

PRATHYASA

A Bulletin of Reserve Bank Retired Employees' Association, Kochi
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IMPROVEMENTS IN THE PENSION SCHEME

The Government of India has since published in the official gazette certain amendments to the RBI Pension Regulations, 1990 giving effect to the following improvements in the pension scheme which are likely to come into force from the middle of January 2013:

- (i) The ordinary rate of family pension will be 30% of Pay uniformly, subject to a minimum of Rs.3500/-per month and a maximum of Rs 24,495/- per month
- (ii) Minimum pension where part of pension is withheld/withdrawn and compassionate allowance has been raised from Rs 720/- per month to Rs 3500/- per month
- (iii) The qualifying service for full pension has been brought down from 33 years to 20 years.

Detailed administrative circular in regard to re-fixation of family pension will be issued by the Bank shortly.

PENSION UPDATION

The main issue of pension updation is yet to be resolved as the Central Government has been keeping in abeyance the proposal of the Central Board, sent to them for approval, to amend the Pension Regulations to provide explicitly for periodical updation by the Bank. As members have already been informed, our Trivandrum unit had made a strong appeal to the All India Association to file a writ petition in the Supreme Court to get a verdict once for all. We endorsed the same view and sent a similar appeal to the All India. Although no reply has been received, we are given to understand that All India is not in favour of going to the apex court till such time as the ongoing case filed at the Bombay High Court against roll back is finally disposed of.

As sounded earlier to the members, we consulted an Advocate of repute in Kochi so as to ascertain whether our unit could file a special leave petition in the Supreme Court on the issue of updation of pension. The learned advocate advised that a special leave petition can be filed in the apex court only on appeal after the case has been considered and disposed of by the Single Bench and later, by the Division Bench of a High Court. So, we could think of filing a writ petition, if considered necessary, in the Kerala High Court after the matter is fully deliberated at the next Annual General Body meeting.

In the meantime, All India Association issued a letter on 7th January 2013 to the Governor for resolving the issue of updation, an extract of which is reproduced below:

“ It was never an easy task for the successive Governors of the Reserve Bank to introduce the present Pension Scheme in the Bank and brought out improvements therein. Your worthy predecessors, Dr I G Patel, Shri R N Malhotra, and Dr Bimal Jalan had had not only to resolutely fight out the issue with the Ministry officials but also at times to take decisions at the risk of their shining careers against the dictates of these mandarins. Sir, the whole Nation is watching and appreciating your lone fight to preserve the autonomy of the Central Bank in the matter of monetary policies. We, the retirees, expect and pray that the same firmness is shown on the issue of preserving the Bank's right and privilege to decide about its former employees. Sir, the urgency in the matter is on two counts. Firstly, it appears that that the Bank, although it may update the pension in due course, may be reluctant to give retrospective effect. Thus, every passing month is a loss to the

pensioners in these days of spiraling cost of living. Secondly, and we are reluctantly mentioning it, this appears to be your last year as the Governor of the Bank. We are sure you will be bestowed with further more important responsibilities in the future, but the issue of updation will certainly go to the cold storage after your leaving the Bank. We may say with all humility that if you are required to leave the Reserve Bank without solving the matter, it will be a great shock not only to the pensioners but also to the serving officers and employees. Sir, RBI Pension Regulations give clear authority to the Central Board of the Bank to periodically update the pension and that is also a solemn assurance of the Bank to the staff while pleading them to accept the pension scheme. As we understand, the respected members of the Board without exception are with you on the issue. Under the circumstances, we most respectfully submit to you to take a firm decision without falling prey to the machination of the Ministry to meddle in the areas which is not theirs. In the light of the aforesaid submissions, we earnestly request you to direct the Administration to grant the pending updation as per 2002 and 2007 revisions and the forth coming 2012 revision”

PRR Nayar's Letter to Governor

We happen to come across an interesting letter dated 19th January 2013 addressed by Shri P R R Nayar, an octogenarian retiree from Trivandrum, to the Governor on his promise made on a currency note and that made by the Bank on pension updation, extracts of which are reproduced below for the information of the members:

‘ I quote: If you see the currency note, it is printed on it that ‘ I promise to pay the bearer the sum of Rs100’ and it has my signature as the RBI Governor. What does that promise and signature mean? It means that the RBI will control inflation and maintain its purchasing power” he said (Report captioned “ Fighting inflation Top priority- Subbarao”- The Hindu- 17-1-2013)

I again quote : This time from the circular dated 13th March 1992 issued by the Chief Officer of PPD.

“ confusion is sought to be created in the minds of employees..... that the pension in lieu of CPF is inferior to CPF.....it is necessary to clarify the position.....

....the general consensus is that globally pension is considered to be one of the best security measures because of its unique features, such as updating of basic pension.....grant of Dearness Relief as a buffer against price rise.....”

Both refer to assurances from the RBI- one by the Governor himself and the other, on his behalf. While the former case contains a clear promise, the second shows a firm commitment, the significance of both being of the same sweep and depth. This commitment stands reaffirmed in the memorandum dated 3-10-2011 submitted to the CCB on 5-10-2011. Evidently, the Bank cannot claim entitlement to take one approach towards the public and another to its pensioners. It should not, therefore, be genuflected before the Finance Ministry when it ordered without lawful authority to rescind a perfectly legitimate, lawful, well-thought-out decision of the Central Board on updating of basic pension on which there was an irrevocable commitment fortified by a fully empowering Regulation 5.(It is intriguing to speculate on the consequences of a headstrong Finance Ministry ordering the Board to revoke every alternate decision it takes after due deliberations !)

