

FEDERAL BANK RETIRED OFFICERS' FORUM (FBROF)



(An Organizational Wing of Federal Bank Officers' Association)
(Affiliated to All India Bank Pensioners and Retirees Confederation - AIBPARC)
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FBROF/Circular No. 12/2016-18

28.07.2017

To

All Members,

Issues taken up at National Level

We reproduce the relevant extracts of the circulars issued by our parent organization AIBPARC and its apex body CBPRO for the information of our members.

I. Writing back of provisions from pension and gratuity funds in Punjab National Bank (AIBPARC Circular No.30/17 Dated 03.07.2017)

All India Punjab National Bank Retirees Association (AIPNBRA) and its parent body All India Punjab National Bank Officers' Association (AIPNBOA) have taken up the above issue with the MD and CEO of the Bank. We reproduce below the the relevant extracts of the circular No. 30/2017 dated 03.07.2017 issued by AIBPARC in this regard.

Quote

"Dear Comrades,

Sub : Writing back of provisions from pension and gratuity funds in PNB - A cause of worry and anxiety for retirees and pensioners and also of existing employees/officers

For past few days, it has been a hot news of the desk and lot of queries have been received from different members/affiliates about the authenticity of the news, views of the organisation and measures to be thought of. It was decided that we should try to have the views of our affiliate in PNB and we had been in touch with AIPNBPR. It is a pleasure for us to see that our affiliate in PNB and their parent organisation in the bank, AIPNBOA (an affiliate of AIBOC) have taken up the issue with all seriousness with the highest authority of the bank. Both the organisations have already written to the Managing Director and CEO on the subject. While praising the bank management for good performance in different key area of functioning, our affiliate has expressed serious anxiety and worry over the subject of writing back a sum of Rs.2026.60 crore from the provisions related to pension and gratuity funds by adopting a different accounting method within the accounting standard for the first time ever. They have demanded immediate discussion between the management of the bank and AIPNBOA/AIPNBPR on the method of changed procedure adopted by inclusion of accrued interest as part of valuation of plan assets of long term benefits of employees and its likely impact in future. They have also wanted to know the method and presumption adopted for actuarial provisioning for retirement dues fund. We shall be in touch with our affiliate to know the progress in this regard and then the matter would be discussed threadbare by AIBPARC to have a view in this regard. Members may please note that AIBPARC/ CBPRO are very much alive to the issue and necessary steps would be taken in due course.

With best wishes,

(S. SARKAR)
ACTING GENERAL SECRETARY"

Unquote

II. Enhancement of Gratuity Ceiling from Rs.10 lakhs to Rs.20 lakhs

(AIBPARC Circular No.35/17 Dated 26.07.2017)

The representation made by AIBPARC to the Chief Executive Officer, Indian Banks Association on enhancement of Gratuity Ceiling is reproduced hereunder for the information of members.

Quote :

"To,

**The Chief Executive Officer,
Indian Banks Association, World Trade Centre,
6th Floor, Center 1 Building, Cuff parade, Mumbai.**

Respected Sir,

Sub : Enhancement of Gratuity Ceiling from Rs.10 lakhs to Rs.20 lakhs.

Please refer to our earlier letter dated 10th March, 2017 wherein we requested you to take up the issue with the Government so that the effect of enhancement of Gratuity in Banks can be given from 1st January, 2016 which is the date of implementation of the 7th Pay Commission. We have been given to understand that the implementation of the above will take place in RBI from 1st January, 2016. From our previous experience, it has been seen that such enhancements are made applicable in Banks from a much later date. As a result, people retiring in between the date of implementation of the Pay Commission and the date of implementation in Banks suffer adversely. Our concern is that the same should not be repeated this time. We solicit your cooperation in this regard.

Yours faithfully,

SUPRITA SARKAR
ACTING GENERAL SECRETARY"

Unquote

III. Super Top-UP Medical Insurance Policy for Bank Retirees

(AIBPARC Circular No.36/17 Dated 28.07.2017)

We reproduce below the letters issued by CBPRO, the apex body of Bank Retirees Organisations to Sri. V G Kanan, CEO of IBA and Sri. Sanjeev K Bandlish, Convenor UFBU on the above subject, for the information of our members.

(i) Letter given to IBA

Quote :

**"Shri V G Kanan,
Chief Executive, Indian Banks' Association Mumbai.**

Dear Sir,

Sub: Super Top-UP Medical Insurance Policy for Bank Retirees.

