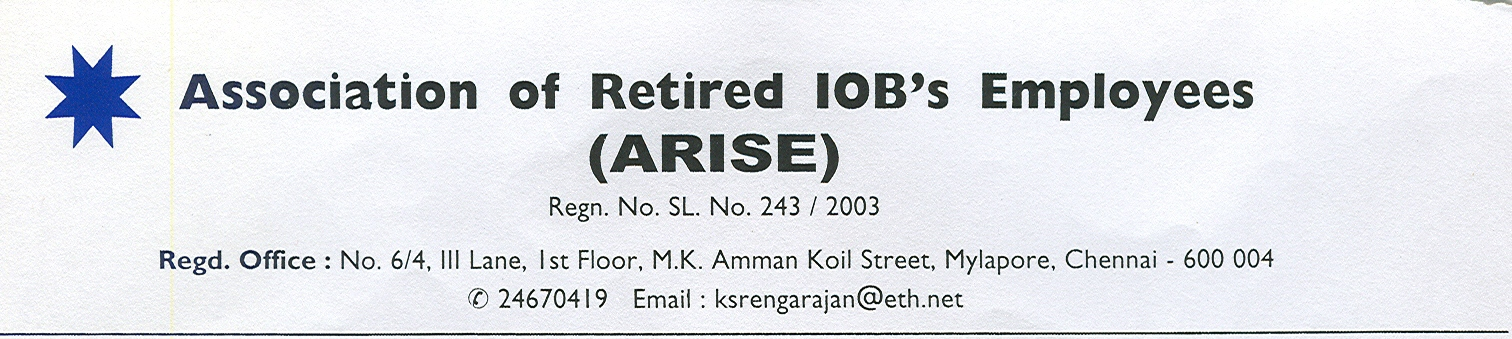
**31/03/2017**



**Mr.R.Subramania Kumar,**

**The Executive Director,**

(Addl.Charge as MD)

Indian Overseas Bank-CO,

763 Anna Salai,

Chennai 600002

**Dear Sir,**

**Appeal to Redress Retirees’ Grievances**

While we congratulate you for getting recapitalization we are disappointed that the Bank management is hesitant to look into our below mentioned issues, most of which are our entitlements that are unilaterally suspended or withdrawn and all of which are presently extended in other banks. *We are at our wit’s end to understand the reason for depriving the retirees of their benefits most of which are already provided in the bank’s balance sheets and the* ***outgo is therefore not going to affect the profits of the bank.*** The cost of implementing the remaining issues is too insignificant, more so when the bank is posting good operating profit. None of our issues is even attended to and it makes us wonder whether the management views the HR policy that harms and hurts the retirees as the best policy. Strangely and sadly the parameter for effectiveness of HR policy appears to be the extent to which damage, harm and hurt are caused to the human resources.

In the past and present we have witnessed that bank managements as a collective never gave a brief to the IBA to demonstrate empathy with employees in service or retired, and the employees have to therefore struggle and sacrifice to gain anything worthwhile. For the first time in the history of wage revision, terminal benefits did not get increase commensurate with the increase in the wages in the X Bipartite Settlement due to the introduction of a ***bizarre concept*** *of* ***special allowance*** *that reckons for DA and other benefits for an employee till she is service but not for her terminal benefits on cessation of service.* Any allowance is meant to have a purpose but this *special allowance* is paid to all employees from sweeper to the General Manager with no reason or purpose attributed to its payment to all. It is paid to all because it is part of pay that stands revised but is christened as *special allowance* for unlawfully denying it the character of *‘pay’* with a view to depriving the retirees of terminal benefits. Terminal benefits are nothing but deferred wages payable at the time of cessation of service but the immorality of the collective of bank managements reached its nadir when they withheld terminal benefits due for *special allowance* through deceptively christening *‘pay’* as ‘*special allowance’*.

We witness the strange phenomenon among bank managements who as a collective exhibit more often the destructive mob mentality but at individual bank level most of them act with sympathy if not empathy to the cause of employees and retirees. We have lost hope of PSBs as a collective ever exhibiting empathy or sympathy to the issues of employees or retirees. Had the bank managements exhibited a modicum of humanism, IBA representing them would not have been forced to make the retirees in their ripe age run from pillar to post without resolving the vital issues of pension updation, 100% DA neutralization to pre-November 2002 retirees, family pension and second option to left over category of employees. Cost- saving at the cost of poor retirees shows not only the bankruptcy of heart but also of ideas of the banking industry. But the little twinkle that still keeps the hopes of retireesalive and kicking is the humanism shown by most of them at individual bank level to which our bank is also no exception until a couple years ago.

