

eF. No. 4/1/1/2022-IR  
Government of India  
Ministry of Finance  
Department of Financial Services

Jeevan Deep Building, 3rd floor  
Parliament Street, New Delhi - 110 001  
Dated 5<sup>th</sup> October 2023

To:

Chief Executive  
Indian Banks' Association  
World Trade Centre Complex  
Centre 1, 6<sup>th</sup> floor, Cuffe Parade  
Mumbai – 400 005

Subject: 100% Dearness Relief (DR) Neutralization to pre-2002 bank retirees.

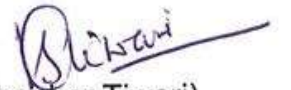
Sir,

Please refer to Indian Banks' Association's letter No. HR&IR / GOVT/BPS, dated 14.8.2023, on the above subject.

2. In this connection, the undersigned is directed to convey 'No Objection' of the Government to Indian Banks' Association, for advising Public Sector Banks, pending amendments to respective Bank Employees' Pension Regulations, to pay w.e.f. 1st October, 2023: –

- (i) DR at uniform rate as applicable to the lowest slab of basic pension in the existing DR frameworks, to all pre- 1/11/2002 retirees (100% neutralization of tapered DR);
- (ii) Rs. 800.00 and Rs. 450.00 per month as ex-gratia amount, as a standalone Benefit, which will not attract any DR, to pensioners/family pensioners falling under 1st slab of basic pension and drawing highest DR, and 2nd slab of basic pension attracting second highest DR in the present framework, respectively. The ex-gratia amount shall be absorbed in future changes in pension structure, if any; and
- (iii) No arrears shall be payable for the periods falling prior to the effective date.

Yours faithfully,



(Vijay Shankar Tiwari)

Under Secretary to the Government of India

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