



ALL INDIA BANK OFFICERS' ASSOCIATION

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To:

ALL STATE COMMITTEES / AFFILIATED UNITS

Comrades,

UP-DATION OF PENSION:

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In the background of the introduction of Pension in lieu of Contributory Provident Fund in RBI in 1990, the need and the necessity were felt by the workforce in our industry also for securing the same as one of the service conditions.

2. Accordingly, on **29th October 1993**, a settlement was entered into between unions/Associations with IBA to benefit the past retirees also. The effective date of the said settlement was from **1.01.1986**.

2(a). The settlement signed under ID Act 1947 clearly laid down the clause for up-dation and other issues connected with the Pension regulations, which is as under:

“Provision will be made by a scheme to be negotiated and settled between the parties to this Settlement by 31st December 1993 for applicability, qualifying service, commutation of pension, family pension, updating and other general condition etc., on the lines as are in force in Reserve Bank of India”

3. The Pension regulations were notified in the Gazette by the Government of India on 29th September 1995, in which the Regulation 35 (1) reads as under:

“In respect of employees who retired between 1st day of January 1986 but before the 31st day of October 1987, basic pension and additional pension will be updated as per formula in Appendix I”

Amendment carried out after 2002 in the above regulation is as under:

“Basic Pension and additional pension where ever applicable shall be updated as per the formulae given in Appendix -I”

4. The formula was provided as an Appendix in the Bank Employees' Pension Regulations 1995.

5. The above provisions related to Regulation 35 (1) was amended, thus removing the period specified in the earlier one. **(1.1.1986 TO 31.10.1987)**

6. In the meanwhile, four retirees from Reserve Bank of India had preferred legal intervention in the Hon'ble High Court Bombay and there was a direction by the Court to give a point wise reply

in the WP 710/2009 filed by Mr. Arvind Ganesh Karnik and others and file the same in the Hon'ble High court of Bombay. As per the operative portion in the said reply filed by DFS,GOI, MOF, **Rs 1034 Cr was required for updating the Pension in Public Sector Banks excluding SBI.**

7. In spite of the clear expression made in the reply by DFS,GOI, Still, GOI vide their letter dated 5.03.2019,advised RBI to revise the pension with effect from 1.01.1986 and subsequently RBI updated the Pension up-to the current wage revision.

8. In the conciliation held on 27th and 28th January 2023 as well as in the discussion held on Jan/Feb 2023 with IBA, unions/associations demanded the input details for the purpose of up-dation with IBA to know the impact analysis on the Balance sheet of the Banks.

9. There was an earlier exercise of actuarial valuation conducted by Shri. Sharma of Hyderabad and Shri. Basu from Kolkata, in which all the 9 constituents were also engaged. Finally, it was agreed between both parties that there was a short fall of Rs 6000 crores in the Pension Fund. Subsequent to the said exercise, it was agreed mutually that Rs 4200 crores would be allocated to the Pension Corpus by the banks and Rs 1,800 crores should be contributed by 2,65,000 serving employees and 65000 retirees.

10. To sum it up, in our considered opinion, **as on 1.04.2010, there was no shortfall in the pension corpus.**

11. Now, as per clause no 11 of Bank Employees Pension Regulations 1995, every year as at the close of 31st March, based on the actuarial calculations, provision to Pension Fund needs to be done by the individual banks.

12. As at the close of 31.03.2024, the pension corpus of **11 Public Sector Banks stood at Rs 244468 Crs and SBI Rs 167431Crs.**

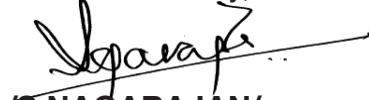
13. In an unstarred question **No1828 dated 13.02.2023**, Dr. Bhagwat Karad, Minister of State for finance stated that**"IBA further informed that the committee set up to look into the matter of Pension up-dation of PSBs has submitted its report to the Hon'ble Supreme Court and the matter is subjudice"**

14. The number pensioners and family pensioners in the industry is **780171** Including SBI Retirees.

15. We, as a trade union, need to protect the interest of the last employee who joined the Bank on 31.03.2010 under OPS, who will retire at 31.03.2045.

In securing the up-dation of pension, every effort should be made to envelope all organisations of Bank retirees on priority.

Yours comradely,



/S.NAGARAJAN/

GENERAL SECRETARY

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Mangaluru

10.02.2026



(Suresha Hegde S.)

GENERAL SECRETARY