Retirees of IOB had their first shock a couple of years back when the new incumbent suddenly capped the extra interest payable on deposits of senior citizen IOB retirees. *The arbitrary decision discriminating the senior citizen IOB retirees to deny them the legal entitlement of full extra interest as former employee and as well as senior citizen cannot be justified on any ground, least of all commercial consideration even admitting the bottom line problem of the bank****.***This decision became the watershed in the bank’s attitude and treatment of issues of retirees where the bank management reaching thenadir of moral bankruptcy began to ask for the flesh of retirees putting Shylock to shame. Even when the New Medical Insurance Scheme (NMIS)was introduced the Bank agreed to share the burden only after extracting a heavy price and sacrifice from the retirees to move away from the then scheme under REMAS though of course with a solemn assurance of improving the bank’s share in future. We expected that things would return to normal with your taking charge of the Bank but our hopes were belied. Change of head can bring about change of Bank’s policy but not result in unilateral abrogation of existing commitments to the detriment of other parties.The commitment made to share 50% of medical insurance premium in the same proportion like last year was not met, leave alone increasing the proportion of bank’s share of insurance premium. In fact, the circular to join the NMIS itself was needlessly, nay, deliberately delayed by the HR executive giving anxious moments to the retirees all over the country. While all other banks have almost closed the scheme by timely introduction our HR executive took his sweet time to introduce it merely two days before the schedule date of closure, that too when many states are having holidays during those specified days. The delay was a clear design by the HR department to keep away as many retirees as possible out of the NMISto keep down the bank’s cost burden. Taking it as a challenge we put paid to this evil design, though of course a short extension given by your intervention and later a long extension by the IBA did also help. Round the clock work done by our organization in mobilizing subscription helped in large number of retirees joining NMIS. The fiasco created by the HR department was a nightmare which the retirees would never forget. We have every reason to believe that the current attitude and function style of HR department is inimical to the interest of not just the retirees but of the whole bank which we have communicated in every communication of ours resting with our last letter dated 27/12/2016. Now to add insult to injury, retirees been stripped of staff status and have instead been clubbed with general public in respect of many facilities which the retirees were hitherto enjoying on par with serving employees. *Retirees have now to pay even the paltry charges of SMS alert giving a clear message to retirees that they are aliens and not anymore of the IOB family. IOB reiterates in action what IBA at the instance of Bank Managements’ collective stated in the infamous Record Note of X Bipartite Settlement that there is no contractual relationship between banks and retirees. The retirees are heartbroken when the bank* ***failed to even acknowledge*** *the contribution of retirees during demonetization months while other banks not only acknowledged but also paid honorarium to the retirees.*

It is time bank changed course to remedy and resolve the following issues which already stand resolved in other banks-

**1)Removal of cap on extra interest payable on deposits** of Senior citizen IOB retirees.

**2)Immediate distribution of Rs.3 crore among all retirees**whether members of REMAS or not towards part reimbursement of **New Medical Insurance Premium**. Instruction to distribute Rs.3 crore among all retirees was in fact given by you more than 5 months back.

**3)Bearing 50% of cost ofNMIS**as committed to REMAS members.

**4)Help Desks of** United India Insurance Companyat all zonal offices

**5)Expediting data entry/seeding/coding**for speedy settlement of insurance claims and easy access to cashless facility.

**6)Applying Supreme Court verdict for immediate release of gratuity with interest** to all retirees notwithstanding pending disciplinary proceedings or criminal cases. The present practice of forcing every retiree to seek legal remedy is unwarranted when the SC has already clarified the legal position.*Urgency is specially required to settle the claims of officers already punished for the irregularity in the sub-staff recruitment.*

**7)Applying verdicts of HCs to grant Second option to left over people,** especially to those who completed 30 years of service.

