

ALL INDIA BANK RETIREES' FEDERATION (REGD.)

D/1/ Sector C Scheme No. 71 Indore 452009

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SILVER JUBILEE YEAR (1994-2019)

Ref. 2020/428

25.07. 2020

Shri S.K. Bandlish
Convener, United Forum of Bank Unions
CHANDIGARGH

Dear Comrade,

Re: PENSION UPDATION

We note from UFBU Circular issued after signing of MOU on 22.07.2020 that in next 90 days various issues of employees and updation of pension will be discussed to work out details for final settlement.

2. We convey our thanks to you and leaders of all constituents of UFBU for including issue of Updation of pension to work out details.

3. In this connection we have been offering suggestions on issue of updation from time to time so it can be settled in amicable way. At this stage we would like to draw your kind attention on the following two suggestions we feel can help in resolving this long pending demand.

(a) STEP NO. 01 : At present , pensioners can be divided in to 6 groups based on merger of DA at the given index. Now, as per the MOU signed on 22.07.2020, DA will be merged in to basic pay at 6352. Accordingly, now among pensioners, there will be new group of pensioners retired from 1.11.2017 onwards. **We suggest that as a first step towards updation all 7 retirees' basic pension should be brought by merging Da at 6352 index.** According to our calculations, this exercise will not cost any extra money to the pension funds. But this will result in to many benefits like reduction in administrative cost, homogeneity among all pensioners, creating solid launching pad for future updation exercises, bring relevance and logic to DA formula. For first group in 1995, DA merger was at 600 points for computing basic pension. Today, the CPI index has already crossed 7000 and merger has been agreed at 6352 in the ongoing wage settlement. If merger of DA in to basic pension at uniform index is not agreed in this settlement , by the time next settlement becomes due and finalized , CPI index may cross 10,000 level and DA percentage for first group and last group will look very odd and illogical. Therefore it is high time that merger exercise must be carried out immediately. In fact, this

exercise should have been done long back. We feel no constituent of UFBU should have objection for it. Our humble request to UFBU is to immediately consider it and talk to IBA for implementation.

(b) **STEP NO.02**: Thereafter formula for updation may be worked out and implemented.

4. We hope our above two suggestion will be considered favourably.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'mabas', is written over a horizontal line.

(S.C.JAIN)
GENERAL SECRETARY

c.c. **General Secretaries of All Constituents of UFBU**

Sir, We request to leaders of all constituents to examine our above two suggestions on the issue of updation to find amicable solution on it.

