

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

Flat No 101, Block C Shivom Residency, M. G. Road Indore- 452001

E mail id [sharbatjain555@gmail.com](mailto:sharbatjain555@gmail.com) Mobile: 8966019488

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

Ref No. 2025/0127

Date: 31.01.2026

To

Smt. Nirmala Sitharaman  
Hon'ble Union Minister of Finance  
Government of India  
North Block  
New Delhi

Respected Madam

**Re: Long-pending demand for Pension Updation for Bank Pensioners on the lines of  
RBI –Representation by AIBRF**

We respectfully invite your kind attention to the recent announcement by the Government of India, as per PIB notification, granting **pension Updation to all RBI pensioners who retired up to 31.10.2022**. This is the **third pension Updation exercise** carried out by the Reserve Bank of India—earlier exercises having been implemented in **2019 and 2023**, and the present one in **2025**.

In every Updation exercise, **basic pension has been enhanced by 10% after merger of Dearness Relief at the agreed index**. In the current exercise, the **index base has also been shifted from 1960 to 2016**, aligning it with the methodology adopted in bipartite settlements for commercial bank employees and pensioners.

While welcoming this progressive and welfare-oriented decision for RBI pensioners, we are constrained to submit that **bank pensioners governed by the IBA Pension Scheme have been denied any pension Updation for nearly three decades**, resulting in acute financial hardship to old pensioners.

It is pertinent to submit that:

1. **The Banking Industry Pension Scheme was introduced in 1995 on the model of the RBI Pension Scheme**, both being defined benefit schemes.
2. **RBI is the regulator of the banking system**, and its service and pension structures have traditionally served as benchmarks for the banking industry.
3. In contrast to RBI, **no pension Updation has been extended to bank pensioners since the inception of the scheme**, despite multiple wage revisions for serving employees.
4. Old bank pensioners are surviving only on Dearness Relief, with **stagnant basic pension and severe erosion in purchasing power**, particularly impacting old retirees and family pensioners.

Madam, **AIBRF has been consistently pursuing the issue of pension Updation since 2019** through all democratic and institutional means. This includes:

- Meeting **your good self and other authorities in delegation on several occasions**;
- Submission of **memoranda to over 150 Hon'ble Members of Parliament across party lines**;
- Representations to **several Union Ministers and senior Government functionaries**; and
- Organising **nationwide action programmes** highlighting the plight of bank pensioners.

Despite these sustained efforts, the issue **remains unresolved**, causing deep disappointment and distress among lakhs of elderly pensioners.

We further submit that even the **Agreed Annual Review of pension**, as envisaged under t12th Bipartite Settlement and subsequent understandings, **has not been undertaken by the Indian Banks' Association for April 2024 and April 2025**, and is also now scheduled for **April 2026**. This continued non-compliance has compounded the hardship and widened disparities among retirees.

Madam, the repeated pension Updation exercises carried out by RBI clearly establish both the **principle and practicality of pension Updation** in financial institutions under Government oversight. Denial of a similar benefit to bank pensioners, whose pension scheme is modelled on RBI lines, has resulted in **long-standing inequity and neglect**.

In view of the above, we earnestly request your kind intervention to:

- **Direct the Indian Banks' Association to introduce pension Updation for bank pensioners**, on the lines of the RBI model; and

- Ensure **revision of basic pension with appropriate merger of Dearness Relief and index neutralisation**, so that dignity, equity, and social security are ensured for senior citizens who served the public banking system.

We sincerely hope that justice will be rendered to bank pensioners at the earliest, and we look forward to your sympathetic and positive consideration.

With respectful regards,

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**

**C. C. to**

- 1. The Secretary, Department of Financial Services, GOI, New Delhi**
- 2. The Chairman, Indian Banks' Association (IBA) Mumbai**
- 3. The Chief Executive, Indian Banks' Association, Mumbai**
- 4. The Senior Advisor (HR), Indian Banks' Association, Mumbai**
- 5. General Secretaries, AIBEA, AIBOC, NCBE, AIBOA, BEFI, INBOC, INBEFE NOBOW, NOBRO**