

Unified Payment Scheme (UPS) Payout Calculator Manual

Step 1: Enter the following inputs:

1. Date of Birth: (Mandatory)

Enter your Date of birth (The minimum age should be 18 years, and the maximum age should be 60 years)

Date of Birth *

18 Yrs

← Nov 2006 →

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Disclaimer: The UPS Payout Calculator is intended solely for estimating expected benefits for subscribers at or below the retirement age of 60. Accordingly, calculations are based on a maximum age limit of 60 years and may not reflect outcomes beyond this threshold.

2. Date of Joining: (Mandatory)

Enter your Date of Joining Central government Service

Date of Joining *

Qualified Service

0 Yrs

Disclaimer: UPS benefits shall be applicable from the date of superannuation, provided the subscribers retires after completing a minimum qualifying service of ten years, at the date of superannuation. This is applicable to subscribers currently enrolled under NPS as well as those newly joining Central Government services.

3. Monthly Basic Pay ₹: *(Mandatory)*

Enter your monthly basic pay as per the current pay scale/salary structure.

Monthly Basic Pay ₹* 

4. Existing NPS Tier 1 corpus ₹ :

Enter the Existing NPS Tier 1 corpus. To check the existing NPS Tier 1 corpus, please click [here](#).

Existing NPS Tier 1 Corpus ₹ 

Disclaimer: Existing NPS subscribers may enter the total amount accumulated in their NPS Tier-1 account. However, only the corpus accumulated after joining Central Government service should be considered for the purpose of this calculation. For new subscribers, this value should be entered as zero.

5. Annual Basic Pay Growth (%):

Enter the percentage by which you expect annual increase in basic pay over the service period i.e., until the date of superannuation. This increase can be aligned with your past basic salary growth. In case no value is entered for the **Annual Basic Pay Growth**, the calculation will automatically use the **default rate of 6%**.

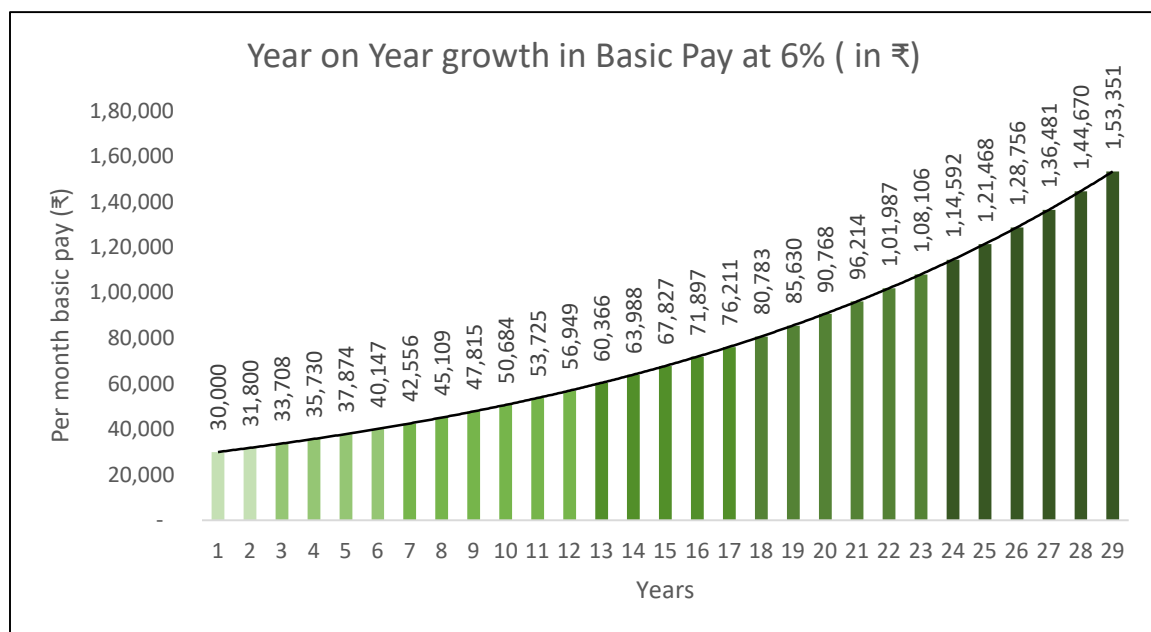
Annual Basic Pay Growth (%) 

2 8

Disclaimer: The assumed annual salary increase of 6% is based on historical trends, including average annual increments, periodic Pay Commission revisions, and other compensation adjustments. For ease of calculation, an average nominal increase of approximately 10% has been observed annually, of which 4% is attributed to the assumed growth in Dearness Allowance (DA)/ Dearness Relief (DR).

