



# UCO BANK EMPLOYEES' ASSOCIATION

(Registration No.795 & Registered under Indian Trade Union's Act)

[Affiliated to Bank Employees Federation of India]

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Circular No.23/2022

23.09.2022

## **To All Members**

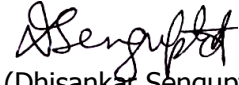
Dear Comrades,

### **BEFI's letter to IBA**

We reproduce hereunder the full text of Circular No.47/2022 dated 22.09.2022, issued by General Secretary, Bank Employees Federation of India, for your information.

With warm greetings,

Comradely yours,

  
(Dhisankar Sengupta)  
General Secretary

## **Full Text of Circular No.47/2022 of BEFI dt. 22.09.2022**

### **Quote**

Dear Comrade,

### **Letter to IBA**

We came across an Affidavit dated 24.08.2022 submitted by IBA in the Supreme Court of India in the matter of representation/claim on Updation of Pension. The contents of the Affidavit is quite confusing on several counts. We addressed a letter to the Chief Executive of Indian Banks' Association today in this regard. Text of the letter is appended.

With greetings,

Yours comradely,

Sd/-

(Debasish Basu Chaudhury)

General Secretary

## **TEXT OF THE LETTER TO THE CHIEF EXECUTIVE, IBA**

**(Quote)** "We came across the Affidavit in subject in regard to representation/claim of the petitioners for Updation of Pension. In the said Affidavit, the IBA commented on a subject (Updation of Pension) which is of paramount importance to lakhs of employees and officers who are covered by Bank Employees Pension Regulation, 1995. This subject is also of great significance for the Workmen Unions and Officers Associations of the banking industry.

Hence, we consider of placing some of our views as the text of the Affidavit, available in public domain, has already given rise to serious confusions and apprehensions among the banking fraternity.

We understand from the Affidavit that a Committee was formed to consider the representation/claim of the petitioners and similarly placed persons. It is also understood that the said Committee had to be reconstituted as the Chairman of the Committee demitted the office.

As per Para 3 of the Affidavit, "The Committee formed by the Indian Banks' Association, for the purpose above, discussed all aspects and also heard the Representatives of various Workman Unions and Officers Associations and the Committee has concluded as under :-"

Subsequently Para 3.1 to Para 4.1 has been narrated in the Affidavit as submission of the said Committee formed by IBA for the purpose.

**[P.T.O.]**

So far as hearing of various Workman Associations as mentioned in Para 3 is concerned, we would like to put on record that BEFI was never given any scope of such hearing by IBA on the subject matter. Quite obviously, we disown the comments of IBA narrated in Para 3.1 to 4.1 in the Affidavit. We are also unaware about any such hearing with other Unions/Associations.

As per Para 3.7 of the Affidavit, "That there is no provision in Pension Regulations in 1995 (BEPR, 1995) for any updation in the Pension of Bank Employees and Officers. That, therefore, it would neither be appropriate in-principle nor would be financially viable for the Banks to accept the Representation/Claim of the Employees for Updation of Pension at par with Central Government Employees,...."

Regarding this Para 3.7, apprehensions/confusions are mainly on two counts:

Firstly, it is not clear if the IBA is averse to Updation of Pension at par with Central Government Employees or Updation itself, because it has been mentioned that there is no provision of Updation of Pension in BEPR, 1995. IBA must clarify its stand on Updation of Pension.

Secondly and more importantly, the IBA commented that Updation of Pension would not be financially viable. How this has been ascertained is not clear.

We came across Supplementary Minutes of Discussions on certain issues between IBA and Workmen Unions on 10.12.2020 and with Officers Associations on 04.01.2021 where IBA's comments are available in this subject.

In the minutes dated 10.12.2020, the IBA commented inter alia that, "The current details of the Pension Fund in various Banks are being collected and based on these details, actuarial working also needs to be done. These processes would be expedited to take the issue further forward and IBA /Banks would take decisions subject to Government's approval".

In the minutes dated 04.01.2021, the IBA commented that, "IBA is actively evaluating the issue as demanded by the Associations, for which an actuary is appointed".

The actuarial calculation, if at all completed, has not been made known to the Unions/Associations.

Whatever may it be, IBA must start discussion on the outcome of the actuarial calculations with the Unions/Associations.

In regard to IBA's comment that there is no provision of Updation of Pension in BEPR, 1995; we would like to state that a Memorandum of Settlement was entered between the IBA and employees unions on 29.10.1993. As per the recital of the Memorandum of Settlement, the bank was to introduce a pension scheme for workmen employees in lieu of employers' contribution to the provident fund. Clause 12 of the Settlement reads, "Provisions will be made by a scheme to be negotiated and settled between parties to this Settlement by 31st December 1993 for applicability, qualifying service, amounts of pension, payment of pension, commutation of pension, family pension, updating and other general conditions etc. on the lines as are in force in the Reserve Bank of India".

Since pension for the employees and officers of Reserve Bank of India has been revised in 2019 with a definite formula; denial of Updation of Pension for those under BEPR, 1995 on the plea of not provisioned is factually incorrect and hence not at all acceptable.

We would also like to place on record that the demand for Updation of Pension was included in the Charter of Demands for 11th Bipartite Settlement/8th Joint Note. During negotiation, the IBA agreed that for Updation of Pension the opinion of common actuarial calculation will be undertaken in determining the financial requirements. Subsequently, the two Supplementary Minutes were signed on 10.12.2020 and 04.01.2021 with commitment of actuarial calculation.

In the circumstances narrated herein above, we consider that IBA must come out with actual position of the actuarial exercise, if undertaken, and also demand that IBA clarifies its view on the basis of Updation of Pension as it has already ruled out Updation at par with Central Government Employees in the referred Affidavit." **(Unquote)**

**Unquote**