

**FLASH MESSAGE**  
**MOST IMMEDIATE**

**BY FAX / COURIER**

Date: November 01, 2011

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|--|---|
| 1. Smt. Sonia Gandhi<br>Hon'ble Chairperson, UPA<br>10, Janpath,<br>New Delhi-110001   | 2. Dr. Manmohan Singh<br>Hon'ble Prime Minister of India<br>PM's Office<br>South Block, Raisina Hills<br>New Delhi-110001   |
| 3. Sh. Pranab Mukherjee<br>Hon'ble Finance Minister<br>Government of India<br>North Block, Raisina Hills<br>New Delhi-110001 | 4. Sh. D.K. Mittal, IAS<br>Secretary<br>Department of Financial Services<br>Ministry of Finance<br>Government of India<br>3 <sup>rd</sup> Floor, Jeevan Deep Building,<br>Parliament Street, New Delhi-110001 |

**GOVERNANCE OR NO-GOVERNANCE – DEPARTMENT OF FINANCIAL SERVICES, MINISTRY OF FINANCE, GOVERNMENT OF INDIA, NEW DELHI.**

Respected Madam/Sir,

It really pains me to bring to your kind notice the following facts which need your immediate personal attention and an express decision to resolve the matter without any further delay:

- **In April, 2010 Hon'ble Finance Minister took a decision to extend one more option to join Pension Scheme to all Bank Employees both existing as well as retired who did not opt for pension when initially Bank Employees' Pension Regulations 1995 dated 29.09.95/26.03.96 were implemented.** This decision was based on the MOU dated 27.11.09 signed by IBA representing the managements of Banks and AIBOC besides other associations on behalf of Bank Officers and it was incorporated in the Joint Note dated 27.04.10 duly signed by the two parties.
- **As per the Joint Note dated 27.04.10 inter-alia, it was clear that the 2<sup>nd</sup> option was to be extended to all those officers who were in the service of the Banks prior to 29.09.1995 in case of Nationalized Banks/26.03.1996 in case of Associate Banks of SBI and did not opt for Pension and had retired after that date.**
- **That while conveying the above decision of the Government, IBA vide its circular letter dated 10.08.2010 addressed to all Banks twisted the very essence of the FM's decision as far as retired officers were concerned. IBA, presumably without the consent of the Government, advised Banks to allow 2<sup>nd</sup> option to officers who retired on superannuation or to those who opted VRS under one-time special VR Scheme announced by the Government in the year 2000 only. Thus, IBA vehemently denied 2<sup>nd</sup> option to join pension to those officers who retired under normal VR Schemes of the individual Banks as already provided in Officers' Service Regulations (OSR) 19(1) to 19(7).**

- **That this act of IBA is arbitrary, unilateral, illegal and in gross violation of the OSR as well as the Bank Employees' Pension Regulations 1995. It is pertinent to mention here that IBA has also not taken any cognizance that as per special VRS-2000 the minimum qualifying service was just 15 years to opt for VRS who have once again been given 2<sup>nd</sup> option now whereas under OSR officers with minimum service of 20 years are eligible for opting VRS and still they have been denied 2<sup>nd</sup> option for joining pension scheme. In fact officers who have opted VRS under OSR have rendered more than 25-30 years of service are being denied 2<sup>nd</sup> option by IBA as against the less privileged class of VRS optees under VRS-2000 who have been offered this benefit again. Why this discrimination between these two VRS optees? Who can justify IBA's point of view?**
- **It is quite unfortunate that despite the wrong doing by IBA, no official in the Department of Financial Services, Ministry of Finance has so far taken any initiative to resolve this issue and come to the rescue of the aggrieved officers who are the victims of a farce created by IBA. To address the genuine demand of the aggrieved officers AIBOC has sent many letters in this regard to IBA/Govt. but the matter still remains unresolved despite a lapse of about 1½ yrs. Is it justice to the common man?**
- **In a recent Judgement dated 28<sup>th</sup> July, 2011 in the Civil Appeal No. 6013 of 2011, a similarly placed case of Sh. Sheel Kumar Jain v/s The New India Assurance Co. Ltd. & others, the Hon'ble Supreme Court of India has directed the respondent to consider the claim of the appellant for pension who resigned after 22 yrs. of service after giving three months notice as per the provisions of Pension Regulations 1995. This landmark Judgement should have been an eye opener for IBA to review/revise its stand but unfortunately it hasn't happened as yet. What more legal direction is required by IBA in the matter is not understood. Whether IBA is above Law of Land or Government of India – has become a debatable issue amongst Banking Fraternity. Further, in the instant case why Department of Financial Services is keeping rock silence and not slammed IBA so far is also questionable? Is it Governance or no-Governance – you decide yourself?**

**May I now, therefore request the Hon'ble Finance Minister to look into the matter at his personal level and direct all the stakeholders to act decisively in order to get the issue resolved at the earliest.**

**If permitted audience, I may personally present my case please.**

Thanking you,

Yours sincerely,

(G.K. Khurana)

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