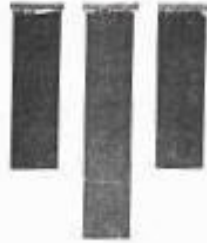


भारतीय स्टेट बैंक  
कर्मचारी पेंशन निधि  
नियम



THE STATE BANK OF INDIA  
EMPLOYEES' PENSION FUND  
RULES



भारतीय स्टेट बैंक  
केन्द्रीय लेखा कार्यालय  
कलकत्ता



STATE BANK OF INDIA  
CENTRAL ACCOUNTS OFFICE  
CALCUTTA

**THE STATE BANK OF INDIA**  
**EMPLOYEES' PENSION FUND RULES**

In exercise of the powers conferred by Section 50 of the State Bank of India Act, (23 of 1955), the Central Board of the State Bank of India, after consultation with the Reserve Bank of India and with the previous sanction of the Central Government, hereby make the following regulations to provide for the establishment and maintenance of a pension fund for the benefit of the employees of the Bank, in pursuance of clause (0) of subsection (2) of Section 50 of the State Bank of India Act, 1955, which Regulations shall be known as the "State Bank of India Employees' Pension Fund Rules".

1. (1) The fund shall be called "THE STATE BANK OF INDIA EMPLOYEES' PENSION FUND" and it shall be maintained as hereinafter provided.  
(2) The fund shall be deemed to have come into existence on the 1st July 1955.
2. In these rules unless there is anything repugnant in the subject or context -

"Bank" means the State Bank of India.

"Member" means any person in the service of the Bank who has been admitted to the membership of the fund.

"Salary" means substantive or basic pay, provided that in respect of the period 1st January 1962 to 31st July 1966, Salary shall mean -

- (i) in the case of employees other than those covered by, or paid on the same basis as in, the Award of the National Industrial Tribunal in Reference 1 of 1960 (hereinafter referred to as "the Award") substantive or basic pay.
- (ii) in the case of employees, other than subordinate staff, so covered by, or paid on the same basis as in the Award, eighty per cent of the awarded basic pay and
- (iii) in the case of the subordinate staff so covered by, or paid on the same basis as in, the Award, seventy five per cent of the awarded basic pay.

From 1.9.1978, '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.

3. The trustees of the fund shall be the Director of the Bank for the time being and at every meeting of such trustees the Chairman of the Bank shall be the Chairman of the meeting and in his absence one of the Directors not being an executive officer shall be elected chairman of the meeting.

4. The presence of at least five trustees of whom two shall be executive officers of the Bank shall be necessary to form a board for the transaction of business. Each trustee shall have one vote and in all cases of an equal division the chairman shall have a casting vote.
5. The trustees may appoint any one from their number, who shall be an executive officer of the Bank, to exercise on behalf of the trustees all powers and discretions vested in the trustees in connection with the sanctioning of payments under rule 9(5) and the sanctioning of pensions admissible under these rules. The trustees may also appoint a committee from their number to carry on other ordinary business of the fund including the sale of securities and investment of funds. Three trustees shall form a quorum of the committee subject, however, to the over-riding condition that two of the trustees present shall be Directors who are not executive officers of the Bank. All decisions of the committee must be unanimous, failing which the matter on which there is a division of opinion shall be referred to a meeting of the board of trustees.
6. The trustees may, where circumstances so warrant, recommend to the Central Board of the Bank any alteration or alterations in these rules to be made in accordance with Section 50 of the State Bank of India Act, 1955.
7. Save as provided in rule 8, every permanent employee (including a permanent part-time employee who is required by the Bank to work for more than six hours a week) in the service of the Bank who is entitled to pension benefits under the terms and conditions of his service shall become a member of the Fund from-
  - (a) the date from which he is confirmed in the service of the Bank, or.....
  - (b) the date from which he may be required to become a member of the Fund under the terms and conditions of his service.
8. Save as provided in Rule 25, no employee shall be eligible to become a member of the fund on or after 22.05.1998 -
  - (a) if he is a member of the Imperial Bank of India Employees' Pension and Guarantee Fund or if he is engaged in any country outside India and appointed for service in such country;
  - (b) if he is below 18 years of age;
  - (c) if he is over 50 years of age; or
  - (d) whose service is specially declared by the Bank to be non-pensionable.

