

**Date: 28<sup>th</sup> January 2016.**

**ADMINISTRATIVE INSTRUCTIONS FOR IMPLEMENTATION OF THE PROVISIONS OF GENERAL INSURANCE  
(RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS OF SERVICE OF DEVELOPMENT STAFF)  
SECOND AMENDMENT SCHEME, 2016**

**1. AMENDMENT SCHEME, 2016:**

Scales of pay and allowances of Development Officers have been revised as per General Insurance (Rationalisation of Pay Scales and Other conditions of service of Development Staff) Second Amendment Scheme, 2016, (in short, the Second Amendment Scheme, 2016) published vide Gazette Notification S.O. No. 239 (E) on 25<sup>th</sup> January, 2016. A copy of the said notification is enclosed herewith.

The following Administrative Instructions are issued for implementation of the provisions of the Second Amendment Scheme, 2016.

**2. ELIGIBILITY:**

2.1 In terms of Para 1 of the Second Amendment Scheme, 2016, the said Scheme applies to all Development Officers, who:-

- (i) were in service as on 1<sup>st</sup> August, 2012 and continue to be in service as on the date of publication of the subject Notification; or
- (ii) were in service as on 1<sup>st</sup> August, 2012, and have died, or retired on reaching the age of superannuation, or opted for voluntary retirement; or
- (iii) who were appointed on any date after 01.08.2012.

2.2 In terms of the proviso to paragraph 1(3) of the Second Amendment Scheme, 2016, the Development Officers whose resignations had been accepted or whose services had been terminated during the period from 01.08.2012 and the date of publication of the Second Amendment Scheme, 2016 in the Official Gazette, i.e., 25<sup>th</sup> January, 2016 shall not be eligible for the arrears on account of revision under the Second Amendment Scheme, 2016.

2.3 Further, it is clarified that the Second Amendment Scheme, 2016 shall not apply to Development Officers who have been appointed on contractual basis and to whom the Rationalisation Scheme, 1976 does not apply.

**3. EFFECTIVE DATE:**

The pay scales and allowances would be deemed to have come into force from the dates mentioned against each of the item as under:

Item	Effective Date
Scales of Pay, Dearness Allowance, House Rent Allowance, City Compensatory Allowance, Allowance for Technical Qualifications, Provident Fund, Gratuity, Fixed Personal Allowance.	01.04.2013
Hill Station Allowance and Paradeep Port Allowance	01.02.2016

However, a Development Officer, who was in service at any time during the period from 01.08.2012 to 31.03.2013, shall be paid Equitable Relief for the period of such service.

### 3.1 Scales of pay, Equitable relief and absorption of arrears / equitable relief in cost (Para 7A, 7B & 7C)

- (1) On and from the 1<sup>st</sup> day of April, 2013, the basic pay and allowances of every Development Officer shall be in accordance with **Schedule I**.
- (2) The basic pay of every Development Officer who was in service on 1<sup>st</sup> day of April, 2013 or was appointed thereafter, shall be fixed in accordance with **Item II of Schedule I**, with effect from the 1<sup>st</sup> day of April, 2013 or the date of appointment, whichever is later.
- (3) Every Development Officer whose basic pay is fixed in accordance with **Item II of Schedule I**, shall be paid for the period commencing on and from the 1<sup>st</sup> day of April, 2013 or the date of his appointment, whichever is later, the difference of gross emoluments and allowance for technical qualification payable under **Schedule I** and that paid under **Schedule H AFTER DEDUCTING THE DEVELOPMENT OFFICER'S COMPULSORY** contribution to Provident Fund.

### 3.2 Equitable relief (Para 7B):

However, the Development Officer who was in service at any time during the period from the **1<sup>st</sup> day of August, 2012 to 31<sup>st</sup> day of March, 2013** shall be paid equitable relief for the period of such service.

Explanation : For the purposes of this paragraph the term "equitable relief" means the difference between the aggregate of gross emoluments and allowance for technical qualifications computed under **Schedule I** and **Schedule H**, respectively with consequent adjustment of ex-gratia payment, Provident Fund, Pension, Gratuity and Encashment of Earned Leave, as the case may be.

