



CPAO/IT & Tech/SCOVA/20 (Vol-I)/2018-19/26

16.05.2018

Office Memorandum

Subject: - Recovery of excess payment made to pensioners.

It has been brought to the notice of this office that some Bank branches are refusing to disburse the family pension to the family pensioners until and unless the whole overpaid amount is credited back to the bank. This issue was also highlighted in the Standing Committee of Voluntary Agencies (SCOVA) meeting Chaired by Hon'ble Minister of State of the Ministry of Personnel, Public Grievances & Pensions.

In this context, RBI in consultation with Office of the CGA, Ministry of Finance, Deptt. of Expenditure has issued instructions for recovery of excess payment made to pensioners vide their Circular No. RBI/2015-16/340 DGBA GAD No.2960/45.01.001/2015-16 dated-17.03.2016 which is reproduced below:-

- a) As soon as the excess/wrong payment made to a pensioner comes to the notice of the paying branch, the branch should adjust the same against the amount standing to the credit of the pensioner's account to the extent possible including lumpsum arrears payment.
- b) If the entire amount of over payment cannot be adjusted from the account, the pensioner may be asked to pay forthwith the balance amount of over payment.
- c) In case the pensioner expresses his inability to pay the amount, the same may be adjusted from the future pension payments to be made to the pensioners. For recovering the over-payment made to pensioner from his future pension payment in instalments 1/3rd of net (pension plus relief) payable each month may be recovered unless the pensioner concerned gives consent in writing to pay a higher instalment amount.
- d) If the over payment cannot be recovered from the pensioner due to his death or discontinuance of pension then action has to be taken as per the letter of undertaking given by the pensioner under the scheme.
- e) The pensioner may also be advised about the details of over payment/ wrong payment and mode of its recovery.