**State Bank of Patiala**

**Pr President**

 **Harish Walia**

C Chandigarh

9 9815700573

 **Gen Secretary**

 B.C.Bassi Patiala

9530519122

9877846662

 **Retired Officers' Association (Regd.)**

 **31, NEW GREEN PARK COLONY, PATIALA**

 **(Affiliated to All India Bank Retirees’ Federation )**

 **Phone/Fax : 0175-5185031 Email:sbpretdpta@gmail.com**

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**Circular No. 21 of 2017-20 Dated 17th October 2018**

 **Dear Comrades**

**Renewal of Medical Insurance Scheme for Retirees**

 **for the year 2018-19**

 We give below copy of Circular No. 006/2018 dated 10.10.2018 issued by CBPRO and AIBRF, the contents of which are self explicit.

“The Group Insurance Policy for the Bank Retirees under IBA’s Scheme is due for renewal w.e.f. 01.11.2018. The uncertainty in respect of high rate of premium due to steep increase over the premium of previous year has been a significant cause of concern and anxiety not only to the Retirees but also to their organisations. We have been constantly following up the matter with UFBU/IBA/DFS, Government of India impressing upon them the need for reduction in the premium so as to make it reasonable and affordable. The combined efforts of CBPRO and AIBRF have yielded some favourable result as the increase in premium on Basic Insurance amount has been restricted to 75% instead of 110% proposed earlier. Similarly the increase in premium with domiciliary facility is restricted to 123% instead of 144% proposed earlier.

Our suggestion to introduce a lower slab of Rs. 3 Lakh for officers and Rs. 2 Lakh for award staff under the Basic insurance Policy has been accepted and may be favourable to single persons/Family Pensioners. However the Insurance Company has partially robed the benefit of reduced premium by increasing the premium of Super Top-up Policy for those who opt for reduced Basic Cover of Rs. 3 Lakh and Rs. 2 Lakh in case of officers and award staff respectively.

We are happy with the reduction in the quantum of premium and other modifications in the scheme suggested by us. We wish that the other suggestions given by us were also accepted but constraint of time leaves us with little choice but to go with the revision in the scheme as communicated by IBA wide its Circular No. CIR/HR&IR/VRK/2018-19/6037 dated 09.10.2018 sent to CEO’s of all the Member Banks. We still reiterate our demand for banks to bear the premium on behalf of pensioners and Retirees as in the case of Serving Employees. We have been requesting IBA and the Government to direct the Banks to remove the discrimination with regard to payment of premium of Retirees vis a vis Serving Employees. Meanwhile the amount of premium in case of Retirees may be substantially subsidised by the Banks.

We furnish below the amount of Insurance Premium for different categories for ready reference of the members:

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|  |  |  |
| --- | --- | --- |
| Category | Sum insured (Rs.) | Premium inclusive GST (Rs.) |
| Award Staff without Domiciliary  | 2,00,000 | 20320 |
| Award Staff without Domiciliary | 3,00,000 | 21595 |
| Award Staff with Domiciliary | 2,00,000 | 57647 |
| Award Staff with Domiciliary | 3,00,000 | 61784 |
| Officers without Domiciliary  | 3,00,000 | 27745 |
| Officers without Domiciliary | 4,00,000 | 28792 |
| Officers with Domiciliary | 3,00,000 | 78236 |
| Officers with Domiciliary | 4,00,000 | 82373 |
|  |  |  |

**Super Top-up**

**Award Staff :**

Basic Policy Rs.2 Lakh + Super top-up Rs.4 Lakh premium is Rs. 6986/- including GST

Basic Policy Rs.3 Lakh + Super top-up Rs.4 Lakh premium is Rs. 4657/- including GST

**Officers:**

Basic Policy Rs.3 Lakh + Super top-up Rs.5 Lakh premium is Rs. 7574/- including GST

Basic Policy Rs.4 Lakh + Super top-up Rs.5 Lakh premium is Rs. 5049/- including GST

Per day room rent Rs. 4000/- for all

We advise the members in readiness to exercise option on issuance of circular by their respective Banks.

We take this opportunity to thank the Convener and other leaders of UFBU who have been quite receptive and sympathetic to our demands for rationalisaton of IBA’s Medical Insurance Scheme for Retirees including reduction in premium.”

