

**Government of Kerala**  
**Finance (Pension-B) Department**  
**CIRCULAR**

No. 59/04/Fin

Dated, Thiruvananthapuram 6<sup>th</sup> November 2004

Sub:- Disbursement of pensionary benefits of State Government Employees on the day of retirement itself-Guidelines issued.

Ref:- Lr. No Co-ord. II/11-130/Vol. X/1/4 dated 2-4-2004 of Accountant General (A&E), Kerala, Thiruvananthapuram

1. The Accountant General (A&E) in his letter cited has offered certain suggestions for facilitating disbursement of pensionary benefits of State Government Employees on the day of retirement itself
2. Government have examined the matter in detail and all Pension Sanctioning Authorities/treasury Officers are directed to comply with the instructions given in the subsequent paragraphs
3. Authorization of Pension/DCRG etc.- To facilitates early authorization of pensionary benefits it is essential that the employees/pensioners and the Pension Sanctioning Authorities should be made aware of the procedure of applying for and sanctioning pension. Imparting of periodical training to the officers and staff of the Pension Sanctioning Authorities should also serve expeditious settlement of pension. For this purpose a brochure (coy enclosed) has been brought out which indicate as to how and when the application has to be made/processed.
4. Closure of PF Accounts – Heads of Departments/Offices should ensure that the closure application in complete shape reaches the Accountant General at least two months prior to the date of retirement so that the Accountant General will be also to process it and authorize the GPF balance on the date of retirement itself.
5. Settlement of liabilities.- For the early settlement of liabilities outstanding and disbursement of pensionary benefits to the retired employees of State Government on the day of retirement itself it is suggested that the Departmental Offices may take the following course of action;-
  - (i) A list of officers both gazetted and non-gazetted showing name broadsheet No. of HBA/MCA/PCA address date of retirement etc who are due to retire within a period of one year in which cases loans and advances are outstanding will be sent to the Accountant General.
  - (ii) The case should be properly followed up until the whole amount of advance us repaid in full and then liabilities should be ascertained from Accountant General

- (iii) In case any liability is outstanding as intimated by the Accountant General it may be included in the Liability certificate issued to treasury Officer for effecting recovery from DCRG and remittance to the head of account concerned.
- (iv) In cases which liabilities are outstanding only liability certificates which specify the amount to be recovered and the Head of account to which the amount is to be credited should be sent to the Treasury Officer.
- (v) Liability Certificates specifying amounts to be withheld or showing liabilities towards non governmental dues should invariably be sent to the Accountant General after obtaining consent from the pensioner to recover such dues from Death-cum-Retirement Gratuity and showing the designation of the Drawing and disbursing Officer in respect of the retired employees so that Accountant General can authorise him to draw and disburse the recovered amount to that agency
- (vi) The Treasury Officers if they get Liability certificate which they cannot act upon should return the GPO with the Liability certificates to the Accountant general with Non-payment certificate under intimation to Pension Sanctioning Authority so that Accountant General can authorise payment of the balance Death-cum-Retirement Gratuity to the pensioner.
- (vii) On completion of recovery of principal interest due on the advance shall be worked out and intimated by Accountant general (A&E) to the Department and the officer. But it is desirable if request for intimation of for any reason interest die cannot be worked out finally recovery should be made provisionally at the fixed for the recovery of the principal.
- (viii) In case of urgency loanees are [permitted to make lumpsum chalan remittance to close their loan accounts. As the credits cannot be verified at Accountant general's Office instantly remittance certificates for the Treasury is necessary in such cases for issuing clearance certificates in respect of the advance
- (ix) On completion of repayment of principal and payment of interest loanee can send formal request for closing the account well in advance so that the account can be closed and Clearance Certificate issued before retirement.
- (x) It must be ensured by the departmental officers that the document such as utilization certificate in respect if HBA and Mortgage Bond cash receipt and Insurance Policy from the State Insurance Department in respect of MCA are forwarded to Accountant General's Office within the stipulated period, in order to avoid levying of penal interest. As contemplated in Article 244 E (iv) of KFC Vol 1 it is the duty of the Head of the Department/Sanctioning Authority to watch the utilization of the advance and to forward the Utilization Certificate furnished by the loanee to the Accountant General (A&E) for verification further any amount not utilised should be refunded to Government with interest in lump. As pr Article 244 D (2) of KFC Vol. I penal interest at 2.5% over and above the normal rate of interest will be levied in respect of over-due installments of interest of principal and interest outstanding from time to time in cases where there is any default violation or breach of all or any of the provisions contained tin these rules.

