



VANDANA SHARMA
CONTROLLER OF ACCOUNTS

372

D. O. No. CPAO/TECH/STG.Cem/CGA/2001-02

भारत सरकार

वित्त मंत्रालय, व्यय विभाग

केन्द्रीय पेंशन लेखा कार्यालय

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GOVERNMENT OF INDIA

MINISTRY OF FINANCE

DEPARTMENT OF EXPENDITURE

CENTRAL PENSION ACCOUNTING OFFICE

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September 18, 2002

Please find enclosed minutes of the Special Meeting regarding Central Government Pension Payment & Accounting held in Conference Room of World Trade Centre, Mumbai on 29.8.2002 at 11.00 AM for further necessary action.

2. As decided in the meeting the Single Window System for Central Civil Pensions would be introduced with effect from 1st November, 2002. RBI Circular No.DGBA.GAD.130/45.01.001/2002-03 dated 30.8.2002 refers.

3. Detailed guidelines for switchover to the Single Window System are also enclosed. These may be circulated to all your Nodal Branches, Link Branches and Paying Branches. In case of any clarifications you may contact :

- (i) Shri JPS Chawla
Controller of Accounts
Tel. 6174809
- (ii) Shri Sunahari Lal
Dy.Controller of Accounts
Tel. 6103074
- (iii) Shri R.B.Upadhyay
Sr.Accounts Officer
Tel. 6174613

4. This issues with the approval of the Controller General of Accounts.

V. Sharma
(Vandana Sharma)

Subject : Draft Minutes of the Special Meeting regarding Central Govt. Pension Payment & Accounting held in Conference Room of World Trade Centre, Mumbai on 29.8.2002 at 11.00 AM.

Controller General of Accounts held a Special Meeting with the representatives of Banks on the above subject on 29.8.2002 (List of participants enclosed).

At the outset, Shri S.Krishnamurthy, CGM, State Bank of India highlighted the contribution of State Bank of India towards facilitating pension payments to pensioners and special steps taken to improve existing system. He stated that SBI has the largest network of branches to serve senior citizens through 7000 branches and more than 20 lakh pensioners draw their pension through SBI branches. They have 381 pension link branches and these branches draw reimbursement from RBI through GAD, Navi Mumbai. A new pension payment software has been introduced and released for implementation to all the circles. 14 Nodal branches have been identified for purpose of switchover to the Single Window System.

As a welfare measure for pensioners, a special cell at Belapur, Navi Mumbai, deals exclusively with pensioners' complaints. "Exclusive Pensioner Meets" are organised at branch level, to get feed back on the facilities and services extended to the pensioners. In each Local Head Office, there is a Customer Grievance Redressal Cell to take care of grievances of pensioners.

Controller General of Accounts in her address emphasised that pensions is a priority area for the organisation. The banks have taken several steps including introduction of computerised processing to improve their functioning, however, the effect of these steps is minimal in the Government segment, more specifically in the area of pension disbursement and accounting.

She pointed out that there were several lacuna in the accounting of pension payments. The data bank at the Central Pension Accounting Office does not have complete information since the cycle of information flow is not complete. There is urgent requirement of a proper system of post-check and audit of pension payments. Explaining

the shortcomings in the present system of accounting she said that data from all banks gets merged at the reimbursing branches and, reconciliation of accounts becomes difficult. Keeping this and other factors in mind the RBI had issued guidelines for Single Window System. Under the proposed system there shall be no change in the procedure for forwarding of PPOs to the concerned link branch of the Public Sector Bank at the district headquarter. The paying branches of the PSB will continue with the existing procedure for payment of pension and preparation of scrolls and will submit these to the link branches as hitherto. The link branches shall check the scroll and prepare summary sheet as before. The summary sheet alongwith payment scroll received from various paying branches will be forwarded to the designated NODAL BRANCH of the concerned bank (instead of a reimbursing branch of RBI/SBI) at local head office/zonal offices or regional office (to be nominated by the concerned bank in consultation with RBI/Pension Accounting Authority). The Nodal Branch will consolidate the transaction received from all link branches under it and will prepare the daily government debit scroll to forward the same along with relevant pension payment scroll to the Pension Accounting Authority and, simultaneously, send advise through daily memo to its link cell located at Nagpur for reimbursement/settlement to RBI, CAS, Nagpur. Thus the entire process from the part of payment of pension to reimbursement at RBI, CAS, Nagpur will be handled by the concerned bank itself. The objective is to make each pension paying bank responsible to effect settlement without the intervention of RBI offices or SBI/Associates and in the process eliminating causes of delay. CGA emphasised the need to start implementation of Single Window System at the earliest and suggested finalisation of the date in the meeting.

4. CGA also discussed problems relating to miscellaneous schemes of Ministry of Finance such as Special Deposits Scheme, PPF Scheme, Retiring Officers Scheme where banks are keeping accounts on behalf of the Government. There are frequent complaints relating to delays in remittances, misclassification and lack of budgeting control. Banks were requested to review these areas and report progress in the Standing Committee Meeting scheduled to be held in October 2002.

Follow up on the decisions taken in the present meeting would also be reviewed during the Standing Committee Meeting. CGA also requested for a high level of cooperation from the banks for a successful transition to Single Window System as well as electronic transmission of accounting data.

The address of Controller General of Accounts was followed by a presentation on "Single Window Concept" by Mrs. Vandana Sharma, CA (Pensions). Salient features and benefits of the scheme were highlighted.