### 3.3 Absorption of Arrears and Equitable relief in cost (Para 7C):

The arrears and equitable relief determined under paragraph (7A) and (7B) shall be added to the cost of Development Officer for the respective performance year to which they relate, subject to the stipulated limits of cost and the balance shall be added to his cost for the performance year 2015-2016 and 2016-2017 in such proportion as he may choose within 90 days of the publication of the Second Amendment Scheme, 2016.

A specimen copy of the form on which the option is to be exercised is enclosed as **APPENDIX – A2**. The option is to be exercised not later than **23<sup>rd</sup> April, 2016**.

## 4. STIPULATED LIMITS OF COST RATIO AS PER ITEM (vi) OF SUB CLAUSE (c) OF CLAUSE 17 OF PARAGRAPH 3 OF THE SCHEME:-

The Second Amendment Scheme, 2016, while revising the emoluments of Development Officers, also provides for relaxations in cost ratio limits with effect from performance year 01.04.2015 to 31.03.2016, as under:-

(a) Upward revision in cost ratio limit in all Classes of Cities respectively by 1%. Accordingly, the revised cost ratio limits **ARE NOW 8%, 9% AND 11% IN CLASS 'A', CLASS 'B' AND CLASS 'C' CITIES, RESPECTIVELY** effect from the Performance Year commencing on 01.04.2015 and subsequent Performance Years;

(b) Relaxation in cost ratio limit in all Classes of cities by 1% for the performance year 01.04.2015 to 31.03.2016 for the purpose of absorption of additional cost accruing as a result of absorption of arrears and equitable relief as per option to be exercised by a Development Officer in terms of Para 3.3 above.

(c) Additional Relaxation in the cost ratio limits in respect of a Development Officer who has attained the age of 55 years and has completed minimum of 15 years of service **any time during the performance year under consideration** revising it from the existing 1% to 2%.

A. For the sake of serving as a ready reckoner, the net position of the stipulated limit of cost ratios for the Performance Years w.e.f. 01.04.2015 is provided hereunder :-

Development Officer operating at	Stipulated Limits of Cost ratio			
	2015-16		2016-17 & onwards	
	D.Os with less than 55 yrs. of age or 15 yr of service	D.Os with 55 yr or more age & 15 yr service	D.Os with less than 55 yrs. of age or 15 yr of service	D.Os with 55 yr or more age & 15 yr service
(a) Cities with population exceeding 25 lakhs	9%	11%	8%	10%
(b) Cities with population of 10 lakhs and above, but not exceeding 25 lakhs	10%	12%	9%	11%
(c) Other Centres	12%	14%	11%	13%

The above stipulated limits of cost ratio are further subject to provisions relating to hardship area, as there is no change in the existing provision in regard to review of cases of Development Officers posted in hardship area.

#### 5. ILLUSTRATION OF METHOD OF ABSORPTION OF EQUITABLE RELIEF AND ARREARS IN COST (PARAGRAPH 7C OF THE SCHEME)

To illustrate the methodology of absorption of Equitable Relief and arrears in cost, we take a hypothetical case of a development officer below the age of 55 years posted in a city with population of 12.5 lacs as per 2011 census. The relevant figures are given in table below:

**Table**

Year	SPI (Rs)	Cost (Rs)	Actual cost Ratio (%) before revision	Stipulated Cost Ratio (%)	Excess cost amount (Rs) before revision	Equitable Relief & Arrears (Rs)	Actual cost ratio after revision (%)	Equitable Relief / Arrears adjusted in relevant year	Excess cost amount – adjusted / carried forward to 2015-16 and 2016-17 (Rs)
2012-13	42,00,000	3,00,000	7.14	8	Nil	40,200	8.10	36,000	c/f - 4,200 (0.10%)
2013-14	44,00,000	4,05,000	9.20	8	53,000	66,000	10.70	Nil	c/f - 66,000 (1.50%)
2014-15	50,00,000	3,70,000	7.40	8	Nil	70,500	8.81	30,000	c/f - 40,500 (0.81%)
2015-16	56,00,000	4,30,000	7.27	10	Nil	86,000	9.21	86,000	b/d - 44,000 (0.79%)
2016-17	75,00,000	5,50,600	7.34	9	Nil	-	7.34		b/d - 66,700 (0.89%)
Total						2,62,700		1,52,000	1,10,700

In the above example, the amount of Equitable Relief and Arrears is Rs. 2,62,700/-, out of which Rs. 1,52,000/- could be absorbed in the performance years 2012-13 and 2014-15 and the balance Rs. 1,10,700/- can be carried forward by the Development Officers to the performance years 2015-16 and 2016-17 in such proportion as he may choose within 90 days of the publication of the Amendment Scheme. However, as he has a margin of Rs. 44,000/- in 2015-16, it is assumed that he would choose to carry forward Rs. 44,000/- to 2015-16 and the balance Rs. 66,700/- to 2016-17.

