

H. P. S. E. B.

Kumar House

SHIMLA-4

**Scheme for Payment of Pension
Through Designated Banks**

HIMACHAL PRADESH STATE ELECTRICITY BOARD

Subject:- Scheme for Payment of Pension through Designated Banks.

The existing system of disbursement of pension provides for personal appearance of the pensioners (in case of NG) at Head Office (Shimla) and Offices of field Drawing and Disbursing Officers for receiving pension. The pension in respect of Gazetted Officers (Retd) is being disbursed through Head Office as well as Field Drawing Disbursing Officers by issuing the cheque creditable to their Saving/Current Account of the Pensioner or through Bank-draft. The present system has contributed to delays in disbursal of pensions. The pensioners are also to visit the office of the D.D.O at a considerable distance. As pensioners are entitled to pension after a life time of public service, the H.P. Govt. has already simplified the system for the disbursement of pension through public Sector Banks. Keeping in view the avoidable delays and inconvenience caused to the pensioners under the existing arrangement, the Board has decided to introduce the scheme of payment of pension through Designated Banks.

2. The HPSEB is maintaining its drawing account with the following Banks.

- (i) State Bank of India Shimla
- (ii) Punjab National Bank Shimla
- (iii) United Commercial Bank Shimla
- (iv) State Bank of Patiala Shimla
- (v) H.P. Co-Operative Bank Shimla
- (vi) K.C.C. Bank Dharamshala.

These banks are being entrusted with the payment of pension to the retirees of the Board.

3. The scheme will cover all the pensioners of the H.P. State Elect. Board who retire/retried from a post under H.P. State Elect. Board.

4. The scheme will be introduced with immediate effect.

5. Existing HPSEB Pensioners, who are drawing their pensions from the Drawing and Disbursing Officers of the Board will be given option either to continue to draw their pension as heretofore or may opt to draw the same from any Branch of the Designated Bank. Employees retiring on or after 31-7-93 will likewise have the choice to draw their pension from a D.D.O. of HPSEB or a Branch of a Designated Bank.

6. Pensions will be paid by credit to the pensioner's saving/current account at the Banks selected by him/her. The pension will be credited to the pensioner's account on the first working day of the following month, If for any reason such as rush of work on the day, the payment of any pension is delayed it must be ensured that it will be paid as soon as possible thereafter, and in any case, before the 7th of the month succeeding the month

for which the pension is due. No bills will be required to be submitted for this purpose. Every pensioner availing of this facility will open savings/current account in his sole name unless he is already having one.

Pension will not be paid in cash or through a Joint or an either or survivor Account.

The account of the pensioner to which his pension is credited shall not be allowed to be operated upon by another person by virtue of a power of attorney executed in his name.

7. The detailed procedure to be following for transfer of pension payment work to Banks and accounting of pension payment under the scheme is outlined in the following paragraphs.

INITIAL ACTION

8. The Banks mentioned in paragraph 2, above shall be link branches for co-ordinating the work connected with the disbursement and accounting of pension payments by its various Branches in the State/country. All the Link Branches shall communicate to the D.D.O.s as well as the Accounts Officer (Pension)/(Banking) the list of other Branches and their addresses at the said place.

9. All the Drawing and Disbursing Officers will take immediate action for renewal of the disburser's half of the pension payment orders whenever necessary before their transfer to the Link Branches of the designated Banks.

10. Existing HPSEB Pensioners who are desirous of drawing their pension from a Branch of the Bank will apply to the Drawing and Disbursing Officer on or after 31-7-1993 within a fortnight in the form at Annexure 'A' in duplicate.

11. The aforesaid initial action and other preparatory work indicated in paragraph 12 to 18 below should be completed by 16-8-1993 so as to enable commencement of pension payments for 8/93 (and payment of undrawn arrear if any) by the Banks from 1-9-1993.

TRANSFER OF P.P.O.'s BY D.D.O. TO BANKS

12. The option application (original copy) of the pensioners received by the D.D.O. shall be sent by him under his special seal and together with Disbursers half of P.P.Os to the Accounts Officer (Pension). The documents will be sent to the Link Branch by A.O. (Pension) after recording the name of the link/paying bank branch in P.P.Os register. Simultaneously, the pensions will be advised to approach the designated bank branch, specified in his application for receiving future pension payments.