**Renewal of Medical Insurance Scheme for Retirees 2018-2019**

Text of letter dated 16.10.2018 sent to Shri V G Kannan, Chief Executive Officer,

Indian Banks’ Association, Mumbai

“We invite reference to your Circular No. CIR/HR&IR/BRK/2018-19/6037 dated 09.10.2018 and Circular No.CIR/HR&IR/BRK/2018-19/6084 dated 15.10.2018 advising the t Member Banks the rates of premium and the amount insured. In this connection we wish to bring out the following to your notice and kind consideration:

1. Introduction of new slab of Rs. 3 Lakhs for officers and Rs. 2 Lakhs for award staff was a welcome feature. However stipulating a premium of Rs. 23,513/-(Without Domiciliary) for a cover of Rs. 3 Lakhs for officers as against a premium of Rs. 18,301/- for a cover of Rs. 3 lakhs for award staff defied logic and reasoning. We are of the considered view that IRDAI guidelines donot provide for discriminatory pricing for the retirees under the Group Insurance Policy. It is painful that instead of rationalising the amount of premium to make it uniform irrespective of cadre of the employees i.e. officers or award staff, by effectively taking up with UIIC, IBA preferred to unilaterally abolish the facility of new slab thereby depriving the members an opportunity to opt for lower amount of insurance cover according to their affordability and risk perception. In as much as the retirees are the beneficiaries and also paying the premium, we as the Coordination of Retirees’ Organisations representing 100% of the membership, it was the normal expectation that IBA would call us for a discussion before taking a final call in the matter. We once again reiterate our demand for participative and collective decision making in the matters pertaining to the Bank Pensioners and Retirees.

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1. We had also suggested introduction of new slabs for Basic policy to provide cover of Rs. 1 Lakh, Rs. 2 Lakhs and Rs. 3 lakhs so as to help the Family Pensioners or single persons covered under policy to derive the benefit of lower amount of premium more so when the rate of Family Pension is as low as Rs. 4000/- per month in many of the cases. We request you to reconsider our suggestion on purely sympathetic grounds.
2. We have also been requesting for the premium to be borne by the Banks as the letter dated 24.02.2012 from Government of India advising to evolve Medical Insurance Policy both for serving and retired employees did not contain any stipulation to discriminate the retired employees with regard to payment of premium vis a vis the serving employees or even the retired
3. CMDs/MDs/CEOs/EDs etc. Under such circumstances singling out the retired award staff and officers alone for discriminatory treatment is beyond any reasonable comprehension. We therefore once again request you to reconsider our demand and advise the Member banks to bear the premium for the Retirees Medical Insurance. You will appreciate that steep increase in the premium every successive year has been a cause of serious concern as it has been resulting in a corresponding decline in the number of beneficiaries covered under the scheme. We submit that until arrangements are made for Banks to bear the entire amount of premium, IBA should direct the Member Banks to subsidise at least 50% of the premium amount.
4. We also reiterate our demand for a unified and integrated Medical Insurance Cover both for Serving Employees and Retirees so as to bring down the claim paid ratio and eventually the premium amount per member. We sincerely request you to explore the possibility of a single Group Medical insurance Policy for Serving Employees and Retirees of the Banks.

We shall be happy if our suggestions are considered favourably to bring about parity and justification with regard to treatment of insurance premium for Retirees vis a vis Serving Employees. Kindly do the needful and oblige,”

**Waiver of GST on Medical Insurance Premium of Bank Retirees**

**Text of letter dated**  16.10.2018 to The Secretary, Department of Financial Services,

Ministry of Finance, Government of India, New Delhi

“We have been taking up the pending issues of Bank Pensioners and Retirees with IBA and DFS without any success except with the intervention of Judiciary. One of the issues pertains to our request for exempting the amount of Medical Insurance Premium from the applicability of GST (@18%). We have written to DFS, IBA, Chairman, GST Council in this regard.

In view of the steep rise in the amount of Medical Insurance Premium every year under IBA’s Medical Insurance Scheme for Retirees which has witnessed an increase from Rs. 7500/-for the year 2015-16 to Rs. 82,373/- for the year 2018-19, our demand for waiver of GST assumes greater significance. It is painful to mention that the communication dated 24.02.2012 from DFS to IBA advising them to introduce Medical Insurance Scheme both for serving employees and retirees having no stipulation for the premium to be borne by retirees was wrongly interpreted by IBA to mean that premium for serving employees will be borne by the Banks where as in case of retirees it will passed on to the retirees.

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While we reiterate our demand for premium to be borne by the Banks in case of retirees to, as an urgent measure, we request you to take up the matter with GST council and help Senior and Super Senior citizens by ensuring waiver of GST on Medical Insurance Premium payable on IBA’s Health Insurance Policy for Bank Retirees. Since the policy is due for renewal on 01.11.2018, we request you to initiate urgent steps in this regard and oblige.”

