

## **LIST OF COMMON ERRORS**

1. **Payment of Pension/Family Pension without/missing PPOs** - In such cases duplicate copy of PPOs may be obtained from PSAs.
2. **Payment of Family Pension without joint notification** - In such cases action may be taken with HOOs/ROs for initiating family pension claim in favor of claimants.
3. **Wrong debits** - In such cases ensure that only pension paid to defence pensioner /civil pensioner's pension may be booked. Pensionary benefits may be paid on authority of PPOs issued by PCDA (P), JCDA (AF) and CDA (Navy) may only be booked against defence budget.
4. **Payment of disability elements beyond date**- In such cases it may please be ensured that disability elements may be paid only up to the period as notified in PPO.
5. **Payment of fixed medical allowance without authority/option** - Fixed amount of Medical allowance of Rs.1000/- w.e.f 01.07.2017 is payable to pensioners/Family pensioners. It is notified along with the Original pension based on the option given by the pensioner and undertaking that he/she is residing in the area not covered by CGHS scheme. Those who exercise the option will have to give an undertaking once every year to the PDA that they are residing in such area where no such facilities are available. The option for fixed Medical Allowance can be changed only once in lifetime by the pensioner on account of change in residence.

**(A) Defence Pensioners/Family Pensioner:-**

l) Ex servicemen except Nepali domicile who retired on or after 1.4.2003, have to become member of ECHS compulsorily and are not eligible to draw Fixed Medical Allowance. All pre 01.4.2003 retirees have the option of either joining the scheme after depositing the requisite lump sum amount for the purpose or drawing Fixed Medical Allowance. Such pensioners/family pensioners who join this scheme will thereby not be entitled to Fixed Medical Allowance.

(ii) Payment of Fixed Medical Allowance in r/o all pre-01.04.2003 pensioners/family pensioners will be regulated as under.

(a) All defence pensioners/family pensioners in whose cases pension payment orders were issued by this office till 31.10.98, have been entitled to the payment of Fixed Medical Allowance w.e.f. 01.12.97 or the date of commencement of their pension whichever is later provided that they opt for medical allowance and submit an undertaking to the bank to the effect that they are entitled to medical facilities under Armed Forces Hospital/MI Room but are residing in the areas where no such outdoor facilities are available. On the basis of this undertaking bank was requested to make an entry regarding to grant of medical allowance in the PPO, Payment Register and pension certificate and to authorize payment of Fixed Medical Allowance.

(b) The grant of Fixed Medical Allowance in r/o pensioners / family pensioners whose pension payment order was issued after 31.10.98 had to be notified in the PPO itself.

(c) Only one change in option, in the life time of pensioners/family pensioners shall be allowed.

**(B) Defence Civilian Pensioners / Family Pensioner:-**

1. All defence civilian pensioners/family pensioners in whose cases pension payment orders were issued by this office till 30.4.98, have been entitled to the payment of Fixed Medical Allowance w.e.f. 01.12.97 or the date of commencement of their pension whichever is later. On the basis of an undertaking bank was requested to make an entry in regard to grant of medical allowance in the PPO, Payment Register and pension certificate and to authorize payment of Fixed Medical Allowance.

2. The grant of Fixed Medical Allowance in r/o pensioners / family pensioners whose pension payment order was issued after 30.04.98 had to be notified in the PPO itself.

3. After exercising above option and furnishing undertaking, if pensioner's residential address is changed from CGHS covered area to a non CGHS covered area and vice-versa, only one change in option in the life time of a pensioner shall be allowed.

4. Such an undertaking shall be obtained by the bank every year along with the certificate; the pensioner is required to furnish to continue the payment of Fixed Medical Allowance.

Note: - (I) if any pensioner or family pensioner receives two pensions, only single Medical Allowance is admissible if he/she does not avail of the medical facilities provided by the respective organizations.

(ii) Re-employed pensioners/Employed family pensioners are not entitled to medical allowance as medical facilities are provided by his/her organization.

**6. Payment of full amount of pension instead of residual pension.** In such cases only residual amount of pension should be paid as mentioned in PPO upto date of restoration of commuted portion of pension. Basic Pension/Service pension plus dearness relief at the rate applicable time to time may be commuted pension may be subtracted there from before crediting in pensioners account.

**7. Over Payment/ Under Payment due to wrong fixation of pension-** In such cases please refer to various Govt Orders issued in implementation/ recommendation of i.e. CSC-2009, CSC-2012, OROP, 7th CPC etc for correct fixation of the Pension. Nature of pension (service pension/family pension) category of pensioners (Armed Force pensioner or civil pensioner) may be identified before implementing such circulars.

**8. Payment of dearness relief during re-employment of pensioners / family pensioners:** - (Kindly refer this office audit circular No. 200 dated 12.04.2018 for ready reference.)