13. While forwarding the above documents to the Accounts Officer (Pension) the month upto which pension was paid by the D.D.O. and the month from which pension payment is to be arranged by the Designated Bank Branch will be clearly indicated. Applications received by the D.D.O. upto the 15th of a month should be forwarded to the Accounts Officer (Pension) latest by the 20th of that month to facilitate commencement of pension payment by the Designated paying branch on the 1st of the next month.

14. In respect of new pensioners, the Accounts officer (Pension) while issuing the P.P.O. will also mention on the P.P.O. itself the particular branch of the Bank from which the pensioner has opted to draw pension. A.O. (pension) will forward both halves of the P.P.O. to the Link Branch of that Bank. An intimation to this effect will also be sent to the nearest nominated DDO for carrying out adjustment of payments to the pensioners.

TRANSMISSION OF P.P.Os BY LINK BRANCH TO PAYING BRANCH

15. The Banks will maintain at their link branch a register in the form prescribed in Annexure 'B' to serve as an index of the pension payments authorised through the Bank.

16. The link branch will verify the special seal and signature of the Drawing and Disbursing Officer/Accounts Officer (Pension) forwarding the disburser's half of the PPO (both halves in the case of a new pensioner) with the special seal and specimen signature on record with the link branch.

17. The disburser's half the P.P.O. (in the case new pensioners both halves) and any documents received from the D.D.O./Accounts Officer (Pension) e.g. original option application submitted by the pensioner for drawing pension through Bank) will thereafter be forwarded by the link branch to the Bank selected by the pensioner, hereafter referred to as the "paying Branch".

FUNCTION OF PAYING BRANCH

18. The paying branch will maintain a detailed record of pension payments made from time to time at that branch in the form prescribed in Annexure "C".

19. On receipt of documents from the link branch as indicated above and before commencing payment of pension the paying branch will --

- (i) Advise the pensioner to appear at the branch for his identification.
- (ii) Obtain an undertaking from the pensioner that excess payment credited to his/her account due to delay in receipt of any material information or any bonafide error can be recovered by the bank and
- (iii) Obtain in the case of a new pensioner specimen signature or thumb impression, as the case may be in the space provided for the purpose in the disburser's portion of the P.P.O. and hand over the pensioner's portion of the P.P.O. to him/her.

Note:- The undertaking to be obtained from the pensioners as per item (ii) above need not be on stamp paper.

20. The process of identification has been laid down in rules 4.103 to 4.106 of the Subsidiary Treasury Rules. This comprises checking of the signatures and photograph of the pensioners with that available on the disburser's portion of the P.P.O. and resemblance with the pensioners photograph thereon. A new pensioner has also to produce his personal copy of the letter of the Accounts Officer (Pension) forwarding the P.P.O. in case the photograph is not available on the disburser's portion, the paying branch will in due course, obtain new photograph from the pensioner (which can be attested by any officer of the Designated Banks) and complete the disburser's portion.

21. Such personal identification of the pensioners will be only for the first payment of pension at the paying branch.

22. No bills will be required to be submitted by the pensioners for drawing their pensions through a Bank the payment of pension after deduction of tax vide paragraph 23 below will be made by credit to Saving/current account of the pensioner.

23. The paying branch will be responsible for deduction of income tax at source from the pension payments in accordance with the rates prescribed from time to time. In cases of pensioners from whose pension Income tax has been so deducted the paying branch will issue, in April each year a certificate of tax deducted in the form prescribed in the Income Tax Rules.

24. Each paying Branch will maintain a detailed record of pension payments made by it from time to time in the form prescribed in Annexure-C. Every payment will also be entered on the disburser's portion of the P.P.O. and authenticated by the authorized officer of the paying Branch.

25. The scrolls will be prepared by the paying branch in quadruplicate in the form prescribed in Annexure 'C' except where paying and Link Branch is the same. In the latter case, only three copies would be prepared. The paying Branch will send advice of pension payments to its Link Branch by 10th of each month, the certificate of payment being recorded on the advice itself. One copy of the scroll will be sent to the nominated D.D.O. for adjustment in Accounts and the remaining copies of the scroll alongwith the certificate to be submitted by the pensioner under paragraphs 30 to 32 below will be sent alongwith pension payment advice to the link Branch. The nominated D.D.O. will make adjustment in the monthly account by debiting to Block Head meant for transaction and per contra credit to Bank a/c. This transaction should appear in pension schedule as well as in cheques-drawn statement with suitable indication that the amount relates to the payment of pension made directly by the bank.

FUNCTIONS OF THE LINK BRANCH

26. On receipt of advices and scrolls alongwith the supporting documents from the other branches, the link branch will consolidate them alongwith supporting

documents. The aggregate amount of such advices/scrolls will be debited to the current account cash credit limit of the Board by the link branch.