We are a Confederation of five major organisations namely Federation of SBI Pensioners Associations, AIBPARC, RBONC, AIRBEA and FORBE representing more than four lakhs Retirees in the Banking Industry. The Retirees are presently covered under Medical Insurance policy of United Insurance Company to the extent of Rs 4.00 lakhs in case of Officers and Rs 3.00 lakhs in case of award staff. This policy was introduced at the behest of Indian Banks' Association in the year 2015 as a sequel to industry level settlement. It has been the experience of the members covered under the medical insurance scheme for Retirees that the amount of medical insurance provided under the scheme is inadequate. Accordingly our affiliate organisations have been taking up with United India Insurance Company for additional medical insurance cover under Super Top Policy. After consistent follow-up, United India Insurance Co has agreed for the following additional coverage to the existing policy under Super Top Up

Policy. 1. For Award Staff

- a. Original sum insured Rs 3.00 lakhs.
- b. Additional coverage under proposed Super Top-Up Policy Rs.4.00 lakhs at a premium of Rs. 2975/- plus GST as applicable.
- c. Total coverage Rs 7.00 lakhs

2. For Officers :

- (a) Original sum insured Rs 4.00 lakhs.
- (b) Additional coverage under proposed Super Top-Up Policy Rs 5.00 lakhs at a premium of Rs. 3225/- plus GST as applicable.
- C. Total coverage Rs 9.00 lakhs.

The claims under the Super Top Up Policy shall be entertained only after exhausting the entire sum insured in the main policy of United India Insurance Co. It is also proposed that the claim towards domiciliary treatment shall be restricted only in the main policy under the existing terms without providing the facility of domiciliary claim under the enhanced amount on account of Super Top-Up Policy. K M Dastur & Co has already advised the details of the proposed Super Top-Up Policy to different organisations of employees & officers and also to IBA and to all the member Banks. In as much as the original scheme was introduced during the Industry level settlement, it would be appropriate if the Super Top-Up Policy is formally advised by IBA to the member Banks so as to ensure uniformity of the coverage and its smooth implementation at the industry level. We therefore request you to initiate suitable steps to formalise the proposed arrangement to implement Super Top-Up Policy of United India Insurance Company. Notwithstanding the above arrangement, we reiterate our demands for the medical cost in case of Retirees to be borne by the Banks as is done for the serving employees. We also request you to formulate a comprehensive medical benefit scheme as also demanded by UFBU to cover the Retired Bank Employees and also as requested by us in the past as well as mentioned in our Charter of Demands. Since the main medical insurance policy is due for renewal in a couple of months' time, we request you to undertake a comprehensive review of the scheme as per our earlier request.

Thanking you,

Yours faithfully,

A.Ramesh Babu K.V.Acharya
Joint Conveners"

Unquote

(ii) Letter given to Convener, UFBU

Quote

**"Shri Sanjeev K Bandlish Convenor,
United Forum of Bank Unions, Chandigarh**

Dear Com. Bandlish

Sub: Super Top-UP Medical Insurance Policy for Bank Retirees.

We are the largest confederation of major organisations of Retirees namely Federation of SBI Pensioners' Associations, AIBPARC, RBONC, AIRBEA AND FORBE representing more than four lakh retirees in the Banking Industry. The medical Insurance Scheme for Retirees was introduced in terms of industry level settlement between UFBU and IBA. The scheme provided for coverage of Rs. 4.00 lakhs in case of officers and Rs. 3.00 lakhs in case of award staff retirees. We are happy that introduction of the Medical Insurance Policy provided a great relief to the Retirees who did not have any medical facility. It is praiseworthy that UFBU played a vital role in getting the facility of Medical insurance to the Retirees. Some of the affiliates of CBPRO constituents had taken up the matter with the United India Insurance Co. for enhancing the Medical

insurance cover by providing super top-up Medical Insurance Policy over and above the main policy. Accordingly United India Insurance Company has agreed for Super Top-up Policy in addition to the main policy whereby providing a coverage of Rs. 5.00 lakhs for officers and Rs. 4.00 lakhs for award staff at an additional premium of Rs. 3225/- and Rs. 2975/- respectively plus GST as applicable. In this connection we have written a letter to IBA (copy of letter enclosed) requesting them to take suitable steps to advise all the Member banks about the Scheme and formalise its implementation and maintain uniformity of the coverage and cost. Since the original scheme is covered under the policy of United India Insurance Company, it would be appropriate to implement the Super Top-up Scheme through the same company for better and smooth administration. We therefore request the leaders of UFBU to use their Good-offices to impress upon IBA to arrange for the implementation of Super Top-up Policy. We also request you to reiterate our demand for absorption of the cost of Insurance premium by the Banks as in the case of serving employees. It would also be desirable to have a comprehensive review of the Medical Benefit Scheme for Retirees as incorporated in the Charter of Demands submitted to IBA. We are confident that initiative on your part shall bear fruits and provide much desired relief to the Bank Retirees.

Yours Comradely,

A.Ramesh Babu K.V.Acharya"
Joint Conveners

Unquote

Friends, the National Governing Council of AIBPARC is meeting on 11th October 2017 at New Delhi. The council will deliberate in detail the progress of bi-partite talks on pension updation and family pension which were set apart as "Residual issues" as per the Record Note signed along with last bi-partite settlement and will decide on our future action programmes, if needed, for achieving our demands. The council will also discuss on renewal of Medical Insurance policy with Top up facility and our demand for bearing the insurance premium by the banks themselves as in the case of serving employees. Your General Secretary and Vice President Com. Ravindran K will be attending the council. Further developments shall be informed.

Yours Cordially



George C Chacko
General Secretary