



FEDERATION OF SBI PENSIONERS' ASSOCIATIONS

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

ADMINISTRATIVE OFFICE, BENGALURU

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Ref No.FSBIPA/27/2025

Date: 03-11-2025

The Chairman,
State Bank of India,
Corporate Centre,
Madame Cama Road,
MUMBAI 400 021

Respected Sir,

UPDATION OF PENSION AND GRANT OF ADDITIONAL PENSION

The Pension Scheme in State Bank of India: The Pension Scheme is in operation of the Bank since days 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 fixed at 50% of 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 – "Federation of SBI Pensioners' Associations". The Federation is still knocking the doors of justice for payment of legitimately eligible arrears amount that is due retrospectively effective from the date of occurrence of irrational fixation of ceiling on pension.

2. 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.

3. 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 employees, 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 for updation of pension in relation to every revision as per Pay Commission recommendations to resolve the issue of parity in pensions.

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 growth and prosperity of the Bank for more than 3½ to 4 decades during their service in the Bank.



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.

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.

4. 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 and this kind of fund is available only in State Bank of India. In fact, during 2012, the fund is further strengthened by transferring necessary amount from Reserve Fund to Pension Fund.

5. 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 in the perfect implementation of social objective schemes of the Government.

6. Hence, considering the above view points and the plight of past pensioners with empathy, sympathy and compassion, we humbly request you to initiate necessary steps for updation of pension by forwarding your proposal to the appropriate Government authority along with your favourable recommendations.

7. Updation of pension is a long pending demand of Bank Pensioners and there lies a bigger hurdle on its implementation in the near future. State Bank of India even though has the affordability for updation of pension, due to the technical problems, the updation of pension of SBI pensioners is getting inordinately delayed.


8. The factual position is that all the 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. In the circumstances, we are of the view that Bank, which is pioneer in taking care of the welfare of employees as well as retired employees, can decide on other ways to assist the senior pensioners/family pensioners.

9. In this connection, we invite a reference to the Government's decision for grant of additional pension to senior pensioners and family pensioners to overcome the above situation, **in addition to updation of pension**. The gesture by the Central Government acknowledges not only the increased healthcare needs at such an advanced stage in life but also serves as a token of appreciation for decades-long service rendered by these individuals. Such additional pension commensurate with the age of pensioners & Family Pensioners.

10. The salient features of the Government scheme are furnished hereunder for your instant perusal and reference:

- a. Retired Central Government Civil Employees covered under Central Civil Services (Pension) Rules, 2021 are paid additional pension starting from the age of 80 years. Copies of notifications F.No.38/37/08-P&PW(A) dated 01.09.2008 and F.No.38/10(04)/2024-P&PW(A) (e 10124) dated 18.10.2024 are enclosed, for instant reference and your kind perusal.
- b. Considering the difficulties/cumbersome process involved in the amendment to SBI Employees' Pension Fund Regulations, we suggest that "SBI Jeevan Suraksha Relief" on the lines of Additional Pension that is being provided to Government servants may be provided to our Bank Pensioners. In this regard, our proposal is as under"

Age of Pensioner/ Family Pensioner	SBI Jeevan Suraksha Relief
From 80 years to less than 85 years	20% of Basic Pension with applicable D.R. thereon
From 85 years to less than 90 years	30% of Basic Pension with applicable D.R. thereon
From 90 years to less than 95 years	40% of Basic Pension with applicable D.R. thereon
From 95 years to less than 100 years	50% of Basic Pension with applicable D.R. thereon
100 years or more	100% of Basic Pension with applicable D.R. thereon



- c. On a random analysis, the approximate percentage of pensioners in respective age groups is as under (only data of one administrative circle of the bank has been taken into consideration):

80 to 85 – 12.8%; 85 to 90 – 1.8%; 90 to 95 – 0.3%; 95 to 100 – 0.1%.

- d. It will not be out of context to mention here that recently, the parliamentary permanent standing committee has recommended that;

(i) a hike in pension commensurate with the age of Central Government Pensioners should be implemented from 65 years instead of the existing 80 years

(ii) That is, for grant of additional pension of 5% on attaining 65 years of age, 10% from 70 years of age and 15% on attaining 75 years of age, in line with 20% of additional pension already granted on attaining the age of 80 years.

(iii) It was reported in media that the Government seems to be in agreement with the above recommendations for Additional Pension from the age of 65, 70 & 75 years. It may be considered in 8th Pay Commission report.

- e) Central Government pensioners get the additional pension on the updated pension. If SBI Pensioners & Family Pensioners are provided, at least, with this relief under “SBI Jeevan Suraksha”, it would assist the senior pensioners and family pensioners in managing their healthcare needs and providing greater relief to their mental/financial trauma at the fog end of their lives.

11. With your goodself at the helm of the affairs of the Bank, we eagerly hope our just submission would be given priority by you and relief under “SBI Jeevan Suraksha” will be implemented soon.

Thanking you in anticipation,
With best regards,

Yours sincerely,



(G.D. NADAF)
GENERAL SECRETARY