

**BHARAT DYNAMICS LIMITED
KANCHANBAGH::HYDERABAD**

(Office of General Manager (Personnel & Administration))

Ref: BDL/04/51/035/C-P&A

Date: 24 Jul 2010.

C I R C U L A R

PC No. 14/2010 dated 24 Jul 2010.

Sub: Revision of Wage Structure of Workmen

In pursuance of the Memorandum of Settlement (MoS) dated 20 Jul 2010 entered into with the recognized Union, BDL Employees Trade Union Congress (INTUC) Regd. No. A-3711, the Management is pleased to revise the Wage Structure of Workmen, who are on the regular rolls of the Company as on 31 Dec 2006 as per the details given in the following paragraphs:

1.0 REVISED PAY SCALES

- 1.1 The existing pay scales of workmen shall be revised as under with effect from 01 Jan 2007.

Wage Group	Existing Scale	Revised Scale Minimum Basic (Rs.)
1	3500-65-4150-70-6040	7650
2	3660-75-4410-80-6810	8000
3	3830-85-4680-90-7110	8350
4	4020-100-5020-105-7435	8750
5	4200-115-5350-120-7630	9150
6	4620-135-5970-140-8350	9700
7	4870-155-6420-160-8980	10250
8	5000-165-6650-170-9370	10550
9	5200-170-6900-175-9700	10950
10	5400-180-7200-190-9860	11350
11		11750 (new)
12		12150 (new)

- 1.2 Revised Scales are indicated at minimum of the scale and the scales are open ended.
- 1.3 Percentage of increment shall be @3% on the revised running basic for all wage groups and in respect of cases involving postponement of increment due to loss of pay/absence without leave the increment will be regulated w.e.f 01 June of each year by allowing proportionate increment for the period it is due.
- 1.4 In respect of new appointments, the following procedure will be followed to regulate the date of increment.
- 1.4.1 The first increment will be due on completion of one year of service subject to the employee being eligible for the increment.

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1.4.2 On the following 1st June, a pro-rata amount corresponding to the number of full months left between the date of increment and following June of the year will be added to the basic pay towards increment. Subsequently, increment will accrue on 1st June of each year subject to the existing terms and conditions for grant of increment.

1.5 With the revised scales being open ended, the workmen will not get stagnated in the scales of pay.

1.6 WG:11 and WG:12 will be introduced as and when a new revised Career Plan is introduced and regulated accordingly.

2.0 FITMENT BENEFIT:

2.1 To the Basic pay drawn on 31 Dec 2006 (excluding additional increments sanctioned as TRI, PP on TRI, PP towards increment Protection, FPI, Hindi Increments and service weightage) but including stagnation increments and additional increments granted to WG:10 employees and applicable amount of Dearness Pay and Industrial DA at 78.2% as on 01 Jan 2007, a fitment benefit of 30% will be added.

2.2 The system of granting two additional increments to WG:10 employees vide PC No. 15/2004 dated 14 Aug 2004 will be applicable to all employees in WG:10 till the WG:11 is implemented. The additional increments granted before 01 Jan 2007 will be dealt with as per para 2.1 above. The additional increments which are due on or after 01 Jan 2007 will be granted in the new pay scales. No such increments will be granted once WG:11 is introduced irrespective of length of service in WG:10 and irrespective of an employee getting promotion to next Wage Group or not. If an employee is sanctioned with such increment on 01 June of a particular year and gets his promotion to WG:11 on 02 June of that year subsequently such increment will be withdrawn.

3.0 SERVICE WEIGHTAGE AMOUNT:

3.1 The workmen who were on the rolls of the Company as on 01 Jan 2007 will be paid service weightage amount at the following rates for every completed year of service as on 31 Dec 2006, subject to a minimum guaranteed service weightage amount of Rs. 100/-. The amount of service weightage once determined will not undergo any change every time when the workmen completes further years of service. This amount of service weightage will remain fixed till the next wage settlement.

