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**No. KPTPA/ VII CPC/2016**

**Date: 18-01-2016**

**MEMORANDUM**

To

The Cabinet Secretary, Government of India,  
& Chairman, Empowered Committee of Secretaries on 7th CPC,  
Cabinet Secretariat,  
Rashtrapati Bhawan,  
New Delhi - 110 004  
(email: cabinet@nic.in)

Respected Sir,

**Subject:** Recommendations of the 7<sup>th</sup> Central Pay Commission relating to pension/ retirement benefits - **Suggestions on improvement of the recommendations.**

We seek your kind permission to express our views on the recommendations of the 7<sup>th</sup> Central Pay Commission relating to pension/ retirement benefits. We wish to write as stated below on the recommendations of the Pay Commission. We would also like to point out some anomalies that may arise consequent upon implementation of the recommendations. Some points of doubts are also given here under, which require to be clarified .It is requested that the points raised by us may please be examined and the suggestions made by us in further improvement of the benefits that are likely to accrue to Pensioners on implementation of the recommendations, may please be accepted.

Our views/ suggestions on the recommendations of the Pay Commission made in para Nos. 10.1.30, 10.1.33, 10.1.37, 10.1.41, 10.1.49, 10.1.67 and 10.1.70 of its report are furnished for favour of consideration by the Committee.

**Para 10.1.30****Increase in the Rate of Additional Pension and Family Pension to the Older Pensioners**

The Pay Commission, though, was of the considered view that age-related additional pension and family pension should be allowed from 75 years instead of 80 years as at present, had to recommend continuance of the additional pension at the existing rates/ ages since MoD reportedly, did not support its proposal. We urge the Empowered Committee to consider the views of the Pay Commission in its perspective and allow the additional pension to commence at 75 years of age of Pensioners/Family Pensioners. We request further that 100 % of pension/ family pension should be allowed at the age of 95 years instead of at 100 years. As the average life span in the country is around 75 years and only a very small percentage of Pensioners live beyond 90 years and the percentage of those who attain 100 years is negligible, the request for lowering the age for entitlement of age-related additional pension may please be considered favourably.

**We suggest grant of Additional Pension at the following rates**

Age of Pensioner/ Family Pensioner	Additional quantum of pension
From 75 years to less than 80 years	20 % of basic pension
From 80 years to less than 85 years	30 % of basic pension
From 85 years to less than 90 years	40 % of basic pension
From 90 years to less than 95 years	50 % of basic pension
95 years or more	100 % of basic pension

**Para 10.1.33****Increasing the existing time period of seven years for enhanced family pension**

Family pension at enhanced rate is paid for a period of 10 years to the spouse of an Employee dying while in service whereas, in the case of a Pensioner dying even immediately after retirement, the enhanced family pension is paid only for 7 years. This discrimination between Family Pensioners needs to be removed. **Hence, it is suggested that the period of payment of enhanced family pension may be increased to 10 years uniformly for all Family Pensioners.**

**Para 10.1.37****Retirement Gratuity**

Indexation of Gratuity to Dearness Allowance recommended by the Pay Commission is appreciated. However, the existing maximum of 16 ½ times the emoluments for calculation of Gratuity under Rule 50(1) (a) may be removed in view of delinking of full pension with 33 years of qualifying service from 1-1-2006. Removing the 'maximum' will benefit those employees who have rendered more than 33 years of qualifying service.

**Para 10.1.41****Death Gratuity**

Revision of the slabs for payment of Death Gratuity and introduction of an additional slab of 11 to 20 years is appreciated. However, the existing maximum of 33 times of monthly emoluments for calculation of Death Gratuity under Rule 50(1) (b) may be removed in view of delinking of full pension with 33 years off qualifying service from 1-1-2006. Removing the 'maximum' will benefit the families of employees who die while in service after rendering more than 33 years of qualifying service.

