



# ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



(A.I.B.P.A.R.C.)

C/O BANK OF INDIA OFFICERS' ASSOCIATION  
(EASTERN INDIA BRANCHES)  
BANK OF INDIA, KOLKATA MAIN BRANCH  
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MOB - 9868220338

### GENERAL SECRETARY

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Circular no. 16-22

Date: March 07,2022.

**For circulation among members of the Governing Council,  
State Secretaries, Special Invitees, Advisors, Affiliates and  
Members and Constituents of CBPRO.**

Dear Comrade,

**Sub:** Updation of Pension.

Members are aware of the fact that CBPRO/AIBPARC are in the midst of relentless activities to clinch the long-awaited demand of Updation of Pension.

As a part of such efforts, We have written today two letters to the Hon'ble Union Finance Minister and to the Chairman, Committee on Government Assurances, Rajya Sabha on the above subject.

Both the letters are being reproduced for information of members.

With best wishes and regards,

Comradely Yours,

Suprita Sarkar  
General Secretary.

- Encl: : 1. Letter to Hon'ble Finance Minsiter  
2. Forwarding Letter to the Chairman, Committee on Government Assurances, Rajya Sabha  
3. Letter to the Chairman, Committee on Government Assurances, Rajya Sabha



# ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(A.I.B.P.A.R.C.)



**AIBPARC/FM/Pension Updation/Email/2022 Date: March 07,2022.**

Ms Nirmala Sitharaman,  
Hon'ble Minister of Finance  
Government of India  
North Block  
New Delhi 110 091

Respected Madam,

**Sub: STARRED QUESTION NO.12 ON UPDATION OF PENSION IN BANKS IN TERMS OF PENSION REGULATION NO. 35(1)**

We express our sincere gratitude to your Goodself for having expressed your concern to the Indian Banks' Association, more than once, towards the pending issues of Bank Pensioners including Pension Updation. In this connection, we wish to submit the following facts for your kind and favourable consideration and request for resolving our long pending legitimate request at the earliest:

1. Pension Scheme was introduced in banks in 1995 retrospectively to cover those who had retired on or after 01.01.1986, as a second benefit, in lieu of Contributory Provident Fund.

Those who opted for the Pension had to surrender their portion of Contributory Provident Fund along with interest (Pension Regulation 7).

2. Apart from the contribution by the bank @10% of the Pay of the employees every month, the Bank is required to cause an investigation by an actuary and additional contribution, in the event of any shortfall shall be made by the Bank (Pension Regulation 11).
3. Pension Regulation 35(1), which provided for updation of the pension for those who retired between 1.1.1986 and 31.10.1987 was given effect to at the time of implementation of the scheme by granting updation to those who were eligible at that time. Regulation 35(1) was amended during the year 2002-03 to extend the benefit of updation to all eligible pensioners. The amended Regulation is quoted below:

**"Basic Pension and Additional Pension, wherever applicable, shall be updated as per the formulae given in Appendix I (Gazette Notification No.9 dated 1.3.2003).**

But the Provision of Regulation 35(1) has remained unimplemented ever since it was amended.

4. The Pension Scheme in Banks was framed on the lines of Central Civil Service (Commutation of Pension) Rules 1981 applicable to Central Government Employees. Pension Regulation 56 provided that in case of doubt in the matter of application of these regulations, regard may be had to the corresponding provisions of Central Civil Services Rules 1972 or Central Civil Services Pension Rules 1981.
5. Central Government Pensioners are extended the benefit of Updation of Pension simultaneously with their Periodical Pay Revision. Similar benefit has been extended to Reserve Bank of India Pensioners since 1.3.2019. The Central Government initially resisted updation of pension in RBI and filed an affidavit in the Court that extending the benefit of Updation in RBI would lead to similar demand from Public Sector Banks' Pensioners. Having extended the benefit of updation to RBI Pensioners, it is discriminatory to deny the same to PSB Pensioners. It is therefore, violative of Article 14 of the Constitution of India.



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6. Bank Pension Regulations 1995 are Subordinate Legislation and thus it is a statutory obligation on the part of the Banks to implement the Provisions including Regulation 35(1) as the Banks are the State in terms of Article 12 of the Constitution of India
7. **ROBUSTNESS OF BANKS PENSION FUND:** A study of Pension Funds of the Banks including State Bank of India would reveal the following:
  - a) The Total Pension Pay out towards Pension for the year 2018-19 for 412419 pensioners is Rs.15,958.54 crores.
  - b) Interest earned on Pension Fund is Rs.18,022.83 crores
  - c) Annual Contributions to Pension Funds by Banks is Rs. 11,666.24 crores
  - d) Total credits to Fund (b) + (c) is Rs.29,689.07 Crores
  - e) Cost of Pension Updation for 412149 pensioners comes to Rs. 3,288.13 crores
  - f) Pension Payout plus Updation Cost = (a) + (e) is 19,159.52 crores
  - g) Total credits to fund (-) Updated Pension Payout cost (d) - (f) = Rs.10,529.55 crores and it would be net accretion to the Fund even after extending benefit of updation from the year 2018-19.
  - h) Present position of the Pension Funds at about Rs. 3,40,000 crores is thus quite robust.

