



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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6th Conference Slogan- Pension Updation is Right of Bank Retirees

Ref: 2023/ 099

20.09.2023

The Chief Labour Commissioner (Central)
Ministry of Labour & Employment
Government of India, New Delhi

Respected Sir,

Re: Dispute of Grievances of lakhs of bank retirees in the matter of Group Medical Insurance Scheme administered and managed by Indian Banks' Association as Nodal Agency & other retiree issues.

Re: F. No. 10 (20/2022-IR)

We request reference to our letter no. 2023/98 dated 18.09. 2023 submitting our representation in the matter for discussion in the forthcoming joint meeting scheduled to held on 25.09.2023.

2. We find that IBA has now issued circular no. HR & IR/MBR/MEDINS/0496 dated 18.09. 2023 released on 19.09.2023 announcing rates of premium and terms and conditions of the policy for the retirees for renewal for 2023-2024. Copy of IBA circular is enclosed for your ready reference.

3. In view of this development after submission of the above representation, we humbly submit supplementary representation as under for your kind consideration;

- (a) **The rates fixed are abnormally high, unexpected and shocking for entire retiree community and defeats very purpose of this exercise to reduce premium rates and make the policy affordable for all sanction of retirees.** The highest premium fixed for retirees is Rs. 365505 (Rs. Three lakhs sixty five thousand five hundred five) this year while the fact remains that average pension of bank retiree is less than 3 lakhs p.a.
- (b) **After release of above referred communication by IBA, there is wide spread anger, disappointment, frustration among lakhs of retirees which include many super senior citizens in age range of 80 to 90 years and family pensioners. They strongly feel that approving and offering policy with high premium of Rs. 3.65 for retirees is cruel joke with them heaped upon them by parties of the settlement and appears to be punishment to them for approaching legal forum for stopping violation of the settlement terms to secure justice for them**
- (c) **Slakh retirees are completely clueless and at complete loss to as how to manage health issues for self and spouse and feel that they have no option to leave their life to the fate of destiny.**
- (d) There is very strong feeling and appears to be logical that parties to the settlement have proceeded step by step to bring the retirees to this adverse position . (i) Separating retiree policy from the employee policy for fixing premium rates which was at no stage demanded by Unions but suddenly signed the settlement without any consultation with retiree organizations or even giving any hint to them in this regard (ii) Whole tender document was designed in the manner that L 1 criteria was kept limited for base

policy and after achieving L1 status by the bidder, it was given full freedom to quote any premium for super top policy. Because of result of this well-designed clauses incorporated in the tender document, premium quoted now is as high as Rs. 365505/-. Still National Insurance Company has come as LI. (iii) We do not know why premium for super top policy which constitute major portion of the cost have been kept out of preview of L 1 criteria.

(e) If you compare the rates for chargeable to employees and retirees for 2023-24, you will find huge gap between two

Sum Assured	Employee	Retirees	Difference
Rs. 3+ 4 lakhs	Rs. 33000	82000	49000
Rs. 4+ 5 lakhs	Rs. 43000	93000	50000

(f) As explained earlier, SBI is offering policy to retirees at much cheaper rate without considering element of subsidy. Many other banks are offering policy to retirees at much cheaper rates. Then the issue is why IBA approved the policy at much higher rates.

(g) The retirees have been put to such disadvantageous position could be ensured by suddenly separating retiree policy from employee policy by signing agreement dated 19.07.2023 modifying settlement dated 25.05.2015. Nobody can say that this modification has been done to enlarge welfare of the retirees or to deprive them from health insurance.

(h) As mentioned in our previous representation, IBA recognizes UFBU also represent retirees. It shows that mandate given by member banks also authorizes to IBA to deal with retiree's issues during wage settlement. IBA knowing fully well that retirees have organized themselves independently, many of them are registered under Trade Union Act (One of them is AIBRF) and have been approaching IBA on various issues of retirees on continuous basis, IBA may be asked to explain the basis they have adopted to reach to the conclusion that only UFBU represent retirees and retirees' organization have no locus standee to even raise their grievances and is not ready to provide any forum to them at the apex level. We have been trying to find some acceptable solution of this vital issue for last 10 years. Now it is high time that this issue needs to be settled to provide much needed justice to lakhs of bank retirees.

(i) Terms and conditions of super top policy offered to retirees have not been spelt out in the above circular. There is no clarity on this vital aspect.

3. We request you to kindly consider the above points in the meeting of 25.09. 2023 for effective conciliation to secure justice for retirees

With Respectful Regards,

Yours Sincerely



(S. C. JAIN)
GENERAL SECRETARY