27. One copy of the scrolls alongwith summary sheet will be sent by the link branch to the Accounts Officer (Bkg) alongwith statement of account relating to current account of the Board. The triplicate copy of the scroll and payment advice received from the paying Branch will be retained by the link branch.

SUBSEQUENT ACTION

28. The Accounts Officer (Bkg) will check the correctness of the total and thereafter pass on the copy of scrolls alongwith summary sheet to Accounts Officer (Pension) for noting down the events of payments and to reconcile/post audit the transactions.

CERTIFICATES TO BE SUBMITTED BY THE PENSIONERS

29. Life certificate:-- The pensioner would be required to furnish a life certificate once a year in the month of November in the form prescribed in Annexure D(i). Officers of the Designated Banks are authorized to give life certificate for this purpose.

30. Non-employment certificate:-- Retired HPSEB Services Class I Officers are required to furnish a declaration in May and November each year in the form prescribed in Annexure D (ii) about acceptance/non-acceptance of commercial employment within 2 years from the date of their retirement and also about acceptance/ non acceptance of any employment under any Govt. outside India.

In case where commercial employment (within 2 years from the date of retirement) or employment under a Govt. outside India has been accepted without obtaining Board's approval, the paying Branch will seek Board's order through Accounts Officer (Pension) before making further pension payments.

31. Non-Marriage/Re-marriage certificate :-- In the case of widow/recipients of family pension, the certificate of re-marriage prescribed in Annexure D(iii) will not be necessary. An undertaking will be obtained from the widow that she will report such an event to the Pension Disbursing Office promptly.

In case of other recipients of family pension (a widower or a un-married daughter) the certificate of re-marriage/non-marriage in the form prescribed in Annexure D(iii) is required to be furnished by the recipients once every 6 months (in May and November).

32. As already mentioned in paragraph 25 above, the paying branch will indicate compliance of these requirements in the advices and scrolls sent to the link branch.

TRANSFER OF PENSIONS

33. Applications for transfer of pension may fall under any of the following categories :--

- (i) Transfer from one branch to another of the same centre.
- (ii) Transfer from one place to another which may involve payment by the same bank or another bank.

34. Request falling under category (i) above may be entertained by the Designated Banks itself. The paying branch will indicate on the disbursers portion of the P.P.O., the month upto which the payment has been made and will thereafter return the disbursers portion of the P.P.O. to the link branch. On receipt, the link branch will make necessary entries in the register maintained by it in the form in Annexure B and forward the P.P.O. (disbursers portion) to the other paying branch under intimation to A.O. (Pen)/nominated DDO.

35. In a case falling under(ii) above, the paying branch will return through its link branch, both the portions of the P.P.O. to the Accounts Officer (Pen.) indicating the month upto which pension payment has been made. On receipt the Accounts Officer (Pension) will take necessary action for payment of the pension at a branch of a Designated Bank as per pensioner's request in terms of these orders or Rule 4.174 of Subsidiary Treasury Rules as the case may be.

36. To avoid the risk of over-payment at the time of transfer, the following certificate may be recorded on the P.P.O.s by the paying Branch of the Designated Bank.

“Certificated that payment of pension upto the month----- has been made and that this P.P.O. consists of ----- continuation sheets for recording disbursement”.

37. Except as provided for above, the transfer of a pension from one place to another will not ordinarily be permitted.

RELIEF TO PENSIONERS

38. Whenever relief/adhoc relief to pensioners is sanctioned by the Board, a copy of these instructions will be sent to Link Branches as well as paying Branches by Accounts Officer (Pension) for releasing the amount of relief to the pensioners. The paying branch will also make payment of increase/arrear of adhoc relief on the basis of the aforesaid instruction.

COMMUTATION OF PENSIONS

In the case of commutation of pension in payment through Bank, being sanctioned, the following procedure will be followed for its payments and amendment of the P.P.O.

40. On receipt of communication from the Accounts Officer (Pension) sanctioning commutation and indicating the revised rate of pension payable after commutation, the D.D.O. will forward it, under his seal to the paying branch through the

link branch of the Designated Bank for arranging payment. On receipt of the authority, the paying branch will-----

- (i) arrange immediately payment of the commuted portion of the pension and indicate in the related payment scroll against this item of payment the A.O. (Pen)'s letter of authority.
- (ii) enter the date of commutation payment and date from which the reduced pension is payable (as indicated in the commutation sanction) in the disbursing officer's portion of the P.P.O. (as well as on the pensioner's portion of the P.P.O. at the earliest opportunity);
- (iii) commence payment of reduced pension and simultaneously arrange recovery of excess payment made, if any to the pensioner; and
- (iv) advise the Accounts Officer (Pension) through link branch the date on which payment of commuted portion of pension was made and the date from which payment of reduced pension has commenced.

