

CIRCULAR NO. 45 /2021

DATE :08.04.2021

TO,
ALL MEMBERS

Revision in Ex-Gratia payable to Pre-1986 Bank Retirees

We reproduce hereunder the text of the **AISBOF Circular No. 45** dated 08.04.2021, the contents of which are self-explicit.

With warm greetings,

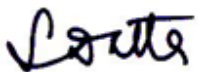
(Ajit Kumar Mishra)
GENERAL SECRETARY

OUR UNITY : ZINDABAD-ZINDABAD
S.B.I.O.A. : ZINDABAD-ZINDABAD

TEXT

Revision in Ex-Gratia payable to Pre-1986 Bank Retirees

We reproduce hereunder the text of AIBOC Circular No.2021/42 dated 08/04/2021 contents of which are self-explanatory for information of the members.



(Soumya Datta)
General Secretary

Dear Comrade,

Revision in Ex-Gratia payable to Pre-1986 Bank Retirees

We reproduce hereunder the text of UFBU Letter No. 2021/06 dated 08.04.2021 addressed to The Chairman, IBA on the captioned subject for your information.

With revolutionary greetings,

Sd/-

(Soumya Datta)
General Secretary

Text of UFBU Letter No. 2021/06 dated 08.04.2021

LETTER No. UFBU/2021/06

Date : 08.04.2021

**Sri. Rajkiran Rai. G.
Chairman,
Indian Banks' Association
Mumbai**

Dear Sir,

Revision in Ex-Gratia payable to Pre-1986 Bank Retirees

We recall and refer to the discussions we had with the Indian Banks' Association during the recent wage settlement negotiation about the need to revise and improve the present Ex-Gratia amount being paid to the pre-1986 retirees/their surviving spouse.

We once again venture to represent to you regarding this genuine issue which warrants a very sympathetic consideration by the IBA.

Background: With the approval of the Government of India, Pension Scheme was introduced in the Banks w.e.f. 1-1-1986 in lieu of Provident Fund. Employees who had retired prior to 1986 were not covered by the pension scheme.

In view of the representations, the Government issued their Guidelines in 1998 advising payment of an Ex Gratia amount of Rs. 300 + DA per month w.e.f. from November, 1997 for the surviving pre-1986 retirees of Banks.

Later, in 2006, the Government advised that the surviving spouse of pre-1986 retirees shall be paid a fixed lumpsum Ex-Gratia of Rs. 1000 per month without any DA thereon.

Present position: In 2013, Government advised that these pre-1986 surviving retirees may be paid Rs. 350 pm + DA and the surviving spouse of such retirees may be paid Rs. 175 pm + DA. This continues now also. (As of today, along DA thereon, the amount of Ex Gratia comes to around Rs. 5400 for such retirees and Rs. 2700 for the surviving spouse)

There are only about 2000 Pre-1986 Retirees in the entire banking industry who are covered by this Ex-Gratia payment.

Similarly, there are less than 2000 surviving spouse of such pre-1986 retirees who are being paid Ex Gratia.

The total expenditure/pay-out involved at present for all the Banks put together is only around Rs. 1.50 crores per month or about Rs. 20 crores per year. It is less than Rs. 2 crores per year per Bank.

These retirees, having retired from the Bank prior to 1986, are very aged and are today in the age group of minimum of 95 years and above and they have been representing that the Ex-Gratia amount may be revised and enhanced to some extent in view of the present cost of living, inflation, medical expenses, etc.

We shall thank you to kindly consider this genuine representation of these very senior citizens favourably.

Thanking you,

Yours sincerely,

Sd/-
**SANJEEV K. BANDLISH
CONVENOR**