ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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

Ref. No. 2025/0038 **Date: 11.05.25**

The Chief Labour Commissioner (Central)
Government of India, Ministery of Labour & Employment
NEW DELHI

Respected Sir,

Re: Dispute of Grievances of lakhs of bank retirees in the matter of Group Medical Scheme administered by Indian Banks' Association (IBA) as Nodal Agency and other retiree issues
Re: Your Ref. No. 10 (20) 2022-IR

We request you to refer our letter No. 2025/0005 dated 14.02.2025 addressed to you and copy to DFS and IBA in the matter of not following L1 procedure while finalizing quote for super top policy for retirees by IBA, adversely affecting financial interest of lakhs of retirees. You were kind enough to forward AIBRF representation to Shri Murli Bhagat, Deputy Chief Executive, Indian Bank Association (IBA) vide your office letter no. 10(20)/2022-IR dated 8.04.25, for their comments in the matter. We find that IBA has not yet submitted any reply in the matter yet, in response to the letter of your office.

2. In fact, this matter is pending with Indian Banks' Association (IBA) without any response or action from their side for last more than one and half years since last Joint Meeting held in your office on 25.09.2023 which was presided over by Shri Remis Tiru, then Chief Labour Commissioner (Central) cum Conciliation Officer under ID Act, 1947 wherein IBA and DFS was advised to take consideration on the grievances of retired employees and **give reasonable opportunity to be heard.** It was further advised by the CLC to IBA and DFS in this meeting " the representation and suggestions given by the union/ association for rationalization of health insurance premium and other matter may be considered positively while taking any decision in the benefits of retired employees."

3. After the above referred Joint Meeting of 25.09.2023, your office was kind enough to send the following follow up letters to IBA asking them to send their comments in the matter

(a) Letter no. 10(20) 2022-IR dated 12.01.2024 addressed to Shri Gopal Murli Bhagat, Deputy Chief Executive, IBA

(b) Letter No. 10(20) 2022-IR dated 14.03.20242024 addressed to Shri Gopal Murli Bhagat, Deputy Chief Executive, IBA

(c) Letter No. 10(20) 2022-IR dated 14.02.2025 addressed to Shri Gopal Murli Bhagat, Deputy Chief Executive, IBA

4. In addition to the above, AIBRF has also written3/ 4 letters to IBA last being letter No. 2025/0028 dated 19.04.2025 addressed to Shri A.K. Goel, Chief Executive IBA seeking appointment from him to discuss the issues of retirees, in particular issue of proper and fair procedure to be followed to fix premium rates for super top policy for retirees. However, no response on it from his office.

5. It is very surprising that despite above follow up letters written by CLC and also by AIBRF with honest intention to dispose of the matter through discussion and amicable solution to protect justified and logical interest of retirees, **IBA is maintaining tight lipped silence and ignoring all above communications during last one and half year**. It appears that IBA is not only not ready for any dialogue with retirees, but conveniently ignoring advise of CLC too in the matter. Because of this stand of IBA, retiree interest is getting adversely affected and silently large number of retirees are suffering. In this regard, your kind attention is drawn on the fact as mentioned in our earlier representation that in 2024-2025, because of procedure of L1 not followed by IBA, retirees were **forced to pay four times more premium than prevailing market rates with identical terms and conditions** resulting to unwarranted loss of crores of rupees to the retirees on super top policy. It may be further mentioned for your kind attention that as mentioned in our earlier representations, retirees were forced to pay about 1500 crores extra premium due to not following system of combined policy for employees and retirees on identical pricing in violation of the provisions of settlement of 2015. Because of intervention of CLC on representation of AIBRF, justice could be delivered to retirees on group health insurance in 24-25 after continuous violation for 5 years.

6. Now, presently CLC, legally constituted body under law is doing close follow up in the matter for last one and half years. AIBRF is the body registered under Trade Union Act with verifiable membership of 3 lakhs. AIBRF is meticulously filling required returns every year with the concern authorities. With this background, we are of the view that AIBRF enjoys legal rights to represent their member issues before IBA. However, IBA is denying this right and refusing to

provide opportunity to be heard. Now the basic issue is whether IBA has some accountability towards legally formed bodies or they can be allowed to go scot-free.

7. We would like to draw your kind attention on the fact that IBA has been taking stand that they being professional body and do not have mandate to talk to retires, they have no obligations to entertain retirees' request in this regard. How far this argument/ stand of IBA is logical and legally tenable need to be closely and critically examined. We find that IBA has been introducing periodically some schemes/ benefits for retirees and modifying existing benefits/ schemes as per the guidelines/ direction of the government and mandate from banks. It goes without saying that once benefits/ schemes are approved, retirees become beneficiaries and secure right of representations in case of violation/ non-implementation etc. we are of the considered view that in view of this IBA stand is not tenable. If IBA stand is allowed to be upheld, it will create unwarranted legal case and litigation and lead to anarchy in the system. Further, your advice to IBA to talk to retiree is absolutely clear. We request you to ask IBA to implement it.

8. We may also mention for your kind information that despite IBA refusing to meet AIBRF representatives, we always explore opportunity to meet IBA officials with the intention to resolve the issues through dialogue. We are sorry to mention that when we got some opportunity to meet IBA officials, AIBRF representatives have been treated shabbily and minimum courtesy towards our representatives were found to be lacking. We hold enough proof to support this statement.

9. Another party to the settlement creating benefits/ schemes for retirees is UFBU representing nine bank unions. We have been approaching them also periodically for redressal of our grievances. However, past record indicate that they prefer to maintain silence on our representations. They are fully aware about our request for L1 procedure for Super top up. If they desire so, they may be asked to clarify stand on AIBRF demand of L1 in the matter with the idea to take the issue forward and resolve it.

10. We now humbly request you to convene Joint meeting at the earliest for resolution as the matter is pending long, time for next renewal is approaching fast and further delay may further adversely affect retirees' interest adversely next year too.

11. We are endorsing copy of this letter to DFS and IBA for information and action on it.

With Respectful Regards,

Yours Sincerely,

(SC Jain)
General Secretary

C.C. to

1. The Secretary, Department of Financial Services, Government of India, Ministry of Finance, New Delhi

2. The Chief Executive, Indian Banks' Association, Mumbai