



Dated: 08/07/2016

Hon'ble Finance Minister,  
Govt. Of India,  
NEW DELHI

Sir,

**Sub: Merger of Associate Banks with State Bank of India-Retirees' issues.**

We represent the retired officers of Associate Banks. In the background of the Govt's decision to merge all Associate Banks with S.B.I, we wish to place before you the problems faced by the retirees of two erstwhile A.Bs merged in 2008 and 2010, viz, State Bank of Saurashtra(SBS) and State Bank of Indore(SBInd).

While the Govt's order dated 13<sup>th</sup> Aug, 2008 merging State Bank of Saurashtra, specifically spelt out that all existing benefits will continue, post merger, the SBI chose to ignore the govt's assurance and withdrew the special medical scheme against PF funds by transferring the corpus to general scheme of SBI. The erstwhile retirees of SBS had to run from pillar to post to restore the facility and ultimately went to Ahmedabad High Court for relief. This issue is still pending a final disposal. Similarly, the 'shradhanjali' Scheme reimbursing the funeral expenses to retirees and their spouses was also scrapped without even a prior notice. In the case of State Bank of Indore, pension payment was delayed for want of I.D numbers. The reinstatement of commutation moneys after 15 years of retired life was another issue. The Pension, Provident Fund & Gratuity Department was merged with that of SBI, whereby there used to be no 'nodal' arrangement for the merged banks' and for all issues the circle (Local) Head Office feigned ignorance. Again, the corporate office at MUMBAI was inaccessible to the retiree staff. These are a few examples of apathy displayed by the SBI. The SBI has refused to honour even legal decisions like 'notional addition of 5 years' service for fixing pension to 'VRS optees' which was decided in the 'Mohandas case' and implemented by all PSBs. The muscle power of SBI encouraged them to ignore the Govt's direction included in the order merging the A.Bs.

#### **Historica perspective.**

Each of the A.Bs during their long existence have extended many benefits like, celebrating 'Founder's Day, pensioners day, etc to ex- employees who contributed to the growth of these banks. At least the old retirees who are emotionally attached to the institution, deserve to enjoy them as long as they live. Taking into account the long service put in by them, and considering the short life span left for them, we request you to include the following conditions in the Govt order for merger/takeover so that they are not deprived of reasonable benefits they

would otherwise have enjoyed. In addition all future benefits may also be extended to the old retirees.

1. Continuance of all welfare schemes.
2. Continuance of all medical benefits in addition to extending new benefits that may be available in SBI.
3. Updated pension as per the Service Regulations.
4. Compliance of all court judgments
5. Setting up of nodal machinery to handle erstwhile AB retirees, locally, viz, wherever the Head Offices/ zonal offices of ABs existed, so that, the retirees in their old age need not run from pillar to post.
6. The representatives of retirees of erstwhile banks be nominated to local functional committees looking after P.F/ Welfare/ medical facilities.
7. Computer access be extended to retirees as is existing in SBI
8. Honouring of the senior pensioners who have completed 75 years of age.

Thanking You,

Yours Faithfully,

K.M.SASTRY (Gen Secretary)

Copy to: The Secretary, Dept. Of Financial Services, Govt of India-New Delhi- for needful.

- Chairman, State Bank of India, Central Office Bombay
- CEO- IBA-Bombay
- The General Secretary ABROA, Trivandrum- for information.
- The Chairman, ABROA-Bangalore.
- General Secretary ABOA
- Managing Director State Bank of Hyderabad.