## RAILWAYS SENIOR CITIZENS WELFARE SOCIETY

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Dated: 28-5-2012

No. RSCWS/ Memo / PM / Pension / 2012 - 4

- 1. Shri Manmohan Singh, Hon'ble Prime Minister of India & Minister of Personnel, PG & Pension, GOI, South Block, New Delhi.
- 2. Shri Pranab Mukherjee, Hon'ble Minister of Finance, Govt of India, North Block, New Delhi.
- 3. Shri V. Naryanasami, Minister of State for Personnel, Pension and Public Grievances, North Block, New Delhi. 110001

Respected Sir,

**Subject: - Implementation of Sixth CPC Report** 

- Regarding Disparities in Fixation of Pension of Pre-2006 Pensioners

Reference:- i) DOP & PW OM No F.No. 38/37/08-P&PW (A), dated 1<sup>st</sup> September, 2008 -

- regarding revision of pension of pre-2006 pensioners and Family Pensioner

Dear Sir,

We very humbly draw the kind attention of the Government towards the grave injustice done to certain categories of the Pre-2006 Pensioners in respect of unjust and discriminatory Fixation of their Revised Pensions after Sixth Pay Commission, in total disregard of the laws of natural justice and in violation of the Article 14 & 16 of the Constitution of India. We, therefore, seek your kind intervention and submit the following facts for favourable consideration to give justice to the thousands of Pre-2006 Pensioners:

- 1. Pre-2006 Pensioners are a homogeneous class as a whole and as such, as per settled law, they required equal treatment for revision of their Pension. But the implementation of Sixth Pay Commission Report has created a class within a class resulting in wide disparity in respect of the percentage rise in the pension of those Pensioners who retired from lower Pay Scales up to scale S 23 vis-a-vis those who retired from scales S 24 & above (as per details submitted below)
- 2. Before the acceptance of 6<sup>th</sup> CPC Report, DOP (vide their letter dated 17-4-2008) addressed to various Pensioners' Associations sought their views/comments on the recommendations of 6th CPC relating to pensionary benefits.

We gave our views vide letter dated 24-4-2008 bringing out amongst other things the glaring incoherence and partiality in fixation of Pensions of Pre-2006 Pensioners at lower & middle levels. These facts were duly supported by facts & figures submitted by us as Tables based on the details available in the Report. The analysis revealed that the proportionate rise in pension for those who had retired from scales in pay band 4 and above was much higher than those who had retired from lower pay bands and there was a wide variation from 1.46 to 3.37 in terms of resultant multiplication factor in the fixation of pension of Pre-2006 Pensioners.

We had a fervent hope that corrective action would be taken while accepting the Report to ensure equality amongst the past pensioners irrespective of the pre revised scale from which they retired. Our hopes, however, had been belied and even our subsequent representation dated 8-5-2008 to the Cabinet Secretary heading the Empowered Committee had not brought any relief - as would be seen from the following facts.

3. Notification on pensionary benefits was issued after its acceptance by the Cabinet vide DOP Resolution dated 29-8-2008 followed by orders on implementation of Government's decision on the recommendations of 6<sup>th</sup> Pay Commission regarding

revision of pension of pre-2006 pensioners / family pensioners etc. vide DOP OM dated 1-9-2008. Within a month thereof, (vide DOP OM dated 3-10-2008) under the garb of "Clarification" a modification was done to the detriment of pensioners, and pension was delinked from the salary of the post from which one retired - (which was in contravention of the accepted recommendations vide Resolution dated 29-8-2008).

- 4. A table is appended as Annexure-I which shows the ground reality in respect of the comparative percentage increase in pension as on 1-1-2006 and the emerging multiplication factor for the pension for all the scales from S 4 to S 34 at the minimum level of pension based on Para 4.1 of OM dated 1-9-2008 for arriving at consolidated pension and the operative OM of 3-10-2008.
- 5. The glaring inequalities are as under;
  - a) Percentage increase in pension as on 1-1-2006 was about 21.5% for scales S 4 to S 23 in Pay Bands 1 to 3. The rise in Pay Band 4 and above was over 50% (except for S 29) and was even beyond 70 % in 3 other scales (as per details indicated in col. 7 of the Table Annexed herewith).
  - b) Consequential Multiplication factor (Ratio between revised pension and minimum Basic pension in pre-revised scale) given in col.8 indicates a wide and unjustified variation between scales S 4 to S 23 in Pay Bands 1 to 3 and scales in pay band 4 and above. The <u>resultant multiple factor was about 2.26 for PB 1 to PB 3 whereas for higher scales, it was 3 to 3.4 except for S 29 where it was 2.6.</u>
- 6. Discrimination is evident in respect of the multiplication factor and percentage rise in pension between the lower scales vis-a-vis scales in PB 4 and above. It will not be out of place to mention here that a uniform ratio of 3.3 with a marginal variation of about 10% was adopted by 5<sup>th</sup> CPC while revising the pay scales. It is also pertinent to point out that multiplication factor of scales S 30 to S 33 (earlier in PB 4) has been improved to 3 and above by assigning separate scales to S 31 & 32 while accepting the Report and later for S 30 also.
- 7. All Pre-2006 Pensioners are a homogeneous class as a whole is an established fact accepted by all, and require equal treatment and consideration for revision of their pension. It is totally unjust that revision of pension should be as discriminatory as mentioned above to put the retirees from lower scales to substantial loss of pension with as low a multiplication factor as 2.26 when the higher scales have been safeguarded with a multiplication factor or a rise of 3 times or more.
- 8. It is, therefore, requested that a uniform rise of at least 3 times of Basic Pension (as on 1-1-2006) be given for fixation of Revised Pension of all Pre-2006 Pensioners who had retired from S-1 to S-23 at par with the minimum rise of Basic Pension of Pre-2006 Pensioners who retired from PB 4 and above as they form the same homogeneous group of pensioners.

