

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 2472**

ANSWERED ON 18<sup>th</sup> DECEMBER, 2023 (MONDAY) / AGRAHAYANA 27, 1945  
(SAKA)

**Issues of Retirees in PSBs**

2472. DR. RAVIKUMAR D.:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken any step to resolve the pre Nov. 2002 retirees issue of Public Sector Banks (PSBs) by restoring payment of full neutralisation of D.A. and if so, the details thereof;
- (b) the present position of the Ministry over the issue of pension updation of the PSBs; and
- (c) whether the committee set up to look into the matter of pension updation of PSBs submitted its report and if so, the details thereof?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(DR. BHAGWAT KARAD)

(a): The Government vide letter dated 5.10.2023 has conveyed its 'No objection' to Indian Banks' Association (IBA) for advising Public Sector Banks (PSBs) to pay Dearness Relief (DR) at uniform rate (100% neutralization of tapered DR) to all pre 1.11.2002 retirees w.e.f. 1.10.2023.

(b) and (c): Pension, a funded scheme, was introduced in nationalised banks through Bipartite Settlement. The Boards of the respective nationalised banks accordingly made Employees' Pension Regulations in exercise of their powers under section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980. These regulations do not have provision for revision of pension. However, pensioners of banks are being granted DR on pension and the same is being increased from time to time i.e. on half yearly basis.

As per IBA, the committee set up to look into the matter of pension updation of PSBs has submitted its report to the Hon'ble Supreme Court and the matter is *sub-judice*.

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