

FREQUENTLY ASKED QUESTIONS

Frequently asked questions by pensioner

Reserve Bank of India monitors disbursement of pension by its agency banks in respect of all Central Government Departments and certain State Governments. It has been receiving several queries/complaints from pensioners in regard to fixation, calculation and payment of pension including revision of pension/ Dearness Relief from time to time, transfer of pension account from one bank branch to another, etc. We have analysed the queries/ complaints, rights and duties of pensioners and put the same in the form of answers to these Frequently Asked Questions. It is hoped that this will cover most of the queries/ doubts in the minds of pensioners.

1. Can the pensioner draw his/ her pension through a bank branch?

Yes. Even the Government employees earlier drawing their pension from a treasury or from a post office will have the option to draw their pension from the authorized bank's branches.

2. Who is the pension sanctioning authority?

The Ministry/ Department /Office where the Government servant last served is the pension sanctioning authority. The pension fixation is made by such authority for the first time and thereafter the re-fixation of pay, if any, is done by the pension paying bank based on the instructions from the Central/ State Government authorities.

3. Is it necessary for the pensioner to open a separate pension account for the purpose of crediting his/ her pension in authorized bank?

The pensioner is not required to open a separate pension account. The pension can be credited to his or her existing savings/ current account maintained with the branch selected by the pensioner.

4. Can a pensioner open a Joint Account with his/ her spouse?

Yes. All Central Government Pensioners and those State Governments which have accepted such arrangement can open Joint Account with their spouses.

5. Whether Joint Account of the pensioner with spouse can be operated either by "Former or Survivor" or " Either or Survivor".

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6. What is the minimum balance required to be maintained in the pension account maintained with the banks?

RBI has not stipulated any minimum balance to be maintained in pension accounts by the pensioners.

7. Who sends the Pension Payment Orders (PPOs) to the authorized bank.

The concerned pension paying authorities in the Ministries /Departments/ State Governments forward the PPOs to the bank where from the pensioner desires to draw his/her pension.

8. When is the pension credited to the pensioner's account by the paying branch?

The disbursement of pension by paying branch is spread over the last four working days of the month depending on the convenience of the pension paying branch except for the month of March when the pension is credited on or after the first working day of April.

9. Can a pensioner transfer his/ her pension account from one branch to another branch of the same bank or to the branch of another bank?

(a) Pensioner can transfer his/ her pension account from one branch to another branch of the same bank within the same centre or at a different centre;

(b) He/ She can transfer his/ her account from one authorized bank to another within the same centre (such transfers to be allowed only once in a year);

(c) He/ She can also transfer his/ her account from one authorized bank to another authorized bank at different centre.

10. What is the procedure to be followed by the bank branch if the pensioner is handicapped /incapacitated and is not in a position to be present at the paying branch?

If the pensioner is physically handicapped/incapacitated and unable to present at the branch, the requirement of personal appearance is waived. In such cases the bank official visits the pensioner's residence/hospital for the purpose of identification and obtaining specimen signature or thumb/toe impression.

11. Has the pensioner got right to retain half portion of the PPO for record and to get it updated from paying branch whenever there is a change in the quantum of pension due to revision in basic pension, dearness relief, etc.?

Yes. The pensioner has right to retain half portion of the PPO for record and whenever there is a revision in the basic pension/DR etc. the paying branch has to call for the pensioner's half of the PPO and record thereon the changes according to government orders/notifications and return the same to the pensioner.

12. Can the pension paying bank recover the excess amount credited to the pensioner's account?

Yes. The paying branch before commencement of pension obtains an undertaking from the pensioner in the prescribed form for this purpose and therefore, can recover the excess payment made to the pensioner's account due to delay in receipt of any material information or due to any bonafide error. The bank has also right to recover the excess amount of pension credited to the deceased pensioner's account from his/ her legal heirs/nominees.