## 8. JUDICIAL PRONOUNCEMENTS:

- a) Pension is not a Bounty. It is Deferred Wages.
- b) Pay Revision and Pension Revision are inseparable

It is, therefore, clear that when wages are periodically revised, the deferred wages cannot remain unrevised.

We earnestly request your Goodself to arrange for implementation of our Pension Regulation 35(1) and help the Bank Pensioners get the benefit of Pension Updation on the lines of RBI Updation formulae w.e.f. 01.03.2019 and oblige.

With regards,

Yours faithfully,

K V ACHARYA  
President, AIBPARC  
& Joint Convener, CBPRO

SUPRITA SARKAR  
General Secretary  
AIBPARC



# ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION

(A.I.B.P.A.R.C.)



**AIBPARC/P.Com./Misc/Email/2022**

**Date: March 07,2022.**

Shri A. NavaneethaKrishnan  
Hon'ble Member of Parliament  
Rajya Sabha  
Chairman  
Committee on Government Assurances  
Parliament House  
New Delhi 110 001

**Hon'ble Sir,**

**Sub: Updation of Pension in Banks - Regulation 35(1)**

We invite a kind reference to our visit to your office in Chennai on 26.02.2022 in connection with our request for helping us in getting our long pending matter of updation of pension resolved. We express our sincere gratitude for your agreeing to meet the following senior functionaries of All India Bank Pensioners and Retirees' Confederation (AIBPARC):

1. K V Acharya, President
2. M R Gopinatha Rao, Sr Vice President
3. K Ananda Kumar, Vice President
4. Dr J D Sharma, Vice President
5. K Chandrasekhar an, State President T N
6. Mrs. Sumathi Iyer, Deputy General Secretary, CBROA

We have written a separate letter to your Goodself detailing the merits and legitimacy of our request. The original letter signed by K V Acharya, President and Suprita Sarkar, General Secretary is enclosed for your kind consideration and rendering necessary help to Bank Pensioners.

We shall ever remain grateful to your Goodself.

With regards,

Yours faithfully,

K V ACHARYA  
President, AIBPARC  
& Joint Convener, CBPRO

SUPRITA SARKAR  
General Secretary  
AIBPARC



# ALL INDIA BANK PENSIONERS' & RETIREES' CONFEDERATION



(A.I.B.P.A.R.C.)

**AIBPARC/P.Com/Pension Updation/Email/2022**

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Shri A. NavaneethaKrishnan  
Hon'ble Member of Parliament  
Rajya Sabha  
Chairman  
Committee on Government Assurances  
Parliament House  
New Delhi 110 001

Respected Sir,

**Sub: STARRED QUESTION NO.12 ON UPDATION OF PENSION IN BANKS IN TERMS OF PENSION REGULATION NO. 35(1)**

We express our sincere gratitude to your good self for affording us an opportunity to meet you and explain our Pension Updation issue on 26.02.2022 at Chennai. In this connection, we wish to submit the following facts for your kind consideration and help us get our long pending legitimate request settled at the earliest:

8. Pension Scheme was introduced in banks in 1995 retrospectively to cover those who had retired on or after 01.01.1986, as a second benefit, in lieu of Contributory Provident Fund.

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9. Apart from the contribution by the bank @10% of the Pay of the employees every month, the Bank is required to cause an investigation by an actuary and additional contribution, in the event of any shortfall shall be made by the Bank (Pension Regulation 11).

10. Pension Regulation 35(1), which provided for updation of the pension for those who retired between 1.1.1986 and 31.10.1987 was given effect to at the time of implementation of the scheme by granting updation to those who were eligible at that time. Regulation 35(1) was amended during the year 2002-03 to extend the benefit of updation to all eligible pensioners. The amended Regulation is quoted below:

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Pensioners since 1.3.2019. The Central Government initially resisted updation of pension in RBI and filed an affidavit in the Court that extending the benefit of Updation in RBI would lead to similar demand from Public Sector Banks' Pensioners. Having extended the benefit of updation to RBI Pensioners, it is discriminatory to deny the same to PSB Pensioners. It is therefore, violative of Article 14 of the Constitution of India.



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13. Bank Pension Regulations 1995 are Subordinate Legislation and thus it is a statutory obligation on the part of the Banks to implement the Provisions including Regulation 35(1) as the Banks are the State in terms of Article 12 of the Constitution of India
14. **ROBUSTNESS OF BANKS PENSION FUND:** A study of Pension Funds of the Banks including State Bank of India would reveal the following:
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With regards,

Yours faithfully,

K V ACHARYA  
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