9. (i) Subject as hereinafter provided every employee shall, as from the date of his admission to the fund, contribute to the fund every month an amount equal to five per cent of his salary subject to a maximum contribution of Rs. 90/- per mensem. In respect of any period in which the full salary of an employee is not payable to him, his contributions shall be calculated on his reduced salary, if any. The contributions shall be made by deduction from salary and shall cease when an employee ceases to be in pensionable service in terms of rule 20.

Provided that no contributions shall be collected from a member who is a "workman" as defined under Section 2(s) of the Industrial Disputes Act, 1947 only so long as he continues to be entitled to a non-contributory pension in terms of any Award or settlement.

(ii) The trustees shall have power at their discretion to suspend the operation of sub-rule (1) or reduce the percentage of the members' contributions at any time in the case of any class or category of employees and for such period as they shall think necessary and to reimpose the contributions should they consider it necessary but without retrospective effect.

(iii) Each employee's contributions to the fund under sub-rule(1) shall be credited in the books of the fund to an account in his name and a statement of the account shall be supplied to him half-yearly.

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List of amendments to the above rules duly approved by the Trustees at their meeting held on the 22nd November 1968 and approved by the Reserve Bank of India and Central Government:-

Rule 9 - (i) Delete sub-rules (1) and (2) of rule 9.

(ii) Substitute the following for sub-rule (3) of rule 9.

(iii) Each employee's contributions made to the fund in respect of the period 1-7-1955 to 31-3-1968 shall stand credited in the Books of the fund to an account in his name and a statement of the account shall be supplied to him half-yearly."

{ The above amendments to take effect from 1-4-1968 }

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- (iv) Interest on the balance of a member's contributions at such rate as may be prescribed by the trustees from time to time shall accrue from day to day and shall be credited half-yearly to each member's account by debit to the general balance of the fund. Provided that interest on the balance of a member's account shall cease to accrue from the date of his leaving the service of the Bank otherwise than by retirement on pension and in any event from the date of his death.
- (v) In the event of a member retiring from the Bank's service, or in the event of a member dying, in each case before such member has qualified for a pension there shall be payable to him or, in the event of his death, to the persons and in the manner named in sub-rule (7) hereof, the amount of such member's own contributions with interest accrued thereon.
- (vi) In the event of a member dying after he shall have qualified for a pension but before the total amount of pension payments he shall have received equal the amount of his contributions to the fund with interest accrued thereon, the residue shall be payable to the persons and in the manner named in sub-rule (7) hereof.
- (vii) On the death of a member, the amount, if any, due to the member according to these rules shall be paid to his heirs, executors or administrators, or at the absolute discretion of the trustees the amount or any part or parts thereof may be paid to the widow, child or children or his, her or their guardian or custodian or other nearest relative of a deceased member or any other person appearing to the trustees to be entitled to receive same without any representation to the estate of such deceased member or any succession certificate being obtained and such payment shall be a good discharge to the trustees against all claims whatsoever in respect of the fund by any one whomsoever claiming through the said deceased member or otherwise.
10. The Bank will subscribe monthly to the fund a sum equal to ten percent of the salary payable by the Bank in respect of all employees who are members of the fund. However, when an employee ceases to be in pensionable service in terms of Rule 20, no subscription will be made by the Bank for the period of such service. No amount subscribed by the Bank shall be credited to the individual account of any member. The amount of the Bank's subscription thus calculated, if it contains element of paise, will be rounded off to the next higher rupee.
11. No employee shall have any right of property in the fund beyond the amount of his contributions to the fund with interest accrued thereon nor shall he have any voice in its management unless qualified as a trustee to the fund as hereinbefore provided.

12. The Bank shall pay interest on all moneys of the fund in deposit with the bank at the rate fixed by it from time to time to be credited at the close of each half-year.

13. The trustees may invest the moneys of the fund or any portion thereof in stocks, funds and securities (other than immoveable property) in which a trustee is authorised to invest trust money by any law for the time being in force.