Completed years of service as on 31 Dec 2006	Rate(Rs./PM) per completed year of service
Upto 15 years	Rs. 24/-
16 to 25 years	Rs. 28/-
Above 25 years	Rs. 32/-

- 3.2 For reckoning the years of service, workmen who have completed service of 6 months and above as on 31 Dec 2006 will be rounded off to one year and less than 6 months will be ignored.
- 3.3 The Special (Service) Allowance granted to the workmen regularized/joined on or after 01 Jan 1997 but before 01 Jun 2000 in terms of Para 8.2 of MOS dated 13 May 2001 and continue to be on the rolls of the Company as on the date of signing of Memorandum of Settlement (MOS) dated 20 Jul 2010 will be paid a Service Weightage equivalent to the amount of Special (Service) allowance sanctioned earlier.
- 3.4 Those workmen who were regularized/joined from earlier casual/contract service after 01 Jan 2007 till date of signing of MOS dated 20 Jul 2010, shall be paid Service Weightage shown against each individual as at Annexure.
- 3.5 Service Weightage granted at para 3.3 is in addition to the Service Weightage at para 3.1.
- 3.6 The service weightage amounts arrived at as above will be considered as Basic Pay for the purpose of DA, HRA, Leave Encashment, PF and Gratuity only w.e.f. 01 Jan 2007.

4.0 PAY FIXATION IN RESPECT OF WORKMEN WHO WERE ON THE ROLLS OF THE COMPANY AS ON 31 DECEMBER 2006 AND CONTINUE TO BE ON THE ROLLS AS ON 01 JAN 2007

Step1:

- a) Ascertain the basic as on 31 Dec 2006 including stagnation increment, WG:10 additional increments but excluding the following:
- i) Additional increments [Talent Retention Increments (TRI)] and TRPP granted w.e.f. 01 Dec 2006 (in terms of PC No. 14/2007 dated 29 Aug 2007).
 - ii) PP towards Increment Protection (IPP)
 - iii) Service weightage amount / Special Allowance, if any granted w.e.f 01 Jan 1997 (in terms of PC NO. 09/2001 dated 31 May 2001).
 - iv) Monthly cash incentive drawn under Family Welfare programme as on 31 Dec 2006 in the pre-revised scales of pay (1997) in terms of PC No. 09/2001 dated 31 May 2001 (as amended from time to time).
 - v) Personal pay for passing Hindi, Hindi Typewriting and Hindi Stenography exams under Hindi Teaching Scheme from time to time)

ADD to the said Basic pay the following:

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- b) Applicable amount of Dearness Pay and Industrial DA at 78.2% as on 01 Jan 2007 on the Basic pay as in (a) above.
- c) Fitment benefit @ 30% on Basic pay (specified in Sl.No. (a) above) and Dearness Pay and DA of 78.2% as on 01 Jan 2007 in 1997 scales of pay (specified at Sl. No. (b) above)

STEP 2:

The sum of (a) + (b) + (c) arrived at above will be the aggregate amount.

STEP 3:

The PP towards Protection of Pay (IPP) which was being drawn by the respective employees as on 31 Dec 2006 will be added to the aggregate amount so arrived in Step 2. The total amount arrived at would be rounded off to the next ten rupees and pay fixed in the revised scale of pay.

5.0 FIXATION OF PAY IN RESPECT OF THOSE WHO WERE APPOINTED ON OR AFTER 01 JAN 2007:

- 5.1 Workmen who are appointed in the Company on or after 01 Jan 2007 will be deemed to have been directly appointed in the revised scales of pay. Pay of workmen who were appointed at the minimum of the pre-revised scales of pay (excluding additional increments) will be fixed at the minimum of the corresponding revised scales of pay with effect from the date of appointment. If the pre-revised basic pay (including additional increments if any) plus pre-revised DA as on date of joining is more than revised basic pay plus revised DA, the difference will be protected as Special Pay and will be reckoned for the computation of DA, HRA, Contribution to PF and payment of gratuity, Leave Encashment only.

6.0 ANNUAL INCREMENTS

- 6.1 Annual increment @3% will be granted on due date of increments i.e., 01 June every year, as per the existing procedure in the revised scales of pay with effect from 01 Jan 2007. The annual increment will be rounded off to the next multiple of Rs. 10/-.

