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State Bank of Patiala
Retired Officers' Association (Regd.)
31, NEW GREEN PARK COLONY, PATIALA
(An Affiliate of "CBPRO" - COORDINATION OF BANK
PENSIONERS' AND RETIREES ORGANISATIONS)
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General
Secretary
B.C.Bassi
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Circular No. 28 of 2017-20

Dated 16th May 2019

Dear Colleagues,

UPDATION OF PENSION

We give below text of letter dated 14th May 2019 sent to the Hon'ble Minister for Finance, Government of India, New Delhi by Coordination of E Associate Banks' Retirees' Organizations.

"Respected Sir,

We represent pensioners of erstwhile Associate Banks of State Bank of India.

We take this opportunity to congratulate and thank you for bringing positive end to issue of updation of pension in Reserve Bank of India. This decision exhibits sincerity of the Government in addressing Pensioners' issues, duly recognising the fact that these pensioners are in the evening of their life. On account of not updating pension of Bank employees, pension of senior clerks who have retired recently is more than the pension of retired General Managers who have retired prior to 2002. After your positive decision, Bank retirees are also expecting updation of their pension. We also join them in praying for updation of pension of Bank retirees. In this regard, we would like to bring following information/suggestions to your kind notice : a. Total cost of updation for 3.00 lakh Bank pensioners (excluding 10th BPS pensioners) with an average increase of Rs.1.00 lakh per annum (Rs.8,333/- per month) is Rs.3,000 Crores, which is 30% of annual pension outgo (average of 31% increase in RBI). (Total number of pensioners including family pensioners is 4.31 lakhs as on 31.3.2018) ; b. Additional Liabilities on account of updation at 10X is Rs.30,000 Crores for making provisions as per AS 15(Rev)/Ind AS 19 ; c. We take this opportunity to suggest following means/options for funding, keeping in view the age of those who have retired earlier : i. Amortization of the cost over a period of 20 years, per annum average cost would be almost equivalent to outgo or/and ii. Exempting the Banks from the provisions of AS 15(Rev)/Ind AS 19 (in respect of this additional outgo only), as most of the additional liabilities would accrue to Public Sector Banks. These retirees have contributed to the Government Thousands of Crores of Rupees by way dividend by sincerely working for the Banks, during last fifty years and/or iii. Govt. of India could provide guarantee for this additional liabilities of Public Sector Banks in lieu of or over coming making provisions in terms of AS 15(Rev)/Ind AS 19, recognising the contribution of these retirees in building these banks. In any case, the Government cannot absolves of its responsibility as these Banks are owned by the Government ; d. Following portions from the Speaking Orders passed by the Dept. of Financial Services, Ministry of Finance, Govt. of India vide No. F. No. I 6/1/58/2008-IR dated 23.10.2009. contd...2.....

This order was passed following the orders of Division Bench of Bombay High Court in Writ Petition 710/2009 directing the Government to dispose off representations by the Petitioners, after hearing them, by way of a speaking order, while disposing off this Writ Petition seeking updation/stay for recovering the updated portion of pension.

Indian Banks' Association was consulted in the matter in 2004. It also did not view the proposal, favourably and has stated as follows: (a) The proposal if implemented would strengthen the demand made by Officers association/workmen unions in the public sector banks as well as various banks/retirees association for updation of pension on the lines of updation formally adopted by RBI. (b) There is already a demand from officers' association/workmen unions that any improvement in the pension scheme made by RBI would be automatically extended to the employees / retirees of Public Sector Banks (PSBs). (c) Updation of pension may result in an increase between 17% to 32% depending upon the date on which the employee had retired. 5.5. It will have wide ramifications and repercussions in the Financial Sector. Since, the Government of India has approved updation of pension of Reserve Bank of India pensioners, duly appreciating the need to update pension of pensioners in Financial Sector, including Bank pensioners, we believe that Government of India must have taken a conscious decision to update pension of Bank retirees also. Since, pension is being paid by State Bank of India in terms of Associate Banks' Employees' Pension Regulations, 1995, we request you to kindly revise/update pension of these retirees also, as and when Pension of those who are covered under Bank Employees' Pension Regulations, 1995 is revised/updated. We request your kind indulgence and kindly order updation. Thanking you, With regards, "

PAYMENT OF YEARLY SUBSCRIPTION OF ASSOCIATION

The yearly subscription of Association @Rs.500/- has become due for the year 2018-19 w.e.f. 1st April 2018. Still few 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. At the Annual General Meeting held on 17th November 2018, the subscription stand increased to Rs.700/- per year w.e.f. 01.04.2019. Please note to remit subscription @Rs.700/- per year from 1st April 2019 for the year 2019-20.

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.

Greetings to all of you and your family members.

Yours sincerely,

(B.C.Bassi)
General; Secretary