The securities for the investments made under this rule shall be registered or held in the name of the State Bank of India and shall be deposited in safe custody in the Bank in the name of the trustees of the Fund.

14. An employee dismissed from the Bank's service for wilful neglect or fraud shall forfeit all claims upon the fund for pension.

15. The retirement of all officers of the Bank shall be subject to the sanction by the competent authority designated by the Executive Committee of the Central Board of the Bank from time to time, provided however that a decision to deny sanction under these rules to an officer shall need the previous approval of the Executive Committee of the Central Board. The retirement of all other employees of the bank shall be subject to the sanction of the competent authority designated by the Executive Committee of the Central Board of the Bank from time to time, provided however that a decision to deny sanction under these rules to an employee shall need the previous sanction of the Executive Committee of the Local Board concerned with his/her employment. Any officer or other employee who shall leave the service without sanction as required by this rule shall forfeit all claim upon the fund for pension.

16. A pension shall be regarded as only alimentary and, therefore, ~~not~~ assignable. It shall ipso facto cease in the event of an assignment being made.

17. Pensions shall begin to accrue on the first day succeeding that of retirement and shall be payable monthly to the beneficiary personally or to his order when supported by a life certificate bearing his signature and attested by a magistrate, justice of the peace or banker.

18. Pensions shall in each case be debited to the member's account in the fund until the balance thereof is exhausted and thereafter to the general balance of the fund.

19. (1) If an officer of the Bank who is entitled to pension under these rules wishes to accept employment in any other Bank at any time or any other commercial employment within two years from the date of retirement, he should obtain the previous sanction of the Competent Authority designated by the Executive Committee of the Central Board from time to time. The Competent Authority shall consider such proposals in accordance with the guidelines, laid down from time to time by the Executive Committee. In exceptional circumstances, where the proposal does not conform to the guidelines laid down by the Executive Committee or the permission is proposed to be declined, it shall be considered by the Executive Committee. Should the officer undertake such employment without the sanction required under this rule it shall be competent for the trustees to withdraw the pension payable to him either in whole or in part at their discretion.

Provided that an officer permitted by the Executive Committee to take up a particular form of commercial employment during his leave preparatory to retirement shall not be required to obtain subsequent permission for his continuance in such employment after retirement.

- (2) Where an officer employee has applied for previous sanction to the competent authority under sub-regulation (1), it shall either permit the employee to take up the employment in any other Bank or commercial employment or refuse such permission after giving the employee an opportunity of being heard.

Provided that where the competent authority does not communicate its permission or refusal to the applicant within ninety days of the receipt of the application by it, the competent authority shall be deemed to have permitted the employee to take up the said employment.

Provided further that where the competent authority has called for further information or clarification from the employee, the period taken by the employee in furnishing the required information or clarification shall be excluded for the purpose of computing the aforesaid period of ninety days.

20. Save as provided in rule 21, with effect from 1.11.93, service rendered by an employee/member from the date of his admission to the fund upto the date of retirement in terms of rule 22 infra from Bank's service shall be reckoned as service for pension.

21. (i) No period of leave granted without leave salary or of absence without leave shall count as pensionable service. A period of suspension shall count as pensionable service only to such extent as the authority which reinstates him declares it to be pensionable at the time of reinstatement or the authority which sanctions his retirement declares it to be so at the time of according the sanction.
- (ii) If an ex-employee rejoins the Bank's service, the trustees in their absolute discretion may allow the period of his service prior to his rejoining to count for pension as if there had been no break in the continuity of such service.
22. (i) A member shall be entitled to a pension under these rules on retiring from the Bank's service -
- (a) After having completed twenty years' pensionable service provided that he has attained the age of fifty years or if he is in the service of the Bank on or after 1.11.93, after having completed ten years pensionable service provided that he has attained the age of fifty eight years or if he is in the service of the Bank on or after 22.05.1998, after having completed ten years pensionable service provided that he has attained the age of sixty years;
- (b) After having completed twenty years' pensionable service, irrespective of the age he shall have attained, if he shall satisfy the authority competent to sanction his retirement by approved medical certificate or otherwise that he is incapacitated for further active service;
- (c) After having completed twenty years pensionable service, irrespective of the age he shall have attained at his request in writing.
- (d) After twenty five years' pensionable service.
- (ii) A member who has attained the age of fifty-five years or who shall be proved to the satisfaction of the authority empowered to sanction his retirement to be permanently incapacitated by bodily or mental infirmity from further active service (such infirmity not being the result of irregular or intemperate habits) may, at the discretion of the trustees, be granted a proportionate pension.
- (iii) A member who has been permitted to retire under clauses 1(c) above shall be entitled to proportionate pension.