The chart below provides an illustrative year-on-year projection of basic pay growth, starting at ₹30,000 per month with an assumed annual increment of 6%

over a 30-year period. This projection is purely for illustrative purposes; actual increments may differ based on Pay commission revisions, service conditions, organizational policies, etc.



6. Annual Dearness Allowance (DA)/Dearness Relief (DR) Growth (%) :

Enter the percentage by which you expect annual increase in dearness allowance (DA)/dearness Relief (DR). This increase can be aligned with your past dearness allowance growth. If no value is provided for the **Dearness Allowance Growth**, the calculation will be made using **default rate of 4%**.

Annual Dearness Allowance Growth (%) ⓘ

2 8

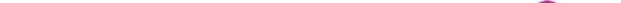
Disclaimer: The Consumer Price Index (CPI) has been used as the basis for indexing DA/DR to offset the impact of inflation on real income. Presently, the Reserve Bank of India (RBI) targets a CPI inflation rate of 4%, with an upper and lower tolerance band of 6% and 2%, respectively. Accordingly, the annual DA/DR growth has been indicated at a default value of 4% per annum. (DA/DR increments are implemented bi-annually, with a 2% increase each time.)

7. My expectation of return on investment is (%):

Enter the expected annual rate of return on your investment

As the scheme was launched on 1st April 2025, no historical data is available to compute its CAGR. Hence, a proxy CAGR based on the past 10 year NPS CG Scheme Benchmark is used. This proxy return on investment rate is system-generated, which is updated in real time based on available data, and may vary as the underlying benchmark data changes. This percentage will also be used as an input in NPS computation for comparison of UPS and NPS projected corpus and monthly payouts.

My expectation of return on investment is (%) 

5  15

9.18

Disclaimer: During the initial computation of benefits using the UPS payout calculator, the expected return on investment is system-generated and not editable by the subscriber. However, after the first computation, subscribers shall have the flexibility to modify the expected return based on their expectations. The updated benefits will be recalculated accordingly to reflect the revised return input.

8. Final Withdrawal Percentage:

Enter the Final Withdrawal Percentage, which refers to the portion of the corpus you intend to withdraw at the time of superannuation. By default, this value is set at 0%.

Final Withdrawal percentage ⓘ

0  60

0

Disclaimer: In the absence of user input, the calculation will default to a 0% Final Withdrawal Percentage, in line with Pension Fund Regulatory and Development Authority (PFRDA) guidelines, of giving assured payout based on 100% of the accumulated corpus.

9. Life Expectancy:

Enter the age up to which you expect to live. This value—referred to as your expected life expectancy—is used to determine the duration over which your

retirement corpus will be distributed for monthly payout calculations. The Default Value has been taken as 75 years.

Life Expectancy ⓘ

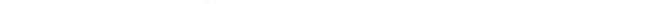
65 100

75

10. Annuity rate of (%):

Enter the Annuity rate (*annuity rate is the percentage used to calculate the assured monthly payments from an annuity contract, based on the amount of corpus money*) that you expect to receive from the corpus as a monthly payment. By default, the value has been set at 6.5%

Annuity rate of (%) 

2  10

6.5

Disclaimer: The annuity rate is applied solely for the computation of NPS payouts and is not applicable for the calculation of UPS payouts.

Step 2: Click on “**Calculate**” to estimate the projected lump sum withdrawal amount and the projected monthly payout.

Calculate

Step 3: The Print button will appear once the Projected Payout is calculated. Click on this **“Print”** tab to download the detailed report.

In case any parameter is changed after calculation, the user will have press “Calculate” button again to get the expected return on investment in Print option, as per the revised parameter(s).

