



**Pakistan Institute
of Public Finance Accountants**

Model Solutions

**Pay, Pension & TA Rules
(Application)**

PMAD

May Exam-2026

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Solutions – Pay, Pension & TA Rules (Application)

Q.1. (Rule 9 of Pay & Allowances Reg. – Vol I)

Step 1 – Eligibility & Effective Date

She had completed one year at maximum before 31-05-1994, therefore
Move-Over admissible w.e.f. 01-06-1994.

Step 2 – Fixation on 01-06-1994

Lt Col maximum pay (June-1994 scale) = Rs. 7,877; Colonel scale = 7655–297–9437
Next stage above 7,877 = 7,952 w.e.f. 01-06-1994

Step 3 – Annual Increments in Colonel Scale

Increment admissible on 1st December annually:

01-12-1994: $7,952 + 297 = 8,249$

01-12-1995: $8,249 + 297 = 8,546$

Basic Pay as on 01-10-1996 = 8,546

Step 4 — Revised Pay & Allowances as on 01-10-1996

Allowances = 50% of Basic; $50\% \text{ of } 8,546 = 4,273$

Revised Pay & Allowances = $8,546 + 4,273 = \text{Rs. } 12,819$

Step 5 — Arrears Calculation (Basic + Allowances @50%)

Monthly total difference = $1.5 \times \text{Basic Difference}$

(A) 01-06-1994 to 30-11-1994 (6 months)

Basic diff = $7,952 - 7,877 = 75$; Monthly diff = $75 \times 1.5 = 112.5$;

Arrears = $112.5 \times 6 = 675$

(B) 01-12-1994 to 30-11-1995 (12 months)

Basic diff = $8,249 - 7,877 = 372$; Monthly diff = $372 \times 1.5 = 558$

Arrears = $558 \times 12 = 6,696$

(C) 01-12-1995 to 30-09-1996 (10 months)

Basic diff = $8,546 - 7,877 = 669$; Monthly diff = $669 \times 1.5 = 1,003.5$

Arrears = $1,003.5 \times 10 = 10,035$

Total Arrears: $675 + 6,696 + 10,035 = \text{Rs. } 17,406$

Q.2 1 Jan – 15 Jan (Course of Instruction): admissible - rule 42(a)(1).

- a
- 2 16 Jan – 25 Jan (Sick list under ALR 37): admissible – rule 42(a)(2).
 - 3 26 Jan – 5 Feb (Absence without leave): NOT admissible – rule 42(b)(3)
 - 4 6 Feb – 19 Mar (Suspension pending inquiry): NOT admissible – rule 43
 - 5 20 Mar – 30 Apr (After conviction & imprisonment): NOT admissible – rule 42(b)(4).

Q.2. Daily rate = $180,000 / 30 = \text{Rs. } 6,000$

- b
- Period 1: 1 Jan – 15 Jan (15 days): $15 \times 6,000 = \text{Rs. } 90,000$
- Period 2: 16 Jan – 25 Jan (10 days): $10 \times 6,000 = 60,000$
- Period 3: 26 Jan – 5 Feb (11 days): No pay = 0
- Period 4: 6 Feb – 19 Mar (42 days): No pay = 0
- Period 5: 20 Mar – 30 Apr: No pay = 0
- Total Pay Admissible = $90,000 + 60,000 = 150,000$



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Q.2.c CMA released full pay due to no Casualty Return
Paid for the Period 01 Jan–30 Apr = 4 months $\times$ Rs. 180,000 = Rs. 720,000
Recoverable = 720,000 – 150,000 = Rs. 570,000

Q.3. Admissible Daily Allowance (DA)

a

Step 1: Net DA rates after Govt transport (25% cut)

(Rule 346 and 347 of Passage Regulations 1980)

- Kharian: $3,000 \times 75\% = \mathbf{2,250}$ per night
- Lahore: $3,840 \times 75\% = \mathbf{2,880}$ per night

Step 2: Admissible DA

- Kharian: 3 nights $\times$ 2,250 = **6,750**
- Lahore: 4 nights $\times$ 2,880 = **11,520**
- **Return DA:** $\frac{1}{2} \times 2,250 = 1,125$

Total admissible DA = 6,750 + 11,520 + 1,125 = Rs. 19,395

Q.3. Admissible accommodation charges
b

Lahore (specified station)

No receipts $\rightarrow$ admissible accommodation = **2 DAs per night (full DA rate)**
 $= 2 \times 3,840 = \mathbf{7,680}$ per night; For 4 nights: $4 \times 7,680 = \mathbf{Rs. 30,720}$

Kharian (non-specified station)

No receipts $\rightarrow$ admissible accommodation = **1 DA per night (full DA rate)**
 $= 1 \times 3,000 = \mathbf{3,000}$ per night; For 3 nights: $3 \times 3,000 = \mathbf{Rs. 9,000}$

Total admissible accommodation = 30,720 + 9,000 = Rs. 39,720

Q.3. Total recoverable amount
c

Paid DA (as passed): 7 and $\frac{1}{2} \times 3,840 = \mathbf{Rs. 28,800}$

Paid accommodation (as passed): 7 nights $\times$ 3 $\times$ 3,840 = $7 \times 11,520 = \mathbf{Rs. 80,640}$