**Para 10.1.49****Fixed Medical Allowance:**

The Pay Commission has not recommended any increase in the amount of FMA of Rs. 500/- being paid to Pensioners not covered under CGHS. But, has recommended an increase in allowances such as Canteen Allowance, Children Education allowance, Constant Attendance Allowance etc. paid to serving employees. Some allowances have been indexed to D A and the allowances will rise by 25% each time DA increases by 50 %.( Chapter 8.17)

**We suggest that Fixed Medical Allowance must at least be doubled from the existing Rs. 500/- and indexed to Dearness Relief and it should rise by 25% each time D R increases by 50 %.**

**Para 10.1.67****Revision of Pension**

The Pay Commission has recommended formulation for revision of pension of pre-2016 Pensioners and has suggested 2 types of calculations for computation of revised pension as on 1-1-2016. Option- I, is a simple method whereby the revised basic pension could be arrived at by multiplying the existing basic pension by 2.57. The other option, option-II, necessarily requires reference to the service records of the Pensioners to ascertain the number of increments the Pensioner had earned in that level while in service. Computation of revised pension after adding the number of increments to the notional minimum pay of the corresponding pay level in the Pay Matrix, will result in

anomalies which have been narrated below. Several doubts that arise (stated below) need clarifications.

An analysis of the recommendation vide para 10.1.67 on fixation of pension and on the method of fixation of notional pay for computation of pension has revealed that the examples given by the pay commission in Para 10.1.70, 10.1.71, 10.2.89 & 10.2.90 lack clarity and need clarification to remove the ambiguity. It is also noted with great concern that the fixation of revised pension in terms of para 10.1.67 would result in an anomaly of a senior pensioner promoted to a higher pay scale getting lesser pension than a junior pensioner retiring from the same lower pay scale from which the senior was promoted.

The examples on fixation of pension given by the Pay Commission in paras 10.1.70 & 10.1.71, if followed, would result in entitlement of lesser pension to a retiree who was promoted to a higher pay scale at the fag end of his/her service, if pension is computed with reference to the increments earned in the level from which the pensioner had retired than the retiree's pension entitlement computed on the last pay the pensioner **would have drawn in the lower pay scale but for his/her promotion** to the higher retiring level.

### **Anomalies**

Almost all the Pensioners would have been placed in a higher pay scale before their retirement consequent upon introduction of several Career Progression Schemes Viz. ACP, MACP, Time bound financial up gradation schemes in addition to the regular promotions available in all the cadres /grades. So, to find out the number of increments earned in the level from which the pensioner had retired, it is absolutely essential that the particulars of **(a) the number of increments earned in the pay scale from which retired (b) the stage of the pay scale at which the initial pay was fixed and (c) the last pay drawn, are obtained from the service records/ pay bills etc.** Collecting these particulars will be extremely difficult especially in respect of pre-1986/1996 retirees since the records would have been weeded out.

Anomaly arises when a Pensioner, who was placed in a higher pay scale at the fag end of his/her service, **retires either without earning any increment or after earning one or two increments.** In such cases, fixation of pension with reference to the notional pay of the lower level after adding increments earned in lower level would be more beneficial than fixation of pension with

reference to the notional minimum pay of the higher level (without added increments) from which he /she had retired .The anomaly is well brought out in the examples given in **Annexure –I** of this letter.

An analysis of the illustrations given by the 7<sup>th</sup> CPC in paras 10.1.70 & 10.1.71 revealed the following

Case-I (Para 10.1.70)

In this example it is stated that the retiree had drawn 3 increments in the pay scale of Rs. 67000-79000 and the last pay drawn was Rs.79,000. If the number of increments are counted from the minimum of the pay scale ie. Rs. 67,000, to reach the maximum of the pay scale of Rs. 79,000, the retiree should have drawn 6 increments at the stages of (1) Rs.69,010, (2) 71,080, (3) 73,220, (4) 75,420, (5) 77,690 and (6) 79,000 (80,020 limited to the maximum of the pay scale) calculated at the rate of 3%. Since it has been stated in the example that the retiree's last pay drawn was Rs. 79,000 and that he had drawn 3 increments in that pay scale , it is evident that his initial pay in the retiring pay scale was fixed at Rs.72,290 and thereafter he had drawn 3 increments at the stages of Rs.74,460 , Rs.76,700, and Rs.79,000 calculated at the rate of 3% . It is clear from this example, that the stages below the initial pay should not be taken as increments earned /drawn. Therefore, it implies that the number of increments to be added to the minimum of the pay matrix, to arrive at the notional pay, are not to be counted from the minimum of the pay scale to the last pay drawn.