It is to be noted in the above example that in the year 2013-14, the Development Officer was exceeding the stipulated cost ratio by an amount of Rs. 53,000/- even before the Wage Revision, while an additional amount of cost of Rs. 66,000/- was added due to Wage Revision, but while carrying forward the excess cost, he can only carry forward the amount of Rs. 66,000/- which was added to his excess cost as a result of Wage Revision. The excess cost of Rs. 53,000/-, already exceeded by him even without the Wage Revision cannot be carried forward under the provisions of the Second Amendment Scheme, 2016.

**6. NON REFLECTION OF RE-WORKED OUT COST RATIOS ON IMPLEMENTATION OF TMP AND PROMOTION POLICY:**

As a result of release of arrears / equitable relief post 01<sup>st</sup> August, 2012 period, and exercise of option for absorption of additional cost resultant therefrom in various years by a Development Officer, his cost ratio position may undergo a variation for certain years which were reckoned with cost ratios without such variation for the purpose of implementation of TMP and / or Promotion Policy based on performance year(s) up to 31<sup>st</sup> March, 2015. The re-working of such cost ratios in such cases shall not be allowed to alter or review the decision already taken under such TMP and / or Promotion Policy.

**7. RE-EXERCISE OF OPTION FOR FIXATION ON PROMOTION TO CLASS I OFFICER:**

An employee promoted from Class II to Class I and whose salary was fixed in the pre-revised scale of pay applicable to the cadre to which he was promoted on or after 01.08.2012 but before 25<sup>th</sup> January, 2016, may be allowed to re-exercise option for the date of fitment on promotion, if he applies for the same, as per **APPENDIX A1**, within 90 days hereof, and exercise of option for re-fixation of salary in accordance with these instructions shall be final. Where such re-fixation is required to be done, the employee concerned shall be first fixed in the revised scales of pay in the pre-promotion cadre and his basic pay in the revised scales of pay on promotion shall thereafter be re-fixed in accordance with these instructions.

**8. ADDITIONAL STAGNATION INCREMENTS TO DEVELOPMENT OFFICERS GRADE I:**

8.1 At present, there is provision of three Stagnation Increments to Development Officers Grade I.

8.2 As per the Second Amendment Scheme, 2016, sub paragraph (3) of paragraph 13 of the Rationalization Scheme has been substituted to allow for grant of the fourth stagnation increment to Development Officers Grade I, with effect from 1<sup>st</sup> day of the month following the month in which 3 years of continuous service from the date of receipt of 1<sup>st</sup> stagnation increment have been completed or 1<sup>st</sup> February, 2016, whichever is later, subject to the conditions stipulated in the said sub-paragraph.

8.3 It is clarified that there is no change in the number of Stagnation Increment to Development Officers Grade II and the same remains at three (03).

**9. COMPONENTS FOR ARREARS:**

**9.1 BASIC PAY :**

The revised scales of Basic Pay for all Development Officers have been incorporated in **Item I of the Schedule I** as inserted by the Second Amendment Scheme, 2016. The fixation of basic pay shall be at the appropriate stages as per the fixation tables under **Item II of the Schedule I**. The revised scale of pay is effective from 01.08.2012.

**9.2 DEARNESS ALLOWANCE :**

9.2.1 **Item III of the Schedule I** provides that the Dearness Allowance shall be payable on the revised scales of pay with reference to All India Consumer Price Index with base at index number 4708 in the series 1960=100.

9.2.2. The rate of Dearness Allowance stands revised and it would now be payable, for every slab of 4 points in the quarterly average over 4708 points, at the rate of 0.10% of the revised basic pay from 01.08.2012 or the date of fixation in the revised scale of pay, if it be later.

9.2.3 Further, revision of Dearness Allowance shall be on a quarterly basis for every four points rise/fall in the quarterly average of All India Consumer Price Index at 4708 points.

9.2.4. The other provisions regarding payment of Dearness Allowance remain unchanged.

9.2.5 The number of slabs for which the Dearness Allowance becomes payable as per the pre-revised and revised rates, are as shown in the **APPENDIX - B**.

