

PENSION

Calculation of Pension

The officers who retire or retired while in service or otherwise cease to be in employment on or after 1.5.2005, the pension would be determined with reference to the pay scales effective from 1.11.2002 as under:

(a) Officers having pensionable pay upto Rs.21,040/- + professional Qualification Pay (if any) + Fixed Personal Pay	50% of the average pay of last 12 months.
(b) Officers having pensionable pay exceeding (a) above	40% of the average pay of the 12 months subject to minimum of Rs.10,520/- plus 50% of the PQP (if any)+ 50% of increment component of FPP.

Dearness relief on pension may be granted at the same rate as is applicable in the industry i.e. in respect of employees / officers who retired on or after 1.11.2002, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every four points over 2288 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100, at the rate of 0.18% of the basic pension.

Notes:

- i) Officers who have completed a minimum of ten years pensionable service at the time they attained the age of superannuation, shall be eligible for pension.
- ii) Service for the purpose of pension will be reckoned till the age of retirement.
- iii) Dearness relief to pensioners will be at the rate agreed at the Industry level.
- iv) In respect of officers on deputation to other organization, substantive salary that the officer would have drawn had he retired on attaining the age of superannuation from the parent Bank would be taken as pay for calculating pensionary benefits.

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Commutation of Pension:

Eligibility:

A pensioner who retired from the Bank's service on or after the 01.01.1986 would be entitled to commute up to one-third of his pension with effect from 01.11.1994 or any subsequent date from which he/she becomes eligible for commutation. If, however, he/she applies for commutation of pension after one year from the date of retirement the amount of commutation is payable only after he/she has been medically examined by the Medical Officer designated by the Bank. However, no medical examination is required if the pensioner opts for commutation within one year of his retirement.

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.

If fraction of pension to be commuted results in fraction of a rupee, such fraction of a rupee shall be ignored for the purpose of commutation.

- (a) The pensioners who had opted for commutation prior to 1.5.2005 shall not be eligible for additional commutation on account of increase in Pension.
- (b) The pensioners who have opted for commutation on or after 1.5.2005 shall be eligible for commutation upto lumpsum payment of the fraction not exceeding 1/3rd of the revised pension.
- (c) Commuted portion of the pension will be restored after 15 years from the date of commutation. Commutation will be done on the following basis:

$\frac{1}{3}$ rd of basic pension x 12 x factor as per age

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Age next birthday	Factor	Age next birthday	Factor	Age next birthday	Factor	Age next birthday	Factor
31	15.64	41	12.95	51	9.81	61	6.60
32	15.40	42	12.66	52	9.48	62	6.30
33	15.15	43	12.35	53	9.15	63	6.01
34	14.90	44	12.05	54	8.82	64	5.72
35	14.64	45	11.73	55	8.50	65	5.44
36	14.37	46	11.42	56	8.17	66	5.17
37	14.10	47	11.10	57	7.85	67	4.90
38	13.82	48	10.78	58	7.53	68	4.65
39	13.54	49	10.46	59	7.22	69	4.40
40	13.25	50	10.13	60	6.91	70	4.17

Note: If a member retires at the age of 60 years, for commutation, the factor will be taken in to account applicable for the age of 61 years which is 6.60.

GRATUITY

The various provisions of the Gratuity payment are as under:-

a) For an officer who is eligible for pension and has put in a minimum of 5 years service. Gratuity is payable under the Payment of Gratuity Act.1972. The amount will be payable @ 15 days wages for each completed year of service on the basis of 26 working days in a month, subject to a ceiling of Rs.3.5 lakhs to those employees who have retired on or after the 24th September 1997. For the purpose of Gratuity, wages include the following:-

l) For Officers:

Basic Pay + D.A. + Personal Allowance + FPA + PQA

Formula:

$$\frac{\text{Last Wages} \times 15 \times \text{No. of completed years of service}}{26}$$

Service Gratuity

b) For an employee who is not eligible for pension and who has put in a minimum 10 years of service. Gratuity is payable as per the Service Rules on retirement, resignation, etc. The amount will be payable @ one month's pay for each completed year of service subject to a maximum of 15 months pay + further additional gratuity @ $\frac{1}{2}$ month's pay for each completed year of service beyond 30 years of service.