The link branch will also make appropriate entries in its records on the basis of such intimation.

ARREA AS OF PENSION ON DEATH OF PENSIONER

41. Pension can be drawn for the day of the Pensioner's death. On death of pensioner, the paying branch will receive death certificate of the pensioner and work out any arrears due to the deceased or over-payment, if any made to him. It will immediately take action to recover the overpayments from the deceased's account for which Banks would have obtained an undertaking from the pensioner as provided in paragraph 19(ii) above. For payment of any arrears to the heir of the deceased pensioner, the Bank will seek instructions of the Accounts Officer (Pension).

FAMILY PENSIONS

42. The P.P.O. issued by the Accounts Officer (Pension) indicate the entitlement in respect of family pension to widow-husband consequent on the death of the pensioner. The D.D.Os are authorized to commence payment of family pension on receipt of death certificate of the pensioner and the application for grant of family pension to her/him in form---- (Annexure --(E)). A separate P.P.O. is not issued for this purpose by the A.O. (Pension).

43. In the case of pensioners drawing their pension through designated Bank payment of family pension at the rate indicated in the P.P.O. may be commenced by paying branch on receipt of death certificate and application for family pension in form Annexure E alongwith the pensioner's portion of the P.P.O. The paying branch will enter the date of death of the pensioner in the disbursing officer's portion of the P.P.O. and also make entries in the pensioner's portion and in the register in form at Annexure C.

Payment of family pension will be made by credit to Savings/current account of the recipient (not a joint or either or 'survivor'accounts) which may be opened if the

recipient does not already have one. Additionally an undertaking similar to the one referred to in the paragraph 19 will be obtained by the paying branch from the recipient before the family pension is paid.

The paying branch will also advise the Accounts Officer (Pension) through the link branch, the date of the pensioner's death and commencement of payment of family pension for keeping record.

44. As earlier mentioned in paragraph 31 above, the paying branch will be responsible for obtaining certificate of remarriage/marriage from the recipient. Family pension is sanctioned to widow/widower or daughter subject to the condition that the pension is admissible till their death or marriage/remarriage. Hence it is terminable on their marriage/remarriage.

CEASSATION OF PENSION

45. When pension ceases to be payable to a pensioner/recipient of a family pension on death etc., the paying branch will make necessary entries in the P.P.O. and its records and return it to the D.D.O./A.O/ (pension) through the link branch. The latter will likewise amend its records.

46. If all the cases for entering monthly payments in the disburser's portion of P.P.O. get fully used up, the paying branch may add extra sheet(s) with similar columns for noting further payments. A suitable entry will be made by the paying branch on the P.P.O. (disburser's portion) whenever a continuation sheet is added specifying the number of pages available on the sheet.

47. The Banks will indemnify the Board against any wrong or over payment to pensioners and execute necessary indemnity bond being prescribed for the purpose. To safeguard their own interests, the Banks will obtain an undertaking from the pensioner that excess payment credited to the accounts of the pensioners can be recovered by the Bank.

48. The accounts records and registers maintained in the branches of the Banks making pension payments and also in the link branch shall be open to audit by the Accounts Officer (Pension) and any other persons authorized by them.

ANNEXURE 'A'
APPLICATION FOR DRAWAL OF PENSION THROUGH
DESIGNATED BANK
(To be submitted in Duplicate)

To
The Executive Engineer,

Sir,

I opt to draw my pension through Designated Bank and given below necessary particulars to enable you to make arrangements in this regard.

1. Particulars of pensions :

- (a) Name
- (b) P.P.O. No.....
- (c) Present Address

2. Particulars of Designated Bank:--

- (a) Name
- (b) Branch Where payment desired

3. Pensioner's S.B./Current Account number at the Branch to which pension is to be credited .

Yours faithfully,

Place:

Date:

(Pensioner)

Not Joint or either or survivor Account.

Pensioner's Specimen Sig.

REVERSE
FOR USE IN D.D.O's OFFICE

Forwarded to the Accounts Officer (Pension) HPSEB Shimla. The Disburser's half/both halves of Shri/Smt./Kumari.....bearing P.P.O. No.....is (are) sent herewith.