7.0 ADDITIONAL INCREMENTS

- 7.1 Additional increments (TRI) granted to the non-executive employees vide PC No. 14/2007 dated 29 Aug 2007 with effect from 01 Dec 2006 would be ignored for the purpose of fitment/pay revision and stand withdrawn from 01 Jan 2007 and considered as Special Pay as defined in para 8.0 below.

8.0 SPECIAL PAY:

- 8.1 Workmen who were on the rolls of the Company as on 31 Dec 2006 and continue to be on rolls as on 01 Jan 2007 would be granted Special Pay equal to the amount of additional increment and Dearness Pay and DA of 78.2% thereon drawn by the individual as on 01 Jan 2007 as indicated below:

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Wage Group	Range(Rs./- PM)
1	232/249
2	267/285
3	454/481
4	535/561
5	820/855
6	962/998
7	1381/1426
8	1470/1515
9	1818/1871
10	2245/2370

- 8.2 The Special Pay will be reckoned for computation of DA, HRA, Contribution to PF and payment of gratuity & Leave Encashment only. This amount will be merged in the basic pay from the effective date of the next wage revision.

9.0 DEARNESS ALLOWANCE (DA):

- 9.1 Dearness allowance to workmen will be paid as per the instructions issued by the Corporate Office based on the orders issued by the Government from time to time. The DA formula adopted for payment of Dearness allowance to the Executives of the Company in the revised salary structure (2007) as notified by the Government of India, will be followed to workmen also in the revised wage structure and regulated as detailed below:

- 9.2 The revised rates of DA payable to the workmen for the quarter commencing from 01 Jan 2007 to the quarter ending with 30 Jun 2010 will be as under:

Date of allowance	Quarterly Dearness AICPI (2001=100)	average applicable	Rate of DA (in % of Basic pay)
01-01-2007	126.33		Nil
01-04-2007	127.33		0.8
01-07-2007	128.00		1.3
01-10-2007	131.67		4.2
01-01-2008	133.67		5.8
01-04-2008	134.33		6.3
01-07-2008	138.00		9.2
01-10-2008	142.67		12.9
01-01-2009	147.33		16.6
01-04-2009	147.67		16.9
01-07-2009	149.67		18.5
01-10-2009	158.33		25.3
01-01-2010	165.33		30.9
01-04-2010	170.33		34.8

- 9.3 Rate of DA payable during each quarter in future will be notified by the Corporate Office from time to time as per Government directions on the subject with reference to AICPI.

Rate	Contd..6
Basic	
NI	
0.8	
1.3	
4.2	
5.8	
6.3	
9.2	
12.9	

10.0 HOUSE RENT ALLOWANCE (HRA):

- 10.1 For the period from 01 Jan 2007 to 30 Apr 2009, HRA will be computed based on pre-revised basic pay (1997 scales) subject to the rates, ceiling and terms and conditions as existed at that time.
- 10.2 Effective from 01 May 2009, the workmen will be paid HRA based on running basic pay in the revised scale of pay (2007 scales) based on the re-classified list of cities as notified by the Government of India at the following rates as per existing rules of the Company which is being followed in respect of executives of the Company.

Classification of Cities/ towns with population	HRA Rate per month
50 lakhs and above	30% of Basic Pay
5 to 50 lakhs	20% of Basic Pay
Less than 5 lakhs	10% of Basic Pay

10.3 Payment of HRA from 01 May 2009:

- 10.3.1 HRA to workmen from 01 May 2009 will be computed on the running basic pay in the revised scale of pay (2007) at the rates mentioned at para 10.2 above.
- 10.3.2 On application of the provisions of para 10.2 above, in case the actual amount of HRA as per prescribed rate is less than the actual amount of HRA drawn earlier in the case of a workman, the difference would be allowed to be drawn as Personal Allowance until the difference is eliminated in course of time.

11.0 CITY COMPENSATORY ALLOWANCE (CCA):

- 11.1 Payment of City Compensatory Allowance (CCA) stands abolished with effect from 01 May 2009.