Pay means basic pay plus increment component of FPA and PQA (last drawn)

c) In the case of a deceased officer, compassionate gratuity is payable to the family / nominee, as the case may be, as follows:-

Compassionate Gratuity:

- (i) No service criteria is stipulated for sanction of this Gratuity.
- (ii) The amount will be payable @ one month pay for each completed year of service subject to a maximum of 15 months pay + additional gratuity @ $\frac{1}{2}$ month's pay for each completed year of service beyond 30 years + further additional gratuity @ $\frac{1}{4}$ month's pay for each completed year of service between 16th and 30th year subject to a minimum of Rs.10,000/-
- (iii) Higher of statutory gratuity / service gratuity / compassionate gratuity will be paid.

FAMILY PENSION

ELIGIBILITY:

- i) Spouse of the employee, if the member dies during service after putting in a minimum of one-year pensionable service
- ii) Eligible only if the deceased employee was eligible for pension. If the employee was not eligible / deprived of pension benefits, then his family will not get benefits under this scheme.
- iii) Family pension is payable:
 - (a) To widow/widower up to her/his death or remarriage whichever is earlier.
 - (b) Failing (a) above, to the eldest surviving children in order of their birth up to the age of 25 years or he/she is gainfully employed whichever is earlier.
 - (c) In case the beneficiary is an unmarried daughter, until she attains 25 years of age or is married or is gainfully employed whichever occurs first.
 - (d) This process will continue till the last beneficiary attains the age of 25 years or is gainfully employed or married in case of daughter, whichever is earlier.
 - (e) Fresh sanction should be obtained in respect of every beneficiary as and when there is change of beneficiary as above, where simultaneous sanction of family pension was not obtained along with sanction of pension as per new instructions.
 - (f) In case of twin children, family pension will be payable to both in the proportion of 50:50.

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(g) Family pension will be payable even if the widow/widower is working in the Bank on compassionate grounds.

(h) If the pensioner leaves two legally wedded wives, the family pension is payable to both the wives in equal proportions.

(i) The family pension shall be payable to such son or daughter for life if he/she is physically crippled or disabled so as to render him or her unable to earn a living even after attaining the age of 25 years. Provided that only that disability, which manifests itself in the child before retirement or death of the employee while in service, shall be taken in to account.

The family pension is revised w.e.f. 1.5.2005 as under:

(A) Those who died or retired before 1.11.1993

Substantive Salary p.m	Rate of family pension p.m.
Rs.1500 and below	30% of the substantive salary subject to a minimum of Rs.375 p.m
Rs.1501 to Rs.3000	20% of the substantive salary subject to a minimum of Rs.450 p.m
Above Rs.3000	15% of the substantive salary to a minimum of Rs.600 p.m. and maximum of Rs.1250 p.m.

(B) In respect of employees retired/ died on or after 1.11.1993 but before 1.4.1998.

Substantive Salary p.m	Rate of family pension p.m.
Rs.2870 and below	30% of the substantive salary subject to minimum of Rs.720 p.m
Rs.2871 to Rs.5740	20% of the substantive salary subject to a minimum of Rs.860 p.m
Above Rs.5740	15% of the substantive salary to a minimum of Rs.1150 p.m. and maximum of Rs.2400 p.m.

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(C) Those retired / died on or after 1.4.1998.

Substantive Salary p.m	Rate of family pension p.m.
Rs.4210 and below	30% of the substantive salary subject to minimum of Rs.1056 pm
Rs.4210 to Rs.8420	20% of the substantive salary subject to a minimum of Rs.1262 p m
Above Rs.8420	15% of the substantive salary to a minimum of Rs.1687 p.m. and maximum of Rs.3521 p.m.

(D)Those retired / died on or after 1.11.2002 and on or after 1.5.2005:

Substantive Salary p.m	Rate of family pension p.m.
Rs.5720 and below	30% of the substantive salary subject to minimum of Rs.1435 pm
Rs.5720 to Rs.11440	20% of the substantive salary subject to a minimum of Rs.1715 p m
Above Rs.11440	15% of the substantive salary to a minimum of Rs.2292 p.m. and maximum of Rs.4784 p.m.

Dearness relief on family pension will be on the same basis as that on pension and as per Industry dearness relief rates.