The payment of dearness relief during re-employment / employment / permanently absorption of pensioners / family pensioners under the Central or State Government or in a Statutory Corporation / Company / Body / Bank under them in India or abroad, is not being regulated correctly by various banks though the position on the subject is clear by various circulars. For uniform implementation of above orders, position is re-clarified as under.

(a) In case of re-employed pensioners who hold Group 'A' post or posts of the ranks of commissioned officers at the time of their re-employment will not be entitled to any dearness relief on pension on the fact that (i) a certain portion of pension is taken into account and is not entirely ignored. (ii) the pay in the post of re-employment is not required to be fixed at the minimum of the

scale in all cases, and (iii) dearness allowance at the rates applicable from time to time is also admissible on the pay fixed on re-employment.

(b) (I) The entire pension admissible is ignored in the case of civilian pensioner who held posts below Group 'A' and those ex-servicemen who held posts below the ranks of commissioned officers, at the time of their retirement. Their pay on re-employment is to be fixed at the minimum of the pay scale of the post in which they are re-employed. Such civilian pensioners will consequently be entitled to dearness relief on their pension at the rates applicable from time to time.

(b) (ii) The ex-servicemen (PBOR) who retired before attaining the age of 55 years and re-employed thereafter and their pay fixed at a higher stage because of advance increments and no protection of the last pay drawn is being given, the pay should be treated as fixed at a minimum only for the purpose of ignoring the entire pension and allowing dearness relief on pension.

(c) The disability element is part of disability pension, therefore position explained at a & b above will also apply for regulating dearness relief on disability element during re-employment of pensioner drawing disability pension.

(d) The family pension received by the eligible central Govt. employees/Armed Forces pensioners is, in any case, not taken into account in determining their pay on employment therefore; dearness relief at the rates applicable from time to time shall be admissible on their family pension.

## 9. Late payment of dearness relief-

The rate of Dearness Relief to pensioners/Family Pensioners is revised bi-annually in accordance with the scheme of Dearness Allowance introduced for serving personnel. Dearness Relief is computed with reference to basic pension/family pension of the pensioner. The rates of DR since 1.1.2016 have been revised at the following rates-

Period		Rate of DR on Pension (%)
From	To	
01.01.2016	30.06.2016	0
01.07.2016	31.12.2016	02
01.01.2017	30.06.2017	04
01.07.2018	30.06.2018	05
01.01.2018		07

Banks are requested to release the dearness relief to defence pensioners (including defence civilian) pensioners/family pensioners on the basis of Government Order on the subject received from the Ministry of personnel, PG&P (Deptt. of Pension and pensioners welfare) New Delhi without waiting any instruction from this office as they are authorized to do so by the Ministry itself.

## 10. Payment of Family Pension at enhanced rate beyond date.

Enhanced rate of ordinary family pension is payable for 7 years from the date following the date of death of service personnel/pensioner or till attaining the age of 65/67 years whichever is earlier subject to condition that individual has rendered minimum seven year qualifying service. In all cases, where family pension is notified either jointly (i.e. Joint Notification) or separately the period of grant of enhanced rate as well as normal rate is also notified in the PPO itself.

However w.e.f. 01.01.2006, the enhanced rate of ordinary family pension is payable to family of personnel for a period of ten years in case of death in service, without any upper age limit from the date of death of the personnel. This period of grant is also notified in the PPO itself. It has come to the notice of this office that bank is making the payment of family pension at normal rate though the period/condition mentioned in the PPO for payment of enhanced rate has not expired.

**11. Wrong revision of Pension in r/o Reservists pension-** Revised according to Minimum rate of pension under various CPC i.e. 3500/-PM (under 6<sup>th</sup> CPP) and 9000/- PM ( under 7<sup>th</sup> CPC).No revision under OROP.

**12. wrong revision of Pension in r/o Reservists who granted ex-gratia pension/ex-gratia family pension-** Revised @ 750/- and 645/-PM w.e.f 04.06.2013 as circulated vide this office circular No. 521 dated 30.12.2013. Dearness ex-gratia equal to 50% of the enhance amount of ex-gratia and dearness relief, as notified from time to time, on the sums of enhanced amounts of ex-gratia and dearness ex-gratia shall also be admissible.No further revision.

**13. Wrong revision of pension of Recruits-** For lowest rank i.e. sepoy and lowest group

**14. Wrong revision of MNS(local) and NCC-**Being civil pensioners revised according to circular no c-144 dated 08.04.2016. Not to be revised under OROP.