12.0 Monthly cash incentive under Family Welfare programme effective from 01 Jan 2007.

- 12.1 In respect of workmen who himself/herself or his/her spouse underwent family planning operation on or after 01 Jan 2007 and was allowed monthly cash incentive under the Family Welfare programme at the rationalized rates in 1997 scales will be allowed revised rate of increment in the corresponding revised scale of pay of the Wage group on the revision of the basic pay in which the workman had been allowed the monthly cash incentive.
- 12.2 The workman who himself/herself or his/her spouse underwent family planning operation prior to 01 Jan 2007 will be allowed to draw monthly cash incentive equivalent to the lowest rate of increment in the minimum of the revised scale of pay corresponding to the scale of pay against which the individual had earned the monthly cash incentive in the pre revised scale of pay.

12.3 No other benefits will be paid on such incentives w.e.f. 01 Jul 2010.

13.0 PAYMENT OF ARREARS:

13.1 The benefits of wage revision and payment of arrears arising out of this revision shall accrue to all regular employees/ex-employees other than those who ceased to be in the service of the Company on the following grounds after 1st January 2007.

- i) Dismissal
- ii) Resignation without permission or notice
- iii) Resignation where disciplinary action against the workmen had already been initiated and was in progress.
- iv) Resigned without notice where bond liability had not been discharged.

14.0 ANOMALIES:

14.1 Wage anomalies if any, which may arise on account of the implementation of the revised pay scales will be examined and will be resolved as per existing rules. However, claims for rectification of pay anomalies, if any, arising on account of merger of WG:10 additional increments on 01 Jan 2007 will not be entertained

15.0 RECOVERIES OF ADHOC, LTA ADVANCE, INCOME TAX ETC.,

- 15.1 Recoverable ad-hoc advance amount paid to workmen as per Circular reference No. BDL/04/83/2009 dated 09 Dec 2009 will be recovered from arrears.
- 15.2 50% of the ad-hoc amount paid against LTA for the Block Period 2010-13 vide PC No. 26/2009 dated 31 Dec 2009 would be adjusted towards LTA for the period 01 Jan 2010 to 30 Jun 2010 on pro-rata basis. Balance amount of LTA ad-hoc will be recovered from the Perks payable under Cafeteria Approach.
- 15.3 Recoveries towards Income tax, professional tax and other statutory dues, in respect of arrears payable will be effected as per provisions of respective Acts.
- 15.4 Merely because of revision of basic pay/scale of pay, there will not be any upward revision in the entitlement to various allowances/benefits related to Basic pay. Such allowances/benefits will continue to be paid based on the notional pre-revised basic pay/scales of pay (1997 scales) unless revised specifically.

16.0 Career Plan

- 16.1 There is a necessity to revise Career Plan and same shall be finalized in consultation with the Union at the earliest. On such announcement of Career Plan, the WG: 11 will be made effective from 01 Jun 2010 and WG:12 will be regulated as per revised Career Plan.

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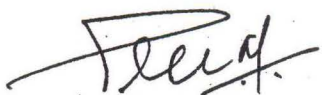
- 16.2 On introduction of new Career Plan a new scale will be introduced with a starting Basic Pay of Rs. 7200/-. The increment rate will be 3%. The induction of Helper will be in the said new scale from then onwards.

17.0 CONDITIONS AND EFFECTIVE DATE

- 17.1 For all the above, the existing conditions unless altered/modified as stated herein above will continue to be applicable. Also, the effective date will be as mentioned at the respective places herein-above, otherwise, it will be effective from 01 Jul 2010.
- 17.2 All existing facilities and benefits, other than those, specifically dealt with herein and with other circulars being issued today, will continue unaltered.

18.0 PAYMENTS

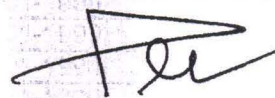
- 18.1 All payments at KBC and BG will be made only through Bank. In case, if any pay day falls on holiday either for Company or Bank, the payment will be made on the previous working day.
- 19.0 All efforts are being made to pay wages for the month of Jul 2010 as per new scales. The arrears for period from 01 Jan 2007 to 30 Jun 2010 as applicable will be paid in due course. The Pay Fixation and arrears are subject to Audit and any adjustments arising out of Audit verification shall be effected in subsequent payments.
- 20.0 This revised Wage Structure will remain unaltered till 31 Dec 2016 or till the Executive Salaries are revised whichever is earlier.