Case II (Para 10.1.71)

In this example, the number of increments earned in the 4<sup>th</sup> CPC pay scale of Rs.3000-100-3500-125-4500 has been indicated as 9. Therefore, increments should **have been counted from the minimum of the pay scale of Rs.3000-4500** Viz. at the stages of 3100, 3200, 3300,3400, 3500, 3625, 3750,3875, & 4,000 , **irrespective of whether the retiree had drawn pay in that pay scale from the minimum or not.**

The pay scale having been introduced under 4th CPC from 1-1-1986 and the employee having retired on 31-1-1989, within 3 years of introduction of the new pay scale, to state that he had earned 9 increments in that pay scale, the increments earned in the corresponding pre-revised 3rd CPC pay scale of Rs. 1100-50-1600 should have been considered as increments earned in that level. Further, to count increments earned in both pre-revised and revised pay

scales, it is implicit that there was no change in the level of the pensioner and he/she continued in the same level both under 5<sup>th</sup> and 6<sup>th</sup> CPC regimes.

The above examples are not only ambiguous, but are also contradictory and give room for different interpretations being made at the implementation level. Example given in case-I is in contradiction of the example given in Case-II in that while as per case- I, increments earned are not to be counted from the minimum of the pay scale to the last pay drawn, but as per case-II, increments can be counted from the minimum of the pay scale to the last pay drawn.

The other 2 examples given in 7<sup>th</sup> CPC report vide paras 10.2.89 & 10.2.90 of chapter 10.2 dealing with pension benefits of Defence Forces Personnel also do not unambiguously state the manner in which the increments earned must be considered for addition to the minimum pay in the Pay Matrix. In case-I, one increment earned in the pre-revised pay scale has been considered, since the pensioner had retired without earning any increment under the 6<sup>th</sup> CPC pay band whereas in case-II only 2 increments under 6<sup>th</sup> CPC have been considered though the pensioner had retired in 2015 after nine years under 6<sup>th</sup> CPC. It is evident from these examples that the increments earned after being placed in the level from which the pensioners had retired only have been taken in to account and not the number of increments counted from the minimum of the pay scales.

Thus all the 4 examples do not specifically state the method of arriving at the number of increments to be added to the minimum of pay matrix and therefore need clarification.

The following conclusions can be drawn from the above examples.

1. Increments earned have **not been counted** from the minimum of the pay scales or pay band to the stage at which the last pay was drawn
2. Increments shall be **counted from the minimum** of the pay scale to the stage at which the last pay was drawn
3. Increments **earned in the levels** in which they were placed before retirement only have been considered for fixation of notional pay.
4. Increments earned over and above the initial pay fixed in the level from which retired have been considered for fixation of notional pay
5. Increments earned in the same level irrespective of the revision of pay scales can be considered for fixation of notional pay ie. the increments

earned in the same level both in the pre-revised & revised pay scales can be added to the minimum pay in the pay matrix.

## **Anomaly**

Fixation of revised pension as per the formula suggested by the Pay Commission in 3 of the 4 examples as per option- II, is not only cumbersome but also time consuming. To find out the number of increments earned in the level from which the pensioner had retired, it is absolutely essential that the particulars of (a) the pay scale from which the pensioner had retired (b) the stage of the pay scale at which the initial pay was fixed and (b) the last pay drawn are obtained from the service records. Collecting these particulars will no doubt be extremely difficult, especially in respect of pre- 1986/1996 retirees since the records would have been weeded out. Considering the fact that revised pension payment authorities in respect of thousands of pre-2006 pensioners/ family pensioners, consequent to implementation of 6<sup>th</sup> CPC recommendation, have not yet been issued citing reasons of non availability of PPOs/ service records etc, in spite of elapse of 7 years from the date of notification of the accepted recommendations, it may not be out of place to mention here that implementation of 7<sup>th</sup> CPC recommendations is bound to face problems, more severe than the problems under 6<sup>th</sup> CPC, as the formulation suggested by the 7<sup>th</sup> CPC needs reference to old records which may not be available in a large number of cases.

