



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED  
UDYOGAMANDAL

CORPORATE OFFICE

GM(HR)-CO-454

August 14, 2010

ALL MANAGERIAL PERSONNEL

**Sub: Pay revision – Officers**

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.

**1.0 Pay Scales**

The revised Pay Scales corresponding to the existing Board level and below Board Level Scales of Pay applicable to Managerial employees in the Company will be as follows with effect from 01.01.2007.

<u>Sl.No.</u> <u>Scales</u>	<u>Existing Pay Scales</u>	<u>Revised</u> <u>Pay</u>
E0	6550-200-11350	12600 - 32500
E1	8600-250-14600	16400 - 40500
E2	10750-300-16750	20600 - 46500
E3	13000-350-18250	24900 - 50500
E4	14500-350-18700	29100 - 54500
E5	16000-400-20800	32900 - 58000
E6	17500-400-22300	36600 - 62000
E7	18500-450-23900	43200 - 66000
E8	20500-500-26500	51300 – 73000
E9	23750-600-28550	62000 – 80000
Directors	25750-650-30950	75000 – 100000
C&MD	27750-750-31500	80000 - 125000

**2.0 Dearness Allowance**

100% DA neutralization will continue to be adopted with effect from 01.01.2007. The DA as on 01.01.2007 will be zero with link point of All India Consumer Price Index (AICPI) 2001=100, which is 126.33 as on 01.01.2007. The periodicity of adjustment will be once in three months as per the existing practice. The quarterly DA from 01.04.2007 as per new DA Scheme is given below:

DA for the Quarter commencing from	Rate of DA (% of Basic pay)
01/04/07	0.8
01/07/07	1.3
01/10/07	4.2
01/01/08	5.8
01/04/08	6.3
01/07/08	9.2
01/10/08	12.9
01/01/09	16.6
01/04/09	16.9
01/07/09	18.5
01/10/09	25.3
01/01/10	30.9
01/04/10	34.8
01/07/10	35.1

### 3.0 Fitment method

- (a) The basic pay of Officers who were on scales of pay and were on the permanent rolls of the Company as on 01.01.2007 will be fixed in the corresponding revised scales of pay as per fitment method given below.

A		B		C		D
Basic pay as on 01.01.2007 plus PP if any, in the pre-revised scale.	+	DA @ 78.2% of Basic pay as at (A) .	+	30% of A+B	=	Aggregate Amount of A+B+C

Note: In the case of Officers who earn Annual increment/ Promotion on 01.01.2007, the basic pay mentioned at (A) above would mean the basic pay in the pre-revised scale without adding the increment/ promotion benefit.

- (b) The amount at (D) would be rounded off to the next multiple of Rs.10/- (amounts less than 50 paise will be ignored) to arrive at the revised basic pay and fixed in the applicable revised scale of pay. In case the revised Basic pay is less than the minimum of the revised scale, it will be fixed at the minimum of the scale.
- (c) Where Officers drawing pay at two or more consecutive stages in an existing scale get bunched, then, for every two stages so bunched, benefit of one increment shall be given.
- (d) Officers who joined the services of the Company on or after 01.01.2007 will have their basic pay fixed at the minimum of the applicable revised scales of pay.

### 4.0 Increment

- a) Annual Increment : Annual increments will be granted as per the existing procedure/practice in the revised scales of pay from 01.01.2007 onwards. The rate of increment will be 3% of the revised Basic Pay and the resultant amount will be rounded off to the next Rs.10/- (amounts less than 50 paise will be ignored).
- b) Stagnation increment: The officers who reach the maximum of the revised scale of pay will be granted a maximum of three stagnation increments, one after every two years, at the rate of 3% of the basic pay being drawn by the officer, provided the officer gets a performance rating as "Good" or above.
- c) Pay fixation on promotion : On promotion of an officer, the basic pay in promoted scale will be arrived by granting one increment equal to 3% of basic pay being drawn by the officer in pre-promoted scale of pay, and such arrived Basic pay will be placed in the promoted scale of pay by rounding off to the next multiple of Rs.10/- (amounts less than 50 paise will be ignored).

In case such arrived basic pay happens to be less than the minimum of the promoted scale of pay then the basic pay on promotion will be fixed at the minimum of the promoted scale of pay.

## **5.0 House Rent Allowance**

Effective from 01.08.2010 eligible officers will be paid HRA based on the reclassification of cities notified by the Government of India as below:

<b>Cities with population</b>	<b>Rates of HRA</b>
50 lakhs and above (X)	30% of Basic Pay
5 to 50 lakhs (Y)	20% of Basic Pay
Less than 5 lakhs (Z)	10% of Basic Pay

Basic pay mentioned above will be the basic pay drawn by the Officer in the pre-revised scale of pay + PP + SI + Dearness Pay as on 01.08.2010 and will be frozen at that level. Classification of cities is attached as Annexure.