### 9.3 HOUSE RENT ALLOWANCE (HRA):

**Item IV of the Schedule I** provides for revised rates and limits of House Rent Allowance. By the Second Amendment Scheme, 2016, Gandhinagar city has been removed from the list of cities in serial no. 2 of the table for the reason that the same being a part of urban agglomeration of Ahmedabad is already covered in the list of cities mentioned in serial no. 1 of the table.

The revised rates of HRA shall be applicable with effect from 1st August, 2012 or the date of actual fixation in the revised scales of pay, if it be later, as given below:

**Table**

Sl. No.	Place of posting	Rate per month
1	Cities of Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bengaluru, Hyderabad, Pune, Faridabad, Ghaziabad, Noida and Gurgaon	10% of pay subject to maximum of Rs.5,320/- per month
2	Cities with population exceeding 12 lacs except the cities mentioned at serial number 1, and all cities in the State of Goa	8% of pay subject to maximum of Rs.4,490/- per month
3	All other places	7% of pay subject to maximum of Rs.4,320/- per month

- Note: (1) For the purposes of this item, the population figures shall be as per the latest Census Report.  
 (2) Cities shall include their Urban Agglomeration.  
 (3) **'PAY' MEANS BASIC PAY AND STAGNATION INCREMENTS AS PER SUB** paragraphs (3) and (4) of paragraph 13.

Development Officers who are allotted residential accommodation by the Company, either by way of staff quarters or by way of leased accommodation, shall not be paid house rent allowance. Besides, such Development Officers shall pay such licence fee as may be decided by the Company from time to time. At present, the licence fee is being deducted @ 1.20% of the minimum of the scale. Up to 31.01.2016 the amount of licence fee which is being deducted at present on the basis of pre-revised basic and pre-revised rate shall continue. However, with effect from 01.02.2016, the Licence fee shall be deducted @ 0.75% of the minimum of the Scale in the revised Scale of Pay under Schedule I.

### 9.4 CITY COMPENSATORY ALLOWANCE (CCA):

**Item V of the Schedule I** provides for revised rates of City Compensatory Allowance. Like in HRA, by the Second Amendment Scheme, 2016, Gandhinagar city has been removed from the list of cities in serial no. 2 of the table for the reason mentioned above. Moreover, by adding another row for serial no. 4, it has been made clear that in respect of cities with population less than 5 lacs, CCA is not payable. Further, the classes of cities have also been indicated as Metro, A Class, B Class and C Class as in many other service benefits a reference is made to classification of cities under CCA.

The revised rates of CCA shall be applicable with effect from 1st August, 2012, as given below:

**TABLE**

Sl. No.	Place of posting	Rate
1	(Metro Cities) Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bengaluru, Hyderabad, Pune, Faridabad, Ghaziabad, Noida and Gurgaon	3% of pay subject to a maximum of Rs.1,125/- per month
2	(A Class) Cities with population exceeding 12 lacs, except cities mentioned in serial number 1, and all cities in the State of Goa	2.5% of pay subject to a maximum of Rs.1,040/- per month
3	(B Class) Cities with population of 5 lacs and above but not exceeding 12 lacs, State capitals with population not exceeding 12 lacs, Chandigarh, Mohali, Panchkula, Pondicherry, Port Blair	2% of pay subject to a maximum of Rs.910/- per month
4	(C Class) All other cities	Nil

- Note: (1) For the purposes of this item, the population figures shall be as per the latest Census Report.  
 (2) Cities shall include their Urban Agglomeration.  
 (3) **'PAY' MEANS BASIC PAY AND STAGNATION INCREMENTS AS PER SUB** paragraphs (3) and (4) of paragraph 13.

#### 9.5 **ALLOWANCES FOR TECHNICAL QUALIFICATIONS:**

In terms of **Item VII of Schedule I**, with effect from the 1<sup>st</sup> August, 2012, the Allowance for Technical Qualification shall be paid as mentioned in column 3 of the table below:-

**TABLE**

Sl. No. (1)	Examination (2)	Allowance for Technical Qualification (per month) (3)
1	Insurance Institute of India or Chartered Insurance Institute: On completion of:- (i) Licentiate (ii) Associateship (iii) Fellowship	Rs.340/- Rs.925/- Rs.1,550/-
2	Institute of Actuaries:- On passing each subject	Rs.340/-
3	Institute of Chartered Accountants or Institute of Cost and Works Accountant: On completion of:- (i) Intermediate Examination (ii) Final Group A or Group B (iii) Final Group A and Group B	Rs.665/- Rs.1,135/- Rs.1,550/-

Provided that not more than one qualification allowance shall be permissible to him.

