

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION No. 3609

ANSWERED ON TUESDAY, 24 MARCH, 2026 / 3 CHAITRA, 1948 (SAKA)

GRIEVANCES OF PENSIONERS OF PSBs

3609. SHRI S. SELVAGANABATHY:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government is aware that pension of Public Sector Bank retirees remain frozen at the wage level prevailing at the time of their retirement despite periodic wage revisions for serving employees;
- (b) whether the Indian Banks' Association (IBA) has filed a Counter Affidavit dated 24.08.2022 before the Hon'ble Supreme Court in SLP No.5561/2016 (M.C. Singla case) outlining the nature and funding structure of bank pension schemes; and
- (c) whether Government proposes to initiate discussions with IBA and representatives of retirees for pension updation in view of the improved profitability and capital adequacy of Public Sector Banks in recent years?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (c): Public Sector Banks (PSBs) comprises of the State Bank of India (SBI) and eleven Nationalised Banks. Pension in SBI is governed by State Bank of India Employees' Pension Fund Regulations, 2014, framed with the approval of their Central Board and in Nationalised banks, the same is governed by their Bank (Employees') Pension Regulations, 1995, framed with the approval of respective banks' board. Basically, pension comprises of basic pension and Dearness Relief (DR). While, the basic pension of PSB retirees remains fixed, the DR is increased from time to time i.e. on half yearly basis. Further, as per the agreed terms of 12th Bi-partite Settlement / 9th Joint Note, monthly Ex-gratia is also being paid by PSBs in addition to the pension / family pension to the eligible pensioners / family pensioners.

As per IBA, it has filed a Counter Affidavit dated 24.08.2022 before the Hon'ble Supreme Court in SLP No.5561/2016 (M.C. Singla case).

The Pension Regulations of PSBs do not have provision for updation of pension. Also, no proposal to update the pension of retirees of PSBs beyond the existing provisions of the relevant Pension Regulations, is presently under consideration.
