

FEDERAL BANK RETIRED OFFICERS' FORUM (FBROF)



Registered under the Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act 1955 (1) No. ER. 702/2009

(An Organizational Wing of Federal Bank Officers' Association)

(Affiliated to All India Bank Pensioners and Retirees Confederation - AIBPARC)

Regd Office: FBOA Centre, FBOA Road, Aluva - 683101

Email: fbprofmail@gmail.com, Website: www.fbprof.com

Ph: 0484- 2628046 Mobile: President: 9447661680 General Secretary: 9447359232



Circular No. 14/2021-23

dated 08.03.2022

Dear Members,

HEARTENING NEWS - OUR BANK GRACEFULLY RESOLVES THE PRE 2002 RETIREES ISSUE - INTEREST ON ARREARS PAID

We are really glad and elated to report the release of interest by our Bank on the arrears due to the Pre 2002 Retirees for an anomaly in the fixation of their Basic Pension, years back. A total of 286 Employees including 84 Officers affected by this anomaly are now compensated by this resolution which costs the Bank Rs.400 Lakhs, enabling each of the beneficiaries to receive a substantial sum.

Our members may be aware that in the Wage Settlement of 1997, Dearness Allowance (DA), for the purpose of fixing Basic Pension of Retirees was merged at 1616 points against 1684 points for the Serving Employees & Officers. On 13th February 2018, based on a case challenging this anomaly, Hon'ble Supreme Court dismissed the Civil Appeal 5525 filed by the Public Sector Banks in 2012 and ordered rectification of the anomaly within 4 months of the order and also ordered to pay interest @9% on the amount due to the retirees.

Later, IBA obtained legal opinion and advised all Banks, both Public & Private, who had implemented provisions of the joint note of the 7th Bipartite Settlement to comply with the terms of the judgement. Further, IBA, vide their letter No. HR&IR/2018-19/G2/5143 dated 15.05.2018, also gave directions to the member banks accordingly and clarified the date from which the interest at 9% is to be paid on arrears of pension as follows. "Interest would be payable from the date of retirement, on the differential amount of pension from the date in each month, when the pension was due to be paid, calculated progressively till the date of payment to all employees/ officers who died or retired on or after 01/04/1998 upto 30/04/2005".

All Private Sector Banks including our Bank, initially took a stand that this order is not applicable for Private Sector Banks. The Forum took up the matter earnestly and tried to convince the Management that the Bank is not only legally bound but morally and ethically also obliged to pay the dues as it is justifiably entitled to a passing generation of Federals who worked hand in hand with the very founder of this Bank and who retired without any farewell frills or fringe benefits at retirement. Moreover though they were the architects of the historic growth of the Bank, their monthly pension is comparatively very low and meagre, for historical reasons. After a series of meetings with HR Officials and constant follow up through FBOA, our Bank showed the goodwill to release the principal amount sans interest.

This denial of interest was considered by the Forum as subjudice and a gross injustice to each of the pre 2002 retirees, most of them very super seniors, who had toiled hard to take the Bank to an enviable position in their days which undoubtedly paved the way to a great extent for the Bank's present level of prominence. Hence the Forum continued its efforts to convince the Management the need to have a relook in the matter. FBOA has also taken this issue very seriously and took up with the Management for an early resolution of this issue by paying interest @ 9% as per the terms of the judgement of the Apex Court of the Country and has included this issue in their Charter of Demands.

When the repeated representations, requests and follow up with the Bank seemed not yielding any desired results to settle this long pending issue of these retirees, the Forum was forced to discuss the issue in detail in the Executive Committee Meetings for several rounds. Meanwhile, the efforts were continuing vigorously by the Forum and FBOA. Since no substantial progress was seen in the issue, the Forum then constituted a Sub Committee with Sri. Prakash C Chandy as convener and M/s. C Bhaskaran (since late), Adv. T P George, George C Chacko and A P Abraham as members along with the President, General Secretary and Treasurer to deliberate and decide even on a legal recourse. The Committee met several times and recommended to the Executive Committee of the Forum to initiate legal proceedings by filing a writ against the IBA/ Bank by a few beneficiaries and to extend all financial support to this movement including resorting to all legal remedies. It was also decided that FBROF shall also implead in the case subsequently if warranted. The Forum also made a provision of Rs. 2.00 Lakhs in FY 2020-21 towards the legal expenses for this cause.

While preparing for the legal course as decided on one side, the Forum, as per the consensus of the Executive Committee, followed also the path of truce constantly with HR Dept directly and through FBOA, our parent Organisation to convince the Bank the need to pay the interest due legitimately to these super senior Federals who are mostly in their sunset years as the Bank was utilising the money all these years. Our assiduous follow up has now resulted in the resolve of the issue in a most gracious manner. We are very much grateful to our Bank for resolving the issue by taking a very positive approach. No doubt, it is an eloquent acknowledgement by the Bank on the unusually dedicated services rendered by these elderly Federals of the '60s and early '70s with selfless commitment.

We are proud of our Bank and heartily thank Sri. Shyam Srinivasan, our MD & CEO and his HR Team led by Sri. Ajith Kumar K K, Executive Vice President & CHRO. We take this opportunity to record our sincere gratitude to the Management and the entire Team Federals, in according justice to these 1st generation pensioners of the Hormis Era.

We are very much grateful to these Senior Veterans and our members as well, for their perseverance and support. We bow our heads in reverence to those senior members who had left for their heavenly abode without being able to enjoy the fruits of this compensation.

Regards,



K T Thomachan
General Secretary.