

No 3(01)/2015-D(Pen/Pol)

Government of India

Ministry of Defence

D(Pension/Policy)

New Delhi, Date: 25<sup>th</sup> August, 2015

To

The Chief of Army Staff

The Chief of Naval Staff

The Chief of Air Staff

**Subject: Simplification of pension payment procedure - Submission of certificates by retiring Armed Forces Personnel and civilian employees along with pension papers - reg.**

The undersigned is directed to refer to 'Scheme for payment of pensions to Defence pensioners (including Defence Civilian Pensioners) by Public Sector Banks', issued by this Ministry which provides for submission of undertaking along with non-reemployment/re-employment certificate by the retiring personnel to the banks before commencement of his/her pension. The pensioner undertakes to refund or make good any amount to which he is not entitled. Banks also regulate entitlement of dearness relief to the pensioner based on non-reemployment/reemployment certificate submitted by the pensioners in terms of Deptt of P&PW OM No 45/73/97 -P&PW(G) dated 2<sup>nd</sup> July, 1999 read with this Ministry's letter No7(1) /95/D(Pen/Sers) dated 28<sup>th</sup> August 2000.

2. It has been found that the first payment of pension after retirement gets delayed mainly due to the two reasons i.e. (i) due to delay in receipt of intimation by the pensioner that pension papers have reached the banks and (ii) due to delay on part of the pensioner in approaching the bank for submission of undertaking/ non-reemployment / reemployment certificate.

3. The feasibility of submission of undertaking/non-reemployment/ reemployment certificate by the retiring Defence pensioners along with pension papers had been under consideration with the Government of India for quite some time. In order to simplify the pension payment procedure, the President of India is pleased to decide that the required undertaking/status of non-reemployment/employment after retirement may be obtained by the Record Offices/ Head of Offices from the retiring Defence personnel along with other document before his retirement. The undertaking/certificate shall be forwarded to the pension disbursing agencies along with Pension Payment Order by the Record Office/Head of Office following the usual procedure. The bank shall credit the pensionary awards notified in favour of the pensioner into his/her bank account as and when due if said undertaking/certificate is received along with the pension documents. In case of pensioner drawing pension from agencies other than bank viz Defence Pension Disbursing Office/Treasury Office etc., a copy of cancelled cheque obtained from retiring personnel shall also be forwarded by the Record Office/Head of Office along with pension payment order to the pension disbursing agency to ensure payment of pension into the pensioners' account. The pensioner would no longer be required to visit the pension disbursing agency to activate the first payment of pension. Submission of certificates prescribed



