

## Federation of State Bank of India Pensioners' Associations

Ref. No. P/57/2007-2008

Date : 31-01-2008

Shri. Ajay Deole  
Dy. General Manager (IR)  
State Bank of India, Corporate Centre,  
Mumbai - 400021

Dear Sir,

### Fixed Personal Pay (FPP)

As per our discussions we had with you on 30-01-2008, we have carefully gone through para 7 of the recommendations made by the Bank to the Govt. of India.

You have rightly stated at the end of the paragraph that the "cut off point may be fixed as Rs.21,040/- + PQP + FPP". However one sentence viz. "Therefore it would be in the fitness of things that FPP is also included in the "cut off point" gives a wrong signal. As you are aware that FPP was introduced in the Bank to provide some incentives to the Officers/Executives who could not get further promotions even after reaching the maximum of the particular scale. This being the policy decision, taken by the Bank in the past for good reason the above sentence if implemented could result in withdrawal of the well thought out benefit to the retirees.

In view of the above we are of the opinion that the cut off point should be reckoned as stated by you in the last line of the paragraph seven i.e. Rs.21,040/- + PQP + FPP for calculating the basic pension. Average pensionable pay should be arrived after deducting PQP + FPP paid to the employees. Therefore the calculation of basic pension would be as under :

Rs. 21,040/-	50 %	Rs. 10,520/-
+ 50 % of PQP		Rs.
+ 50 % of FPP		Rs.
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Permissible Basic Pension		Rs.
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Yours faithfully,  
Sd/-  
President  
(B.G.Dandekar)