# Coordination of E Associate Banks' Retirees' Organizations.

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Date: 17/08/2018

The Chairman State Bank of India, Mumbai.

Respected Sir,

**Conveners:** 

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### **Advisory Committee:**

- Dr. A. Ananthakrishna Rao (Chairman) (eSBH))
- Shri. K Sukumaran (eSBM))
- Shri.Chandrasenan (eSBT)

#### Core committee:

- Shri.K. Vijaya Kumar (eSBT)
- Shri.C Gopinathan Nair (eSBT)
- Shri.C N Prasad (eSBM)
- Shri.Y N Ramesh (eSBM)
- Shri.R P Saxena (eSBBJ)
- Shri.B C Bassi (eSBP)
- Shri.D.S. Jattana (eSBP)
- Shri.Prakash Sarma (eSBIr)
- Shri.V Sombabu (eSBH)
- Shri.P D Vaidya (eSBS)

Non-payment of arrears of Pension including Dearness Allowance as per Pension Regulations (Regulations 2 (s), 29 and Chapter VI) and differential Commutation along with interest at 9% as per Supreme Court Judgment – remains unresolved

'We mention this for the reason that it appears to us that the extremely scarce time of the court as well as the Bank's resources have been avoidably and unnecessarily expended on an exercise in futility'.

The above words have been extracted from the Judgment of Hon'ble High Court of Karnataka rendered in the Writ Appeals against which State Bank of Mysore preferred Special Leave Petition, upon direction from the Corporate Centre. This Judgment is delivered by the bench headed by the then Chief Justice, Justice Vikramajit Sen, who later elevated as the Judge of Hon'ble Supreme Court. These words are expressed with anguish regarding Banks continuing litigation, even where it is not required. Hon'ble Supreme Court, in Civil Appeal No.5525/2012 of Bank of Baroda Vs G Palani & Ors and connected matters, has agreed with the views of Justice Vikramajit Sen.

Further, we also extract following lines from the Judgment of Hon'ble High Court of Karnataka, which are germane to the issue on hand:

Hinchigeri J. also allowed petitions against the Vijaya Bank, Canara Bank, Syndicate Bank, Union Bank of India, Indian Bank, Indian Overseas Bank, State Bank of Mysore, UCO Bank, **State Bank of India** and Bank of Baroda by Judgment dated 21.04.2011.

Hon'ble Supreme Court has not only dismissed the appeals filed by the Banks, but also affirmed the Judgments of Karnataka High Court. It is not only, State Bank of Mysore, but also State Bank of India is a party to the disputes on hand. Therefore, every word of the Judgment applies to and binding on State Bank of India. Consequently, State Bank of India is bound to extend the benefits flowing out of this judgment to all similarly placed pensioners of the Bank. Incidentally, this Judgment has not restricted its sweep to Petitioners only.

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Incidentally, even before this Judgment of Hon'ble Supreme Court, all the Banks, listed above, have paid the benefit of addition of notional service upto five years, with exception of State Bank of India and State Bank of Mysore (and other eAssociate Banks).

The Judgments of Hon'ble Karnataka High Court have become a part and parcel of this decision of Judgment of Hon'ble Supreme Court in Civil Appeal No.5525/2012 of Bank of Baroda Vs G Palani & Ors and connected matters. Based on the circular issued by Indian Banks Association vide letter No.HR&IR/2018-19/G2/4786 dated 03.04.2018, on the 12<sup>th</sup>/13th June, 2018 one of the benefits ordered by the Court has been paid (though without Commutation, Dearness Relief as per Regulation 37 and incorrect method of calculation of interest). Later, arrears of Pension with interest at 9% (without Commutation, Dearness Relief as per Regulation 37 and incorrect method of calculation of interest) is paid to Respondents/Petitioners who belong to eState Bank of Mysore with regard to payment of pension in terms of Regulation 29 of Bank Employees' Pension Regulations, 1995. It is paid without interest to those who are not Therefore, our Bank has accepted and admitted that the decision of the Hon'ble Supreme Court in Civil Appeal No.5525/2012 of Bank of Baroda Vs G Palani & Ors and connected matters, covers this issue of payment of pension under Regulation payment of all benefits flowing out of the decision of Hon'ble Supreme Court in Civil Appeal No.5525/2012 of Bank of Baroda Vs G Palani & Ors should be made to all similarly placed retirees of the Bank, irrespective of the Bank they belong to, before merger. Therefore, issues agitated before Hon'ble High Court of Karnataka cannot be treated differently/implemented by segregating these issues.