**8)Applying like other banks the verdicts of HCs to disburse Leave encashment with interestto all compulsorily retirees** without any arbitrary cut-off dates. *Leave encashment is not a terminal benefit* but the saving of an employee which is therefore his property. Right to property is a constitutional right that cannot be abridged or abrogated arbitrarily.

**9) Immediate Payment of Terminalbenefits with interestto all retirees** notwithstanding pending disciplinary proceedings or criminal cases. The purpose of allowing a person to retire under **Reg. 20(3) of OSR** is to continue the contractual relationship with an officer employee *for the limited purpose of conducting disciplinary proceedings* without the bank becoming liable to pay any subsistence allowance or salary to an officer employee after retirement on superannuation. This Reg. 20(3) relieving bank of liability to pay subsistence allowance or salary after retirement cannot be stretched to relieve the bank of its liability to pay the terminal benefits to a retired employee.

**10)Status of Retirees as serving Staff** - Retirees are to be treated as hitherto on par with serving staff in the matter of charges, fees and commission for various facilities and products of the bank. Immediate instruction for withdrawal of SMS alert charges to retirees is solicited.

**11)Settlement of Bills of Domiciliary Treatment** -Last year’s domiciliary treatment bills may be settled by the bank as done by other banks.

**12)Retirees as Defence Assistants** -Retirees shall be allowed to defend retired officers In domestic enquiries as is being allowed in other banks. If banks can engage retired officers as Inquiring authorities there is no reason to preclude retired officers from being defence assistants as the experience of these retired officers will help advance the cause of natural justice meaningfully and justly. While award staff can get defended by their union representative even if the representative is a retired bank employee, that too of any bank, the request for IOB’s retired officers to be Defence Assistants is legitimate, reasonable and equitable. In these circumstances this request merits favourable decision.

**13)No initiation of disciplinary proceedings days before retirement-** Natural Justice and as well dignity of an employee who served the bank decades demands commencement and completion of disciplinary proceedings before retirement. Steps may please be taken to stop the practice of charge sheeting an employee on the date/monthof retirement.

**14)Stopping victimization of retirees as a whole or the organization of retireesand also of family members of retirees** who lodged complaints under their name or in the name of the organization *to uphold the bank’s commitment to probity and prevention of corruption.*

**15)Establishment of Grievance Cell**– Bank level issues concerning retirees remain unresolved endlessly. Retirees are orphans in the scheme of things where bottom line alone matters and not the life line of those who gave up the best part of their life for the betterment of the bank. It is therefore necessary to establish a Grievance Cell to exclusively and directly deal with the issues/grievances of retirees.

**16) payment of allowances linked to population as per census –** Allowances like HRA,CCA, Conveyance Allowance are linked to the area in which an employee works and this area is determined by the population as per Census. This is part of the Bipartite Settlement signed under ID Act for award staff employees and part of MOU followed by Regulations for officers. As such these allowances are part of wages that are statutorily payable. Many retirees are yet to get the arrears on these allowances as per their entitlement. This may be paid immediately.

**17) All other pending issues including*conduct of free and fair investigations*into our complaints on loan accounts**-Notwithstanding the divergent views between us and the bank on the issue of conflict of interest and in spite of victimization of recent times vindicating our view on the mischief of conflict of interest, we trust and hope that the bank, especially you will ensure free and fair investigation.

**The Appeal -**We are fervently making this appeal fervently hoping that though you are having a tough time and unenviable tasks on hand you can still afford to spare your thoughts to resolve our issues, you can certainly have the heart to restore humanism back into the bank, you can send a message of hope and happiness to the retirees when you start the next financial year.

**Congratulations-**We congratulate you and all the employees for the Bank’s performance that made the Finance Ministry decide to recapitalize the bank. We are glad that the Finance Ministry is willing to take the unions of award staff and associations of officers of all the ten banks into confidence. *We wish the banks and the Finance Ministry involve unhesitatingly the unions and associations in drawing the very action plan without any outside agency and without any demands on employees to forego their entitlements.* We are confident the bank would make the turnaround at the earliest. We will continue to extend to the bank whatever cooperation we can as retirees.

While wishing the bank more rewarding new financial year we do also look forward to an early and just resolution of all our above cited issues.

Thanking you,

Yours faithfully

(S.B.C.Karunakaran) General Secretary