Allowance for Technical Qualification as mentioned in column (3) of the table above, or any part thereof, shall not count for the purpose of any allowance or for any service or terminal benefit.

The other terms and conditions regarding grant of allowance for technical qualifications remain unaltered.

#### 9.6 **FIXED PERSONAL ALLOWANCE:**

In terms of **Item VIII of the Schedule I**, with effect from 1<sup>st</sup> August, 2012, the fixed personal allowance payable to the Development Officers on account of computerization shall stand revised as mentioned in the Table below, namely:-

**TABLE**

Sl. No.	Development Officers in the Scale of Pay (as on 1.11.1993) of	Revised Fixed Personal Allowance (FPA)
1	Grade I	Rs. 1,610
2	Grade II	Rs. 1,175

Note: The entire amount of revised Fixed Personal Allowance (FPA) as shown in the Table above shall reckon as Basic Pay for the purpose of House Rent Allowance, Provident Fund, Pension, Gratuity and Encashment of Earned Leave.

#### 9.7 **CONVEYANCE ALLOWANCE TO DEVELOPMENT OFFICERS (ADMINISTRATION):**

Development Officers (Admn.) are at present paid a fixed monthly Conveyance Allowance at the rate of Rs. 375/- per month in terms of Item (ii), clause (A), sub-paragraph (3), paragraph 21 of the Rationalisation Scheme. The Second Amendment Scheme, 2016 has revised this allowance to Rs. 625/- per month with effect from the 1st day

of August, 2012. The difference between the existing and the revised Conveyance Allowance for the period commencing from 1st August, 2012 may accordingly be paid to the Development Officers (Administration).

#### **9.7.1 CONVEYANCE ALLOWANCE TO PHYSICALLY HANDICAPPED EMPLOYEES:**

There is no change in the amount of Conveyance Allowance for Blind and Orthopedically Handicapped Employees and the same shall continue to be paid at the uniform rate of Rs. 400/- per month to eligible employees in all Classes of Employees till further instructions.

#### **9.8 EMPLOYEE'S CONTRIBUTION TO PROVIDENT FUND:**

##### **a) Development Officers who joined the service of the Company before 01.01.2004:-**

With effect from 01.08.2012 or the date of actual fixation in the revised pay scales, if it be later, **EMPLOYEE'S** contribution to Provident Fund shall be recoverable at the existing rate of 10% of revised basic pay. Personal pay and FPA shall also be reckoned as Basic Pay for the purpose of recovery of Provident Fund contribution. It is reiterated that with effect from 01.08.2012 the full component of FPA shall reckon as Basic Pay for the said purpose.

##### **b) Development Officers who joined the service of the Company between 01.01.2004 and 31.03.2010:-**

The cut-off date of implementation of New Pension Scheme in the Company has been shifted from 01.01.2004 to 01.04.2010, by a separate Amendment Scheme published on 23<sup>rd</sup> January, 2016. Hence, in respect of all the employees who joined the service of the Company between 01.01.2004 and 31.03.2010 and are continuing in service as on the date of publication of the Second Amendment Scheme 2016 i.e. 25<sup>th</sup> January, 2016, **EMPLOYEE'S CONTRIBUTION TO PROVIDENT FUND WITH EFFECT FROM 01.08.2012 OR THE DATE OF ACTUAL FIXATION** in the revised pay scales, if it be later, shall be recoverable @ 10% of revised basic pay. Since these Development Officers, hitherto being treated as covered under the New Pension Scheme, have contributed @ 10% of the pre-revised Basic Pay plus DA thereon for this period, necessary adjustment towards such contribution shall be made before arriving at the net amount of contribution recoverable from them towards Provident Fund w.e.f. 01.08.2012.

The Administrative Instructions on treatment of previous contributions towards New Pension Scheme Fund, interest accrued thereon, remittance to be made to PF Account of such employees, settling account of Development Officers who have exited etc., shall be issued separately.

