

**FACT
CORPORATE OFFICE**

CGM(HR&A)-CO-408

27.12.2022

ALL MANAGERIAL PERSONNEL

Sub : Pay Revision.

The Management is pleased to announce the following revision in the pay scales and other benefits applicable to managerial personnel holding posts at Board level and below Board level.

1. The Revised pay scales are as given below. The new scales will be notionally implemented with effect from 1.1.2017 with actual benefits/payments with effect from 1.4.2022.

Sl. No.	Grades	Existing Scales (Rs.)	Proposed Scales (Rs.)
1.	E0	12600-32500	30000-120000
2.	E1	16400-40500	40000-140000
3.	E2	20600-46500	50000-160000
4.	E3	24900-50500	60000-180000
5.	E4	29100-54500	70000-200000
6.	E5	32900-58000	80000-220000
7.	E6	36600-62000	90000-240000
8.	E7	43200-66000	100000-260000
9.	E8	51300-73000	120000-280000
10.	E9	62000-80000	150000-300000
11.	Director	75000-100000	180000-340000
12.	CMD	80000-125000	200000-370000

2. A fitment benefit of 15% of basic pay plus DA as on 31.12.2016 will be granted and the methodology of pay fixation in the revised scale is as given below.

A		B		C		D (Revised BP as on 1.1.2017)
Basic Pay + Stagnation increment(s) as on 31.12.2016 (Personal Pay/ Special Pay not to be included)	+	Industrial Dearness Allowance @119.5% applicable on 1.1.2017 (under the IDA pattern computation methodology linked to All India Consumer Price Index (AICPI) 2001=100 series)	+	15 % of (A +B)	=	Aggregate amount rounded off to the next Rs. 10/-

- 2.1 In case the revised Basic Pay as on 1.1.2017 arrived so is less than the minimum of the revised pay scale, pay will be fixed at the minimum of the revised pay scale.
- 2.2 Employees on permanent rolls of the Company absorbed on scales of pay at the minimum of the scale on or after 1.1.2017 will be fixed at the minimum of the applicable scales with effect from their date of absorption on scales of pay. They are not eligible for any fixation benefit. In respect of those joined in Board level, the fixation will be as per DPE order dated 14.12.2012/17.09.2019.
- 2.3 Those who earned annual increments, stagnation increments, placements, promotions on or after 1.1.2017 will be granted the same in the revised scales of pay except those whose annual increment prior to 1.1.2017 was postponed to, on or after 1.1.2017 due to Loss of Pay. In the case of Officers whose date of annual increment was prior to 1.1.2017 and was postponed to a date on or after 1.1.2017 due to loss of pay, such Officers will be given their increment on such date; only the amount applicable on the original due date and the amount will be rounded off to the next multiple of Rs.10/-.
- 2.4 In case of reaching the end point of pay scale, employees will be allowed to draw stagnation increment, one after every two years up to a maximum of three such increments provided the employee gets a performance rating of 'Good' or above.

3. Increments in the scale of pay shall be granted at uniform rate of 3 % of Basic Pay applicable for annual/stagnation/promotion increments. The aggregate pay after annual increment/stagnation/promotion increment (ie. after adding 3% of the basic pay) will be rounded off to the next multiple of Rs.10/-.
4. Dearness Allowance: 100% neutralization will be done w.e.f 1.1.2017. DA as on 1.1.2017 will be zero with link point All India Consumer Price Index (AICPI) 2001=100 which is 277.33 (Average of AICPI for the months of September, October & November 2016) as on 1.1.2017. The periodicity of adjustment will be once in three months. The revised DA will be implemented only with effect from 1.4.2022 as in Annexure.
5. House Rent Allowance (HRA) shall be effective from 14.12.2022 and the new rates will be as follows.

Classification of City	Rate of HRA
X-Class (population of 50 lakh & above)	27 % of Basic Pay
Y-Class (population of 5 lakh to 50 lakh)	18 % of Basic Pay
Z-Class (population below 5 lakh)	9 % of Basic Pay

The rates of HRA will be revised to 30%, 20% and 10% when IDA crosses 50%.

Only those employees who have not been allotted Company accommodation will be eligible for HRA.

6. Perks and allowances of 25% of basic pay announced vide circular CGM(HR&A)-CO-376 dated 6.12.2022 will be modified as 6% of the revised basic pay with effect from 14.12.2022. The employees shall submit a fresh declaration/option form. The existing allowances of Conveyance Allowance and Interest Subsidy on loans (Car/House) announced vide above circular where the quantum is above 6%, will be limited upto 6%. The non-practicing allowance to Doctors (Medical Officers) will continue as 12% of pre-revised basic pay (2007 Pay scales) freezed as on 14.12.2022. As regards Company owned accommodation provided to employees, the Company will bear the Income Tax liability on the 'non-monetary perquisite' of which 50% shall be loaded within the ceiling of Basic Pay on perks and allowances.

7. The ceiling of gratuity (at present Rs. 20 lakhs ceiling) will increase by 25% whenever IDA rises by 50%.

8. Manpower Rationalization

Rationalized manpower based on the study report submitted by external consultant will be the new manpower structure/strength of the Company. The available manpower in a Department will work together for attaining the departmental/organizational objectives.

9. Payment of arrears on implementation of revised pay will be from 1.4.2022. Amount payable will be arrived after adjusting the amount of pre revised basic pay and applicable DA and Provident Fund, already paid during the period. Any amount outstanding, (except Advance paid during last Onam for which recovery is in force in installments) will be recovered from the payment as above. Production Incentive paid prior to 14.12.2022 will not be reworked on revised pay. The terminal benefits of gratuity and leave encashment on the basis of revised pay will be paid to those employees who left the services on superannuation and died while in service from 1.4.2022. Employees who resigned from service, dismissed/terminated from service during this period will not be eligible for pay revision.

10. All Payments will be subject to deduction of applicable taxes.

11. Subsequent to the implementation of this pay revision, the profitability of the Company will be reviewed after every three years and if the profitability falls in such a way that this pay revision implemented, then entails an impact of more than 20% of average Profit Before Tax of the 3 previous years prior to the year of review, then PRP/Allowances will be reduced to bring down the impact. The first such review shall be in the year 2025-26.

This issues with the approval of the Competent Authority.

A R Mohan Kumar
Chief General Manager (HR&A)

(Hindi version follows)

Dearness Allowance on Revised Scales of Pay

Quarter Beginning	Rate of DA (%)
April 2022	30.00
July 2022	32.50
October 2022	34.80