

My No:Pen/Circular/2022
Department of Pensions,
Maligawatta,
Colombo 10.
2022.04. 29

To General Managers of all Banks,

Loan Facilities for the Economic Wellbeing of the Pension Community

Your kind attention is hereby drawn to the Pension Circulars 04/2013, 04/2013(I), 04/2013(II), and 04/2013(III) dated 29.10.2013, 12.12.2014, 05.05.2015 and 01.12.2021 respectively on the above subject.

02. Senior citizens who retired from public service are entitled to a pension mainly to enhance their financial ability to ensure a better living standard. On the same objective a Loan Scheme has also been introduced through Pension Circular 04/2013 to strengthen their economic abilities and to enhance their contribution to the national economy.

03. It has been reported that some banks have introduced Loan Scheme to the Pensioners and deduct a considerable amount as monthly installment which should be corrected immediately. Accordingly when introducing loan scheme to pensioners, the maximum ceiling of the monthly installment is 60% of the monthly pension of the pensioner with effect from 1st June 2022.

04. Further, arrangements have been made according to the pension circular 01/2022 to pay a monthly allowance of Rs.5,000.00 with effect from 01.01.2022 which is not considered in pension calculations. This allowance should not be taken into account when granting loans to the pensioners.

Sgd./A. Jagath D. Dias
Director General of Pensions

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