21. (i) No period of leave granted without leave salary or of absence without leave shall count as pensionable service. A period of suspension shall count as pensionable service only to such extent as the authority which reinstates him declares it to be pensionable at the time of reinstatement or the authority which sanctions his retirement declares it to be so at the time of according the sanction.
- (ii) If an ex-employee rejoins the Bank's service, the trustees in their absolute discretion may allow the period of his service prior to his rejoining to count for pension as if there had been no break in the continuity of such service.
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- (a) After having completed twenty years' pensionable service provided that he has attained the age of fifty years or if he is in the service of the Bank on or after 1.11.93, after having completed ten years pensionable service provided that he has attained the age of fifty eight years or if he is in the service of the Bank on or after 22.05.1998, after having completed ten years pensionable service provided that he has attained the age of sixty years;
- (b) After having completed twenty years' pensionable service, irrespective of the age he shall have attained, if he shall satisfy the authority competent to sanction his retirement by approved medical certificate or otherwise that he is incapacitated for further active service;
- (c) After having completed twenty years pensionable service, irrespective of the age he shall have attained at his request in writing.
- (d) After twenty five years' pensionable service.
- (ii) A member who has attained the age of fifty-five years or who shall be proved to the satisfaction of the authority empowered to sanction his retirement to be permanently incapacitated by bodily or mental infirmity from further active service (such infirmity not being the result of irregular or intemperate habits) may, at the discretion of the trustees, be granted a proportionate pension.
- (iii) A member who has been permitted to retire under clauses 1(c) above shall be entitled to proportionate pension.

23. (1) Subject to the provisions of sub-rules (2) and (3), the pension payable under rule 22 shall be the amount calculated at the rate of one-sixtieth part of every year's pensionable service of the average monthly substantive salary drawn during the last twelve months' pensionable service

(2) The maximum pension shall not exceed one-half of the average monthly substantive salary drawn during the last twelve months pensionable service or Rs 2400/- p.m. (pro-rata in the case of part time employees) whichever is less.

Provided that the maximum amount of pension shall be increased for the members who retired/retire on or after 1.11.93 from Rs 2400/- as mentioned above to Rs 4250/- (pro-rata in the case of part-time employees) after adjustment of dearness allowance on the 'Basic' pay upto 1148 points in the quarterly average of the All India Working Class Consumer Price Index (General) Base 1960=100.

Provided further that with effect from 1.3.1999 the maximum amount of pension for the members who retired/retire drawing substantive salary in the Pay Scales effective from 1.11.1992 (Award Staff)/ 1.7.1993 (Supervising Staff) and thereafter shall be computed till further amendments in this regard, as under;

- (a) where the average of monthly substantive salary drawn during the last twelve months' pensionable service is upto Rs. 8500/- p.m., 50% of the average of monthly substantive salary drawn during the last twelve months' pensionable service (pro-rata in the case of part-time employees); and
- (b) where the average of monthly substantive salary drawn during the last twelve months' pensionable service is above Rs. 8500/- p.m., 40% of the average of monthly substantive salary drawn during the last twelve months' pensionable service subject to minimum of Rs. 4250/- (pro-rata in the case of part-time employees).
- (2) (A) The amount of pension payable under this rule or under sub-rule (2) above, if it contains element of paise, shall be rounded off to the next higher rupee.
- (3) The minimum pension shall not be less than Rs 300/-p.m. in case of full time permanent employees (pro-rata in case of part-time employees).
- (4) No pension shall be paid to a member unless it has been sanctioned by the trustees under these rules.

