



FEDERATION OF SBI PENSIONERS' ASSOCIATIONS

Regn. No. S/17025 of 1986 Under Societies Registration Act 1860 (Delhi)

ADMINISTRATIVE OFFICE, BENGALURU

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Ref No.FSBIPA/26/2025

Date: 31-10-2025

The Dy. Managing Director (HR) &
Corporate Development Officer,
State Bank of India,
Corporate Centre,
Madame Cama Road,
MUMBAI 400021

Dear Sir,

REVISION OF PENSION FOR EMPLOYEES RETIRED DURING 7th BIPARTITE BETWEEN 01.11.1997 (IN CASE OF AWARD STAFF), 01.04.1998 (IN CASE OF SUPERVISING STAFF) AND 31.10.2002

We invite your kind reference to our letter No.63/24-25 dated 12.11.2024 regarding omission of certain pay components for fixation of basic pension in respect of above-referred retired employees. (Copy enclosed for your instant reference).

2. We are constrained to remind you that still the issue remains unresolved and majority of the senior pensioners, who are more than 75 years of age, are frustrated and representing to us frequently for resolution of the issue at the earliest,
3. In this connection, we reiterate our viewpoints for favour of your consideration towards early resolution of the issue.
 - a) Definition of Substantive Salary provided under Regulation 2 of the SBI Employees Pension Fund Regulations, 2014 states that "**from the 1st September 1978, 'salary' or 'substantive salary' shall include other emoluments or such portion thereof of a member as may for the time being be permitted by the Bank to rank for superannuation benefits under the rules of service applicable to the member.**"
 - b) The provisions under Bipartite Settlements in case of Award Staff and Joint Notes in case of Supervising Staff are as under:
 - i. The increment component of Fixed Personal Allowance (later renamed as Fixed Personal Pay) shall rank for superannuation benefits.
 - ii. Professional Qualification Allowance (later renamed as Professional Qualification Pay) shall rank for superannuation benefits.

- iii. With effect from 01.11.1987, 50% of the City Compensatory Allowance, subject to a maximum of Rs.30/- p.m. payable to workmen employees who were in service in Area-I (Other than Nagpur and Pune) as on 31st December 1969, ranks for pension vide Para-4(g) of Minutes of the Bipartite discussions held with the Federation on the 9th June 1989.
- c) In this regard, a reference is also invited to the undernoted instructions contained under pages No. 56 & 57 of the Codified Circular Instructions Booklet released by State Bank of India, PPG Department, Corporate Centre (Mumbai):
 - i. **SUBSTANTIVE SALARY:** From 01.09.1978 "Salary" or "Substantive Salary" shall include other emoluments or such portion thereof of a member as may for the time being be permitted by the Bank to rank for superannuation benefits under the rules of service applicable to the member. **Refer Corporate Centre letter No. PER/IR/51831 dated 05.12.1983 and Corporate Centre Circular No.PA/CIR/114dated 03.06.1987.**
 - a. FOR OFFICERS: Basic Pay + PQA + Incremental component of FPA
 - b. FOR AWARD STAFF: Basic Pay + PQA + Incremental component of FPA + Special Allowance + Special Pay + CCA + Personal Pay + Personal Allowance
 - ii. **PERSONAL ALLOWANCE AND PERSONAL PAY:** With effect from 01.07.1983 in terms of IV Bipartite Agreement, the qualifying amount for superannuation benefits of the personal allowance and personal pay will qualify for calculation of pension **vide Corporate Centre letter No. ADM/16066 dated 21st April 1989.**
 - iii. **SPECIAL ALLOWANCE (later renamed as SPECIAL PAY):** It is decided to take into account with effect from 01.09.1978 the special allowance payable to clerical and subordinate staff for the purpose of calculation of Gratuity and Pension payable to them **vide Corporate Centre letter No. PER/IR/51831 dated 5th December 1983.**
- d) It is evident from the above bilaterally agreed provisions that the pay components under the 'substantive salary' include Professional Qualification Pay, increment component of Fixed Personal Pay and 50% of CCA, where applicable.
- e) **Rule 23(2)** of the State Bank of India Employees' Pension Fund Rules relates to ceiling on pension alone and the formula for calculation of basic pension was always based on the average of monthly substantive salary drawn during the last twelve months pensionable service.
- f) We are shocked to note that Bank has taken a stand for inclusion of PQP & FPP in computation of pension for 7th Bipartite/ 4th Joint Note retirees, without inclusion of CCA component as mentioned above and that too w.e.f.10.11.2023 and not from the date of their retirement.
- g) The unilateral decision of the Bank for non-inclusion pay components such as PQP, Increment Component of FPP and applicable CCA components, in computation of pension for 7th Bipartite/ 4th Joint Note retirees from the date of their retirement is in contravention of bilaterally agreed service conditions.