Calculate

Print

Reset

UPS Payout

NPS Payout

Step 4: To reset values, click on the "**Reset**" button to clear all entered details and start a fresh.

Calculate

Print

Reset

UPS Payout

NPS Payout

Key UPS Benefits:

1. **Family Payout:** Upon demise of a UPS Subscriber who was receiving admissible payout, as the case may be, the legally wedded spouse of such deceased subscriber shall receive for life, family pay out equal to of sixty percent of the amount of the admissible payout drawn by the subscriber immediately prior to the demise.
2. **Minimum Guaranteed Payout:** Retirees who have completed a minimum of 10 years of service are eligible to receive at least ₹10,000 per month under UPS, offering a safety net for service periods of shorter tenures.
3. **Adjustment for Dearness Relief:** Assured Payout, including family payout, will be periodically adjusted for inflation through Dearness Relief, as notified by the Central Government. It will be applicable to the admissible and family payouts and shall be payable only once the actual payout begins.
4. **Additional Lump Sum Benefit:** A UPS subscriber shall be entitled to a lump sum payment equal to one-tenth of the last drawn basic pay (including non-practicing allowance, if applicable) plus dearness allowance, as on the date of superannuation, voluntary retirement, or retirement under Fundamental Rule 56(j). This amount is payable for each completed six-month period of qualifying service, as certified by the Head of Office of Subscriber, and will be provided alongside gratuity, wherever applicable.

To see full scheme benefits and other scheme related details, please click:

- https://www.pfrda.org.in/WriteReadData/Links/UPS_compressed2710ffb6-c585-4663-adf7-476ca9cb9582.pdf
- <https://www.pfrda.org.in//MyAuth/Admin/showimg.cshtml?ID=3491>

Key terminologies and formulae used for Benefit calculator as per PFRDA (Operationalization of Unified Pension Scheme Under National Pension System) Regulations, 2025 dated 19th March, 2025

1. The monthly payment computation under UPS is mentioned below:

- i. **Assured payout:** Assured payout shall be payable at fifty-percent of the average of the last twelve months basic pay immediately prior to the date of superannuation or voluntary retirement or retirement, subject to completion of minimum twenty-five years of qualifying services by a UPS subscriber. The formula for calculating assured payout is as under:

$$\text{Assured Payout (A)} = (1/2 \text{ of } P) \times (Q/300)$$

where: **P** = average of Basic Pay for last twelve months

Q = months of qualifying service

Provided where Q is - Less than 120, UPS shall not be applicable and if Q is more than 300, then Q shall be taken as 300

- ii. **Minimum Guaranteed Payout:** The minimum guaranteed payout under UPS shall be INR Ten Thousand per month subject to completion of minimum ten years of qualifying services by a UPS subscriber. The formula for calculation of **Minimum guaranteed payout** is:
If $(1/2 \text{ of } P) \times (Q/300) < 10,000$, and: Q is more than or equal to 120
Then the Minimum guaranteed payout shall be ₹ 10,000/-

- iii. **Proportionate Payout:** In case of qualifying service period of ten years or more, but less than twenty-five years, proportionate payout shall be payable.
- iv. **Admissible Payout:** Admissible payout refers to the actual monthly payout a subscriber receives after retirement, taking into account individual corpus, benchmark corpus, and any lump-sum withdrawals they may have taken at retirement.

$$\text{Admissible Payout} = \text{Assured Payout} \times (\text{Individual Corpus} / \text{Benchmark Corpus}) \times (1 - \text{Final Withdrawal Percentage}).$$

Example:

Let's say a subscriber's assured payout is ₹50,000 per month, their individual corpus is ₹10,00,000, and the benchmark corpus is ₹12,00,000. They choose to withdraw 40% of their corpus as a lump sum (i.e., Final Withdrawal Percentage = 0.40). The admissible payout would be calculated as follows:

$$\text{Admissible Payout} = ₹50,000 \times (₹10,00,000 / ₹12,00,000) \times (1 - 0.40) = ₹25,000.$$

