



## ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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**6<sup>th</sup> Conference Slogan- Pension Updation is Right of Bank Retirees**

Ref. No. 2024/038

Date: 07.04.2024

The Office Bearers/ Central Committee Members/ State Committee Chiefs  
A.I.B.R.F

Dear Sir,

**Re: Pension Updation Formula in RBI Visa Vis Ex-gratia in Banks**  
**Re: Updation Demand in Banks**

After getting approval from the government on 12<sup>th</sup> wage settlement, most of public sector banks have since paid ex-gratia amount to eligible pensioners/ family pensioners with arrears for 17 months from 1.11.2022 to 31.03.2024. In 12<sup>th</sup> wage settlement, every retiree has received arrears benefit either in the form of ex-gratia or on account of salary revision in the case of those retired after 31.10.2022.

2. We are getting positive feedback on this development from large number of retirees expressing their satisfaction and happiness on receiving some additional monetary benefit in pension as interim measure towards ultimate goal of achieving regular pension updation in coming time. We find that many of our affiliates have given call on this occasion to contribute some amount out of arrears to the organization. We understand that response on this count from the members is quite encouraging.

**3. On this occasion, we would like to mention once again that AIBRF is committed to pursue demand of updation as per RBI formula in coming days with all seriousness and will launch several action programs on this demand after general election in the country is completed. In this regard, there should not be any confusion and doubt in the minds of any individuals. In certain quarter, feeling exists and being spread also that payment of ex-gratia is end of the tunnel and fight for updation will be surrendered. This is absolutely incorrect and misplaced. On the contrary having received some monetary benefit in the form of ex-gratia, it would give additional strength to our commitment to fight for updation.**

4. In this context, it would be pertinent to mention that tract record of AIBRF to pursue retiree demands/ issues and achieve them finally is encouraging and impressive. Whatever issues AIBRF has identified for retirees in the past, they have been achieved finally through organizational efforts. Some of the demand which were looking difficult to achieve in view of adverse turn of events in issue like 100 percent DA to pre-November, 2002 were finally achieved due to pursuance and continuous follow up done.

**5. Review of Ex-gratia Amount in April, 2024:** As per provisions in the settlement, first review of ex-gratia amount will be done in the current month, April, 2024. **We have already identified two issues which should be considered in April, 2024 review. One is grant of ex-gratia to pensioners from Private Sector banks. Second is amount of ex-gratia should be computed on pension payable for March, 2024.** We understand that IBA

has agreed to give benefit of 100 percent to Pre-November, 2002 retirees for calculating ex-gratia amount and accordingly, it is expected that difference amount will be paid to retirees of this group shortly. We are making efforts for favorable review of ex-gratia amount in April, 2024.

## **6. Pension Updation in RBI**

As you are aware, pension has been updated in Reserve Bank of India twice- **one in March, 2019 & second time in June 2023.**

(a) Pension was updated in March, 2019 in RBI as per DFS letter No. F. No. 11/5/2001-IR dated 5.03.2019 on the following terms and conditions:

- (i) Pre-2002 Retirees Basic Pension was revised by **3.63 times**
- (ii) Retired from 1.11.2002 to 31.10.2007- Basic Pension was revised by **2.44 times.**
- (iii) Retired from 1.11.2007 to 31.10.2012 – Basic pension was revised by **1.76 times**

DR was merged with basic pension at index 4440. Revised updated pension was effective from March, 2019

(b) Second Updation in RBI was granted in June, 2023 by the government as per Notification No. 11/1/2023 dated 21.06.2023 increasing basic pension by 1.63 times for all pensioners retired up to 31.10.2017. DR was merged up to index 6352.

The above two updation in RBI has given increase of about 35 to 40 per cent in pension while ex-gratia has provided average increase of 9 to 10 per cent. In other words, ex-gratia is about one fourth of updation benefit in RBI.

## **7. Action Plan of AIBRF to pursue demand of updation as per RBI formula**

- (a) To raise demand of updation at various levels
- (b) To organize joint meetings of apex level organizations to draw joint action programs.
- (c) To keep watch on outcome of updation case pending in Supreme Court
- (d) To coordinate with UFBU for early resolution of pension updation in banks.
- (e) To approach political leadership for pursuing the demand
- (f) Periodical action programs like Dharna Programs, Processions, Demonstrations etc.

## **8. Major Achievements of Bank Retirees need to be highlighted:**

There have been very creditable achievements for bank retirees in last 6/ 7 years through organizational efforts, follow up and persuasion which has benefited retirees by improvement in pension scheme as well as bringing more and more retirees under scope of pension scheme. They need to be explained to membership by holding periodical meetings by affiliates and state committees. We have already asked state committees to organize meetings at various centers and explain recent achievements and role played by AIBRF at the organizational level to achieve them.

## **RECENT ACHIEVEMENTS OF BANK RETIREES**

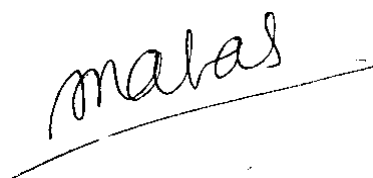
- (a) **Improvement in Family Pension in 2021 benefiting about 90000 family pensioners at the industry level**
- (b) **Grant of 100 per cent DA to Pre- November, 2002 retirees from October, 2023 benefiting 1.80 lakhs pensioners and family pensioners.**
- (c) **Increase in Ex-Gratia amount payable to Pre-1986 retirees and spouses to minimum Rs. 10000**

(d) Pension option to Resignees and family pensioners.

(e) Ex- Gratia as interim relief to pensioners and family pensioners from November, 2022

With Warm and fraternal Greetings,

Yours Sincerely,

A handwritten signature in cursive script, appearing to read 'S. C. Jain', is written over a horizontal line.

(S. C. JAIN)  
GENERAL SECRETARY