In case the HRA amount as per the revised rates is less than the amount of HRA currently being drawn by an officer, the shortfall will be protected as long as he/she remains posted in the same location. Protection thus granted will be personal to the individual officer. Once such an officer is transferred from that location, his/her HRA will be as per the eligibility at the rates notified by the Government in respect of the new place of posting. The other rules and conditions for the payment of HRA shall be as per the guidelines/orders issued by the Government of India from time to time.

In the case of officers coming on to scales of pay on or after 01.08.2010 HRA will be paid on the minimum of the applicable pre-revised scale of pay plus corresponding DP (i.e. 50% of the minimum of the pre-revised scale).

Payment of HRA on revised basic pay will be reviewed by the Management / Government after the financial year ending 31.03.2011, on finalization of accounts.

For the period from 1.8.2008 (the date of implementation of merger of 50% of DA with Basic Pay) to 31.07.2010, the HRA already paid on the basis of the pre-revised basic pay and dearness pay would be treated as full payment towards HRA and there will be no revision/recovery in the amount of HRA already paid during the period.

**6.0** Rent and service charges levied for the quarters provided by the Company shall continue as at present or as decided by the Management in future.

**7.0 City Compensatory Allowance**

The City Compensatory Allowance stands dispensed with effective from 01.08.2010.

**8.0 Leave Travel Concession**

Officers can avail LTC facilities as applicable to a single block during the period of this pay revision, prospectively, subject to existing rules in this regard. Modalities for implementation will be announced separately.

**9.0 Shift Allowance**

The rates for shift allowance is revised as follows with effect from 01.08.2010.

Day Shift	-	Rs.10/- per shift worked
Evening Shift	-	Rs.30/- per shift worked
Night Shift	-	Rs.60/- per shift worked

**10. Perks and Allowances**

All other Perks and Allowances will remain at the present level.

Enhancement in the perks and allowances including LTC will be considered after reviewing the financial position of the Company and with the approval of the Government of India. Review will be done at the end of each financial year on finalization of accounts.

**11.0 Leave Encashment**

The facility of leave encashment as per applicable rules shall be on the basis of revised wages with effect from 01.08.2008.

**12.0 Coverage**

1. These orders shall be applicable to all managerial personnel who are on the rolls of the Company as on the date of this order and shall also be applicable to such Officers who were on rolls of the Company as on 01.01.2007 but ceased to be in employment on any date thereafter due to

Superannuation/VR/Death subject to conditions mentioned below. This order will not be applicable to those who left the services of the Company on any other account during the period from 01.01.2007 to the date of this order.

2. The salary for August 2010 payable on 31.08.2010 and thereafter will be as per revised scales of pay and other benefits revised as per terms of this order.
3. Payment of revised pay (Basic pay and DA), Leave encashment and applicable contributions to PF on revised pay for the period from 01.08.2008 to 31.07.2010 will be made subject to the following conditions.
  - a) Payment will be made after adjusting the amount of pre-revised Basic + Dearness Pay and applicable DA & statutory benefits of Provident Fund already paid during the period.
  - b) The amount of recoverable advance of Rs.4000/- & Rs.2000/- paid to Officers in Sub Layer/Layer I and Officers in Layer II respectively at the time of Onam 2009 will be adjusted against payment due for the period from 01.08.2008 to 31.07.2010.
  - c) Payment of the balance amount after adjustment as per 12.3 (a &b) above will be made in eight equal quarterly instalments. The first quarterly instalment will be made 20.08.2010. Subsequent quarterly instalments will be paid along with salary. Accordingly the second quarterly instalment will be along with salary for the month of November 2010 payable on 30.11.2010 and so on for the remaining instalments.
  - d) In respect of Officers who ceased to be in service of the Company on account of Superannuation/VR/Death prior to the date of this order, the payment for the period from 01.08.2008 to the date of separation will be made latest by 31.10.2010.
  - e) In respect of Officers who leave the services of the Company on or after the date of this order, payment for the period from 01.08.2008 till 31.07.2010 will be made on leaving the services after adjusting the amount already paid in installments.
4. The ceiling on payment of Gratuity is enhanced to Rs.10 lakhs with effect from 01.01.2007 and will be applicable to those covered under clause 12.1 above upto 24.5.2010 after which applicability of Rs. 10 lakh ceiling will be as per provisions of Payment of Gratuity Act.

13. **Arrears**

Payment of arrears of basic pay and DA and statutory benefits of PF on account of this pay revision for the period from 01.01.2007 to 31.07.2008 will be reviewed by the Management / Government based on the Company's financial position and its other liabilities towards employees after each financial year after finalization of accounts. The first review shall be after the financial year ending 31.03.2011.

