



ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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6th Conference Slogan- Pension Updation is Right of Bank Retirees

Ref No. 2026/0001

Date: 01.01.2026

Shrimati Nirmala Sitharaman
The Hon'ble Finance Minister of India
Ministry of Finance
Government of India
New Delhi

Respected Madam,

Re: Memorandum seeking updation of pension for bank pensioners

We, the undersigned representatives of bank pensioners across India, respectfully submit this memorandum seeking your kind intervention for **pension updation for bank pensioners**, supported by comparative data, nationalised bank statistics, and settled judicial principles.

1. Bank pensioners – nationalised bank profile

Public Sector Banks, including **12 Nationalised Banks and State Bank of India**, employ and have retired lakhs of employees who are governed by uniform service and pension regulations.

- **Total bank pensioners (approx.):** 6–7 lakh
- **Nationalised banks (12 banks):** 4.5–5 lakh pensioners
- **SBI & erstwhile associate banks:** 1.5–2 lakh pensioners

A substantial proportion of these pensioners retired **prior to 2002 and 2007 wage revisions**, and their pensions remain linked to obsolete pay scales.

2. Comparative pension disparity – nationalised banks (illustrative)

Cadre / Scale (Nationalised Banks) Year of Retirement Basic Pension (Approx.)

Officer – MMG Scale II	1997–2000	₹8,000 – ₹10,000
Officer – MMG Scale II	2010–2012	₹18,000 – ₹21,000
Officer – MMG Scale II	2020–2022	₹30,000 – ₹35,000
Clerical Staff	Pre-2000	₹6,000 – ₹7,000
Clerical Staff	Post-2018	₹18,000 – ₹22,000
Subordinate Staff	Pre-2000	₹4,000 – ₹5,000
Subordinate Staff	Post-2018	₹15,000 – ₹18,000

Pensioners who retired from **the same cadre and length of service** are thus receiving pensions differing by **100–200%**, solely due to date of retirement.

3. Impact on senior citizens

- Majority of bank pensioners are **above 65–75 years of age**
- Healthcare costs have increased sharply, while **basic pension remains frozen**
- Dearness Relief only offsets inflation partially and does not address parity or dignity

4. Judicial observations on pension

The Hon'ble Supreme Court has consistently held that:

- Pension is a **deferred wage**, not a charity (*D.S. Nakara vs Union of India, 1983*)
- Pensioners form a **homogeneous class**, and discrimination based on retirement date is arbitrary
- Social and economic security in old age is an essential facet of justice

These principles have guided pension updation for Government pensioners through successive Pay Commissions.

5. Constitutional principles

Denial of pension updation to bank pensioners raises serious concerns under:

- **Article 14** – Equality before law
- **Article 21** – Right to life with dignity
- **Directive Principles of State Policy** – Social and economic justice for senior citizens

Public sector bank pensioners, having served Government-owned institutions, deserve equal constitutional protection.

6. Financial feasibility

Pension funds in nationalised banks are **actuarially assessed and funded**. Pension updation can be implemented:

- Through a **neutral-cost model**, without undue burden on banks or the exchequer


Prayer

In view of the above facts, data, and settled legal principles, we humbly request the Government to:

1. Approve **pension updation for all bank pensioners**
2. Initiate urgent policy action to end this long-standing anomaly affecting lakhs of senior citizens.

With Respectful Regards

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'mahas', written over a horizontal line.

(S. C. JAIN)
GENERAL SECRETARY

C.C. to 1. The Secretary, Department of Financial Services, Govt. of India

2. The Chairman, Indian Banks' Association, Mumbai