

ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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SILVER JUBILEE YEAR (1994-2019)

Ref. 2020/464

16.11.2020

The Office Bearers/ Central Committee members/ State Committee Chiefs
A.I.B.R.F

Dear Comrades

Re: 11th Bipartite Settlement

As you are aware, after prolonged negotiations lasting for more than 3 years, 11th Bipartite Settlement has been signed on 11th November, 2020 granting about 15 per cent increase in pay and allowances to about 6 lakhs bank employees. We convey our congratulations to in service bank employees and UFBU leadership for this creditable achievement.

01. PAYMENT OF ARREARS TO THOSE RETIRED AFTER 01.11.2017 AND ARE NOW MEMBERS OF OUR AFFILIATES

2 .As you know, this settlement will be effective from 1st November 2017 and arrears will be paid accordingly from this date. This time, we find that period involved for payment of arrears is fairly long. During this period, about 50000 employees have retired and are eligible to receive arrears as per various clauses and provisions of the settlement dated 11.11.2020. Many of them after the retirement have taken membership of our affiliates and now look forward towards us for settlement of their claims. In this regard, your attention is invited on the following important points to provide necessary guidance/ support to retirees who retired on or after 1.11.2020.

- (a) Arrears in respect of difference in basic pay, dearness allowance and other allowances
- (b) Arrears in respect of their eligibility towards encashment of leave and gratuity
- (c) Re- fixation of Basic pension as per the revised basic pay and calculation of arrears
- (d) Arrears in respect of difference in commutated value on account of re-fixation of basic pension.
- (e) LTC arrears as per revised entitlement
- (f) To consider stagnation increments as per the revised eligibility and re-fixation of basic pension and payment of arrears in this respect.

We request all our affiliates to extend all support to all our members in particular to the families of those who left the world in the intervening period and are eligible to receive arrears under 11th settlement.

02. SANCTION OF FAMILY PENSION

We are happy to inform that as per the announcement made by Chairman IBA at the time of signing of M.O.U for 11th Bipartite settlement, now in the final settlement specific provision has been made for payment of **revised family pension at the rate of 30 per cent of last pay drawn without any ceiling.**

It will result in increase of family pension from minimum Rs. 1000 to Rs. 24000/- per month to about 72000 family pensioners. It was very important and long pending demand of bank retirees which has been finally achieved in this settlement.

We understand that 11th Bipartite Settlement document has been sent to the government for final approval which also include provision for increase in family pension. We expect that once the settlement receives government approval, increase in family pension will also stand sanctioned. We also expect that effective date of increase in family pension will get crystalized along with the final approval.

Simultaneously, at AIBRF level, we are also doing follow up for securing early sanction from the government for increase in family pension.

03. UPDATION OF BASIC PENSION

Updation of pension is the most important and long pending demand of bank retirees. AIBRF has been taking up this issue very forcefully on continuous basis through several actions cum follow up programs at the organisational level. Our following efforts are worth noting

- (a) Centralized Dharna program on demand of Updation in March, 2017 in which more than 6000 bank retirees participated and it was **addressed by 21 members of Parliament** from different political parties lending their support for the demand.
- (b) Submission of more than **25000 ONLINE representations** to the Prime Minister for consideration of updation in the year 2018.
- (c) AIBRF delegations meeting **about 100 Members of Parliament and submitting memorandum** on UPDATION during 2018 & 2019.
- (d) Submission of Memorandum on UPDATION signed by **more than 5, 00,000 members of public from all walk of life** to PMO supporting the demand in January, 2020.
- (e) AIBRF Women Delegation from Karnataka State unit **meeting Finance Minister in February 2020** in Bangalore and requested her to consider demand of UPDATION for bank retirees.
- (f) Submission of Memorandum on UPDATION to Members of Parliament , Shri Bandi Sanjay Kumar and Shri D. Arvind by our Telangana State Committee in September, 2020, even during Covid period.
- (g) **Two members of Parliament, Shri Tejaswi Surya & Smt. Aparjita Sarangi meeting the Finance Minister in Delhi personally** and requested her to sanction UPDATION of pension in banking industry, during the month of September, 2020.
- (h) Two members of Parliament raising questions on pension UPDATION in banks in Zero Hours during last Monsoon Session of Parliament. So far in last 3 years, Five times , pension updation issue has been raised by different Members of Parliament during Question/ Zero Hours inviting government attention on pending issue of Updation in banking industry.
- (i) AIBRF delegations meeting IBA authorities, UFBU and its constituents from time to time seeking their support on pension updation during last 3 years.
- (j) AIBRF representatives **participated in various meetings convened by UFBU constituents** on UPDATION issues.
- (k) AIBRF issued dozen of communications on UPDATION issue giving detailed analysis on various aspects of UPDATION.

Above mentioned organisational efforts of AIBRF made during last 3 /4 years towards achieving demand of Updation has now created favorable atmosphere on this demand, which can be summarized in the following points

- (1) Large number of Members of Parliament are now actively advocating before the government to consider pension UPDATION in banking industry.
- (2) **Finance Minister, herself has come out with favorable press statement during her interview** openly supporting the **need of pension UPDATION in the banking industry**. She has expressed the view in her interview that pension updation is overdue in banking industry and should be considered at the earliest. This interview has appeared in leading newspapers in first week November, 2020 and has been widely circulated among bank retiree community.
- (3) **While addressing AGM of IBA on 10.11.2020, Finance Minister has again mad very specific mention about the bank retirees, their contribution in building banking system in the country. She categorically emphasized that the retiree can be left alone on their fate and it is the responsibility of the bank managements to take care of their needs. She also made mention that the bank retiree should be treated with honor as ex-servicemen are treated in Defense Forces.**
- (4) It can be seen that leading newspapers of the country like Time of India, Business Line have also been coming out with articles/ news items on pension Updation issue in the banking industry drawing attention of the government / public on the issue.

