

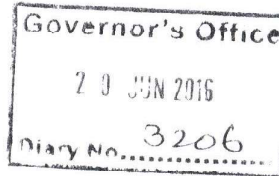
Government of Pakistan
Finance Division
(Regulations Wing)

No. F. 12(9)-Reg.6/2012-796.

Islamabad, the 15th June, 2016.

To,

The Governor,
State Bank of Pakistan,
Sector G-5/2,
Islamabad.



DF (P)

HR

21/6

20/6

Subject:-

PHYSICAL VERIFICATION FOR DIRECT CREDIT MODE OF PENSION PAYMENTS.

20/6

BD-FRM

Sir,

Kindly refer to Finance Division's letter dated 05.01.2016 (copy enclosed). The Controller General of Accounts vide letter No. 721/AC-II/6-89/2015/Pen.FD Isd dated 30.05.2016 (copy enclosed) has once again pointed out that the scheduled banks were not observing provisions of Civil Service Regulations (CSR) and Federal Treasury Rules (FTR) contained in Standing Operative Procedures (SOP) issued by Finance Division dated 29.09.2014 for proper authentication of payment of pension through DCS.

2. As per CGA/AGPR, all the disbursing agencies are responsible for ensuring accountability of payments in pursuance of government regulations related to identification and existence of bonafide pensioners. In this regard, the bi-annual requirement of life certification, defined in the SOP for DCS, is the only internal control mechanism to ensure that pension is being paid to the legitimate person. In general, the banks are not following this crucial aspect of the SOP, thereby raising the risk of unidentified overpayments of pension. The revised SOP is enclosed herewith for ready reference.

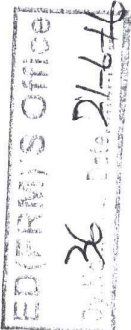
3. It is therefore, requested that necessary instructions may kindly be issued to all the scheduled bank to follow the provision contained in SOP, CSR and FTR in true letter and spirit to awaited any mishap.

Yours faithfully,

D. G. OFFICE

DY NO: 731
DATE: 20-6-16

(Muhammad Khalil)
Section Officer (Reg.6)



Most Immediate.

Government of Pakistan
Finance Division
(Regulations Wing)

No. 12(9)-Reg.6/2012.pt1453.

Islamabad, the 5th January, 2016.

The Governor,
State Bank of Pakistan,
G-5/2, Islamabad.

Subject: - VALIDITY OF PENSION PAYMENT THROUGH DIRECT CREDIT
SYSTEM (DCS).

Sir,

I am directed to enclose herewith Copy of SOP for Direct Credit System of pension payments with the request to get the same implemented in true letter and spirit with special emphasis on the following points on top priority basis;

- a) Get life/ non-marriage certificates from pensioners and endorse copy to AGPR offices. The relevant AGPR officers may also be informed about non- submission of such certificates. In case of personnel appearance, the bank managers may personally verify the pensioner's existence.
- b) Render the pensioner's account dormant if life/ non-marriage certificate is not received after every 6 months or if the pensioner fails to draw pension for consecutive, 6 months. This is to be intimated to AGPR office so that further pension payment could be stopped.
- c) Undrawn pension for consecutive 6 months or over is to be withdrawn from pensioner's account and credited to the Government Account C02-Receipts from Civil Administration and other function, C02246-Receipts of undisbursed pension Deposited by Commercial Banks, immediately and further pension will be ceased to be credited to the pensioner's account.
- d) Cooperate with the accounts offices for reconciliation and send a month statement to AGPR office, showing pension credited into pensioners' accounts.

Yours faithfully,

(Muhammad Khalil)
Section Officer (R.6)

154-2012
With
Enclosure
today
6/1/16



OFFICE OF THE
CONTROLLER GENERAL OF ACCOUNTS

CGA COMPLEX, G-5/2

ISLAMABAD

Phone: 051-9217603, Fax: 051-9215465

www.cga.gov.pk

No. 721/AC-II/6-89/2015/Pen FD Isd

Dated: 30.05.2016

The Joint Secretary (Regulation),
Ministry of Finance,
Government of Pakistan,
Islamabad.