(5) In the event of death of a member (i) while in service of the Bank after completion of pensionable service of one year or (ii) after retirement, the trustees may sanction family pension to the dependent(s) of the employee on the terms and conditions approved by the Central Board.

(6) (i) In the case of members who ceased to be in the Bank's pensionable service prior to 1.11.1987 (excluding 1.11.87), dearness relief shall be payable for every rise or be recoverable for every fall as the case may be, of every 4 points over 600 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100, subject to necessary adjustment suitably upto 600 points. Such increase or decrease in dearness relief for every said four points shall be calculated in the manner given below :-

Scale of basic pension per month	The rate of dearness relief as a per cent of basic pension
(a) upto Rs 1250	0.67 per cent.
(b) Rs 1251 to Rs 2000	0.67 per cent of Rs 1250 plus 0.55 per cent of basic pension in excess of Rs 1250.
(c) Rs 2001 to Rs 2130	0.67 per cent of Rs 1250 plus 0.55 per cent of the difference between Rs 2000 and Rs 1250 plus 0.33 per cent of basic pension in excess of Rs 2000.
(d) above Rs 2130	0.67 per cent of Rs 1250 plus 0.55 per cent of the difference between Rs 2000 and Rs 1250 plus 0.33 per cent of the difference between Rs 2130 and Rs 2000 plus 0.17 per cent of basic pension in excess of Rs 2130.

(ii) In the case of members who ceased to be in the Bank's pensionable service from 1.11.1987 to 31.10.93, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every 4 points over 600 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100. Such increase or decrease in dearness relief for every said four points shall be calculated in the manner given below :-

Scale of basic pension per month	The rate of dearness relief as a percentage of basic pension
(a) upto Rs 1250	0.67 per cent.
(b) Rs 1251 to Rs 2000	0.67 per cent of Rs 1250 plus 0.55 per cent of basic pension in excess of Rs 1250.
(c) Rs 2001 to Rs 2130	0.67 per cent of Rs 1250 plus 0.55 per cent of the difference between Rs 2000 and Rs 1250 plus 0.33 per cent of basic pension in excess of Rs 2000.
(d) above Rs 2130	0.67 per cent of Rs 1250 plus 0.55 per cent of the difference between Rs 2000 and Rs 1250 plus 0.33 per cent of the difference between Rs 2130 and Rs 2000 plus 0.17 per cent of basic pension in excess of Rs 2130.

- (iii) In the case of members who retire from the Bank's service on or after 1st day of November 1993, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every 4 points over 1148 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100. Such increase or decrease in dearness relief for every said four points shall be calculated in the manner given below :-

Scale of basic pension per month	The rate of dearness relief as a per cent of basic pension
(a) upto Rs 2400	0.35 per cent
(b) Rs 2401 to Rs 3850	0.35 per cent of Rs 2400 plus 0.29 per cent of basic pension in excess of Rs 2400
(c) Rs 3851 to Rs 4100	0.35 per cent of Rs 2400 plus 0.29 per cent of the difference between Rs 3850 and Rs 2400 plus 0.17 per cent of basic pension in excess of Rs 3850
(d) above Rs 4100	0.35 per cent of Rs 2400 plus 0.29 per cent of the difference between Rs 3850 and Rs 2400 plus 0.17 per cent of the difference between Rs 4100 and Rs 3850 plus 0.09 per cent of basic pension in excess of Rs 4100.