## **Suggestion**

To overcome the problems that are likely to arise, to remove the ambiguity and to set right the anomaly likely to arise, we suggest the following formulation.

- 1. The number of increments to be added to the minimum pay in the pay level of the pay matrix (to arrive at the notional pay of the retiree) shall be determined by the number of stages commencing from the first stage to the stage at which the last pay was drawn by the retiree in the pay scale from which he/she retired.***

This method will simplify the process of counting the number of increments, since the particulars required are only (1) the pay scale from which retired and (2) last pay drawn, which can be ascertained from the PPOs and there will not be any need to consult the service records. After determining the number of stages of the retiring pay scale as suggested above, **the notional pay for calculation of revised pension may be determined by counting equal number of stages in the pay matrix under 7<sup>th</sup> CPC** .The process of equating the number of stages in the retiring pay scale with the stages/ index in the new pay matrix

will eliminate the need to calculate the number of increments at the rate of 3 % as suggested by the 7<sup>th</sup> CPC in para10.1.67 in the case of pre-2006 retirees who drew their pay in the standard pay scales.

**Examples on the suggested formulation are given in Annexure-I to this letter.**

However, our suggestion of determining the number of increments by the number of stages commencing from the first stage to the stage at which the last pay was drawn by the retiree while in service cannot be made applicable **to post -2006 retirees** as Pay bands were introduced under 6<sup>th</sup> CPC and more than one fifth CPC pay scales were placed in one pay band. Hence a new formulation, as given below, **is suggested for arriving at the number of increments in respect of post -2006 retirees.**

**Suggestion:** Numbers of increments may be counted from the **entry pay** for each **grade pay** indicated in Section –II of CCS (Revised Pay )Rules, 2008 notified by Gazette notification dated 29-8-2008. The number of increments from the **entry pay to the last pay drawn** can be arrived at by calculating the amount of increase at the rate of 3% of the basic pay (pay in pay band + grade pay) as illustrated in **Annexure-II** of this letter.

### **Anomaly**

It is observed that even with the acceptance of the suggestions made by us on the method of arriving at the number of increments to be added to the minimum pay in the pay level of the pay matrix, there will still be an anomaly of a Pensioner, placed in a higher pay scale at the fag end of his/her service, retiring either without earning any increment or after earning one or two increments in the higher pay scale, **getting less pension than the amount of pension that would have been admissible had his/her pension been revised with reference to the lower pay scale/lower level from which he/she was promoted** . Since determination of number of increments is related to the last pay drawn in the pay scale from which retired, in cases of promotion at the fag end of service, fixation of pension with reference to the notional pay of the **lower level** after adding increments earned in lower level would be more beneficial than fixation of pension with reference to the notional pay of the higher level with a fewer number of added increments. The anomaly is well brought out in the examples given in **Annexure-III** of this letter.

From the examples given in Annexure –III of this letter, it can be seen that the amount of pension computed on notional pay of the lower pay scale/level is more than the amount of pension computed on the notional pay



of the higher pay scale/level from which the pensioner had retired. The Pensioner would have got a higher amount of pension under 7<sup>th</sup> CPC if he/ she had **retired from the lower pay scale itself**.