(PPC AJAY KUMAR)
GENERAL MANAGER(P&A)

STANDARD DISTRIBUTION

BHARAT DYNAMICS LIMITED::KANCHANBAGH, HYDERABAD**ANNEXURE TO PC NO. 14/2010 DATED 24 JUL 2010**

S.NO	NAME S/Shri	FATHERS NAME	ST.NO	Provisional		
				DATE OF JOINING	Service	Ser. Wt.
1	RAJU M	MUNNU SWAMY	42670	03-01-1981	26	156
2	JAMES KS	K SAMUEL	42683	01-11-1991	16	96
3	JAHANGIR BABU S	BANGARAI AH	42684	24/02/91	16	96
4	NARSINGA RAO VS	SATYANARAYANA	42685	27/03/91	16	96
5	RAMCHANDER D	BALAI AH	42686	04-11-1991	16	96
6	HARICHANDER K	JANAKI RAM	42687	05-01-1991	16	96
7	MANAS SINGH	SHIV DAYAL SINGH	42688	06-01-1991	16	96
8	SAI BABU A	RAGHAVAI AH	42689	06-01-1991	16	96
9	ARUN KUMAR A	NARAHARI	42690	07-01-1991	15	90
10	RAZAK MA	MA RASOOL	42691	07-01-1991	15	90
11	SATYANARAYANA D	VENKATESHAM	42692	11-08-1991	15	90
12	CHANDRA SEKHAR PR	NARAYANA PR	42693	11-11-1991	15	90
13	PRAVEEN KUMAR B	BHOOP SINGH	42694	31/12/91	15	90
14	YADAGIRI M	M NARASIMHA	42695	01-01-1992	15	90
15	RAMACHANDER N	LACHAI AH	42696	01-01-1992	15	90
16	PANDU B	NARASIMHAM	42671	04-01-1990	17	102
17	YADAGIRI B	SAYANNA	42672	04-01-1990	17	102
18	BHAVANI SHANKER MV	VEERAPPA MS	42673	04-01-1990	17	102
19	SRI SAILAM CH	MALLAI AH	42674	04-01-1990	17	102
20	DAYAKAR RAO K	HANUMANTHA RAO	42675	04-01-1990	17	102
21	LINGA REDDY K	LAXMA REDDY	42676	04-01-1990	17	102
22	NARAYANA K	YELLAI AH K	42677	04-01-1990	17	102
23	NAGESH G	RAMULU	42678	04-01-1990	17	102
24	PRAVEEN KUMAR B	SATYANARAYANA	42679	04-01-1990	17	102
25	BALA RAJU G	SRINIVASA RAO	42680	04-01-1990	17	102
26	UMESH RAO T	PRAKASH RAO	42681	04-11-1990	17	102
27	JANGAI AH D	MALLAI AH	42682	21/5/90	17	102
28	T KRISHNA	RAMA CHANDRAI AH	47069	25/09/1995	11	66
29	JYOTISHWAR PILLAY SW	RANGAN	42709	21/5/90	17	102
30	KRISHNAM RAJU ML	LAXMI NARAYANA M	42710	21/5/90	17	102
	SAI KUMAR K	SWAMY K	42711	21/5/90	17	102
32	SHANKER K	MALLAI AH	42712	21/5/90	17	102
33	PRADEEP KUMAR P	MURALIDHAR RAO	42713	21/5/90	17	102
34	YADAV RAO PS	SHIV LINGAM	42714	21/5/90	17	102
35	ATMA LINGAM J	NEELAKANTAM	42715	21/5/90	17	102
36	MADHU B	PENTAI AH	42716	21/5/90	17	102
37	RAMESH M	CHANDRAI AH	42717	21/5/90	17	102
38	NARSING RAO GOUD M	MUSALAI AH	42718	21/5/90	17	102
39	NAGESH B	SESHA I AH	42719	21/5/90	17	102
40	SESHAGIRI RAO C	MOGALAI AH	42720	21/5/90	17	102
41	SRINIVASA RAO G	PARAMESHA G	42721	21/5/90	17	102
42	VARNAN HV	VENUGOPAL	42722	21/5/90	17	102
43	GOVIND RAJ D	SHIV RAJ	42723	21/5/90	17	102
44	JAMES W	WILLIAM	42724	21/5/90	17	102



**BHARAT DYNAMICS LIMITED
KANCHANBAGH::HYDERABAD**

(Office of General Manager (Personnel & Administration))

Ref: BDL/04/51/035/C-P&A

Date: 24 Jul 2010.

