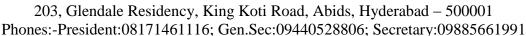


## SYNDICATE BANK PENSIONERS & RETIREES ASSOCIATION(REGD.)

(Affiliated to AIBPARC a wing of AIBOC)







Date: 8.3.2015.

Circular No.6/2015

(PLEASE CIRCULATE TO ALL MEMBERS/ RETIREES)

Dear comrades,

## 100% DA NEUTRALISATION CASE KOLKATTA HIGH COURT JUDGEMENT NAILS DISCRIMINATION A GREAT VICTORY FOR PRE-2002 PENSIONERS

Delivering a land mark judgement in a writ petition filed by UBI Retirees Welfare Association and others the Honourable Kolkatta High Court has questioned the rationale behind creation of two classes of pensioners i.e. pre-1.11.2002 retirees and others retiring thereafter. The Court has found the bank guilty of arbitrary and discriminatory action and directed the Board of United Bank of India to set right anomaly/ discrimination by taking a reasoned stand in the matter of 100% DA neutralisation denied to pre - 2002 retirees. This judgement is a clear spat on the mindset of IBA and Bank managements. This shall be an eye opener to the bank managements, IBA and Govt. The court has stopped just short of quashing the regulations and left the matter to the bank to set right the position. We hope the injustice perpetrated on the hapless pensioners of pre-2002 will be undone without further dragging the matter. Similarly in the case of all other issues like Updation of pension IBA and Govt should see the writing on the wall and act proactively without waiting for courts to decide the matter immediately. Some of the Observations/Extracts of Kolkatta High Court order are furnished hereunder for the information of the retirees.

With warm greetings.

Yours comradely,

C Gangadhar Yadav

GENERAL SECRETARY

SBPRA - ZINDABAD AIBPARC – ZINDABAD Extracts of the orders of Hon'ble High Court of Kolkatta in "WP NO. 507 of 2012

United Bank of India Retirees' Welfare Association and Others Vs.
United Bank of India and Others -

--Judgement On: - 04th March, 2015

"......The interesting question which is raised in the writ application is this: The respondent-bank has applied the full dearness relief policy of the Reserve Bank of India but had restricted their application to those employees who had retired on and after November 2002. The basis of classification of employees for payment of dearness relief is most arbitrary, it is alleged. There is no rational justification for this classification. One, who retires on 31<sub>st</sub> October, 2002 gets nothing, one who retires a day or two later gets everything.......

There is nothing in the 1995 regulations which will lead the Court to the belief that the respondent-bank had abandoned its policy as spelt out in the 1993 Memorandum to follow the rates of dearness relief granted by the Reserve Bank of India......

By its circular dated 20th February, 2006 the Reserve Bank of India granted 100% neutralization in dearness relief to post 1st November, 2002 retirees'. By a circular of 1st April, 2008 the Reserve Bank of India decided to grant this benefit to pre November, 2002 retirees' with effect from 1st March, 2008. It issued another circular of 1st January, 2010 reiterating that 100% neutralization in dearness relief had been extended to pre November- 2002 retirees' with effect from February, 2005. The United Bank of India continued to pay partial compensation. The respondent-bank is paying full compensation against price rise only to retirees' after 1st November, 2002.......

In my opinion, the classification made in this case just as in the case of **DS Nakara**, is arbitrary and highly irrational. There is no intelligible difference between the pre 1<sub>st</sub> November, 2002 and post 1<sub>st</sub> November, 2002 retirees'. The artificial classification is discriminatory of one class of retired employees......

It is only enough that this Court knows that from 1<sub>st</sub> February, 2005, the respondent-bank started making dearness relief payment to those employees who had retired after 1<sub>st</sub> November, 2002, ignoring those who retired prior to that date......

Payment of dearness relief is a policy decision. This Court cannot rewrite by an order the policy of the respondent-bank. But this Court in entitled to make observations on an existing Policy or rule. This Court does observe that the policy and service conditions of the respondent bank for payment of dearness relief to its post November, 2002 retirees is arbitrary and discriminatory of the pre November, 2002 class of retirees. This Court makes a declaration to this effect............

I direct the Board of the respondent bank in consultation with the Central government and the Reserve Bank of India to take a reasoned decision, in the light of the above observations and findings regarding payment of 100% dearness relief to the pre November-2002 retirees' of the respondent bank by 30th June, 2015...... (Hon'ble I.P. MUKERJI, J.)"