13. Is it compulsory for a pensioner to furnish a Life Certificate/Non- Employment Certificate or Employment Certificate to the bank in the month of November?

Yes. The pensioner is required to furnish a Life Certificate/Non – Employment Certificate or Employment Certificate to the bank in the month of November. However, in case a pensioner is unable to obtain a Life Certificate from an authorized bank officer on account of serious illness / incapacitation, bank official will visit his/her residence/ hospital for the purpose of recording the life certificate.

14. Can a pensioner be allowed to operate his/ her account by the holder of Power of Attorney?

The account is **not** allowed to be operated by a holder of Power of Attorney. However, the cheque book/ATM/INB facility and acceptance of standing instructions for transfer of funds from the account is permissible.

15. Who is responsible for deduction of Income Tax at source from pension payment?

The pension paying bank is responsible for deduction of Income Tax from pension amount in accordance with the rates prescribed by the Income Tax authorities from time to time. While deducting such tax from the pension amount, the paying bank will also allow deductions on account of relief to the pensioner available under the Income Tax Act. The paying branch will also issue to the pensioner in April each year a certificate of tax deduction as per the prescribed form.

16. Can old, sick physically handicapped pensioner who is unable to sign, open pension account or withdraw his/ her pension from the pension account?

A pensioner, who is old, sick or lost both his / her hands and, therefore, can not sign, can put any mark or thumb/ toe impression on the form for opening of pension account. While withdrawing the pension amount he/ she can put thumb/toe impression on the cheque/withdrawal form and it should be identified by two independent witnesses known to the bank one of whom should be a bank official.

17. Can a pensioner withdraw pension from his/ her account when he/ she is not able to sign or put thumb/toe impression or unable to be present in the bank?

In such cases, a pensioner can put any mark or impression on the cheque/ withdrawal form and may indicate to the bank as to who would withdraw pension amount from the bank on the basis of cheque / withdrawal form. Such a person should be identified by two independent witnesses. The person who is actually drawing the money from the bank should be asked to furnish his/ her specimen signature to the bank.

18. When does the family pension commence?

The family pension commences after the death of the pensioner. The family pension is payable to the person indicated in the PPO on receipt of a death certificate and application from the nominee.

19. How the payment of Dearness Relief at revised rate is to be paid to the pensioners?

Whenever any additional relief on pension/family pension is sanctioned by the Government, the same is intimated to the agency banks for issuing suitable instructions to their pension paying branches for payment of relief at the revised rates to the pensioners without any delay. The orders issued by Govt. Departments are also hosted on their websites and banks have been advised to watch the latest instructions on the website and act accordingly without waiting for any further orders from RBI in this regard.

20. Can pensioners get pension slips?

Yes, monthly pension slip is automatically sent to the pensioner's email id if available with the Bank. In other cases pension slip can be obtained by the pensioner from any pension paying branch.

21. Which authority the pensioner should approach for redressal of his/ her grievances?

In case pensioner need any clarification regarding their pension payment, the following options are available:

- SMS "UNHAPPY" to 8008202020
- Call our dedicated pension helpline- 1800110009
- Lodge online grievance on www.sbi.co.in
- Call our Contact Centre on 180042503800 or 1800112211
- Lodge a grievance to gm.customer@sbi.co.in or dgm.customer@sbi.co.in

A pensioner can initially approach the concerned Branch Manager and, thereafter, the Head Office of the concerned bank for redressal of his/her complaint. They can also approach the Banking Ombudsman of the concerned State in terms of Banking Ombudsman Scheme 2006

of the Reserve Bank of India (details available at the Bank's website www.rbi.org.in) This is applicable only in respect of complaints relating to services rendered by banks. For other issues the complainant will have to approach the respective pension paying authority.

22. Where can a pensioner get information about the changes in the pension/ Dearness Relief or any pension related issue?

The pensioner can visit the Official Website of the concerned Government Department as also Reserve Bank of India Website (www.rbi.org.in) to get the information about pension related issues.