- (iv) Dearness relief shall be payable for the half year commencing from the 1st day of February and ending with 31st day of July on the quarterly average of the index figures published for the months of October, November and December of the previous year and for the half year commencing from the 1st day of August and ending with the 31st day of January on the quarterly average of the index figures published for the months of April, May and June of the same year.
- (v) Dearness relief will be allowed on full basic pension even after commutation.
23. (A) (i) Notwithstanding anything contained in Rule 15 or Sub-Rule (3) of Rule 23, in the case of a member against whom disciplinary proceedings under the Rules of Service applicable to him have been continued after he ceases to be in the Bank's service or where, for the purpose of considering whether sanction for retirement should be granted by the Executive Committee or the Local Board, as the case may be, any investigation or enquiry in respect of any act committed by the member while in service has been initiated or continued by the Bank after he ceases to be in the Bank's service, the member may be paid at the discretion of the Trustees a provisional pension of an amount not exceeding the maximum amount of pension which would have been admissible to such member under these Rules on the basis of qualifying service up to the date he ceases to be in the Bank's service or if the member was under suspension on such date up to the date immediately preceding the date of such suspension.
- (ii) The amount paid as such provisional pension shall be adjusted against the amount of final pension if sanctioned on conclusion of such disciplinary proceedings or investigation or enquiry but no recovery of such amount shall be made if the member is ultimately dismissed from the Bank's service and the retirement benefits are forfeited.
- (iii) If at any time in the opinion of the Bank, such member is found not co-operating with the conduct of such disciplinary proceedings or investigation or enquiry, the payment of the provisional pension may, at the discretion of the Trustees, be stopped.

- (B) (1) An employee who retires from the Bank's service on or after 1.1.1986 shall be entitled to commute upto a lump sum payment of a fraction not exceeding one-third of his pension with effect from 1.11.1994 or on any subsequent date, from which he becomes eligible for commutation.

Provided that employee who retired before the notified date, may give an option for commutation within 120 days from publication of this notification.

- (2) An employee who retires from the Bank's service shall indicate the fraction of pension which he desires to commute and may either indicate the maximum limit of one-third pension or such lower limit as he may desire to commute.
- (3) If fraction of pension to be commuted results in fraction of rupee, such fraction of a rupee shall be ignored for the purpose of commutation.
- (4) The lump sum payable to an applicant shall be calculated in accordance with the Table given below :-

TABLE			
Commutation Value for a pension of Re One per annum			
Age next birth day	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase
17	18.21	18	18.07
19	17.93	20	17.78
21	17.62	22	17.46
23	17.29	24	17.11
25	16.92	26	16.72
27	16.52	28	16.31
29	16.09	30	15.87
31	15.64	32	15.40
33	15.15	34	14.90
35	14.64	36	14.37
37	14.10	38	13.82
39	13.54	40	13.25
41	12.95	42	12.66
43	12.35	44	12.05
45	11.73	46	11.42
47	11.10	48	10.78
49	10.46	50	10.13
51	9.81	52	9.48
53	9.15	54	8.82
55	8.50	56	8.17
57	7.85	58	7.53
59	7.22	60	6.91
61	6.60	62	6.30
63	6.01	64	5.72

Age next birthday	Commutation value expressed as number of year's purchase	Age next birthday	Commutation value expressed as number of year's purchase
65	5.44	66	5.17
67	4.90	68	4.65
69	4.40	70	4.17
71	3.94	72	3.72
73	3.52	74	3.32
75	3.13	76	2.94
77	2.75	78	2.56
79	2.38	80	2.20
81	2.02	82	1.84
83	1.67	84	1.50
85	1.33		

**NOTES**

- (1) The table above indicate the commuted value of pension expressed as number of years purchase with reference to the age of the pensioner as on his next birthday. The commuted value in the case of an employee retiring at the age of fifty eight years is 7.22 years' purchase and, therefore, if he commutes rupee one hundred from his pension within one year of retirement, the lump sum amount payable to him works out to Rs 100 x 7.22 x 12 = Rs 8,664.-
- (2) An employee who had commuted the admissible portion of pension is entitled to have the commuted portion of the pension restored after the expiry of a period of fifteen years from the date of commutation.
- (3) No medical examination shall be necessary, if the application for commutation is made within one year from the date of retirement. However, if an employee applies for commutation of pension after one year from the date of his retirement from the Bank's service, the same will be permitted, subject to medical examination, by a Competent Authority as designated by the Executive Committee of the Central Board of the Bank.
- (4) The commutation of pension shall become absolute in the case of an employee,
  - (a) who submits an application for commutation of pension before the date of retirement, on the date following the date of retirement.