### **Suggestion**

To set right this anomaly, we suggest that instead of two options recommended by 7<sup>th</sup> CPC in para 10.1.67, **a third option be introduced** whereby the revised pension is computed with reference to the pay particulars of the lower pay scale / lower level also in addition to the two options recommended by the 7<sup>th</sup> CPC and the amount of pension whichever is higher of options I, II & III is authorized for payment. If this anomaly is not set right either through provision of the **suggested 3rd option** or through some other **dispensation that the Empowered Committee may consider**, a large number of pensioners will be deprived of full benefits resulting in frustration amongst them.

### **Suggestions in a nut shell:**

1. The number of increments to be added to the minimum pay in the pay matrix shall be determined by the number of stages commencing from the first stage of the pay scale from which the pensioner had retired to the stage at which the last pay was drawn
2. **A third option be introduced** whereby the revised pension is computed with reference to the pay particulars of the lower pay scale / lower level also in addition to the two options recommended by the 7<sup>th</sup> CPC.

### **Para10.1.70**

#### **Rounding off of the amount of pension**

In the New Pay Matrix vide Table No. 5 the amount of revised pay arrived at after multiplying the existing entry level pay by 2.57, 2.62 and so on, has been rounded off to the nearest Rs.100 , ignoring an amount less than Rs. 50 and rounding off Rs. 50 and above to the next Rs. 100.

But, in the case of calculation of revised pension indicated in the illustrations in para10.1.70 of the Pay Commission's report, the amount of revised pension arrived at after multiplication of the existing pension by 2.57 has been rounded off to the next higher rupee as per the extant rules

The different methods of rounding off of fractions as stated above will result in an anomaly between the amounts of pension paid to a pre-

2016 Pensioner and a post- 2016 Pensioner retiring at the same stage of Pay as shown in the example given below.

**Employee retiring on 30-11-2015**

Basic Pay : 55,040 ((Pay in the Pay Band Rs.46340 + Grade Pay Rs.8700)(Level -13)

Pension sanctioned @ 50 % of Basic : 27,520

Revision of pension from 1-1-2016 in terms of para10.1.67 – 7<sup>th</sup> CPC

Existing pension 27520 multiplied by 2.57 = Rs.70726.4 rounded off to **Rs. 70,727**

**Employee retiring on 31-1-2016**

Existing Basic Pay Rs.55,040

Revised basic pay after multiplication of the existing basic pay by 2.57 = Rs.1,41,453

In the Pay Matrix for level 13, the figure closest to Rs.1,41,453 is Rs.1,41,600.

Hence the pay of the employee will be fixed at Rs.**1,41,600** in level 13 in the new pay Matrix. on 1-1-2016

On the employee's retirement on 31-1-2016, his/her pension will be fixed at 50% of the revised pay @ Rs.**70,800**

Revised Pension of an employee retiring on 30-11-2015 with a basic pay of Rs.55,040	=	Rs.70,277
Pension fixed for an employee retiring on 31-1-2016 with same pre revised basic pay	=	Rs.70,800

***We suggest that since the pay commission has recommended rounding off of fraction of the amount of pay of serving employees to the nearest 100 rupees, the Empowered Committee may please consider rounding off of fraction of the amount of pension to the next rupees 50 ( since pension is calculated at 50% of pay)***

## Doubts which need clarifications

### 1. Pension Calculation and Qualifying Service

The Pay Commission in para 10.1.6 7(i) of its report states that

*“All the Civilian personnel including CAPF who retired prior to 01.01.2016  
..... **Fifty percent** of the total amount so arrived at  
shall be the revised pension.”*

As per the above recommendation, pension shall be calculated at 50 % of the notional pay. It is therefore presumed that there will not be any pro rata reduction in pension for **less than 33 years of service** in respect of pre -2006 Pensioners and **for less than 20 years of service** in respect of post -2006 Pensioners since the Pay Commission has not recommended any reduction in the amount of pension for lesser number of years of service. This may please be confirmed.

### 2. Increments

#### A. Number of increments

Regarding the number of increments to be added to the minimum pay of the corresponding level in the pay matrix the report states that

*“All the Civilian personnel.....  
..... This amount shall be raised, to arrive  
at the notional pay of the retiree, by adding the number of increments he/she  
had **earned in that level while in service**.....”*

It is presumed that the number of increments earned both in the pay scale from which the pensioner had retired and in the corresponding pre-revised pay scale in the same grade/level are to be taken into account for counting the total numbers of increments earned in that level.