##### **c) Development Officers who joined the service of the Company on or after 01.04.2010:-**

The Development Officers who joined the service of the Company on or after 01.04.2010 are covered under the New Pension Scheme and not covered under the contributory Provident Fund Scheme. Accordingly, no **RECOVERY ON ACCOUNT OF EMPLOYEE'S CONTRIBUTION** to the Provident Fund shall be made in respect of such Development officers. However, the effect of the revision in Pay Scales w.e.f. 01.08.2012 on remittances to their New Pension Scheme account is discussed under Para 9.9 below.

#### **9.9 EMPLOYEE'S CONTRIBUTION TO NEW PENSION SCHEME FUND:**

The Development Officers who are covered under the New Pension Scheme Fund are required to contribute to the New Pension Scheme Fund as provided under the Scheme. Accordingly, recovery of contribution towards Fund for New Pension Scheme from such Development Officers shall be made @ 10% of difference between the Revised and the Existing Basic Pay and Dearness Allowance thereon for the period from 01.08.2012 (or the date of option for fixation) onwards.

#### **9.10 EMPLOYER'S CONTRIBUTION TO PROVIDENT FUND / PENSION FUND / NEW PENSION SCHEME FUND:**

As per the provisions of the relevant Schemes, the Company is required to contribute to the Provident Fund / Pension Fund or New Pension Scheme Fund, as the case may be, in respect of each and every employee depending upon his membership of the Fund and the amount of such contribution is equal to the amount required to be recovered from the employee towards Provident Fund or New Pension Scheme Fund, as the case may be. Accordingly, appropriate difference of contribution by the Company may be made to the relevant Fund in respect of each and every employee for the period from 01.08.2012 (or the date of option for fixation) onwards.

**10. PAYMENT OF EQUITABLE RELIEF AND / OR ARREARS IN CASE OF EXIT FROM THE CADRE:**

**(a) Promotion to the Cadre of Scale I Officer:**

Development Officer promoted as Scale I Officer and opted for fixation of basic pay in the cadre of Scale I Officer from any date after 01.08.2012 shall be paid difference in gross emoluments as indicated above by way of Equitable Relief and/or Arrears (with necessary adjustment for PF and Ex-gratia payment) upto the date of fixation in the cadre of Scale I Officer provided that his cost with such Equitable Relief and/or Arrears for the relevant performance year (s) remain within the stipulated limits.

**(b) Death:**

Equitable Relief and/or Arrears as also difference in PF and Gratuity with due adjustment for Ex-gratia payment shall be released in respect of Development Officers who died after 01.08.2012. The amount shall be paid to the person to whom his Provident Fund was paid or is to be paid. However, difference in amount of Gratuity shall be paid to the person to whom the Gratuity was paid or is to be paid.

**(c) Retirement on superannuation:**

A Development Officer who was in service in the scale of Development Officer Grade I or Grade II at any time on or after 01.08.2012 and subsequently retired shall be paid Equitable Relief and/or Arrears upto the date of retirement along with difference in PF and Gratuity, if any with adjustment for Ex-gratia payment, provided that his cost with such Equitable Relief/ Arrears for the relevant performance year/(s) remains within the stipulated limits.

**(d) Resignation / Termination:**

A Development Officer, whose resignation had been accepted or whose service had been terminated during the period from the 1<sup>st</sup> day of August, 2012 till 25<sup>th</sup> January, 2016, shall not be eligible for the arrears on account of the revision under this Scheme.

**11. GRATUITY:**

11.1 There is no change in the rate of gratuity payable to Development Officers. However, for the purpose of calculating gratuity, the revised basic pay shall be effective from the date of actual fixation of the eligible Development Officers in the revised scale.

11.2. The entire amount of revised Fixed Personal Allowance, as per paragraph 9.6 above, shall reckon as Basic Pay for the purpose of calculating gratuity payable after 01.08.2012.

11.3 Gratuity paid after 01.08.2012, shall be recalculated on the basis of revised scales of pay in the case of eligible Development officers and the difference where due shall be paid.

**12. LEAVE ENCASHMENT:**

While calculating arrears, it would be necessary to recalculate payments made to eligible Development officers towards Leave Encashment during the period from 01.08.2012 till 25<sup>th</sup> January, 2016, and appropriate recovery, if any or payment of difference may be effected.

**13. SPECIAL AREA ALLOWANCE:**

There is no change in the rates and amounts of Special Area Allowance payable in terms of the existing instructions.

