

Resolution NO.1

**Resolution on payment of arrears of ex—gratia based on revised pay ` effective from 1st November 2002 to the OERS Optees.**

1 The 4th All India Conference of RBI OERS Pensioners Forum held in Ahmedabad on 5<sup>th</sup> and 6<sup>th</sup> March 2011 resolved that RBI must make the payment of arrears of ex-gratia to the OERS Optees based on the revised pay effective from 1<sup>st</sup> November 2002. The demand is based on the lines of payment of arrears made in respect of Pay and Allowances, LF C, Commuted Value of Pension and also gratuity based on the said revised pay.

last pay revised was effective from 1st November 2002, whereas all the OERS Retirees had retired almost one year thereafter. Hence all OERS Retirees were on the roll of Bank as on 1st November 2002.

As the previous wage settlement had already expired on 31.10.2002, the charter of demands (for revision of pay scales) submitted by all the Associations/Unions of the Employees/Officers of the Bank, was already pending with the Bank for the last one year, at the time of retirement of all the OERS Optees. But the same could be concluded only in 2005-06 i.e. after a delay of 3 years at bank's level. Needless to add that all past wage settlements were concluded after long delay for variety of reasons, which were beyond the control of employees. However, all the past settlements were invariably made effective retrospectively i.e. from the day following the date of expiry of immediately preceding settlement. Introduction of the OERS scheme in August 2003 (i.e. much after 1.11.2002) necessarily implied that Bank was under obligation to pay the ex-gratia to the OERS Optees on the basis of pay to be revised w.e.f. 1.11.2002.

There was no restrictive clause in the OER scheme debarring the OERS Optees from receiving the ex-gratia based on the pay to be revised from 1.11.2002. All the OERS retirees had opted for the 1 scheme only after satisfying themselves about this aspect.

In terms of clause 5 of the OER scheme read with the note appended thereto Optees are eligible for ex-gratia amount based on pay and DA. The pay for the purpose of ex-gratia was the pay admissible in the grade held on the date of retirement as defined in Regulation 3(D of the Reserve Bank of India (Staff) Regulation 1948. As the pay of the OERS Optees under the said Regulation 3(f) stood revised as on 01.11.2002 i.e. prior to their retirement, they are therefore automatically entitled to the ex-gratia based on revised pay.

There cannot be two 'pays' — i.e. one for the purpose of making payment of pay and allowances, gratuity, commuted value of pension and leave encashment; and another just for the purpose of making payment of ex-gratia. Staff regulation does not prescribe two 'pays'. This distinction made by the Bank is unprecedented, unauthorized and illegitimate and amounts to violation of staff regulation by the Bank.

That the conditions laid down in the OER scheme introduced by the Bank vide its Administration Circular No. I dated 11th August 2003 are binding on both parties (viz. the Bank as well as the Optees of the scheme) and therefore, no administrative order issued by the bank or agreement signed by the bank with any other party, subsequent to the implementation of the OER Scheme could have the effect of changing any of the conditions laid down in the OER Scheme.

Bank's action of going out of the way to include some grossly unjustified clause in the wage settlements entered into by it with the AIRBEA and AIBVVF in 2005 with a view to debar the OERS retirees from the arrears of ex-gratia based on pay revised w.e.f. 1.11.2002, is not only unauthorized but unethical as well. How the bank can back out from the commitments made by it in the OER Scheme, just by incorporating a clause in the agreements entered into by it with the AIRBEA and AIBWF, more than a year after the OERS Optees had already retired from bank's service This unauthorized/unethical action of the bank denying the legitimate dues of the OERS retirees committed under the OER Scheme is very unfortunate and needs to be undone without any further delay.

Further, consequent upon retirement under the OER Scheme, the right to pay of the OERS retirees has been substituted by the right to ex-gratia. The right to ex-gratia is nothing but their right to livelihood and the same cannot be taken away arbitrarily or by virtue of any settlement entered into by the bank subsequent to the retirement of OERS retirees.

The OERS retirees had served the bank for nearly three decades or more with utmost dedication and conviction. Naturally, the denial by the bank of their legitimate dues committed under 1 OER Scheme has grievously hurt the OERS retirees.

This conference therefore urges the bank to pay the arrears of ex-gratia to the OERS retirees based on revised pay effective from 1st November 2002, without any further delay.

GENERAL SECRETARY

PRESIDENT