The pensioner has been paid pension for the period upto the month ofpayment of pension due from the month of is to be arranged by the Bank.

The Branch will reimburse the payment to your Bank, Station.

DDO/Executive Engineer

Date

(with his seal)

ANNEXE 'B'

**INDEX REGISTER OF PENSION PAYMENTS AUTHORIZED THROUGH
BRANCHES OF THE DESIGNATED BANKS**

| Name of the Pensioner | Number of the Pension Payment Order (P.P.O.) | Monthly amount of pension (Basic pension and relief to be shown separately) | Branch at which the payment is to be made | Date from which pension payment will commence | Remarks |
|-----------------------|--|---|---|---|---------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |

Note:- Each entry should be attested by the nominated officer of the link branch of the Bank.

**ANNEXURE 'C'
REGISTER OF PAYMENT OF PENSIONS**

| Name of the pensioner | No. of Pension Payment Order (P.P.O.) | Period for which the pension is paid | Amount of the pension (Basic and relief to be shown separately) | Recovery of over-payment if any |
|-----------------------|---------------------------------------|--------------------------------------|---|---------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |

| Name of the Pensioner | Income Tax deduction | Net | Amount paid | Allocation of pension as indicated in the P.P.O. | Remarks |
|-----------------------|----------------------|-----|-------------|--|---------|
| 1 | 6 | | 7 | 8 | |
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |

Note :- Each entry should be attested by the nominated officer of the branch at which the Payment is made.

11
ANNEXURE 'D'
CERTIFICATE TO BE SUBMITTED BY PENSIONER
(See paragraphs 28-32)
1. LIFE CERTIFICATE

Certified that I have seen the pensioner (Name of the pensioner)
.....holder of Pension Order No..... and that he is alive on
this date:

Place

Name

Designation of authorized Officer

Date

Seal.....

II. NON-EMPLOYMENT CERTIFICATE

I declare that I have accepted commercial employment after obtaining/without
obtaining sanction of the Government (to be furnished by the State Service Class 1
Officers and All India Service Officers during first two years from the date of retirement).

I declare that I have/have not accepted any employment under any Government
outside India after obtaining/without obtaining sanction of the Government, (to be
furnished by State Service Class 1 Officer and All India Services Officers only).

Delete whichever is not applicable :

Place

Signature

Name of the pensioner

Date.....

P.P.O. No.....

III. CERTIFICATE OF RE-MARRIAGE/NON-MARRIAGE

I hereby declare that I am not married/I have not been married during the past six
months.

OR

I hereby declare that I have not be re-married and I undertake to report such an
event to the Bank.

Signature

Name of the pensioner

Place.....

Date.....

P.P.O. No.....

I certify to the best of my knowledge and belief that the above declaration is
correct;

Signature of a responsible officer or a well known person

Place

Name.....

Date.....

Designation

Delete whichever is not applicable:

This declaration is required only once at the time of first payment by the paying branch .

12

ANNEXURE 'E'

(See Rule 12)

FORM OF APPLICATION

(Family Pension Scheme for State Electy. Board's Employees)

Application for a family pension for the family of Late Shri/Smt
 (Designation)..... in the
 office/Department.....

1. Name of the applicant
2. Relationship to the deceased Government servant/ Pensioner
3. Date of retirement if the deceased was a pensioner
4. Date of death of Government servant pensioner
5. Names and ages of surviving kindred of the deceased

| | |
|----------------------|-----------------|
| Name | (Date of birth) |
| Widow/Widower | |
| Sons | |
| Un married daughters | |
6. Name of Treasury/Sub-Treasury/Nationalized Bank
branch at which payment is desired
7. Signature or left hand thumb impression (in the case of
Those who are not literate enough to sign their names).
8. Descriptive role of widow/widower/guardian of
the minor children of late
- (i) Date of birth
- (ii) Height
- (iii) Personal marks if any on hand or face
- (iv) Left hand thumb and finger impressions

| | | | | |
|--------------|-------------|---------------|--------------|-------|
| Small finger | Ring finger | Middle finger | Index finger | Thumb |
| | | | | |

9. Full address of the applicant.

Attested by--

- (1)
- (2)

Witness –

- (1).....
- (2).....

Note:- The descriptive roll [column (8) and signature of left hand thumb finger impressions accompanying application for family pension should be in duplicate

in two separate sheets and attested by two gazetted officers or persons of respectability in the town, village or pargana in which the applicant resides.