**14. HILL STATION ALLOWANCE:**

In terms of **Item VI of the Schedule I**, with effect from 01.02.2016 Hill Station Allowance shall be paid to Development Officers as under:



**TABLE**

<b>Sl. No.</b>	<b>Height of Place of posting (Above Mean Sea Level)</b>	<b>Rate</b>
1.	1500 meters and over	2.5% of the Basic Pay subject to maximum of Rs.615/- per month
2.	1000 meters and over but less than 1500 meters, Mercara and places which are specifically declared as "Hill Stations" by Central Government or, as the case may be, the State Government for their employees	2% of the Basic Pay subject to maximum of Rs.485/- per month
3.	Not less than 750 meters and surrounded by and accessible only through hills with a height of 1000 meters and over	2% of Basic Pay subject to a maximum of Rs.485/- per month

Note: **'PAY' MEANS BASIC PAY AND STAGNATION INCREMENTS AS PER** paragraphs (3) and (4) of paragraph 13.

For the period from 1.8.2012 to 31.01.2016 Hill Station Allowance shall continue to be paid based on pre-revised scale of pay as per item VI of the Schedule I.

**15. PARADEEP PORT ALLOWANCE:**

In terms of **Item IX of the Schedule I**, with effect from 01.02.2016 or date of appointment, whichever is later, every confirmed Development Officer posted in the office of the Company in Paradeep Port shall be paid an allowance of Rs. 185/- per month so long as he is posted in that office. This allowance shall not be treated as Basic Pay for any purpose.

**16. LUMP-SUM MEDICAL BENEFITS TO DEVELOPMENT OFFICERS:**

With effect from 01.01.2015, the limits of reimbursement of domiciliary medical expenses by way of annual lump-sum payment have been revised, along with the eligibility criteria linked to basic pay, and the same are as under:-

<b>Basic pay range as per Second Amendment Scheme, 2016</b>	<b>Maximum amount reimbursable per annum (Rs.)</b>
Above Rs. 46595/-	Rs.13,300/-
Upto & including Rs. 46595/-	Rs 8,310/-

For the calendar year 2015 and onwards, the annual lump-sum payment towards domiciliary medical benefits may be made up to the revised limits in the usual manner as per the other existing provisions in this regard.

In respect of eligible Development Officers, who had actually incurred in excess of the pre-revised limits for the year 01.01.2015 to 31.12.2015, but restricted their declaration to the pre-revised limits applicable to them and were reimbursed accordingly, the excess over such reimbursed amount up to the difference between the revised and the pre-revised limits may now be reimbursed subject to their submitting requisite declaration to that effect as per **Appendix – 'C'**.

**17. GROUP SAVINGS LINKED INSURANCE SCHEME (GSLI) AND GROUP TERM INSURANCE SCHEME (GTIS):**

Consequent upon revision in basic pay for Development officers, the revised categorisation for the purposes of GSLI and GTIS with reference to the revised basic will be as under:-

<b>Category</b>	<b>Existing basic pay/salary range (Rs.)</b>	<b>Revised basic pay / salary range (Rs.)</b>
III	25451 to 32755	48531 to 64110
IV	13691 to 25450	25991 to 48530
V	8280 to 13690	15650 to 25990

Re-categorisation with reference to the revised basic pay ranges has been done in a manner that the existing categories remain unchanged on the relevant day of reckoning.

18. **REDETERMINATION OF CATEGORIES UNDER GROUP MEDICLAIM POLICY:**

Consequent upon revision in basic pay, the revised groupings of employees into various eligible categories of Sum Insured with effect from the next renewal date of the policy shall be as under -

Category (Sum Insured)	Existing basic pay range (Rs.)	Revised basic pay range (Rs.)
Rs. 3,00,000/-	Less than 22730	Less than 43300
Rs. 4,00,000/-	Between 22730 to 29000	Between 43300 to 55335
Rs. 6,00,000/-	Above 29000	Above 55335

For the current policy year, there would no change in the category of Sum Insured and therefore the existing deduction would continue up to the end of current policy year.

19. **DEDUCTION TOWARDS STRIKE, WALKOUT, LEAVE ON LOSS OF PAY, HALF PAY LEAVE ETC.:**

Additional recovery on this account is required to be effected. Similarly, adjustment on account of the Development Officers having availed extraordinary leave on loss of pay or sick leave on half pay shall also be effected.