4. We further submit that:

- a) The Department of Financial Services, Ministry of Finance, Government of India vide notification F.No.4/8/6/2006/IR dated the 20th April 2017 has categorically linked the amount of maximum pension to 'Pay' above or below Rs.14,240/- for computing the eligible 40% or 50% of pension and 'Pay' as per definition includes all pay components such as Basic Pay, Special Pay, CCA, PQA and increment component of FPA.
- b) The demand for inclusion of PQP and increment component of FPP has been made since the date of payment of arrears for 7th Bipartite/ 4th Joint Note retirees during December 2017 itself and the issue has not been given any cognizance by the Bank so far.
- c) The amendment to relating maximum ceiling on pension cannot be clubbed with the formula for computation of pension based on the average of monthly substantive salary drawn during the last twelve months pensionable service.
- d) The Department of Financial Services, while formation of the Committee has advised that the ramification at industry level also needs to be taken into consideration. As far as the 7th BPS/ 4th Joint Note retirees are concerned, the computation of pension for pensioners at industry level was done by inclusion of PQP & increment component of FPP from the date of their retirement, whereas only SBI Pensioners are denied of their legitimate eligibility, resultantly ending in injustice to 7th BPS/ 4th Joint Note pensioners of SBI alone.
- e) In this regard, a reference is also invited to the amendment in Bank Employees' Pension Regulations 1995 as under:

"In relation to an employee who retired or died while in service on or after the 1st day of April, 1998-

1. the basic pay including stagnation increments, if any; and
2. all other components of pay counted for the purpose of making contribution to the Provident Fund and for the payment of dearness allowance; and
3. increment component of Fixed Personal Allowance; and
4. dearness allowance thereon on the above calculated up to index number 1616 points in the All India Average Consumer Price Index for Industrial Workers in the series 1960 = 100.

(Notified in Government Gazette on 15/3/2003)

- f) It will not be out of context to mention here that Murmu Committee in its recommendations has stipulated that w.e.f. 01.11.1997 for Award Staff and 01.04.1998 for Officers the pension for SBI Pensioners has to be paid with DA thereon upto index number 1616 points as provided to employees of Public Sector Banks. The fixation of pension without inclusion of PQP and increment component of FPP results in huge loss to the SBI Pensioners for lifetime.
- g) Above all, the PQP and increment component of FPP components were included for computation of basic pension of SBI Pensioners (whether Award Staff or Officers) for retirees covered under all other Bipartite Settlements/Joint Notes, except 7th BPS/ 4th Joint Note retirees.

- h) We are not in a position to understand the reasons for denial of PQP and increment component of FPP as pay components, from the date of retirement, for computation of pension to SBI employees alone, particularly 7th BPS/ 4th Joint Note Retirees, as is provided to employees of Public Sector Banks, which is leading to anxiety, unrest and anguish in the minds of SBI Pensioners.
5. In view of the foregoing, we seek your kind intervention in the above matter and arrange for revision of pension of 7th BPS/ 4th Joint Note retirees by duly taking into account all the pay components such as Basic Pay, Special Pay, Officiating Pay (if any), PQP, Increment Component of FPP and also the eligible CCA component (where applicable), from the date of their retirements, for the following prime reasons:
- A. The issue which is hanging for more than 25 years requires utmost compassion from the Bank management for early resolution as many of the 7th BPS pensioners have already expired without getting their legitimate pension.
- B. Being the pioneer in taking care of the welfare of employees and pensioners, we hope that the management would resolve the issue at the earliest, without giving any room for further litigation in this regard.
- C. The judiciary may be approached for resolution of the same, but the efforts will be in vain for the only reason that by the time the favourable order comes, no single 7th BPS retiree will be alive.
6. We sincerely hope that due consideration would be given to the issue based on its merits with compassion and empathy so that the injustice meted out to 7th BPS/ 4th Joint Note retirees is done away with at the earliest.
7. Kindly acknowledge receipt of this communication and advise us the developments in this regard.

With regards,

Yours faithfully,



(G.D. NADAF)
GENERAL SECRETARY

Encl:A/a