



FEDERATION OF SBI PENSIONERS' ASSOCIATIONS

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

ADMINISTRATIVE OFFICE, BENGALURU

65, SBI LHO Buildings, St. Mark's Road, Bangalore - 560001

Email: fsbipa@gmail.com

N. RADHAKRISHNAN

President

(M) 9848525214

(All letters to be addressed to the General Secretary)

G.D. NADAF

General Secretary

(M) 9448124777

Ref No.FSBIPA/20/2025

Date: 27 October 2025

The Dy. Managing Director (HR) &
Corporate Development Officer,
State Bank of India,
Corporate Centre,
Madame Cama Road,
MUMBAI 400021

Dear Sir,

SMALL COMMITTEE MEETING HELD ON 14.10.2025

Extension of the eligible benefit of notional stagnation increment to all employees retired between 01.05.2015 and 31.03.2016 and whose period of 12 months' / 10 months' average substantive salary for SBI/ e-ABs employees respectively falls during the period between 01.11.2012 and 30.04.2015

In terms of the provisions relating Stagnation Increment under the Tenth Bipartite Settlement and Joint Note dated 25.05.2015, the periodicity of 6th Stagnation Increment was reduced to 2 years from 3 years in case of Clerical Staff and an additional stagnation increment was considered for award staff and certain scales of officers to be notionally released from 01.11.2012 with monetary benefit effective from 01.05.2015.

2. On receipt of various references, it was further clarified by the IBA/Bank that the benefit of notional stagnation increment for the purpose of pension only can be extended to the workmen and officers who were otherwise eligible and retired during the period from 01.11.2012 to 30.04.2015, with monetary benefit from 01.05.2015.

3. It is known that the basic pension is computed based on last 12 months' average salary drawn by the employee in respect of SBI employees, who are covered under SBI Employees Pension Fund Rules/Regulations and on last 10 months' average salary drawn by the employee in respect of e-ABs employees, who are covered under Bank Employees Pension Fund Regulations, 1995.

4. In respect of employees who have retired during the period from 01.05.2015 to 31.03.2016, the period of average last drawn salary (i.e., 12 months/10 months in respect of SBI /e-ABs employees respectively) for calculation of pension falls between the period from 01.06.2014 to 30.04.2015 and the above clarification does not cover these employees (both Award Staff and Officers), who were otherwise eligible for the benefit of notional stagnation increment during the period.

5. If the notional benefit of stagnation increment is not given to the eligible employees who retired between 01.05.2015 and 31.03.2016 and whose 12 months' / 10 months' average substantive salary period falls between 01.06.2014 and 30.04.2015, it would ultimately result in disadvantageous position to the senior employees and **the monetary loss in pension would be for life-time.**

6. To quote, a Chief Associate retired on 31st May 2015 and who reached his 8th Stagnation Increment notionally in January 2014, i.e., two years after reaching 7th Stagnation Increment (i.e., 01.01.2012) is not given the benefit of notional benefit of 8th Stagnation Increment from June 2014 to April 2015, even though the employee is legitimately eligible for the notional benefit from the notional date of his reaching 8th Stagnation Increment, which is anomalous.

7. We have been representing this matter since long and we are pained to note the negative response of IBA that was communicated to all circles by Corporate Centre in the month of February 2025 which states that ***"As per extant instructions of the said Bipartite and further clarification issued in the matter, there is no mention about the treatment of stagnation increment notionally for the months falling short in last 10 / 12 months' salary, to arrive at the average salary, related to employees retired on or after 31.05.2015"***

8. In this connection, we submit the following points substantiating our legitimate claim:

- a. The response of IBA, that too after a lapse of nearly 10 years, is vague and the reason that there is no mention in the agreement or subsequent clarifications does not deny the legitimate eligibility.
- b. The period of 10th Bipartite Settlement / 7th Joint Note dated 25.05.2015 is from 01.11.2012 to 31.10.2017.
- c. In respect of all pensioners, the computation of basic pension on the basis of last ten/twelve months' average salary needs to be considered and cannot be ignored inasmuch as it would result in payment of lower pension to senior employees, when compared to their juniors in the Bank, which is not only anomalous but also would result in life-time loss to the pensioners.
- d. Under the captioned 10th BPS / 7th Joint Note period,
 - (i) The eligibility of notional stagnation increment is made available to employees who retired between 01.11.2012 and 30.04.2015, for the purpose of pension benefits alone.
 - (ii) The question of notional eligibility of stagnation increment does not arise in case of employees who retired after 01.04.2016 and upto 31.10.2017.
 - (iii) Whereas, we are not in a position to understand the rationale behind the denial of legitimate notional eligibility of stagnation increment, for the purpose of pension alone, to only a section of employees, who retired between 01.05.2015 and 31.03.2016, under the same Bipartite / Joint Note period
 - (iv) The above anomalous position of unequal treatment of such employees, if not corrected, would also result in creation of two sets of pensioners, who retired under the same Bipartite / Joint Note period.

9. In the captioned Small Committee Meeting, we were informed that the Bank cannot go beyond the clarification issued by Indian Banks' Association and we are left with no option except to seek your kind intervention in the matter for providing justice to the pensioners concerned.

10. Considering the foregoing, we request that the issue is once again taken up with the Indian Banks' Association, for review and reconsideration so as to provide the legitimate eligible benefit of notional stagnation increment to the affected pensioners, without any further delay as the affected pensioners also have already crossed 70 years of age and anxiously waiting for justice.

11. Please acknowledge receipt of this communication and advise us the developments in this regard.

With best regards

Yours faithfully,

A handwritten signature in black ink, appearing to be 'G.D. NADAF', written in a cursive style.

(G.D. NADAF)
GENERAL SECRETARY