

No. CPAO/Tech/Amendments/Sch.Book/2005-06/69

Government of India  
Ministry of Finance  
Department of Expenditure  
Central Pension Accounting Office  
Trikoort-II, Bhikaji Cama Place,  
New Delhi.

Dated: 09-06-2005

**OFFICE MEMORANDUM**

**Sub:-Payment of pension through Authorized Banks-Credit of pension to Joint bank account operated by a pensioner with his/her spouse.**

Under the facility of disbursement of pension through Authorized Banks available to pensioners, a pensioner is entitled to receive his/her pension by getting it credited to a saving/current bank account operated individually by him/her. Paras 4.1, 4.2 and 12.9 of the "Scheme for Payment of Pension for Central Government Civil Pensioners Through Authorized Banks" outline the present procedure for credit of pension to Bank Account of the pensioner. However, operation of a joint account is not permitted under the existing scheme.

2. The matter whether pensioners should be given an option to receive pension by getting it credited to their saving or current bank accounts operated jointly with their spouses, has been under consideration. It has now been decided to permit credit of pension also to a joint account operated by pensioner with his/her spouse in whose favour an authorization for family pension exists in the Pension Payment Order (PPO). The joint account of the pensioner with the spouse could be operated either by 'Former or Survivor' or 'Either or Survivor' basis subject to the following terms and conditions:

- (a) Once pension has been credited to a pensioner's bank account, the liability of the Government/Bank ceases. No further liability arises, even if the spouse wrongly draws the amount.
- (b) As pension is payable only during the life of a pensioner, his/her death shall be intimated to the bank at the earliest and in any case within one month of the demise, so that the bank does not continue crediting monthly pension to the joint account with the spouse, after the death of the pensioner. If, however, any amount has been wrongly credited to the joint account, it shall be recoverable from the joint account and/or any to her account held by the pensioner/spouse either individually or jointly. The legal heirs, successors, executors etc. shall also be liable to refund any amount, which has been wrongly credited to the joint account.
- (c) Payment of Arrears of Pension (Nomination) Rules 1983 would continue to be applicable to a Joint Account with the pensioner's spouse. This implies that if there is an 'accepted nomination' in accordance with Rules 5 and 6 of these Rules, arrears mentioned in the Rules shall be payable to the nominee.

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3. Existing pensioners desiring to get their pension credited to a joint account as indicated above are required to submit an application to the branch bank, from where they are presently drawing pension in the enclosed form. This would also be signed by the pensioner's spouse in token of having accepted the terms and conditions laid down in this Office Memorandum. These instructions are also applicable to the Govt. servants who will be retiring after the issue of this Office Memorandum.
- (4) The existing Scheme shall stand modified to the extent indicated above. Formal correction to the Scheme will be issued in due course by the Central Pension Accounting Office.

(5) All Ministries/Departments and all Authorized Banks are requested to give wide publicity to the Office Memorandum so that pensioners may avail of this benefit.



  
(Vandana Sharma)  
Chief Controller (Pensions)

To

1. All Ministries/Departments of the Government of India
2. Reserve Bank of India, Department of Government and Bank Accounts, Central office, Mumbai.
3. Headquarter offices of all Authorized Banks
4. All Pensioners associations.
5. All Chief Controller/Controller of Accounts.
6. Director, Ministry of Personnel Public Grievances and Pensions, Department of Pension and Pensioners' Welfare, New Delhi.

To

The Branch Manager

\_\_\_\_\_ (Bank)

\_\_\_\_\_ (Branch and Address)

Sub: - Payment of pension under PPO No. \_\_\_\_\_ through your bank branch.

Dear Sir/Madam,

I wish to receive my pension under PPO No. \_\_\_\_\_ by getting it credited to the saving/current bank account no. \_\_\_\_\_ which is operated jointly in your branch by me and my spouse, Mr./Mrs. \_\_\_\_\_ in whose favour an authorization for family pension exists in the Pension Payment Order (PPO).

I have read and understood the contents of the Government of India, Ministry of Finance, Department of Expenditure, Central Pension Accounting Office OM No.CPAO/Tech/Amendments/Sch.Book/2005-06/69 dated 09.06.2005 which contains the following terms and conditions: Once pension has been credited to a pensioner's bank account, liability of the government/bank ceases. No further liability arises, even if the amount is wrongly drawn by the spouse.

- (a) As pension is payable only during the life of a pensioner, his/her death shall be intimated to the bank at the earliest and in any case within one month of the demise, so that the bank does not continue crediting monthly pension to the joint account with the spouse, after the death of the pensioner. If, however, any amount has been wrongly credited to the joint account, it shall be recoverable from the joint account and/or any other account held by the pensioner/spouse either individually or jointly. The legal heirs, successors, executors etc., shall also be liable to refund any amount, which has been wrongly credited to the joint account.
- (b) Payment of Arrears of Pensions (nomination) Rules, 1983 would continue to be applicable to the joint account with pensioner's spouse. Thus, if there is an 'accepted nomination' in accordance with Rule 5 and 6 of these Rules, arrears mentioned in the Rules will be payable to the nominee.

I accept the above terms and conditions. My spouse too, in token of having accepted those terms and conditions, has put his/her signature below.

1. **Signature of Pensioner**

2. **Signature of Spouse**