

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UNSTARRED QUESTION No. 1621**  
ANSWERED ON 31<sup>st</sup> JULY, 2023 / SRAVANA 9, 1945 (SAKA)

**Pension Scheme for Retirees**

1621. SHRI RAJMOHAN UNNITHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that even after twenty eight years since introduction of pension scheme in Banks, it has not been revised and the retirees, especially those retired long back are living with great difficulty with a meagre amount of pension if so, the details thereof;

(b) whether the Bank Retirees are not given revision in pension along with the wage revision of serving employees on similar lines like the pension, scheme of Central and State Government retirees;

(c) whether the Government proposes to raise/revise the pension scheme of the bank retirees to ensure the quantum of pension payable to pensioner is adequate to meet his/her basic needs and lifestyle to which he/she is accustomed to live to achieve the objective of social welfare;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(DR. BHAGWAT KARAD)

(a) to (e): Pension, a funded scheme, was introduced in nationalised banks through Bipartite Settlement signed on 29.10.1993 (covering employees retired on or after 1.1.1986), between unions/associations of bank employees and the Indian Banks' Association (IBA), which negotiated on behalf of participating banks. The Boards of the respective nationalised banks accordingly made Employees' Pension Regulations, 1995, in exercise of their powers under section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980. These regulations do not have provision for revision of pension. However, pensioners/retirees of banks are being granted Dearness Relief on pension and the same is being increased from time to time i.e. on half yearly basis.

IBA has further informed that the matter of pension updation of Banks is *sub-judice* in Hon'ble Supreme Court of India.