need to review present policy and hold discussion with AIBRF and dispose of the long pending issues of retirees through fruitful consultation/discussion.

A line of reply will be highly appreciated.

With Respectful Regards,

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'maba's', written over a horizontal line.

(S.C.JAIN)
GENERAL SECRETARY