- (xi) As per G.O (P) No. 591/97/Fin dated 17-6-1997 Government introduced a scheme of write off/waiver up to Rs. 2 lakh of outstanding liabilities of loans and advances granted to the employees dying-in-harness. Government have clarified vide G.O. (P) 919/97/Fin dated 27-10-1997 and G.O. (P) 1932/98/Fin dated 17-8-1998 that the benefit contemplated in Government Order dated 7-6-1997 will be available to all cases for outstanding liabilities pending settlement as on 17-6-1997 while the remittance of installments were going on in usual course as per the conditions of the sanction Order. Hence in the case of officers who die-in-harness the Departmental Officers may assess the liabilities outstanding against the officers from Accountant general and obtain sanction for write-off/waiver from Government and settle the claims of the officers who die-in-harness early

6. Creation of database.- The Accountant General has decided to set up a database of employees to monitor the receipt and disposal of authorisation of retirement benefits. The database with GPF Account as the ID should invariably contain the following details:-

- (i) Name of Department
- (ii) Name of employee
- (iii) GPF Account No with prefix
- (iv) DDO/SDO Code (current)
- (v) Treasury Code (current)
- (vi) Designation
- (vii) Office Name (current)
- (viii) Office Address (current)
- (ix) Gazetted entitlement number (indicating Department/Section Alphabet/Index No.)
- (x) Date of birth
- (xi) Date of joining service
- (xii) Date of retirement
- (xiii) Broadsheet No of loan (HBA/PCA/MCA/IFL, etc (In separate fields)
- (xiv) Email ID
- (xv) Residential address for communication
  - (a) Before retirement
  - (b) After retirement

V.S. SENTHIL  
Secretary (Finance-Expenditure)

To

The Principal Accountant General (Audit), Kerala, Thiruvananthapuram  
The Accountant General (A&E), Kerala Thiruvananthapuram  
All Heads of Department and Offices/All Departments and Sections of the Secretariat  
The Secretary, Kerala Public Service Commission, Thiruvananthapuram (with CL)  
The Registrar, University of Kerala/Kochi/Kozhikode/ (with CL)

The Secretary, Kerala State Electricity Board, Thiruvananthapuram (with CL)  
The general Manager, Kerala State Road Transport Corporation, Thiruvananthapuram  
The Registrar, High Court, Ernakulam (with CL)  
The NORKA Department  
All Secretaries/Special Secretaries/Additional Secretaries/Joint Secretaries/Deputy Secretaries/under Secretaries to Government  
The Secretary to Governor Raj Bhawan  
The Private Secretary to Chief Minister and other ministers  
The Private Secretary to Leader of Opposition and government chief whip  
The Private Secretary to Speaker  
The Director Public Relations Department, Thiruvananthapuram  
The Additional secretary to Chief Secretary  
The Director of Treasuries, Thiruvananthapuram  
The District Treasuries/Sub Treasuries  
The General Administration (SC) department  
The Public Relations Department

### **GUIDELINES FOR PREFERRING PENSIONARY BENEFITS**

One of the major constraints in the prompt settlement of pension cases is deficiencies in the inputs received in the Accountant General's office. With a view to avoiding such deficiencies, the following guidelines are issued.

#### 1. RETIREMENT CASES

(a) Non gazetted officers and staff of aided educational institution

##### 1. List if retires

Heads of departments should send a list of employees due to retire within 12 to 18 months to Accountant General every six months on 1st January and 1st July each year (Rule 109 of Part III KSRs)

##### 2. Preliminary verification of Service Book

When an employee completed either 25 years of service or is due to retire within 5 years the Service Book should be sent to AG for determination of qualifying service

##### 3. Preparation and despatch of Pension application

The work should start one year in advance and formal application for pension in the prescribed form with connected documents should reach the Accountant General on year in advance (rule 114 & 115 of KSR Part III). Necessary changes arising due to promotions./increments earned during the year etc. will be taken into consideration by the accountant General before authorisation

## DOCUMENTS TO ACCOMPANY PENSION APPLICATION

- (i) Service Book (SB)
- (ii) Pension Book (PB)
- (iii) All documents mentioned in page 5 of the Pension Book

