

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7092
ANSWERED ON:08.05.2015
PENSION RELEASED BY BANKS
Butta Smt. Renuka

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has authorised the headquarters of the respective nationalised banks to release pension on monthly basis to the pensioners / beneficiaries;
- (b) if so, the details thereof;
- (c) whether the headquarters have failed to release the pension on monthly basis despite clearance given by the branch heads;
- (d) if so, the details of such cases reported during the last three years, bank and State-wise including Andhra Pradesh; and
- (e) the action taken by the Government in this regard along with corrective steps proposed to be taken to ensure the release of pension to the pensioners / beneficiaries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) & (b); Yes, sir. The scheme for payment of pension on monthly basis to Central Government Civil Pensioners / beneficiaries by Authorised Banks was made applicable throughout the country with effect from February 01, 1977. The branches of Authorised Banks in the States / Union Territories handle work relating to disbursement of pension under the Scheme and seek reimbursement from Reserve Bank of India. For the services rendered to the pensioners, the Reserve bank of India pays agency commission to the banks at ruling rate which is presently @Rs.65/- per transaction. As per Circular No. DGBA.GAD. No. H-3078/45.01.001/2008-09 dated 01.10.2008 issued by Reserve Bank of India; arrangement of disbursement of monthly pension for Civil Pensioners was operationalised by establishing a Central Pension Processing Centre (CPPCs at anywhere in India) of all pension disbursing banks except State Bank of India where 14 CPPCs were allowed. As informed by Ministry of Railway, Pension is credited to pensioners` bank account on the last working date of the month by the respective branches except for March, which shall be credited on or after the first working day of the succeeding month. Under Central Pension Processing Cell (CPPC) system adopted by the bank, the pension is processed and credited by CPPC.

(c) & (d): No such reports available that the Agency Banks have failed to release pension on monthly basis.

(e): Banks have been advised that claims for agency commission on pension payments must be accompanied by a certificate from the Executive Director / Chief General Manager-in -charge of Government Business of the Authorised Bank concerned to the effect that there are no pension arrears to be credited / delays in crediting regular pension / arrears thereof. Further, Agency Banks have been advised to compensate the pensioner for delay in credit of pension / revised pension / arrears for the delayed period beyond the due date at the rate of 8%.