



ALL INDIA BANK EMPLOYEES' ASSOCIATION

Central Office: "PRABHAT NIVAS" Regn. No.2037
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3-6-2019

TO ALL UNITS AND MEMBERS:

Dear Comrades,

AIBEA's National Convention of Ex-servicemen employees

As scheduled, AIBEA's National Convention of Ex-Servicemen employees was held at Agra on 1st and 2nd June, 2019. Nearly 250 Ex-servicemen employees from different Banks and from all the States participated in the Convention.

The Convention was organized with a view to better understand the problems being faced by Ex-servicemen employees relating to their fitment and fixation of emoluments while joining the Banks, improper implementation of Government guidelines, difficulties faced by them in their postings and transfers, modifications required in government guidelines, etc. as well as to further integrate them in our organisational activities at every-level as many of them have been taking keen interest in trade union activities and also possess potential leadership qualities.

From AIBEA, a Note was placed outlining their problems and difficulties. About 70 Ex-servicemen comrades participated in the discussion and submitted various suggestions and viewpoints and also explained the problems faced by them.

Main issues:

- ◆ ***Clear and unambiguous guidelines to be issued by the Government and IBA incorporating the various circulars/instructions issued by DOPT, PCDA, etc.***
- ◆ ***Review and revised instructions on continuation of DA on defence pension.***
- ◆ ***Good Conduct Badge Pay, X-Group Pay, Classification Pay, Military Service Pay, etc. to be included for protection while fixing the emoluments on joining the Bank as they are part of Pay component.***

- ◆ ***Sanction additional two increments by recognition as Graduation of equivalent qualification certificate as is available in Government services since the same is accepted for the purpose of eligibility for entry in clerical cadre in Banks by IBPS.***
- ◆ ***Revised fitment for those who had been discharged prior to January, 2006 and January, 2016, and joining the Banks after January, 2006 and January, 2016, respectively, by taking their notional emoluments payable under VI and VII Pay Commission wage revision.***
- ◆ ***Evolving common and uniform guidelines for posting/transfer of Ex-servicemen employees to home town/places of preference.***
- ◆ ***Review of existing formula of 5:1 (max. 2 years) for reckoning their past services in the defence service as 3:1 for services rendered there.***
- ◆ ***Reckoning past services rendered by them in the defence for the purpose entitlement and of sanction of staff loans, as well as for extending Silver Jubilee Milestone Award.***
- ◆ ***Invariably, in every recruitment process conducted by the IBPS, there remains a backlog of vacancies to be filled up by the ex-servicemen and a Special Recruitment process should be conducted to clear the backlog.***
- ◆ ***Stopping of outsourcing of security services and recruitment of adequate number of permanent Armed Guards in the Banks.***
- ◆ ***Proper insurance cover for security staff during cash remittances, etc.***

At the end of the discussions, AIBEA assured to take up and pursue these issues with the Indian Banks' Association and Government for redressal.

Regarding suggestions for Ex-Servicemen Cell, it was informed to them that these organisational matters will be discussed by the next Central Committee meeting of AIBEA for taking suitable decisions.

With greetings,

Yours comradely,



**C.H.VENKATACHALAM
GENERAL SECRETARY**



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AIBEA/GS/2019/40

2-6-2019

Mr. Sunil Mehta
Chairman
Indian Banks' Association
Mumbai.

Sir,

Problems faced by ex-servicemen employees working in the Banks

A National Convention of ex-servicemen employees working in the Banks was organised by All India Bank Employees' Association at Agra on 1st and 2nd June, 2019. Nearly 250 ex-servicemen employees from various banks and from all the States participated in the Convention.

The Convention was organised to discuss, understand and take up the various problems being faced by the ex-servicemen employees working in the banking sector.

You are aware that these ex-servicemen employees have joined the banks for re-settlement after being discharged from the Services at the prime of their youth and after serving the Motherland.