CIRCULAR

PC No. 15/2010 dated 24 Jul 2010.

Sub: Revision of Perks/ Allowances / Advances payable to Workmen

In pursuance of the Memorandum of Settlement dated 20 Jul 2010 entered into with the recognized Union, BDL Employees Trade Union Congress (INTUC) Regd No. A-3711, the Management is pleased to revise the Perks /Allowances /Advances payable to Workmen, as detailed below:

1.0 PERKS & ALLOWANCES

- 1.1 The workmen will be eligible to draw up to 40% of the revised running basic pay w.e.f. 01 Jul .2010 as perks and allowances under Cafeteria Approach. The total value of perks and allowances in a financial year would not exceed 40% of basic pay earned for the year or the part of the year as the case may be. All the workmen will be allowed to choose a set of perks and allowances from out of the following:

<u>Compulsory Perks And Allowances</u>		
1.	Canteen Coupons / Allowance (Deduction @ Rs.50/- Per day will be made only in case of LOP)	Rs.1500/ p.m.
2.	Medical reimbursement towards Outpatient treatment	up to 8% of basic earned subject to max. of Rs.1250/- p.m.
3.	Washing or Uniform Allowance	2% of basic earned
<u>Optional Allowances:</u>		
4.	Conveyance Allowance	up to 8% of basic earned
5.	Leave Travel Allowance	up to 5% of basic earned
6.	Children Education Allowance (Max. for two children) as per existing rules.	Rs.300/-p.m. per child(Tuition fee) Rs.300/-p.m. per child(Hostel fee)
7.	Interest Subsidy on House Building Advance (As per existing rules and modified limits)	Rs.175/- per Rs. One lakh loan subject to maximum Rs.1225/-p.m.
8.	SPECIAL ALLOWANCE: Balance amount; if any, after deducting the compulsory perks and optional perks from 40% of basic earned will be paid as Special allowance.	

Note: Monetisation of expenditure towards Canteen, Hospital (Chronic/OP), School, Transport and Interest subsidy on advances will be either recovered from Pay or adjusted from 40% perks.

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- 1.2 While total value of Perks and allowances in a financial year would not exceed 40% of basic salary earned for the year, the actual costs/expenditure incurred by the Company, in cash or kind, for running/operating of schools, transport, issue of chronic medicines and cost of outpatient treatment at Company run hospitals and MI Room, interest differences on various advances i.e., difference between notified percentage of interest (presently 12%) minus interest actually charged on such advances) would be recovered from the employees who are receiving such benefit/using such facility as the case may be.
- 1.3 The canteen food rates will be worked out once in three months after considering all costs incurred / services provided in cash or kind and would be charged at such rates from the canteen users. The Canteen Management Committee (CMC) has to manage the canteen on no profit / no loss basis. No subsidies either in cash or kind will be provided. The revision of canteen food rates will be automatic based on expenditure. The CMC will have powers only to control expenditure and audit the same.
- 1.4 Workmen have to give an option at the beginning of every financial year in respect of their choice in selecting the perks / allowances which shall be valid till the end of that financial year.
- 1.5 Expenditure on transport will also be reviewed on quarterly basis and modifications would be made for recoveries.
- 1.6 In respect of other expenditure i.e., medical, school, interest subsidy on advances the review will be on yearly basis. Management shall notify percentage of interest on loans and advances from time to time.
- 1.7 Management reserves the right to alter percentage of item wise perks under cafeteria approach including advances / deletion of perks and / or item wise limits / percentages in consultation with the Union.
- 1.8 The deductions that will be made for use of transport, school facility will be notified separately every year. Deductions will be made towards the chronic disease medicines and out patient medicines being supplied at MI Rooms / hospitals based on the purchase cost of such medicines. However, there will be no deductions for first aid medicines issued through MI Rooms in Factory premises.

