

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3022
ANSWERED ON:19.08.2011
HARASSMENT OF PENSIONERS BY BANKS
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has received any complaints from pensioners regarding their harassment by the banks;
- (b) if so, the details thereof alongwith the action taken on such complaints; and
- (c) the corrective steps taken / being the taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) and (b):- Government has been receiving complaints from pensioners against banks alleging non-disbursement / delay in disbursement of pension, non-payment of arrears of pensioners, delay in release of family pension, etc. 15 offices of Banking Ombudsmen (BO) across the country handle complaints of pensioners on the ground of "non-disbursement or delay in disbursement of pension" under clause 8 (1) (m) of the Banking Ombudsman Scheme, 2006. During the year 2010-11, BO Offices received a total of 71,274 complaints against the banks out of which 5,810 (8%) were pertaining to pension related issues under the clause mentioned above. Out of the 5,810 complaints on pension issues, 1,522 complaints were non-maintainable under the BO Scheme. The complaints were disposed of as per the provisions of the Banking Ombudsman Scheme, 2006.

(c): In order to mitigate the grievances of pensioners, the Government has taken various steps, which inter-alia, include -

(i) The 'Scheme for payment of pension to Central Civil Pensioners by authorised banks' provides that if a pensioner is unable to obtain a life-certificate from an authorized bank's official on account of serious illness / incapacitation, etc., the officer in-charge of the paying branch may nominate an officer to visit the pensioner at his / her residence / hospital for the purpose of recording the life-certificate;

(ii) Banking Codes and Standards Board of India (BCSBI) sets minimum standards of banking services. The BSCBI has included pension payment as a service for application of 'Code of Commitment by Banks to Customers'. Accordingly, banks are committed to extend the banking services to the pensioners under the adopted Code;

(iii) In March 2011, Reserve Bank of India (RBI) has advised all agency banks to ensure that any delay in disbursement of regular pension, revised pension, any type of pension arrears, etc., irrespective of the type of pension or the category of the pensioner, is compensated at Bank Rate plus 2% penal interest for the delayed period and the same is credited to the pension account on the same day when the bank affords the delayed credit, even without getting any claim from the pensioner;

(iv) Indian Banks' Association has also advised banks to frame guidelines to ensure that customers, especially senior citizens are not put to inconvenience in transacting the banking business;

(v) RBI has advised all agency banks and the Government has advised all public sector banks to establish Central Pension Processing Centres (CPPCs) for expeditious processing of pension cases and disbursal of pension.