Yours faithfully,

(Harchandan Singh), Secretary General, RSCWS.

Copy for kind & favourable consideration to:

- 1. Secretary, Ministry of Finance (Expenditure), Government of India, North Block, New Delhi.
- 2. Secretary, Ministry of P&PW, GOI, Lok Manya Tilak Bhawan, Khan Market, New Delhi
- 3. Secretary, Ministry of Railways, Rail Bhawan, New Delhi

DISPROPORTIONATE RISE OF PRE-2006 PENSIONS ANEXURE: I							
1	2	3	4	5	6	7	8
Existing Pay Scales as per 5th PC	Pay Band	Revised Pay Structure	Pension drawn on 1-1-06 ( <i>BP x 1.86</i> )	Conso- lidated pension (Para 4.1 O.M. Dt 1-9-08)	Minimum Revd. Pen. (50% of PB & GP - OM 3-10-08)	%age increase in Pension as on 1-1-06 (better of cols. 5 &6)	Multipli- cation Factor (col. 5 or 6 w.r.to min. BP)
S-4(2750-4400)	PB-1	5200-20200 +1800	2558	3500	3500	36.8	2.55
S-5(3050-4590)	PB-1	5200-20200 +1900	2837	3500	3550	25.1	2.33
S-6(3200-4900)	PB-1	5200-20200 +2000	2976	3616	3600	21.5	2.26
S-7(4000-6000)	PB-1	5200-20200 +2400	3720	4520	3800	21.5	2.26
S-8 (4500-7000)	PB-1	5200-20200 +2800	4185	5085	4000	21.5	2.26
S-9 (5000-8000)	PB-2	9300-34800 +4200	4650	5650	6750	45.2	2.7
S-10 (5500-9000)	PB-2	9300-34800 +4200	5115	6215	6750	32.0	2.5
S-11(6500-6900)	PB-2	9300-34800 + 4200	6045	7345	6750	21.5	2.26
S12((6500-10500)	PB-2	9300-34800 + 4200 9300-34800+	6045	7345	6750	21.5	2.26
(7450-11500)	PB-2	4600 9300-34800	6928	8419	6950	21.5	2.26
S-14 (7500-12000)	PB-2	+4800	6975	8475	7050	21.5	2.26
S-15 (8000-13500)	PB-2	9300-34800 +5400	7440	9040	7350	21.5	2.26
New scale (8000-13500)	PB-3	15600-39100 +5400	7440	9040	10500	41.1	2.6
S-16 (9000)	PB-3	15600-39100 +5400	8370	10170	10500	25.4	2.33
S-17 (9000-9550)	PB-3	15600-39100 +5400	8370	10170	10500	25.4	2.33
S-18 (10325-10975)	PB-3	15600-39100 +6600	9601.32	11666	11100	21.5	2.26
S-19 (10000-15200)	PB-3	15600-39100 +6600	9300	11300	11100	21.5	2.26
S-20 10650-15850)	PB-3	15600-39100 +6600	9905	12035	11100	21.5	2.26
S-21(12000- 16500)	PB-3	15600-39100 +7600	11160	13560	11600	21.5	2.26
S-22 (12750-16500)	PB-3	15600-39100 +7600	11858	14408	11600	21.5	2.26
S-23 (12000-18000)	PB-3	15600-39100 +7600	11160	13560	11600	21.5	2.26
S-24 (14300-18300	PB-4	37400-67000 +8700	13299	16159	23050	73.3	3.2
S-25 (15100-18300)	PB-4	37400-67000 +8700	14043	17063	23050	64.1	3.1
S-26 (16400- 20000)	PB-4	37400-67000 +8900	15252	18532	23150	51.8	2.8
S-27(16400- 20900)	PB-4	37400-67000 +8900	15252	18532	23150	51.8	2.8
S-28 (14300-22400)	PB-4	37400-67000 +10000	13299	16159	23700	78.2	3.3
S-29 (18400-22400)	PB-4	37400-67000 +10000	17112	20792	23700	38.5	2.6
S-30 (22400-24500)	HAG	67000-79000	20832	25312	33500	60.8	3.0
S-31 (22400-26000)	HAG+ Scale	75500-80000	20832	25312	37750	81.2	3.4
S-32 (24050-26000)	HAG+ Scale	75500-80000	22367	27177	37750	68.8	3.1
S-33 (26000)	Apex	80000 (Fixed)	24180	29380	40000	65.4	3.1
S-34 (30000)	CS	90000 (Fixed)	27900	33900	45000	61.3	3.0
Compiled by: N. P. Mohan							