2.0 Interest Subsidy on House Building Loans

2.1 The Interest Subsidy Scheme is modified as follows:

- 2.1.1 The ceilings on amount of loan for the purpose of Interest Subsidy for the purchase/construction of house/flat and for enlargement of existing house will be enhanced for the loans taken on or after 01 Jan 2007 from Rs. 4 lakhs to Rs. 7 lakhs and Rs. 1.2 lakhs to Rs. 2 lakhs respectively.

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- 2.1.2 To allow interest subsidy for the balance period as per the old agreement in case the workman sold his/her old house and purchased another house, within the prescribed period specified under the Interest subsidy scheme in vogue.
- 2.1.3 To allow transfer of the remaining amount of House building loan for the balance period from one approved Lending Agency to another, if the interest rates were lower and working out to be cheaper to the Company.
- 2.1.4 The other existing terms and conditions will remain unaltered during the currency of the Settlement.
- 2.1.5 W.e.f. 01 Jul 2010 onwards interest subsidy will form part of Perks under Cafeteria Approach and regulated accordingly.

3.0 ADVANCES:

All advances are subjected to Income Tax for differential rates of interest as per the provisions of IT Act. Notified Rate of Interest of the Company is 12% Per Annum w.e.f. 01 Jul 2010 which may be changed from time to time.

- 3.1 **Special Advance:** The special advance will be increased from Rs. 10,000/- to Rs. 12,000/- recoverable in 12 equal installments for employees upto WG:5. For employees in WG:6 and above, it shall be increased to Rs. 15,000/- recoverable in 12 equal installments. All other terms and conditions shall remain unaltered.
- 3.2 **Computer advance**
 - 3.2.1 The existing advance shall be reduced from Rs. 35,000/- to Rs. 25,000/-.
- 3.3 **Two Wheeler Advances :** Henceforth the two wheeler advances shall be as under:
 - 3.3.1 Scooter/Motor Cycle -increased from Rs. 30,000/- to Rs. 50,000/-.
 - 3.3.2 Moped-increased from Rs. 12,000/- to Rs. 25,000/-.
 - 3.3.3 The existing terms and conditions for the advances in vogue shall remain unaltered.
- 3.4 **Salary Advance**
 - 3.4.1 The salary advance shall be paid to the employee based on the **NET PAY** of the previous month and will be restricted to 2 times in a calendar year and third time as a special case.

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4.0 OTHER ALLOWANCES:

4.1 THE FOLLOWING ITEMS WILL NOT FORM PART OF PERKS AND ALLOWANCES UNDER CAFETERIA APPROACH APPLICABLE FROM 01 JUL 2010 AND WILL BE PAID AT INCREASED RATES AS DETAILED BELOW.

4.1.1 Shift Allowances

4.1.1.1 2nd Shift Allowance will be increased from Rs. 12/- to Rs. 20/- per day of attendance.

4.1.1.2 3rd Shift Allowance: will be increased from Rs.25/- to Rs. 40/- per day of attendance.

4.1.2 Safe Driving Bonus:

4.1.2.1 For accident free driving of the company vehicles, safe driving bonus at the following revised rates will be paid to the Drivers of the Transport & Medical Department(s).

- i) For the first 6 months of accident free driving it is increased from Rs. 120/- to Rs.200/-
- ii) For the first year of accident free driving it is increased from Rs. 240/- to Rs. 400/-.
- iii) For the second consecutive year of accident free driving it is increased from Rs. 480/- to Rs. 800/-.
- iv) For the third and further consecutive years of accident free driving it is increased from Rs. 720/- to Rs. 1200/-
- v) The other terms & conditions of payment of safe driving bonus will be regulated as per PC No. 27/90 dated 26 Mar 1990.
- vi) The Officer I/c Transport Department will be maintaining a log book of accidents wherever bills are put up for repairs due to accidents or otherwise.