**PENDING ISSUES OF BANK PENSIONERS AND RETIREES**

Copy of letter dated 1st October 2018 sent to Shri Narendra Modi ji, Hon’ble Prime Minister of India, Prime Minister’s Office, South Block, New Delhi-110 001

“We wish to introduce ourselves as a Coordination of the Organizations of Bank Pensioners and Retirees representing 100% of Bank Pensioners and Retirees numbering more than 5,00,000 members. We have been engaged in taking up the grievances of Bank Pensioners and Retirees with the Banks, Department of Financial Services, Ministry of Finance, Indian Banks’ Association and also with the Department of Pension and Public Grievances. To recapitulate, the following issues were taken up by us with the IBA and Government:

1. Uniform 30% Family Pension as available to the employees of Central Government and Reserve Bank of India,
2. Updation of Basic Pension and Additional Pension as applicable to the employees of Central Government and also provided under Bank Pension Regulation 35(1),
3. 100% DA neutralization to Pensioners who retired before 01.11.2002 as applicable to those who retired after 01.11.2002.
4. Pension for those who resigned after completing pensionable service of 20 years.
5. Reckoning of Special Allowance, which is akin to Grade Pay in Government Service, for the purpose of computing Pension and Gratuity.
6. Enhanced ceiling of Gratuity from Rs. 10,00,000/- to Rs. 20,00,000/- to be effective from 01.01.2016 as given to Government employees instead of 29.03.2018.
7. Medical Insurance Premium for Retired Bank Employees and Officers to be borne by the Banks as in case of Retired EDs, MDs, CMDs and serving employees.
8. Addition of upto 5 years to the qualifying service in case of those Officers who joined the Bank with Specialist qualification or experience in Scientific, Technical or Professional fields – Pension Regulation no. 26.
9. Computation of Basic Pension on the basis of last drawn Pay by striking down the explanation incorporated in Pension Regulation no. 2 (s).
10. Allowing to exercise Pension option to those who were compulsorily retired-Pension Regulation no. 33

But we have been experiencing that despite there being a well defined National Litigation Policy, the Bank Pensioners are constrained to knock the door of judiciary even for interpretation and implementation of clear provisions in the Pension Regulations.

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It was only through the judicial process that the last three issues listed under Sl. nos. 8-10 hereinabove were settled ultimately at the level of Hon’ble Supreme Court of India at a huge cost in terms of time and money witnessing unfortunate demise of several of the Pensioners who could not derive the benefit of the settlement of the issues during their life time.

Hon’ble Sir, you will agree and appreciate that the Public Sector Banks being instrumentalities of the Government are State within the meaning of Article 12 of Constitution of India. The Government of India therefore exercises administrative, functional, pervasive and partially the regulatory control over the Public Sector Banks. The serving and retired employees of the Banks are therefore entitled to be treated equally and equitably in terms of Article 14, 16 and 21 of the Constitution of India. The appointment of Senior functionaries in Public Sector Banks are within the domain of Appointments Committee of the Cabinet (ACC). The Personnel policies in the Banks are largely based on the policies framed by Ministry of Personnel as also communicated to the Banks through Department of Financial Services. This has been the rationale to frame Pension Regulations for the Banks in exercise of the powers conferred by Section 19 of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 after consultation with the Reserve Bank of India and with the previous sanction of Central Government. These Regulations were akin to the CCS Pension Rules 1972. Hence Bank Pension Regulation 56 (of 1995) provided as under :

**“In case of doubt, in the matter of application of these Regulations, regard may be had to the corresponding provisions of Central Civil Services Rules 1972 or Central Civil Services (Commutation of Pension) Rules 1981 applicable for Central Government employees with such exceptions and modifications as the Bank, with the previous sanction of the Central Government, may from time to time, determine”.**

It is in this background that we had taken up pending issues pertaining to Pension related grievances of Bank Pensioners with Dr Jitender Singh, Hon’ble Minister of State for Personnel, Public Grievances and Pensions after fixing prior appointment on 18th Sept 2018 and submitted our grievances to him with a request to help the Bank Pensioners to get early resolution of their genuine grievances.

