

Army Group Insurance Fund
AGI Bhawan
Rao Tula Ram Marg
PO – Vasant Vihar
Post Bag No – 14,
New Delhi-110057

A/56271/12/AG/Ins (Coord)

06 Nov 2009

(All Record Offices)

ELECTRONIC PAYMENT OF MATURITY BENEFITS

1. Saving component of AGI subscription along with interest and bonus is paid as Maturity benefits on superannuation/ disch/ retirement to all AGI members. The benefit is paid through an account payee cheque payable into the savings bank joint account of the individual. The maturity benefit cheques of all members retiring in a particular month are collected by couriers of respective Records and are handed over to the concerned member in the Regt Centre. Thus he gets the satisfaction of physically receiving the benefit. The cheques are thereafter deposited by the member in their bank and these are realized after clearance procedure of the bank is completed. The realization of cheque by this method may take upto 7 to 10 days.
2. With the introduction of Electronic banking, remittance by electronic clearance is being adopted by the banks. Electronic payment is certainly a secure form of payment and facilitates speedy payment due to reduced clearance time taken by banks. Hence, AGI is considering payment of maturity benefit by electronic means. In the proposed system, since the payment would be made directly to the bank, physical handing over of cheque to the indls would no more be carried out. Since the members would not be receiving the cheque physically, their mindset needs to be conditioned accordingly. It is also intimated that opening of bank account by PBOR in a nationalized bank having core banking facility is mandatory for electronic payment. In view of the above, you are requested to obtain a feedback from the environment on the implementation of the proposed method of payment.
3. The feedback so obtained may please be forwarded to AGI by 15 Dec 2009.

Sd/- x x x x
(GS Bachhal)
Lt Col
Offg DD Coord
for MD