4.1.3 **Physically Handicapped allowance:** This will be regulated to Physically Challenged Employees as per the Government Guidelines issued from time to time.

4.1.4 Welders Allowance/X-Ray allowance

4.1.4.1 **Welders Allowance:** The existing rate of welder's allowance is increased from Rs.100/- per month to Rs. 200/- per month.

4.1.4.2 **X-Ray allowance:** The employees working in X-Ray labs will be paid allowance of Rs. 200/- per month.

4.1.5 Attendance Bonus:

4.1.5.1 The existing CL encashment facility will remain same to all employees. A separate circular will be issued simplifying the scheme.

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4.1.6 Cash Handling Allowance

- 4.1.6.1 Cash handling allowance (Cashier in cash office) is increased from Rs. 100 to Rs.200/- per month. For Intermittent cash handling Rs. 25/- per day subject to a maximum of Rs. 200/- per month shall be paid.

4.1.7 Long Service Gift:

- 4.1.7.1 **15 years:** instead of wrist watch a gift cheque of Rs. 1500/- will be given to the employee.
- 4.1.7.2 **25 years:** instead of wall clock (worth Rs. 200) + a gift cheque of Rs. 550/-, the employee will be given with a gift cheque of Rs. 2500/-.
- 4.1.7.3 **Retirement /VRS :** instead of a memento worth Rs. 1000/- the employee will be provided a memento worth Rs. 2500/-.

4.1.8 Grant of Monetary Award for Acquiring Additional Qualifications:

- 4.1.8.1 The quantum of incentive payable for acquiring higher qualifications would be doubled subject to a minimum of Rs. 250/- on the existing rates as per PC No. 19/89 dated 17 Oct 1989 in addition to allowing reimbursement of final examination fees incurred by the workman.
- 4.1.8.2 A revised Circular would be issued separately incorporating the revised rates.

4.1.9 Death Relief Fund:

- 4.1.9.1 Company Contribution to Death Relief Fund is increased from Rs.30,000/- to Rs. 50,000/-.

4.1.10 Funeral Expenses:

- 4.1.10.1 The funeral expenses are revised from Rs. 5000/- to Rs. 10000/-.

4.1.11 Stitching charges:

- 4.1.11.1 Stitching charges are increased as under:

- i) from Rs. 200/- to Rs. 300/- per pair of male uniform upto 31 Dec 2012. For the years 2013 & 2014, it will be enhanced to Rs.350/- per pair. For the years 2015 & 2016, it will be Rs. 400/- per pair.

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- ii) from Rs. 30/- to Rs. 50/- per blouse upto 31 Dec 2012. For the years 2013 & 2014, it will be enhanced to Rs.60/- per blouse. For the years 2015 & 2016, it will be Rs. 70/- per blouse.
- iii) the other terms and conditions shall remain the same.

4.1.12 Bhanur Allowance:

The present allowance of Rs. 125/- per month is enhanced as under:

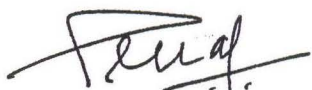
from 01 Apr 2010 to 31 Dec 2012-- Rs. 300/- PM
from 01 Jan 2013 to 31 Dec 2014 -- Rs. 400/- PM
from 01 Jan 2015 to 31 Dec 2016 -- Rs. 500/- PM

4.1.13 Lunch Allowance:

Lunch allowance @ Rs. 20/- per day will be paid to the employees who go out on official duty for a minimum of three and half hours, which should include lunch hours. Employees who go out on official duty for a minimum of four and half hours beyond normal shift hours will be paid Rs. 50/- per day. Existing circular will be modified accordingly.

5.0 CONDITIONS AND EFFECTIVE DATE

- 5.1 In respect of all the above, the existing terms and conditions unless altered/modified as stated herein above will continue to be applicable. The effective date will be 01 Jul 2010, if not mentioned otherwise at the respective places.
- 5.2 All existing facilities and benefits, other than those, specifically dealt with herein may continue, till they are specifically withdrawn due to any order of the Government.


(PPC AJAY KUMAR)
GENERAL MANAGER (P&A)

STANDARD DISTRIBUTION.