

ALL INDIA BANK RETIREES' FEDERATION (REGD.)

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

Ref No. 2025/0128

Date: 31.01.2026

The Chief Executives of Public Sector Banks
Members – Managing Committee
Indian Banks' Association
Mumbai

Respected Sir/Madam,

Re: Appeal for Pension Updation for Commercial Bank Retirees on the lines of RBI – Representation by AIBRF

We, on behalf of the **All India Bank Retirees' Federation (AIBRF)**, respectfully submit this representation for your kind consideration regarding the long-pending and legitimate demand for **pension updation for retirees of commercial banks**.

2. We invite your attention to the fact that the **Reserve Bank of India has implemented three pension updation exercises, in 2019, 2023, and 2025**, covering pensioners who retired up to 31.10.2022. In each updation exercise, **basic pension was revised with 10% increase after merger of Dearness Relief at the agreed index**, and in the latest exercise, the **base year of the index was also updated from 1960 to 2016**, in line with wage settlement practices in the banking industry.

3. The **Banking Industry Pension Scheme, 1995**, like the RBI Pension Scheme, is a **defined-benefit pension scheme**, and both schemes were conceived on broadly similar principles. Historically, **RBI pension and service structures have served as benchmarks** for the banking industry.

4. However, it is a matter of deep concern that **no pension updation has been extended to commercial bank pensioners since the introduction of the scheme**, despite successive bipartite settlements and repeated wage revisions for serving employees. As a result, old pensioners are

compelled to depend solely on Dearness Relief over a **stagnant basic pension**, leading to severe erosion of real income, especially for senior-most retirees and family pensioners.

5.We further submit that commercial banks, particularly **Public Sector Banks, have demonstrated remarkable financial resilience and strength in recent years**. The banking system has recorded **strong balance sheets, improved asset quality, and robust capital adequacy**, culminating in **record profits during FY 2024–25**. These improved financial parameters clearly indicate that **pension upation is both affordable and sustainable**.

6.It is also relevant to note that the **Agreed Annual Review of pension**, as envisaged under the **12th Bipartite Settlement**, has not been carried out for **April 2024 and April 2025**, and is now again due in **April 2026**, adding to the sense of uncertainty and hardship among retirees.

7.Sir/Madam, pension upation is **not a concession but a matter of equity, dignity, and social security** for those who devoted their entire working lives to building and strengthening public sector banking institutions. The **RBI model has already demonstrated a practical, calibrated, and financially viable approach** to pension upation, which can suitably be adapted for commercial banks.

8.In view of the above, AIBRF earnestly appeals to the **Chief Executives of Public Sector Banks, as Members of the Managing Committee of IBA**, to:

- **Positively consider and recommend introduction of pension upation for commercial bank retirees on the lines of the RBI model;**
- **Initiate discussions within IBA for evolving a structured and sustainable framework for pension upation; and**
- **Ensure timely implementation of agreed pension-related reviews**, so as to address long-standing disparities and restore confidence among retirees.

9.We trust that the leadership of Public Sector Banks, having steered the banking system to its present position of strength and profitability, will also extend due consideration to the legitimate expectations of its retired workforce.

10.We look forward to your **empathetic, fair, and forward-looking consideration** of this long-pending issue.

With respectful regards,

Yours Sincerely,

A handwritten signature in black ink, appearing to read "mabas", is written over a diagonal line.

(S. C. JAIN)
GENERAL SECRETARY

C. C.

1. The Chairman, Indian Banks' Association (IBA) Mumbai
2. The Chief Executive, Indian Banks' Association, Mumbai
3. The Senior Advisor (HR), Indian Banks' Association, Mumbai
4. General Secretaries, AIBEA, AIBOC, NCBE, AIROA, BEFI, INBOC, INBEFE NOBOW, NOBRO