

31st May 2011

The Honourable Finance Minister,

Finance Ministry,

Govt. of India,

NEW DELHI.

Sub.: Request for updation of pension to RBI Retirees.

Respected Sir,

We would like to be pardoned for the consumption of your valuable time for our above request which is rather simple and socially a must.

2] Sir. We would like to seek your personal intervention in the matter of revision of pension updation for the RBI retirees on the lines of Central Govt. It is submitted for your information that when RBI floated a pension scheme for its employees in 1989-90 it was specifically circulated by RBI in its various communications that RBI Pension Scheme is based entirely on the pattern of central Govt. and that the pension will be updated (of retirees) as and when the bi-partite agreements taken place in the banking industry.

3] Based on these facts, the then Governor Shri Bimal Jalan updated the pension of 1997 retirees. The payment was made during the year 2003. However the subsequent request of Shri Y.V. Reddy, the Govern of RBI, was turned down by the Secretary, Ministry of Finance for updation for subsequent retirees. Not only that but whatever pension was revised for pre-1997 retirees, was ordered to be stopped forthwith. Compelled to protect their financial interest the pre-1997 retirees sought a stay on the orders of Ministry of Finance (executed through RBI) which was granted by the Bombay High Court. The case is pending still with a status quo.

4] Sir, recently our Organization of OERS optees of RBI held a two day conference on 5m and 6m March 2011 at Ahmadabad and discussed in detail various aspects of pension updation for RBI retirees. The main points emerged were as follows:

A] That the pension fund created in RBI is solely created by the employees.

B] That the RBI Scheme is based mutandis on the lines of Central Govt. Pension Scheme.

C] RBI being autonomous, it is within the powers of RBI Management as embodied under the RBI Act 1934 to update the pension of retirees.

D] That the intervention of central Govt. (through Ministry of Finance) is rather unfortunate.

E] That it is agreed that RBI is wholly owned nationalized institution by Govt. of India and therefore it is also eligible for updation as per its wage settlements which has a five year cycle. Central Govt. does it for its employees in ten years.

F] That the pension updation is a necessity in the inflationary economy like us to protect the interest of retirees as far as protection of purchasing power of pension is concerned.

G] That the SC had observed time and again the right of employees for pension updation. The latest in the series is the case of LIC employees. The Rajasthan High Court has upheld their right for updation. Similar is the case of RBI retirees.

H] That the periodical improvement in pension is not a gratis or a dole. It is a repayment for blood, sweat and tears shed by the retirees when they were serving in RBI.

I] That it is a commitment and also a responsibility of the RBI to update the pension and also the family pension of retirees when due. Sir, the copy of resolution passed at this conference regarding pension updation of retirees and also family pension updation, is enclosed for your kind perusal.

5] Honourable Sir, the present Prime Minister Shri Manmohan Singh ji was the Governor of RBI at one stage. You are such a successful Minister (either Finance, Home, Foreign etc.) that is because you had adopted pro-people policies. The present issue of pension updation for us RBI

retirees is a small demand solely based on the tough times retirees are facing. Updation is a social security measure and as such the same should be extended to retirees of RBI. The demand is long pending and many a lives of retirees have bitten the dust. We are just a shade of ourselves at this point of time struggling to meet both the ends in fast changing financial dynamic.

6] Sir, our request therefore to you is to look into the whole issue (the whole case is well known to the Ministry of Finance) and taking a humanitarian view, give your kind green signal to the proposal of pension updation pending with you.

7] Once again we beg your pardon for the time spared by you for the detailed brief given as above.

Thanking you once again, Pranab da,

Yours faithfully,

[R. A. Aherrao]