MEDICAL SCHEMES AVAILABLE FOR SBI PENSIONERS

1. The State Bank of India retired employees medical benefit scheme
2. SBI employees Mutual Welfare Scheme (Presently not applicable to new entrants)

1.SBI RETIRED EMPLOYEES MEDICAL BENEFIT SCHEME

Eligibility

The employees of SBI (i) who retired/retires and received pension and applied within three(3) months from the date of receipt of his/her first pension may apply to become beneficiary of Medical Benefit Scheme, provided they fulfill the under noted eligibility criteria and (ii) those who would retire in future and receive first pension and apply within three (3) months from the date of receipt of his/her first pension may apply to become beneficiary of Medical Benefit Scheme, provided they fulfill the under noted eligibility criteria:

- (a) who will retire from the Bank's service in normal course on attaining the age of retirement/superannuation which at present is 60 years.
- (b) Had been/are allowed to retire from the Bank's service on medical grounds on being declared permanently incapacitated by bodily or mental infirmity from further active service (such infirmity not being the result of irregular or intemperate habits) by a Medical Board constituted for the purpose by the Bank and sanctioned pension under rule 19(iii) of IBI Employees' Pension & Guarantee Fund Rules / 22(ii) of the SBI Employees' Pension Fund Rules; or

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(c) Had sought/seek retirement from the Bank's service before attaining the age of retirement for taking up Board level appointments in the Banks / Financial Institutions made by the Central Government.

Various Plans for membership contribution/ medical benefits:

PLAN	CONTRIBUTION	BENEFIT AVAILABLE
A	2 months' gross pension	Rs.2 lakhs
B	Rs.37,000/-	Rs. 3 lakhs
C	Rs. 43,500/-	Rs.4 lakhs
D	Rs.49,500/-	Rs.5 lakhs

Expenses incurred for treatment of the following Diseases / Ailments during hospitalization

- a. Cardiac ailments
- b. Cancer
- c. Kidney failure/ transplant
- d. Paralysis
- e. Retinal detachment or cornea replacement
- f. Major accidents
- g. Tumor
- h. Cerebro-vascular accidents/Brain Hemorrhage
- i. Total hip/knee replacement
- j. Cataract and Glaucoma surgery
- k. Tuberculosis
- l. Diabetes
- m. Appendicitis surgery
- n. Prostate
- o. Hernia
- p. Removal of stone in Gall Bladder

In case of paralysis, cancer or kidney transplant / kidney failure, the post hospitalization expenses will also be reimbursed, subject to the aggregate limit as prescribed for life under the plan opted by the member/beneficiary.

Modification in the scheme for retired officers TEGS VI and above (retired on or after 01.01.2007)

GRADE	CONTRIBUTION	BENEFIT AVAILABLE
DMD(TEGSSII)	1,00,000/-	Rs.20 lakhs
CGM(TEGSSI)	90,000/-	Rs.15 lakhs
GM(TEGSVII) & DGM (TEGSVI)	75,000/-	Rs.10 lakhs

The expenditure on domiciliary treatment shall be capped at Rs.20,000/- p.a for DMDs, Rs.15,000/- p.a. for CGMs and Rs.10,000/-p.a for the GMs / DGMs respectively at their option.

The following two diseases are added to the list of 16 specified diseases already available under the scheme making the total list of 18 diseases effective from 1.1.2007 for the members of the modified scheme only.

- a. Alzheimer's disease
- b. Parkinson's disease

PROCEDURE FOR RAISING THE CLAIM.

As and when the member needs treatment, he/she will approach the **designated officer** personally or in case of emergency through his/her relative along with the Identity Card issued under the Scheme with estimate of the treatment. In case of emergency where prior intimation before hospitalization to the designated officer is not possible, the designated officer at the Zonal Office(A.U.) would be informed of the full particulars of the case as soon as possible after the patient has been admitted. If the hospitals / nursing homes, where the treatment is taken in such circumstances is not approved one, the designated officer, subject to confirmation by the Circle CGM, may approve the costs of the treatment for payment.

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If the treatment is proposed to be taken at a place within the jurisdiction of the designated Zonal Office of the member, the Designated Officer will arrange for admission of the patient in the approved hospital with the assistance of the Bank's Local Medical Officer.

Explanation: " The Designated Zonal Office" for the purpose of the trust shall mean the Zonal Office (Cluster) of the Bank under whose area of operation the pension- paying branch of the pensioner is situated.

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