With the above developments, we can see that

- (1) **Very favorable climate has been created for early Pension UPDATION in banking industry.**
- (2) **The issue is now very clearly registered in the minds of top most authorities of the country which matter most for sanction of this demand.**
- (3) **The issue has been properly understood and appreciated by the government authorities.**
- (4) **Proper and clear message/ signals have already come from top most authority to IBA for favorable consideration.**

Further to the organisational efforts being made by AIBRF which has largely helped in creating very favorable atmosphere for UPDATION, the following are also positive

- (1) UFBU and its constituents are also supporting pension Updation demand and have been raising it during negotiation committee meetings.
- (2) **In letter dated 15.11.2020 addressed to Chairman, IBA, four workmen unions have demanded holding immediate meeting of negotiation committee to discuss the issue of Provision of periodical updation of pension along with wage revision and UPDATION of pension for existing pensioners along with other pending issues.**
- (3) From the indications coming from reliable sources, IBA is also inclined to undertake exercise of UPDATION at earliest so the government approval on it can be obtained.

AIBRF FURTHER EFFORTS FOR OBTIANING FINAL APPROVAL ON UPDATION.

Now, in coming days, AIBRF proposes to take the following further steps in this direction

- (1) We expect minutes of the settlement signed recently to be finalized soon among parties to the settlement and expect that broad indication will be spelt out as how UPDATION issue will be addressed by the parties to the settlement in coming days.
- (2) **AIBRF shall work out detailed plan to follow up the issue at various levels like with the government, political level, IBA and UFBU for securing early sanction for it.**
- (3) We would continue to coordinate the issue with UFBU constituents for securing their support for early sanction.
- (4) Wherever possible, we shall take steps to develop coordination with other retiree organisations.
- (5) AIBRF will also take suitable steps to see that attempts made by some individuals to create negativity/ confusion can be effectively countermanded.

WE PROPOSE TO HOLD OFFICE BEARERS MEETING TO DISCUSS AND DECIDE FUTURE FOLLOW UP PLAN AND STRATEGY TO ACHIEVE DEMAND OF PENSION UPDATION. DATE WILL BE FIXED AND ADVISED ONCE MINUTES OF THE SETTLEMENT ARE AVAILABLE.

GROUP MEDICAL INSURANCE SCHEME FOR RETIREES

We have already advised **various improvements brought in Group Insurance policy of IBA in this year renewal** which has facilitated large number of left over retirees to exercise option for the scheme. As advised the response to the scheme has been quite encouraging.

We are happy to note that the following more points are under consideration to bring further improvements in group insurance policy

- (a) Improvement in group medical Insurance Scheme for retired employees and insurance premium to be paid by bank managements.**
- (b) Exemption of GST payable on medical insurance policy**
- (c) Allocation of staff welfare funds based on operating profit instead of net profit.

AIBRF will continue to follow up the above issues so the health insurance policy becomes affordable for all section of retirees in coming years.

We are also happy to note that UFBU constituents are also pursuing the following issues concerning to retiree with IBA.

- (a) Improvement in Ex-Gratia payments to Pre- 1986 retirees/ their surviving spouses.**
- (b) Bringing all pensioners to common index point of 6352.**
- (c) Calculation of pension based on last pay drawn or average of last 10 months whichever is beneficial to the retiree as available in government.**
- (d) Sanction of full pension after 20 years instead of 33 years**

AIBRF CONVEYS THANKS AND APPRECIATION

11th Bipartite settlement has brought historical improvement in Family pension and group medical insurance scheme and has also opened new possibilities for early UPDATION. AIBRF has played significant role in bring the issue in focus and finally getting them resolved. On this occasion, we convey our thanks and appreciation to

- (a) To members of Core committee
- (b) To Office bearers and central committee Members
- (c) To our affiliates and their office bearers and activists
- (d) Our membership, Cadre and activists

Who have responded all organisational calls positively and extended wholehearted support to make them successful. Entire team of AIBRF at all levels has demonstrated unity and solidarity in pursuing pending issues **We find a few individuals keep on spreading baseless rumors that AIBRF is divided house. Such baseless information need to be condemned and our request not to pay any attention towards them.**

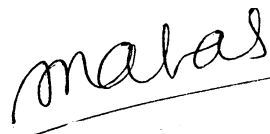
We also convey our sincere thanks

- (a) Members of parliament who have supported our cause
- (b) Officials of Department of Financial Services
- (c) Chairman , Chief Executive and other officials for IBA

- (d) Convener , United Forum of Bank Unions and leaders from all constituents of UFBU
- (e) Our comrades from sister retiree organisation who extended support to AIBRF in pursuing retiree issues at various level.

On this occasion, we convey our unqualified commitment to continue to work at the organisational level to pursue all pending issues of retirees so they can lead post- retirement life with dignity and respect.

With Warm Regards and Festival Greetings.



(S.C.JAIN)
GENERAL SECRETARY