The Hon’ble Minister regretted his inability to even go through the issues mentioned in our letter for the reason of not having any powers and advised us to approach Pension Adalat which was being held in DRDO Complex on that day i.e. 18.09.2018. When we submitted to him that the said Pension Adalat was meant for only Government Pensioners and not entertaining the grievances of Banks Pensioners, we meant it with all seriousness without craving for any opportunity for photo shoot as misunderstood by the Hon’ble Minister who reiterated his suggestion to go to Pension Adalat” . He then called his Secretarial Staff and told him to guide us to Pension Adalat. True to our apprehensions, when the officials of Pension Adalat were contacted over phone by his Staff, they responded by telling that the Adalat was not meant for Bank Pensioners’ grievances. We thus returned disgusted and disappointed.

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As representatives of more than 5,00,000 Senior/Super Senior Citizens who had contributed their sweat and toil for the economic growth of our Nation and taking the Banking to nook and remote corners of the country and implementing various schemes of the Government, we have expected at least a courteous treatment from a Senior functionary of the popular and people friendly Government.

An unexpected and agonising treatment from the Hon’ble Minister, we were also amused to learn that the Department of Personnel and Public Grievances which also looks after Pension and Pensioners’ welfare of Government employees is not entertaining the grievances of Public Sector Bank Pensioners who were the public servants. Under such circumstances we are at a loss to comprehend the Government machinery which is competent to look into and redress the grievances of Bank Pensioners like us. We therefore humbly request your honourable good self to consider our grievances as the ultimate head of the Government. The settlement of our pending issues by the Government will save the poor Bank Pensioners the time and money involved in judicial resolution in the face of lavish and hefty fee which is incurred by Bank Managements who view every case filed by the Pensioners as a prestigious issue to be won at any cost. It demonstrates a callous and cynical disregard to the Gazetted Regulations and also the provisions of National Litigation Policy of the Government.

**It is pertinent to mention that the Pensionary Benefits including updation and up gradation of Pension to the Government Pensioners are paid out of Budgetary allocations despite there being perennial and perpetual fiscal deficit which is nothing but a loss. It is thus a settled issue that Pensionary Benefits can neither be denied nor curtailed on the pretext of cost considerations or intermittent loss incurred by the Banks. However, the Bank Pensioners are denied the above benefits despite the Pension Funds of the Banks being robust with Rs. 3,00,000 crores and self sufficient to meet all the above mentioned demands without adversely affecting the profits of the Banks. The present disbursements out of the Pension Funds are in the range of 30-40% of the accretion to the fund on account of interest, mandatory contributions and other yields. The Bank losses are largely on account of huge provisions made for Non Performing Assets of large corporate defaulters which are now termed as telephone sanctions.**

We are enclosing a copy of our letter submitted to the Hon’ble Minister of State with an earnest request to your good self to look into our grievances and direct the appropriate Ministry/Department, competent to redress our grievances and oblige.

We are writing this letter on International Senior Citizen Day with a fond hope that your honourable good self will understand our pain and agony and render justice to us by looking into our long pending grievances and provide us succour and relief expeditiously. “ Sd/- **A.Ramesh Babu) (K.V. Acharya) (S.C. Jain)**

 **Joint Conveners, CBPRO General Secretary, AIBRF**

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**Levy/Donation to SBPROA out of Arrears –**

We request all members who have received arrears on account of pension revision based on 1616-1684 points D.A. index (Hon’ble Supreme Court decision) to please remit levy/donation to the tune of Rs.500/- upto arear amount of 50000 and Rs.1000/- by those who get arear of more than 50001 to Rs.100000/- and Rs.1500/- by those who will get arear more than Rs.1,00,000/- to the SBPROA so as to enable us to remit levy share per member for the total membership as on 31.12.2017 to AIBRF as per the decision taken by office bearers’ meeting of AIBRF held at Vijayawada.

**PAYMENT OF YEARLY SUBSCRITION OF ASSOCIATION**

The yearly subscription of Association @Rs.500/- has become due for the year 2018-19 w.e.f. 1st April 2018. Still many members have to pay the subscription for the year 2018-19.  **We shall be grateful if you will please remit the above mentioned amount (if not paid so far) to enable us to bring your account up-to-date.**

**Further we may add that the account holders have to pay charges for deposit of any cash in the account. Hence we request you to transfer the amount to our Saving Bank A/c No. 55124497548 in the name of State Bank of Patiala Retired Officers’ Association (Regd.), Patiala maintained at State Bank of India, Mall Road Branch, Patiala (code 5012) . Please arrange to credit the amount at SBI branch by giving your name & membership number under an intimation to Association.**

 **WISH YOU AND YOUR FAMILY A HAPPY DUSSEHRA**

 **Yours sincerely,**

 **(B.C.Bassi)**

 **GENERAL SECRETARY**