



FEDERATION OF SBI PENSIONERS' ASSOCIATIONS

Regn. No. S/17025 of 1986 Under Societies Registration Act 1860 (Delhi)

ADMINISTRATIVE OFFICE, BENGALURU

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N. RADHAKRISHNAN
President
(M) 9848525214

(All letters to be addressed to the General Secretary)

G.D. NADAF
General Secretary
(M) 9448124777

Circular No.14/2025

26th November 2025

To,

All Affiliates,

Dear friends,

Updation of pension.

We have to-day addressed a letter to the Secretary, Department of Financial Services, explaining the pathetic conditions of Senior most pensioners to meet both ends with meager pension frozen from the date of retirement, and seeking his intervention to settle the issues outside the court as more number of pensioners are leaving for heavenly abode.

2. We note to share further developments if any, in the matter in future.

With warm regards.

G.D. NADAF
General Secretary



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Ref No.FSBIPA/29/2025

Date: 26-11-2025

Shri M. Nagaraju, IAS,
Secretary,
Department of Financial Services,
Ministry of Finance,
Government of India,
Jeevan Deep Building,
Parliament Street, New Delhi 110001

Respected Sir,

UPDATION OF PENSION RELATING EMPLOYEES OF STATE BANK OF INDIA

We are highly thankful to your goodself for your patient hearing and kind responses when we presented to you, Sir, the Memorandum for resolution of long pending issue of updation of pension of Bank Pensioners through our forum – Coordination of Bank Pensioners' and Retirees Organisations on the 20th November 2025.

2. As far as State Bank of India pensioners are concerned, we, the Federation of SBI Pensioners' Associations, representing all the SBI Pensioners and Family Pensioners, humbly submit the following points for your kind perusal and favourable consideration.

a) **The Pension Scheme in State Bank of India:** The Pension Scheme is in operation of the Bank since 1806 of Presidency Banks i.e., Bank of Bengal, Bank of Madras and Bank of Bombay. Any rule to be framed or any regulations to be introduced in connection with pension scheme require the consent of Reserve Bank of India and previous sanction of the Central Government.

The State Bank's pension scheme was more generous earlier, as there was no limit of maximum 50% of the average pay at the time of introduction of the scheme. Thereafter, through amendment, the pension was fixed with a maximum 50% of the average pay and this ceiling was the maximum salary of Dy. Managing Director of the Bank, so as to ensure 50% of the average pay as pension for all employees irrespective of their cadre.

Further, due to inconsistencies in the fixation of ceiling on pension, the employees have lost their pension benefits to a greater extent since the year 1997. However, the pensioners could get some solace of uniform pension at 50% of last 12 months' average pay, prospectively effective from the 10th November 2023, with the intervention of judiciary on a case filed by our organisation. The Federation is still knocking the doors of justice for payment of legitimately eligible arrears amount that is due retrospectively from the date of occurrence of irrational fixation of ceiling on pension at 40 & 50 percent with effect from 01-03-1999. This anomaly has created two sets of pensioners within the Bank. It is necessary to rectify this anomaly from the date when it has crept in i.e. from 01-03-1999.

We, therefore request your goodself to render justice by rectifying this anomaly from 01-03-1999. This matter which is pending before the Hon'ble High court of Delhi will become infructuous once at bank level this disparity is rectified outside the court.

- b) **The role of State Bank of India as well as its employees:** The State Bank of India was established not only to act as the agent of the Reserve Bank of India but also a catalyst to the social objectives of the Government to provide cheaper finance to small scale industries, co-operative institutions and to extend banking facilities to every citizen of the country. The bank does not come under Public Sector Bank, but, a Quasi-Government Institution, which implements major social objective schemes of the Government.

The pivotal role played by employees in the implementation of demonetisation scheme risking their lives during the pandemic Covid-19 period, record opening of Jan Dhan Yojana accounts and in implementation of various government sponsored social objective schemes speaks volumes of their contributions towards the growth of the Bank and prosperity of the Country.

The Bank in its 70th Year of establishment, has earned a record profit of more than Rs.70,000 Crs., and the achievement is mainly on account of continuous efforts of every employee, the present and the past, for the last 70 years.

- c) **Plight of the retired employees:** As referred in the earlier paragraphs, the restoration of 50% of last 12 months' average Pay as uniform pension to the retired employees, particularly the past retirees, is still insufficient for their livelihood due to spiralling cost of inflation. Presently, there is no scope for increase in pension except the variance in dearness relief.

The pension of the retirees is fixed basing on the last drawn salary prior to his/her retirement and the employees, Officers as well as Award Staff, who had retired in earlier wage revision periods like prior to 1986, 1992-1997, 1997-2002, 2002-2007, 2007-2012, etc. are getting very low amount of pension when compared to the similarly placed employees of the last wage revision period effective from 1st November 2022. For lower cadre retirees, the position is still worse as their pension is much less and are finding it difficult to make both the ends meet.

When the issue of similar grievance was raised by the Government employees, the Government had accepted long back for updation of pension in relation to every revision as per Pay Commission recommendations to resolve the issue of parity in pensions.

It will not be out of context to mention here that even though the pension scheme in State Bank of India is more than 200 years old, historic and customary, the regulations for updation of pension have not been brought into force despite the introduction of pension updation to Government employees, who are covered under Pension Rules, 1972 and subsequent extension of similar benefit to employees of Reserve Bank of India and NABARD.

It will not be out of context to mention here that the Government pensioners apart from updation were provided with additional pension at various percentages of Basic Pension, after attaining the age of 80 years, duly considering the cost of inflation and increase in expenditure in the healthcare area.

The same principle needs to be applied to SBI pensioners too, by duly considering the increased healthcare expenditure, spiralling cost of inflation, their contributions to the Society akin to the contributions of Government employees and also their invaluable contributions to the Bank, in performing its role as a catalyst for implementation of social service objectives of successive governments, for more than 3½ to 4 decades during their service in the Bank.

- d) **Pension Updation – Viability:** The pension fund in State Bank of India is more than 200 years old and maintaining its viability by creating its own fund long back and making contributions on ongoing basis.

3. Points for consideration:

- a. To take care of the spiralling cost of inflation, managing their healthcare costs and to provide a reasonable standard of living to the employees after retirement.

- b. To recognise the contributions of retired employees in the growth and prosperity of the Bank, that enabled the Bank to achieve record profit in the entire banking industry.
 - c. To recognise the role of nation builders played by the retired employees, during their service, in the perfect implementation of social objective schemes of the Government.
4. Updation of pension is a long pending demand of Bank Pensioners and the issue that needs greater compassion, empathy and sympathy and we are sure that the issue would be resolved at the earliest with your kind intervention in the matter.
5. The factual position is that all the Bank Pensioners and more specifically the seniormost pensioners are not in a position to meet the rising cost of inflation as well as huge increase in cost of medical treatment/medicines, which are essential due to age factor.
6. Further, every past pensioner is at the fag end of his/her life and needs a prompt resolution of his/her grievance and also sympathetic and compassionate approach towards his/her issues by the Bank & Government. In this connection, **we sincerely submit that** considering the circumstances as stated above and also the pathetic condition of senior and super senior pensioners, the issue of pension updation needs to be resolved at the earliest.
7. We are hopeful that our request would be considered on merit and sympathetically.

Thanking you in anticipation, SIR

With best regards,

Yours sincerely,



(G.D. NADAF)
GENERAL SECRETARY