Painfully, right from 2004, precious little was thought of the sanctity of the ‘promise’ made to the pensioners, I request that at this belated hour the Bank wake up to its responsibility in fulfilling its promise to the retirees as earnestly as the respected Governor, according to the press report quoted, assures to live up to the promise made to the public while signing currency notes-the goal assiduously being pursued by him bracing heavy odds.

MAF Scheme

The Bank has enhanced the amount being paid to the members of MAFS for annual health check-up in all grades from July 2012 as follows: Class IV-Rs 3000, Class III-Rs 3500, Officers Gr A to C- Rs 4500, Officers in Gr. D to F- Rs 5000. The issue of enhancement in the quantum of annual check- up was being pursued by the Mumbai unit of our Retired Association for long. We extend our compliments to them for relentlessly following up the matter and achieving this enhancement.

The difference between the amount paid along with the July 2012 pension and the enhanced amount is being paid separately.

MD India Healthcare Services (TPA) Pvt Ltd

We have been receiving complaints from members against the TPA in regard to settlement of their medical bills. They mostly relate to (i) inordinate delay in settlement,(ii) arbitrarily and unjustifiably disallowing genuine claims,(iii) calling for additional information/details on piece meal basis,(iv) calling for the same information again,(v) delay in crediting the settled amount to members' account through ECS, etc. Besides, most of the important and leading hospitals in Kochi and perhaps in other centres too, such as Amrita, Lakeshore, Medical Trust, Lissie, etc hospitals have discontinued extending the cashless facility under the scheme due to one reason or the other as result of which our members who depend on cashless facility are forced to seek treatment/hospitalization in smaller hospitals which are not well equipped to support the specialized treatment or provide best medical attention to patients with critical ailments. To find a solution to all these problems, we propose to take up the issue with Kochi Office to arrange a meeting of pensioners' with MD India and RBI(both local and Central Office level) In the mean time, we request the affected members to send us the details of the claims, amount settled, period of delay, the items wrongfully disallowed, any other specific grievance against the TPA, which will form the background paper for discussion at the meeting when convened.

Payment of Dearness Allowance/Dearness Relief

The rates of Dearness Relief of Pension/ Family Pension/ Ex-Gratia for the period February 2013 to July 2013 will be worked out as under.

- i) On Pension based on the pay scales effective from November 1st 2007, 80.25% of basic pension (+ 10.05%)
- ii) The rates of dearness Relief in respect of pensioners who retired before November 1st 2007 and family pensioners will be as under:

Pension/family pension based on	Rate of Dearness relief for the period February 2013 to July 2013 as percentage of basic pension/ family pension
Pay- scales effective from November 1,2002 (CPI=2288)	120.96% (+12.06)
Pay- scales effective from November 1, 1997 (CPI=1684)	197.52% (+16.08)
Pay- scales effective from November 1,1992 (CPI =1148)	334.95% (+23.45)
Pay – scales effective from November 1, 1987 (CPI=600)	732.96% (+44.89)

Annual Family Get-Together

The family get-together was held at Park Central Hotel, Kaloor on 21st January 2013. 45 persons consisting of members and their families attended the function. The programme started with a silent prayer and welcome speech by Smt. Sabita Balachandran. Our President C A Jacob delivered the presidential address. He told the gathering that the reason for the low turnout for the meet this time around would be examined and efforts made to attract more members to such functions in future. Secretary, after welcoming the new members and their families, shared with the audience the latest developments concerning the retirees. Thereafter, Smt. Sabita Balachandran, in her inimitable style, conducted a quiz competition and Shri K S Joseph, a houseie programme, both assisted by Shri C V Alexandar. The programmes were well appreciated by the audience. Shri P J Thomas' 'Christian' joke gave the audience a belly shaking laughter. Gift articles and cash prizes were distributed to winners. For want of time, no further programmes could be hosted. After a vote of thanks by Shri C V Alexandar, the members dispersed to the dining hall for a delicious lunch that was waiting for them.

New Membership

We are glad to inform our members that the following five retirees from the Bank have joined our fold. 1. Shri K.P. Nandakumar 2. Smt. Sally Idicula 3. Shri Abraham Mathew 4. Shri Raju Kurien and 5. Shri C V Alexandar. Their address and contact numbers will be furnished in the next issue of the bulletin.

We extend a very warm greeting to each one of them and wish them good luck and happy days ahead.

Obituary

- (1) Shri K. Ravindran (64) Retd DGM expired in Trichur on 3rd December 2012 due to a sudden cardiac arrest. On behalf of the Association, S/Shri Sudheer Varma and K P Nambissan visited his residence and paid homage to the departed soul.
- (2) Kum. I T Vaz, former Executive Director, passed away in Mumbai on 24th January 2013 due to clots in her brain. May her soul rest in peace

Thought for the month

Life is like making tea! Boil your ego. Evaporate your worries. Dilute your sorrows.

Filter your mistakes and Get taste of your happiness.

Life smiles at you when you are happy.

Life salutes you when you make others happy.

Edited by Shri M.O. Sebastian, Secretary. Ph: 0484-2541930, 9895178211

Acknowledgements: Shri P P Ramachandran, Retd DGM, Mumbai