The terminal benefits of Gratuity and leave encashment on the basis of revised pay will however be paid to those officers who ceased to be in the services of the Company on Superannuation/ Voluntary Retirement/ Death during the period from 01.01.2007 to 31.7.2008. The amount so due will be paid latest by 31.10.2010. In the case of VR, the ex-gratia paid will not be reworked consequent to the pay revision.

14. **Validity**

These revised scales of pay will be valid for a period of 10 years from 01.01.2007 or any period as specified by DPE for Board level and below Board level executives of CPSEs

15 **Recoveries**

The deduction towards CPF, Income Tax, any advances paid, etc. shall be made according to the rules/laws in force from time to time.

16. **General**

- (i) Excess/Wrong payments owing to clerical/arithmetical/system errors or any other reason in fixation of pay and/or calculation of arrears shall be subject to corrections, adjustments and recoveries.
- (ii) The Managerial manpower sanction will be the restructured sanction announced for the Divisions including the restructured sanction on integration of UD and PD as Udyogamandal Complex and restructured sanction to be announced in connection with introduction of new systems / procedures. The Salary revision is implemented on the condition that production and productivity is maintained at the highest levels with the restructured department structure and strength in all Divisions.
- (iii) PF pension is paid on the basis of employer's contribution to the Employees Pension Fund under the EPF Act during the last 12 months prior to date of separation. Payment of contribution to the Pension Fund based on the revised salary for reworking of PF pension in respect of those who left the services of the Company from 01.01.2007 to 31.07.2008 on account of superannuation and death, even if arrears due to the pay revision is not paid at present, will be examined separately with reference to the provisions of the Employees' Provident Fund and Miscellaneous Provisions Act and the implications of the judgments with respect to those who left the services from 01.01.1997 to 30.06.2001.

The other terms and conditions of service which are not prescribed under this proposal will remain unchanged. However, consequent upon the revision of pay scales, any rules including payment and entitlement of allowances, facilities and advances, if any, based on Basic Pay will be suitably revised to appropriate corresponding New Basic Pay.

The decision of the Chairman & Managing Director shall be final on any matter of interpretation/clarification on the contents of this order.

**M. Mathew George**  
**General Manager (Human Resources)**

**Annexure**

**LIST OF CITIES / TOWNS CLASSIFIED BASED ON POPULATION FOR PAYMENT OF HRA**

SI.NO.	STATES	CITIES CLASSIFIED AS "X"	CITIES CLASSIFIED AS "Y"
1	Andhra Pradesh	Hyderabad (UA)	Vijayawada (UA). Warangal (UA), Vishakapatnam (UA), Guntur.
2	Assam		Guwahati (UA)
3	Bihar		Patna (UA)
4	Chandigarh		Chandigarh
5	Chhattisgarh		Durg-Bhilai Nagar (UA), Raipur (UA)
6	Delhi	Delhi (UA)	
7	Gujarat		Ahmedabad (UA), Rajkot (UA), Jamnagar (UA), Bhavnagar (UA), Vadodara (UA), Surat (UA)
8	Haryana		Faridabad*
9	Jammu& Kashmir		Srinagar (UA), Jammu (UA)
10	Jharkhand		Jamshedpur (UA), Dhanbad (UA), Ranchi (UA)
11	Karnataka	Bengaluru (UA)	Belgaum (UA), Hubli-Dharwad, Mangalore (UA), Mysore (UA)
12	Kerala		Kozhikode (UA), Kochi (UA), Thiruvananthapuram (UA)
13	Madhya Pradesh		Gwalior (UA), Indore (UA), Bhopal (UA), Jabalpur (UA)
14	Maharashtra	Greater Mumbai (UA)	Amravati, Nagpur (UA), Aurangabad (UA), Nashik (UA), Bhiwandi (UA), Pune (UA), Solapur, Kolhapur (UA)
15	Orissa		Cuttack (UA), Bhubaneswar (UA)
16	Punjab		Amritsar (UA), Jalandhar (UA), Ludhianna
17	Pondicherry		Pondicherry (UA)
18	Rajasthan		Bikaner, Jaipur, Jodhpur (UA), Kota (UA)
19	Tamil Nadu	Chennai (UA)	Salem (UA), Tiruppur (UA), Coimbatore (UA), Tiruchirappalli (UA), Madurai (UA)
20	Uttarakhand		Dehradun (UA)
21	Uttar Pradesh		Moradabad, Meerut (UA), Chaziabad*, Aligarh, Agra (UA), Bareilly (UA), Lucknow (UA), Kanpur (UA), Allahabad (UA), Gorakhpur, Varanasi (UA)
22	West Bengal	Kolkata (UA)	Asansol (UA)

\* Only for the purpose of extending HRA on the basis of dependency.

UA - Urban agglomeration

NOTE: The remaining cities/towns in various States/UTs which are not covered by classification as 'X' or 'Y' are classified as 'Z' for the purpose of HRA.