Subject: **Physical Verification for Direct Credit Mode of Pension Payments**

The disbursing offices i.e. scheduled banks are responsible for ensuring accountability of payments in pursuance of Govt. regulations related to identification and existence of bonafide pensioners. In this regard, the bi-annual requirement of life certification, defined in the SOP for DCS, is the only internal control mechanism to ensure that pension is being paid to the legitimate person. It has been pointed out by office of the AGPR, Islamabad (Copy of the letter enclosed) that in general, the banks are not following this crucial aspect of the SOP, thereby raising the risk of unidentified overpayments of pension.

2. In view of the foregoing, it is requested that Finance Division may kindly issue necessary instructions to all schedule banks, through State Bank of Pakistan, to ensure compliance of the provisions of DCS SOP, CSR and FTR, related to authenticity of pension payments (summarized list attached).

3. This issues with the approval of Director General Accounts.

Encl: as above

GHAFFAR UL HAQ
Accounts Officer (Accounts)
Ph: 051-9214215

Dy. No. 1002 D.S (R-3)
Dated: 7/6/2016

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OS (R-III)
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Immediate

**OFFICE OF THE
ACCOUNTANT GENERAL PAKISTAN REVENUES
G-8/4, ISLAMABAD**

No.PFC/Coord/PN-DCS/Vol-III/2015-16 /3757

03-05-2016

**Mr. Ghaffar Ul Haq,
Accounts Officer (Accounts),
Office of the Controller General of Accounts,
Islamabad.**

**Subject: PHYSICAL VERIFICATION FOR DIRECT CREDIT MODE OF
PENSION PAYMENTS.**

Kindly refer to your letter No. 678/AC-II/6-89/2015/Pen FD ibd Vol-II dated 14.04.2016 and this office letter of even number dated 04.03.2016 on the above subject.

2. The requirement to provide life certificate is not being fulfilled by almost all of the banks. Only "JS Bank" has once provided a list of pensioners whose accounts were marked as dormant (whose life certificates have not been received after six months).

3. It is therefore, requested that Finance Division may kindly be approached to advise all scheduled banks, through the regulator, i.e. State Bank of Pakistan, to ensure compliance of the provisions of DCS SoP, CSR, and FTR related to authenticity of pension payments.

DEPUTY ACCOUNTANT GENERAL (F&P)

Copy:

1. PS to CGA
2. PS to AGPR

Controller General of Accounts

Accounts Section

Dy. No.

Date

A.C. Dy. No. 1185
Dated: 04/05/16

(763)
(4)

Regulations for Authenticity of Pension Payments

1. **DCS SOP Para-9 (iv):** "The banks will retain with themselves the life certificates and in case of family pension, the widow/widower, unmarried daughter or sister, as the case may be, non-marriage certificate submitted by the pensioner and inform the concerned Accounts Officers through letter if Life Certificate or non-marriage certificate is not received for further action by the Accounts Office".
2. **DCS SOP Para-1:** "Government servants retiring after issuance of these orders ... will [indicate] ... title of the bank account i.e. specific for pension and account number to which pension is to be credited direct by the Accounts Office. The bank account shall not be a joint account".
3. **DCS SOP Para-4:** "The Pensioner drawing pension through direct credit shall be bound to produce a life certificate (under rule 343 of FTR) to pension disbursing bank branch in person or through representative on or before 10th March and 10th September of each year. In case of family pension, the widow/widower, unmarried daughter or sister, as the case may be, shall produce a non-marriage certificate on or before 10th March and 10th September of each year.
4. **CSR-944:** "A pensioner must take payment in person after identification by comparison with the PPO". However, on account of certain conditions a pensioner may be exempted from personal appearance by an officer not less than District Collector (CSR 945). In such a case the pensioner is required to submit Life Certificate signed by a Magistrate, Registrar or a Gazette Officer (CSR-946)".