### Service Book

- (i) Entries in the Service Book should be complete and attested
- (ii) Certificates of verification of service to be recorded
- (iii) In case of LWA other than on MC specific remarks as to whether leave counts or do not count for pension should be recorded.
- (iv) In the case of reinstatement after suspension how the period of suspension is regularised should be clearly recorded in SB with speaking order as to whether the period counts or does not count for pension
- (v) In the case of Audit objection, if any to the fixation of pay should be clearly indicated in the SB whether the same has been dropped if not pay should be re-regulated as directed by Audit and recorded in the SB

### Pension Book (PB)

1. Fill up all items in page 5 of Form No. 2 (Page 6 to 10)
2. Record Remarks of the Receiving Authority in page 11 (upper half)
3. Fill up the orders of Pension sanctioning Authority (PSA) in page 11 (lower half) & page 12 and affix signature of PSA
4. Fill up page 8, 23, 25, 27, 29, 31, 33, 37, 39 & 41 of Pension Book

## DOCUMENTS TO ACCOMPANY PENSION APPLICATION

### Gazetted officers

1. Pension Book (2 copies) SB if any
2. Filled up pages 5 & items 1 to 10 in page 7 pages 23, 25, 27, 29, 31, 33, 37, & 41 of PB
3. All other documents as in the case of non gazetted officers

### Death cases

1. Pension Book & SB, 2 copies of PB in the cases of gazetted officers
2. Filled up Form No. 6 (ie Pages 17 to 21 of PB)
3. Furnish enquiry certificate in Annexure III (page 35 of PB) (No heirship certificate necessary)
4. Filled up pages 23, 25, 27, 37, 39 & 41 of PB
5. All other documents indicated in Page of 5 of PB

### Additions to qualifying Service

- (i) Military service: Attach Military Verification Certificate in original
- (ii) Bar service: Attach certificate in original issued by the Presiding Officer of the Court where the employee practiced as lawyer
- (iii) Provisional/aided school/college service: Attach documentary evidence duly attested by PSA. Attach aided school/college certificate in the case of aided educational institutions

Additional requirements in the case of special categories

1. Voluntary retirement

Attach sanction for voluntary retirement

2. Invalid pension

Attach sanction invalidating the employee

3. Compassionate allowance

No advance sanction shall be issued. Sanction to be issued only on receipt of Verification Report from AG Sanction o have only prospective effect or from the date of application

4. Family Pension in normal cases : Furnish all documents mentioned under the caption Death Cases, FP is payable to the spouse. If the spouse is not alive FP is payable to the children (one at a time) in the order of seniority till they attain the age of 25 or get married or get employed whichever is earlier.

5. Family Pension to unmarried daughters

(i) Certificate from revenue authorities showing the marital status dependency to the deceased pensioner/family pensioner and independent income of the applicant

(ii) Affidavit sworn before a notary public of the locality

(iii) Sanction from the PSA from the date of eligibility certificate in item (I) above.

6. Family Pension to mentally/disabled/physically crippled children.

Even if the name of the beneficiary is record in PPO fresh sanction is required on the death of pensioner/family pension based on fresh medical certificate issued by Medical Board. While issuing sanction the pension sanctioning authority should specify that how is satisfied that because of disability of mind/body the applicant is not in a position to earn a livelihood of his/her own. The family pension is payable from the date of fresh medical certificate only. In the case of mentally disabled sons and daughters attach guardianship

certificate issued by Revenue authorities or nomination of any field by the late pensioner/family pensioner

7. Family Pension to Parents :- If both the parents are alive family pension is payable in equal shares to both. Proposals in this regard and the eligibility certificate issued by Tahsildar (Condition: Income should be less than Rs 4800 p.a. & there should be no other children well placed) should be sent to AG and AG in turn will get the orders of Government. No advance sanction is contemplated in such cases. Family pension is payable only from the date of eligibility certificates.

8. Action to be taken by PSA/head of office when intimation regarding authorisation of pension/FP/DCRG is received from AG:

- (i) Issue LPC to the treasury from where the pension is to be drawn
- (ii) Issue NLC/LC for drawing DCRG

#### Disbursement of Pension

First pension is payable only from treasury. After drawing the first pension, pensioner can transfer pension to any of the nine Public Sector Banks. After drawing first pension, if there is any change in pension due to changes in pay or Qualifying service the same will necessary but the proposals should come from PSA).

Any general revision ordered by Government has to be worked out and disbursed by the treasury/Public Sector Bank as the case may be.

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