Total paid = 28,880 + 80,640 = Rs. 109,520

Total admissible amount = 19,395 + 39,720 = Rs. 59,115

Total Recoverable Amount: 109,520 – 59,115 = Rs. 50,405



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- Q.4.** Recoveries shall be made in monthly instalments of one-third (1/3) of the pension until full liquidation (**Rule 32(a) Pension Regulations Vol-II**)
- a**
- Q.4.** Regimental debt (Rs. 210,000) → Recoverable under CO's authority (**Rule 32(b) Pension Regulations Vol-II**)
- b**
- Q.4.** Disability pension → Requires special Government orders (**Rule 32(c) Pension Regulations Vol-II**)
- c**
- Q.4.** Commuted portion → Entire claim may be recovered in one instalment from commuted value. (**Rule 32(d) Pension Regulations Vol-II**)
- d**
- Q.4.** Relaxation possible → With written reasons; maximum 12 instalments. (**Rule 32(a) Pension Regulations Vol-II**)
- e**
- Q.5. Pay to be taken into account for fixation**
- a** Pay for fixation includes **basic pay + personal pay.**
Pay for fixation = $62,170 + 3,420 = 65,590$
- Q.5. Fix pay in BPS-18 on date of promotion**
- b** Find the **next stage above** Rs. 65,590 in BPS-18.
BPS-18 stage next above 65,590 is **Rs. 69,660**
Check the increase from present pay to the next stage:
 $69,660 - 65,590 = 4,070$; One increment in BPS-18 = **4,260**
Since $4,070 < 4,260$ **Premature increment is admissible.**
Revised pay after allowing **one premature increment** = $69,660 + 4,260 = 73,920$
- Q.5. Option for refixation and alternative pay**
- c**
- Promotion date **18 September 2024** falls between **2 June** and **30 November**, therefore **option for refixation on 1st December 2024 is available.**
- Step 1: Presumptive pay in BPS-17 on 01-12-2024**
Add Personal Pay: $62,170 + 3,420 = 65,590$
On 01-12-2024, basic pay would increase by one increment (3,420):

Presumptive Pay for fixation = $65,590 + 3,420 = 69,010$
- Step 2: Fix in BPS-18 on 01-12-2024**
Next stage above Rs. 69,010 in BPS-18 is again **Rs. 69,660**
Difference: $69,660 - 69,010 = 650 < 4,260$, So,
Premature increment admissible again: $69,660 + 4,260 = 73,920$
Alternative (refixation) pay on 01-12-2024 is same i.e. Rs. 73,920
- Q.5. Effective dates**
- d** Rs. 73,920 w.e.f. 18-09-2024
- **Rs. 73,920 w.e.f. 01-12-2024** (as refixed)



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Q.6. Daily Allowance per soldier for the entire period

- a** Full DA = Rs. 900; Free ration deduction = 45%; Payable DA = $900 \times 55\% = \text{Rs. } 495$
First 20 days → Full: $20 \times 495 = 9,900$
Next 20 days → $\frac{3}{4}$: $\frac{3}{4} \times 495 = \text{Rs. } 371.25$ so, $20 \times 371.25 = 7,425$
Remaining 55 days → $\frac{1}{2}$: $\frac{1}{2} \times 495 = \text{Rs. } 247.50$ so, $55 \times 247.50 = 13,612.50$
Total DA per soldier: $9,900 + 7,425 + 13,612.50 = 30,937.50$

Qb6.

Total DA payable to the entire unit of 150 soldiers.

Identify slab of Casual Leave days (10 – 15 Mar 2026)

Days count: Jan 1–31 = **31 days**; Feb 1–28 = **28 days**; **1 Mar is Day 60**; **10 Mar is Day 69** So CL days (10–15 Mar) fall around **Day 69–74**, which is within the **remaining period slab** (i.e., after day 40), hence **$\frac{1}{2}$ -rate slab**.

Deduct DA @ $\frac{1}{2}$ -rate = **Rs. 247.50 per day**

Deduction CL per soldier for 6 days: $6 \times 247.50 = 1,485$

So per CL soldier DA becomes: $30,937.50 - 1,485 = \text{Rs. } 29,452.50$

Total DA payable to unit

(i) Soldiers with full attendance = $180 - 15 = 165$ soldiers

$165 \times 30,937.50 = \text{Rs. } 5,104,687.50$

(ii) Soldiers with 6 days CL = 15 soldiers

$15 \times 29,452.50 = \text{Rs. } 441,787.50$

Total DA payable: $5,104,687.50 + 441,787.50 = \text{Rs. } 5,546,475$

Q.7.

a **Step 1 — Qualifying Service**

Total Service 34 years 2 months less 5 years EOL = Qualifying Service = say 29 years; Prescribed service for Brigadier = 30 years

Q.7. Step 2 — Pensionable Emoluments

b Basic Pay = 196,130;

- Personal Pay (increment due 01-12-2023) = 6,690
- Notional Increment (served more than 6 months in final year) = 6,690
- Qualification Pay = 2,500
- Allowances excluded

Total Pensionable Emoluments: $196,130 + 6,690 + 6,690 + 2,500 = \text{Rs. } 212,010$

Q.7. Step 3 — Gross Pension

c Formula:
Gross $Pension = Emoluments \times \frac{7}{10} \times \frac{QS}{30}$ Pension = $212,010 \times 0.7 \times \frac{29}{30} = 143,460$

Step 4 —

Age Next Birthday & Factor

DOB: 15-09-1967; Retirement: 04-09-2024; Age next birthday = 57 years

Commutation factor (57 years) = 13.9888

Step 5 — Commutation (35%)

Commutable portion: $143,460 \times 35\% = \text{Rs. } 50,211$

Lump Sum: $50,211 \times 12 \times 13.9888 = 8,428,000$ (approx.)

Step 6 — Net Pension (65%)

$143,460 \times 65\% = \text{Rs. } 93,249$