This may please be confirmed.

#### Example:

##### Grade S-19

Pay Scale from which Retired: V CPC: Rs.10,000-325-15,200 : Increments earned: 4  
Corresponding pay scale: IV CPC Rs. 3000-100-3500-125-4500 : Increments earned: 8  
Total number of increments to be added to notional minimum pay: **12**

#### B. Stagnation Increments

It is presumed that stagnation increment is also to be included in the number of increments earned in that level. This may please be confirmed.

### **3. Revision of pension of pensioners who had retired from posts which were upgraded subsequent to their retirement**

The Pay Commission has recommended a new Pay Matrix with distinct pay levels which would be the Status determiner. The new levels have been determined on the basis of the existing levels of Grade Pay.

As the new levels are based on the existing Grade Pay, the level in the Pay Matrix for pre-2006 Pensioners has to be determined on the basis of the Grade Pay they would have been entitled to but for retirement. Some of the posts were upgraded to higher pay scale from 1-1-2006 and granted higher Grade Pay. For example, the post in Grade S-12 in the pay scale of Rs. 6,500-200-10,500 was upgraded to the pay Scale of Rs.7,450-225-11,500 and granted Grade Pay of Rs.4,600. But, for revision of pension of pre 2006 Pensioners retiring from the pay scale of Rs. 6,500-200-10,500 or corresponding pre- revised pay scales, Grade Pay of Rs.4,200 only was considered . Similarly, in respect of several posts upgraded under 5<sup>th</sup> CPC also, Grade Pay admissible for the normal corresponding pay scale only was considered for revision of pension in terms of para 4.2 of DoP&PW OM dated 1-9-2008. Thus pre- 2006 Pensioners were denied the benefit of upgraded pay scale even though they too had served in the same Grade before their retirement.

With the 7<sup>th</sup> CPC recommending that “**increments earned in that level**” shall be added to the minimum pay of the corresponding level in the pay matrix, to arrive at the notional pay for calculation of pension and as the level is determined on the Grade Pay, the grievance of pre-2006 Pensioners who had retired from posts which were upgraded subsequent to their retirement will continue to remain unresolved even after implementation of 7<sup>th</sup> CPC recommendations.

We earnestly request that this long pending demand of pre-2006 Pensioners may kindly be considered favorably which will pave the way for their placement in a higher level under 7<sup>th</sup> CPC making them eligible for higher pension.

### **4. Family Pension**

Para 10.1.25 states that the Commission does not recommend any further increase in the rate of pension and family pension from the existing levels. Therefore, the family pension will continue to be calculated at 30% of last pay. While the Pay Commission recommends revision of pension of pre -2016 Pensioners under the formulation suggested by it vide para10.1.67, there is no mention on the question of revision of family pension of pre-2016 Family Pensioners either in paras, 10.1.25 or 10.1.67. Hence, it may please be clarified

whether the provisions of para 10.1.67 and 10.1.68 are equally applicable to pre-2016 Family Pensioners also, however, with the exception that the family pension shall be calculated at 30 % of the notional pay.

**We suggest that the provision for revision of family pension, on the analogy of revision of pension in terms in para 10.1.67of Pay Commission's report, may please be caused to be specifically included in the Orders likely to be issued in due course.**

It is requested that the suggestions made in the foregoing paras may kindly be accepted by the Empowered Committee.