Two other Judgments of Hon'ble Supreme Court (out of which one was quoted before Hon'ble Justice Hinchageri in Writ Petition 15295/2002) have also decided that those who have retired under Voluntary Retirement Scheme 2000/2001 are entitled to payment of pension in terms of Regulation 29, if they have served over a period of twenty years or more. Both these Judgments are also based on the Judgment of Hon'ble Supreme Court in Bank of India & Ors Vs Mohandas K & Ors. These judgments are State Bank of Patiala Vs Pritam Sing Bedi & Ors (Civil Appeal 172/2010 dated 07.07.2014) and Vijaya Bank Vs Neela Arun Mohile & Ors (Civil Appeal 5195/2010 dated 13.2.2014). It is unfortunate that on advice from the Corporate Centre, State Bank of Mysore continued its litigation, forcing senior citizens and former employees of eAssociate Bank to continue their legal struggle, despite these Judgments.

By virtue of Article 141 of the Constitution of India every decision of Hon'ble Supreme Court binds all Courts in the country. Hon'ble Supreme Court in Maj. Genl. A.S. Gauraya & Anr vs S.N. Thakur and anr (1986 AIR 1440, 1986 SCR (2) 771) quoting another Judgment of the Court in Shenoy and Co. v. Commercial Tax Officer, [1985] (2) S.C.C. 512 has stated that:

The sweep of Article 141 of the Constitution, so far as the Judgments of this Court are concerned, came up for consideration before this Court recently in Shenoy and Co. v. Commercial Tax Officer, [1985] (2) S.C.C. 512 to which one of us was a party. It is not necessary to refer to the facts of that case, in detail. Suffice it to say that the contention that the law laid down by this Court in an appeal filed by the State would not bind the other parties against whom the State of Karnataka did not file appeals from a common Judgment, was repelled by this Court in the following words'

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Above Judgment is one of many Judgments rendered by Hon'ble Supreme Court deciding that the decision of Hon'ble Supreme Court is binding on all Courts and therefore binding on all. There are four cases of Hon'ble Supreme Court which have decided that these retirees are entitled to payment of pension as per Regulation 29 to these retirees. Therefore, High Courts (before which many cases involving similarly placed eAssociate Bank retirees are pending) would follow the Judgments of Hon'ble Supreme Court in all cases where identical issues are being agitated. Consequently, these benefits cannot be denied to those who have not yet received these benefits.

Respected Sir, we are confident that you would agree that these elders need to be respected and honoured. Benefits ordered by the Courts have to be paid to the Senior or very Senior Citizens, who have sincerely toiled for the Banks for decades, atleast in their life time. Even after four decisions of the highest court in the country, which have ordered payment of pension to these retirees in terms of Regulation 29, denial of payment of benefits on frivolous and technical reasons, will show our Bank in a bad light. The delay and demur of payment of benefits which have to be paid, eventually, would leave an impression that our Bank does not honour verdicts of Apex Court and make these pensioners who are in their last quartile of their life, to struggle. But, we are confident that you would not allow such a situation and order payment of these benefits, immediately.

We again crave for your sympathy, empathy and consideration for these retirees. We highly appreciate a line in reply, in this regard. Please pay and oblige.

We have also appended/attached copies of the Judgments listed above.

Thanking you,

With regards,

CN Prasad)

Convenor

(V Sombabu)

Convenor