

February 06, 2006
Magha 17, 1927 (Saka)

All pension paying banks
(As per list attached)

Dear Sir,

**Disbursement of pension through Public Sector Banks - payment of
Dearness Relief (DR)**

Reserve Bank has been receiving large number of complaints from pensioners regarding delay in release of Dearness Relief (DR)/other allowances by Agency banks as announced by Government from time to time.

2. In order to obviate the time lag between the issue of Orders by the Government on DR and other allowances etc., pension paying banks had been advised vide our circulars Nos.DGBA.GAD No.H-506/45.01.001/2002-03 and DGBA.GAD.H-177/ 45.01.003/2004-05 dated April 12, 2003 and September 8, 2004 respectively to act directly on the copies of such orders which may be supplied by Government through Post/ Fax/ e-mail in this respect or by accessing the website of concerned pension paying authorities without waiting for receipt of further instructions from Reserve Bank of India.

3. We once again request that the pension paying banks may put in place a mechanism to immediately obtain copies of Government Orders and release it to the pension paying branches for action at their end. The intention is that pensioners should get the benefits announced by Government in the succeeding month's pension payment itself. The Controlling Offices/Head Offices of Agency banks should closely monitor and supervise timely and correct disbursement of government pension to eligible pensioners.

4. We also advise that in the cases of Central Civil and Railway Pensioners, the pension paying banks should endorse the names of nominees as per nomination forms A & B on the front page of the pass book. The branches may be advised to ensure that the procedures laid down in Schemes for Disbursement of Pensions to Pensioners by Public Sector Banks are followed scrupulously.

5. In order to create better awareness among staff about pension payment schemes/rules, banks may include this as an integral part of the training programmes conducted by their training establishments. We also suggest that

knowledge of pension rules may be given due weightage in the appraisals made on staff and officers.

6. Please advise us of the action taken in this regard.

Yours faithfully,

(M.T. Varghese)
General Manager