## **15. Restoration of Commuted Portion of Pension after 15 years of retirement:-**

1. Where the commutation of pension is/was simultaneous with the retirement, the commuted portion of pension shall be restored after expiry of 15 years with effect from the date of retirement, if payment of commuted value of pension is made during the first month of retirement leading to appropriate reduction on account of commutation in first pension itself.

2. Where commutation of pension is applied and notified after the date of commencement of pension and commuted portion leads to a reduction in pension in second or subsequent month, the 15 year period for restoration of commuted portion will be reckoned from the date of payment of commuted value i.e. from the date on which reduction in pension on account of commutation become effective.

3. Further, where the commuted value is paid in more than one stage, the reduction in amount of pension in such cases shall be made from the respective dates of payment and commuted portion of pension of such pensioners will also be restored in stages by pension disbursing authorities on completion of 15 years from the respective date of reduction in pension.

Mechanism may be established by PDAs to restore the commuted portion of pension automatically after expiry of 15 years of retirement/reduction in pension on account of commutation become effective.

Note: - Restoration of 1/3<sup>rd</sup>/ (43% in case of ICO and 45% in case of JCOs/ Ors) commuted pension in respect of those pensioners who have commuted 100% pension on absorption in PSU/Autonomous bodies etc. will be made only through Corr PPO.

15. **Payment of Additional quantum of pension/family pension to pensioners/family pensioners of 80 years of age and above:** - The procedure for payment of additional quantum of pension/family pension to old pensioner/family pensioner has been provided in various circulars issued by this office. According to these circulars, the additional quantum of pension/family pension on attaining the age of 80 years and above would be admissible.

Age of pensioners/Family pensioners	Additional quantum of pension/ Family pension
From 80 years less than 85 years	20% of Basic Pension/ family Pension
From 85 years less than 90 years	30% of Basic Pension/ family Pension
From 90 years less than 95 years	40% of Basic Pension/ family Pension
From 95 years less than 100 years	50% of Basic Pension/ family Pension
From 100 years or more	100% of Basic Pension/ family Pension

I. In cases where exact date of birth of pensioner/family pensioner is available in the PPO, the additional quantum of pension/family pension on attaining the age of 80 years and above, would be payable from the first day of the month in which his/her date of birth falls.

II. However, in case the exact date of birth is not available either in the PPO or in the office records, but an indication regarding the age of pensioner /family pensioner is available, the additional quantum of pension/family pension shall be paid from the 1<sup>st</sup> January of the year following the year in which the pensioner / family pensioner has completed the age of 80 years and above, based on the PPO/Office records. No corrigendum PPO is required to be issued in such cases.

III. In case neither the exact date of birth nor the age is available either in the PPO or in the office records, the PDA will request the pensioner / family pensioner to submit four copies of any of the following documents duly attested by a Gazetted officer/MLA to the PDA. (a) PAN Card (b)

Matriculation Certificate (containing the information regarding date of birth) (c) Pass Port (d) CGHS/ECHS Card (e) Driving license (if it contains date of birth) (f) Election ID Card (g) Aadhaar Number. If the document submitted by the pensioner / family pensioner contains the information regarding exact date of birth, the additional quantum of pension/family pension will be payable from the 1st day of the month in which his/her date of birth falls. The PDA will make the additional quantum of pension/family pension, on provisional basis, up to a period of six months from the month in which the proof of date of birth/age is submitted by the pensioner/family pensioner. The PDA will make payment of additional quantum of pension/family pension beyond a period of six months only on receipt of a corrigendum PPO notifying the date of birth/age of pensioner / family pensioner.

IV. In case, the pensioner / family pensioner is unable to submit any of the documents mentioned above, but claims additional pension based on some other documentary evidence, such cases will be submitted by the PDA to the Administrative Ministry through service HQrs(for Commissioned Officers)/Record Office (for PBOR)/HOO(for Defence Civilians) as the case may be. If Administrative Ministry is satisfied about the claim of the pensioner/ family pensioner the same will be authorized through corrigendum PPO. No. additional pension will be released by the PDA until the corrigendum PPO is issued by the Pension Sanctioning Authorities.

**16. Release of withheld amount of gratuity/DCRG:** - Of late it is reported by pensioner/family pensioner that bank is not releasing the withheld amount of Gratuity/DCRG after expiry of six months from date of retirement (three month after date of death of Personnel in the case of family pension). Necessary instructions to release automatically the withheld amount of Gratuity/DCRG i.e. without any instruction from Pension Sanctioning Authority, after expiry of six months/three months (in the case of family pension) is either mentioned on back side of the PPO itself or enclosed/attached separately with the Pension Payment Order concerned. Therefore, there is only a need to establish a mechanism for release of the withheld amount of Gratuity/DCRG automatically after expiry of six months / three months as the case may be, if nothing is heard from concerned Pension Sanctioning Authority in this regard during the above period.