It is expected that these employees are taken care properly in recognition of their services to the country and are enabled to continue their employment/resettlement and livelihood without much difficulty. Keeping this in view, the Government has been issuing various guidelines from time to time, both in terms of protection of their emoluments while joining the civilian services as well as ensuring decent settlement in their domestic lives.

While so, during the deliberations in the convention, it has been brought to our notice and attention that these ex-servicemen employees suffer from multiple problems. For example, many of the ex-servicemen employees have not been extended proper fitment and fixation on joining the banks, with the result that they draw emoluments lesser than what they were drawing when they were in the defence services.

There are quite a few allowances like Military Service Pay, Good Conduct Badge Pay, X-Group Pay, Classification Pay etc., which were part of the pay component are not being

protected while fixing their emoluments on joining the banks. While they are being permitted to join the banks based on their qualifications recognised as equivalent to graduation, they are being denied the additional increments payable on joining the banks.

There are guidelines of the Government in relation to fitment for those who had been discharged prior to January, 2006 and prior to January, 2016, and joining the Banks after January, 2006 and January, 2016, respectively, by taking their notional emoluments payable under VI and VII Pay Commission wage revision. These are not being implemented in the Banks. Hence, this has resulted in anomaly in their emoluments vis-à-vis employees, who were junior to them and who had joined the banks subsequent to them.

There is a Government guideline that Dearness Allowance on their Defence Pension is not payable if their total emoluments are protected while joining the civil services. In view of the differentials in the scales of pay in the Government and the Banks, with lesser maximum pay in the banking sector, their emoluments are not being protected fully and yet the banks are insisting that they should not draw DA on their Defence Pension. In fact, in Banks like State Bank of India, in the case of such ex-servicemen employees, since SBI also happens to be the Pension Payment Bank, the DA on Defence Pension is being unilaterally withheld.

While posting and placement of employees in the bank branches would depend upon availability of vacancies, it has been reported to us that in many cases, ex-servicemen employees are being posted at places, which are far away from their hometowns or place of choice thus, aggravating their dislocation from the families. There is no uniformity or any guidelines applicable to the postings of ex-servicemen employees while they join the banks.

Similarly, there is a government guideline that the services rendered in the defence may be reckoned in the banks in the ratio of 5:1 with a maximum of 2 years. Many of the ex-servicemen have rendered 15-20 years of service in the armed forces and hence, there is a need to review the guidelines and to relax the ratio to 3:1 and the stipulation of maximum 2 years.

For availing Staff Loans like Housing Loan, Vehicle Loan etc., the Banks stipulate minimum number of years of service. In view of this, the ex-servicemen employees have to wait to complete the stipulated years of service even though their emoluments are fixed in higher stages in the pay scales and hence, there is a genuine demand that the past services rendered by them in the defence may be reckoned for purpose of sanction of staff loans, as well as for extending Silver Jubilee Milestone Award.

It has also been observed that invariably, in every recruitment process conducted by the IBPS, there remains a backlog of vacancies to be filled up by the ex-servicemen and it is learnt that IBPS does not maintain the waiting list for this category of employees.

It is also observed that in the past, banks were recruiting ex-military staff as armed guards. Of late, in view of the outsourcing of security services to contract agencies, the number of appointments of ex-military staff as armed guards in the banks has been drastically reduced and hence, there is a need to review the outsourcing policy of the banks in this regard.

All these problems need to be addressed and mitigated properly so that the ex-servicemen employees joining the banks find their re-settlement congenial and without unwarranted discomfort. We strongly feel that ex-servicemen employees deserve proper recognition and treatment so that their sense of frustration and resentment are removed so that they are enabled to work in the banks with motivation and satisfaction.

Keeping the above in view, it is highly essential that the IBA and the Government issue suitable and unambiguous revised guidelines at the earliest.

We are sure that the matter would receive the due attention of the IBA so that these concerns are addressed adequately.

Thanking you,

Yours faithfully,



C.H.VENKATACHALAM
GENERAL SECRETARY

Copy to:

Secretary
Dept. of Financial Services
Ministry of Finance
Government of India
New Delhi.

Chief Executive
Indian Banks' Association
Mumbai.