2. **Final Withdrawal Percentage:** The UPS Subscriber or the legally wedded spouse, as the case may be, shall also have an option to withdraw an amount not exceeding sixty percent of the individual corpus or benchmark corpus, whichever is lower upon superannuation/ demise of subscriber, as the case may be. Provided that in case the individual corpus is more than the benchmark corpus as on the date of superannuation, the final withdrawal amount shall be calculated on the benchmark Corpus and the excess amount in the individual corpus shall be credited to the designated bank account of the UPS Subscriber.
3. **Family Payout:** Upon demise of a UPS Subscriber who was receiving the admissible payout, the legally wedded spouse of such deceased subscriber shall receive for life, family pay out of sixty percent of the amount of the admissible payout drawn by the subscriber immediately prior to the date of demise.
4. **Dearness Relief:** Dearness Relief as declared by the Central Government from time to time, shall be payable on the admissible payout and family payout, as the case may be. Dearness Relief shall be payable only when admissible payout commences.
5. **Monthly Payout:** The Monthly Payout under the UPS scheme is the sum of the admissible pension amount and the applicable Dearness Relief, ensuring regular post-retirement income. It is adjusted periodically to account for inflation.

Monthly Payout = *Admissible Payout + Dearness Relief on admissible payout*

Key Assumptions considered for Benefit calculator

1. The UPS Calculator has been developed to assist both new UPS subscribers and eligible existing NPS subscribers who intend to switch to the UPS scheme. The results generated by the calculator are indicative in nature and are based on the following assumptions:
 - Contributions are invested in accordance with the default asset allocation pattern prescribed by the Authority.
 - No partial withdrawals are made during the accumulation phase.
 - Any voluntary contributions made during the accumulation phase are excluded from the computation of UPS benefits.
 - The existing NPS Tier 1 corpus excludes contributions made prior to the commencement of qualifying service under the Central Government.
2. **Annuity Rate:** Annuity rate has been considered at the default rate offered under the “Joint Life Annuity without Return of Premium” scheme by various annuity service providers. Alternatively, if the user enters their own expected annuity rate—within the permissible range of 2% to 10%—that input will be used to project the estimated monthly pension. The annuity rate is applied solely for the computation of NPS payouts and is not applicable to UPS payouts. The "Non-Return of Premium" option has been considered to enable a like-for-like comparison with the UPS family payout feature.
3. **My expectation of return on investment is:** If no value is provided for expected return on investment, the calculation will be made using the Compound Annual Growth Rate (CAGR) from the past 10 years of the NPS CG Scheme Benchmark is used. This return on investment is system-generated, updated in real time based on available data, and may vary as the underlying benchmark data changes.

Please note that the default pension scheme perform better or worse than the benchmark.
4. **Life expectancy** should be entered based on the maximum expected lifespan of both the subscriber and their spouse, as it directly influences the duration over which the retirement corpus will be converted into monthly payouts. Life expectancy is a variable measure influenced by factors such as geography, socioeconomic conditions, access to healthcare, and lifestyle habits. According to the SRS Abridged Life Tables (2016–2020), World Bank (2023), and WHO (2019), India’s average life expectancy is estimated at approximately 70, 72, and 70.8 years, respectively. Considering the ongoing improvements in healthcare and living standards, using a benchmark of 75 years is a practical and forward-looking assumption for retirement planning purposes.
5. **Fund Based system:** The UPS, being a ‘fund-based’ system, relies on the regular and timely accumulation and investment of applicable contributions (from both the

employee and the employer) for assured payout to the employees post superannuation or retirement, as the case may be.

6. **Discounting Rate for calculating Present Value of Monthly Payout (4%):**
The Consumer Price Index (CPI) is used as the basis for discounting rate to calculate Present value of Monthly Payout. The Reserve Bank of India (RBI) targets a CPI inflation rate of 4%, with an upper and lower tolerance band of 6% and 2%, respectively.

Disclaimer: The UPS calculator on the NPS Trust's website is meant for information and reference purposes only and is not intended to create any right, obligation or to constitute any advice or opinion or to substitute any professional advice and should not be used as a basis for any investment or any decision to exit.

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Past performance neither guarantees future returns nor assures payment of any amount by NPS Trust. Investments under UPS are subject to market risks. The results generated by the calculator are indicative in nature based on the assumptions stated therein and does not guarantee any payout benefits. The calculator also does not represent actual figures and may not reflect actual figures at the time of superannuation.

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