



ALL INDIA BANK EMPLOYEES' ASSOCIATION

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CIRCULAR NO. 28/472/2022/43

4-7-2022

TO ALL UNIONS AND MEMBERS:

Dear Comrades,

**Family Pension – Clarification from IBA
No change in Minimum Family Pension**

As agreed in the 11th BP Settlement, IBA took up the matter with the Government and Government also gave its approval for removal of ceiling on Family pension and Family Pension to be paid at the uniform rate of 30% without any ceiling. Accordingly, Family Pension was revised and enhanced w.e.f. 1-4-2021.

However, some of the Banks had referred the matter to IBA as to whether the existing minimum pension prescribed earlier would remain or not. We had taken up the matter with IBA to issue a clarification to the Banks confirming that only the rate of family pension has been made uniform at 30% (instead of earlier 15%, 20% and 30%) and the upper ceiling on the amount of family pension has been removed and that the minimum pension amount already prescribed should be continued as otherwise, some of the family pensioners would get reduced family pension.

We are now informed that IBA has issued their clarification to the Banks on 30-6-2022 as under:

IBA - HR&IR/MBR/XI BPS/11324 dated June 30, 2022

Chief Executives of member Banks which are parties to the Joint Note/Bi-partite Settlement signed on 11th November, 2020

Dear Sir/Madam,

11th Bipartite Settlement and Joint Note dated 11.11.2020 on Wage Revision – Enhancement in Family Pension and employer`s contribution under NPS

Please refer to our letter HR&IR/MBR/XIBPS/10409 dated 11.10.2021, wherein we had conveyed Govt. of India's no objection to all Public Sector Banks vide its letter F. No. 1/1/2019- IR dated 25th August, 2021 on the undermentioned issues:-

i. Pay family pension at a uniform rate of 30% of pay of the deceased employee, without any ceiling on family pension, effective from 1.4.2021

ii. Enhance the rate of employers` contribution under the National Pension System (NPS) from the existing 10% of pay plus dearness allowance to 14 % thereof in respect of employees covered under NPS, effective from 11.11.2020.(i.e. the date of signing of the 11th Bipartite Settlement and Joint Note dated 11.11.2020); and

2. However, we are in receipt of queries from member banks seeking clarifications on payment of minimum pension, rate of family pension to be paid to the family of deceased employee after rendering 7 years of service, etc. **In this regard, we would like to advise that the DFS guidelines, vide the aforesaid letter has not touched upon any other existing regulations of the BEPR,1995, except for advising us to pay family pension at a uniform rate of 30% of pay of the deceased employee, without any ceiling on family pension, effective from 1.4.2021.**

Warm regards

Yours faithfully,

Brajeshwar Sharma

Sr. Advisor – HR & IR

All our Unions are requested to take note of the above clarification for proper implementation by the Banks.

With greetings,

Yours comradely,



C.H. VENKATACHALAM
GENERAL SECRETARY