**Yours faithfully**

**K.B.Krishna Rao**  
**Secretary**  
**Karnataka P&T Pensioners' Association**  
**Bangalore**

**Enclosures: Annexure: I , II & III**

## ANNEXURE-I

**Examples of suggested Formulations**

Details	4th CPC pay scale	5th CPC pay scale	6th CPC pay scale
Date of retirement	31-5-1988	30-9-2002	31-5-2015
Pay scale from which retired	Rs.3,700-125-4,700-150-5,000	Rs.10,000-325-15,200	Rs.67,000-79,000
Last pay drawn	Rs. 4,325	Rs. 13,900	Rs. 79,000
Stage of the last pay in the retiring pay scale	stage 6 (six)	Stage 13 (thirteen)	stage 7 (seven)
Stages	3700 3825,3950,4075,4200,4325	10000,10325,10650, 10975,11300,11625, 11950,12275,12600, 12925,13250,13575, 13900	67000, 69010, 71080, 73220, 75420, 77690, 79000
Grade pay in 6th CPC	Rs. 7,600	Rs. 6,600	0
Level as per pay matrix in 7th CPC	level 12	level 11	level 15
Notional Pay in Pay Matrix	Rs.91400 at index No.6	96600 at index No. 13	217600 at index No.7
Pension at 50% of the notional pay	Rs. 45,700	Rs. 48,300	Rs. 1,08,800
Basic pension fixed in 6th CPC	Rs. 12,947	Rs. 15,453	Rs. 39,500
Pension under 7th CPC using a multiple of 2.57	Rs. 33,274	Rs. 39,715	Rs.1,01,515
Pension amount admissible (higher of the two calculations)	Rs. 45,700	Rs. 48,300	Rs. 1,08,800

**ANNEXURE-II****Example of suggested formulations-Under 6th CPC Pay Band structure**

<b>Details</b>	<b>6th CPC pay Band</b>
Date of retirement	30-6-2006
Pay scale from which retired	PB-4 Rs.37,400-67,000 with grade pay Rs.8,900
Last pay drawn	Rs.44,700 – pay in pay band
Entry pay	40200
Basic Pay for calculation of increment	49,100 (40200+8900)
1st stage	41,680 ( 49100 X 3%= 1480 + 40200)
2nd stage	43,200 (50580 X 3%=1520 + 41680)
3rd stage	44,770 (52100 X 3%=1570 + 43200) (closest to 44,700)
Stage of the last pay in the retiring pay scale	3 (as above)
Grade pay in 6th CPC	8900
Level as per pay matrix in 7th CPC	level 13-A
Notional pay indicated at index No. 3 of level 13-A	1,39,100
Pension at 50% of the notional pay	69,550
Basic pension fixed in 6th CPC	22,350
Pension under 7th CPC using a multiple of 2.57	57,440
Pension amount admissible (higher of the two calculations)	69,550

**ANNEXURE-III****Example on revision with reference to the Higher & lower pay scales**

(Employee would have reached maximum in the lower pay scale)

<b>Details</b>	<b>Higher pay scale</b>	<b>Lower Pay scale</b>
Date of retirement	31-03-2004	31-3-2004
Pay scale from which retired	Rs.6500-200-10500	Rs.5000-150-8000
Last pay drawn	Rs. 8,500	Rs. 8,000
Stage number of the last pay in the retiring pay scale	stage 11 (eleven)	Stage 21 (twenty one)
Stages	6500,6700,6900,7100, 7300,7500,7700,7900, 8100,8300,8500	5000,5150,5300,5450,5600, 5750,5900,6050, 6200,6350, 6500,6650, 6800,6950,7100, 7250, 7400,7550,7700,7850, 8000
Grade pay in 6th CPC	Rs. 4,200	Rs. 4,200
Level as per pay matrix in 7th CPC	level 6	level 6
Notional Pay in Pay Matrix	Rs.47600 as at index No.11 of pay matrix	Rs.64,100 as at index 21 of pay matrix
Pension at 50% of the notional pay	Rs. 23,800	<b>Rs. 32,050</b>
Basic pension fixed in 6th CPC	Rs. 9,492	Rs. 9,492
Pension under 7th CPC using a multiple of 2.57	Rs. 24,395	Rs. 24,395
<b>Pension amount admissible ( higher of the two calculations)</b>	<b>Rs. 23,800</b>	<b>Rs. 32,050</b>