Shri C.R.Sundaramurti, Chief Controller(Pensions) then took up agenda points for discussions..

AGENDA POINT – I : Introduction of 'Single Window System' for reimbursement of pension payments made to Central Government Civil Pensioners.

All issues relating to introduction of 'Single Window System' were discussed. The following decisions were taken/clarifications made –

- The Single Window System would be introduced w.e.f. 1st Nov'02 for Central Civil Pension.
- The representative of Central Accounts Section, RBI Nagpur clarified that mode of reimbursement to banks would undergo no change and would be same as that of other expenditure reimbursements.
- The RBI, SBI and its subsidiaries functioning as reimbursing branches under the existing system will cease to function as reimbursing branches and will not make reimbursement for pension payments made on or after 1st November 2002.
- For payments credited to pensioner's account upto 31.10.2002, the existing procedure of reimbursement would be followed. All reimbursements claims would be filed with RBI/SBI/Associate banks by 30.11.2002. Reimbursement cases filed after this date would be considered on merit.
- All reimbursements in respect of pension payments made after 1.11.2002 would be made by RBI CAS Nagpur to the banks through their Link Cells at Nagpur on a daily basis
- RBI circulated (during the meeting) the structure of ASCII format for final settlement of payment with CAS, RBI at Nagpur/through the Link Cells of banks (GAD in case of SBI).

- Address list of authorised paying branches, link branches and nodal branches along with BSR codes shall be furnished by all banks to the RBI and the CPAO by 30th September 2002 on electronic media.
- It was observed that most banks do not maintain a data base which captures all information required by the CPAO. Therefore, all banks would, while switching over to the new system, ensure that their individual data banks are modified to capture all information required as circulated vide letter dated 5th March, 2001 which is also available as Annexure IV of the agenda at page 14.
- Instructions relating to banks authorised to deal with pension payments in specified States/UTs as per Scheme for payment of Central Civil Pensions was reiterated and photocopy of relevant pages of the Scheme booklet were distributed to all the banks. There can be no relaxation in this regard once the Single Window System is introduced. Accordingly, all banks which were transacting Central Civil pension in States/UTs in which they are not authorized, would advise their clients to switch over to a branch of an authorised bank before 1.11.2002.
- It was also agreed in the meeting that banks would be entitled to 100% Turnover Commission Payment, for pension payments, w.e.f. 1.11.2002.
- It was pointed out that a review of the system of link branches (which are currently in the district headquarters) indicated that some of them were currently dealing with a very small number of PPOs. At the same time, most banks had computerised their pension payment operations. In view of the need to curtail costs/streamline administrative procedures in banks, each bank would review the operation of their link branches with a view to consolidate the operations & curtail the link branch number. It was indicated that in so far as the CPAO is concerned it would be ideal if the link and nodal branches were made coterminus.

AGENDA ITEM NO.2 : Electronic Reporting of Pension Payment

It was pointed out that there were several lacuna in the way the scrolls and summaries were sent to the CPAO for accounting purposes. Representatives of RBI informed that they were unable to provide information called for by the Ministry of Home Affairs regarding number of freedom fighter pensioners, as banks were not indicating category-wise payments made. With the revised system of reimbursement, it would be easier to get data in electronic form as desired by the CPAO. It was also agreed that

ending data through e-mail would be a better solution. Specific problems relating data sent by various banks were discussed. Since most banks were not sending data pertaining to all branches regularly it was decided that this should now be synchronised with switchover to Single Window System. However, in no case would implementation of Single Window System be delayed beyond 1st Nov'2002. CPAO would issue revised instructions to facilitate a smooth transaction to the new systems (Single Window System and electronic reporting of pension payments).

AGENDA ITEM NO.3 : Collection of Data for Pre-1990 Pensioners

Difficulties in collection of data for pre-1990 pensioners were discussed with representatives of banks. Since there were shortfalls in the quality of data sent even where banks have sent data for all zones, banks were requested to send complete/rectified data by email. All banks promised to rectify all shortcomings in the data with reference to the format prescribed by the CPAO and send afresh complete data for all zones in desired format by end of October, 2002. Representative of Punjab & Sind Bank informed that data of 10 out of 16 zones have been sent and the complete data shall be sent by 10th September, 2002. Controller General of Accounts desired that all the banks should complete this exercise by 30th October, 2002 and forward this data afresh, also by e-mail to the CPAO at niccpaoo@sansad.nic.in. Regarding problems relating to assigning unique PPO Code for pre-1990 pensioners, the issue would be discussed in the Standing Committee Meeting.

AGENDA ITEM No.4 : Non-adherence of Prescribed Procedure for Preparation and Rendering of Pension Payment Scrolls by PSBs.

The manner of submission of Pension Payment Scrolls by PSBs and non receipt/delayed receipt of scrolls leads to accumulation of adverse balance under PSB Suspense. Chief Controller (Pensions) pointed out the major problems in the area as had already been circulated vide Annexure-VIII to the agenda. The need for all scrolls to be serially numbered to facilitate reconciliation of accounts was also stressed. Formal instructions on this subject shall be issued by CPAO soon. All banks were requested to ensure that the paying branches/link branches nodal branches took due care while preparing the pension payment scrolls and the Daily Government Debit Scrolls as prescribed by the CPAO.

The meeting ended with a Vote of Thanks to the chair.