20. **DEVELOPMENT OFFICERS UNDER SUSPENSION:**

Development Officers who have been placed under suspension may be allowed fixation of their salary under the revised scales and paid arrears of salary and/or subsistence allowance, as the case may be.

21. **PAYMENT OF ARREARS:**

21.1 Arrears may be calculated up to January, 2016 in accordance with the provisions of Second Amendment Scheme, 2016, as stated above. Arrears, as may be payable to eligible Development officers, are to be released as early as possible.

21.2 After the arrears are paid it is required to furnish statements giving information in respect of total amount paid - Grade-wise, to Development Officers under the following components:-

- Basic Pay, Additional increment & DA
- House Rent Allowance at the 3 Classes of Centres separately.
- City Compensatory Allowance at the 3 Classes of Centres separately.
- Difference on account of Encashment of Earned Leave/Gratuity
- Fixed Personnel Allowance
- Provident Fund/Pension (Company's contribution)

21.3 Arrears details should be furnished year-wise according to the period to which they pertain.

22. **SALARY FROM FEBRUARY, 2016 ONWARDS**

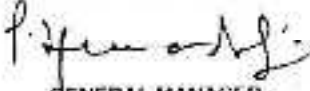
Salary for the month of February, 2016 and onwards is to be calculated and paid as per the Second Amendment Scheme, 2016.

23. **TAX DEDUCTIONS:**

Necessary deduction on account of Income Tax, Professional Tax and any other statutory deductions should be appropriately effected, before releasing arrears.

24. **INTERPRETATION:**

Where any doubt or difficulty arises as to the interpretation of these instructions, it shall be referred to the Chairman-cum-Managing Director for his decision, which shall be final.

  
GENERAL MANAGER  
20/1/16  
A/C/14

Encl: as above

To

The Chairman-cum-Managing Director,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir,

**Re: Re-exercising option for fitment on Promotion**

I was promoted from the cadre of \_\_\_\_\_ to the cadre of \_\_\_\_\_ on  
\_\_\_\_\_ and was fitted in the promoted cadre from \_\_\_\_\_ (date of fixation)

I hereby request you to re-fix my salary in the promoted cadre from \_\_\_\_\_ :

Yours faithfully,

(Signature)

Place  
Date :

Name of the Officer : \_\_\_\_\_  
Designation : \_\_\_\_\_

Salary Roll No. : \_\_\_\_\_

Office : \_\_\_\_\_

Address : \_\_\_\_\_

**OPTION FORM TO BE SUBMITTED BY DEVELOPMENT OFFICER FOR APPORTIONING THE ARREARS OF EXCESS COST FROM PREVIOUS YEARS TO BE ABSORBED IN PERFORMANCE YEARS 2015-16 AND 2016-17**

Date:

To,

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir,

In accordance with the Paragraph 7 C of General Insurance (Rationalisation of Pay Scales and Other conditions of service of Development Staff) Scheme, 1976, as amended vide Second Amendment Scheme, 2016 dated \_\_\_\_\_, 2016, I hereby choose that balance of arrears/equitable relief determined in terms of Paragraph 7A and 7B of above Scheme shall be added to the cost of Performance Year 2015-16 to the extent of \_\_\_\_ % of such balance and remaining amount i.e. \_\_\_\_ % to the cost of Performance Year 2016-17.

I hereby agree and declare that above option shall be final.

SIGNATURE:

NAME:

S.R.NO.:

OFFICE:

**NO. OF SLABS FOR WHICH DEARNESS ALLOWANCE PAYABLE AS PER THE  
PRE-REVISED AND REVISED SCALES**

<i>PERIOD</i>	<b>AS PER THE PRE-REVISED SCALES (LINKED TO 2944 POINTS)</b>	<b>AS PER THE REVISED SCALES (LINKED TO 4708 POINTS)</b>
August 2012 to October 2012	441	0
November 2012 to January 2013	483	42
February 2013 to April 2013	508	67
May 2013 to July 2013	534	93
August 2013 to October 2013	566	125
November 2013 to January 2014	614	173
February 2014 to April 2014	639	198
May 2014 to July 2014	622	181
August 2014 to October 2014	656	215
November 2014 to January 2015	705	264
February 2015 to April 2015	707	266
May 2015 to July 2015	711	270
August 2015 to October, 2015	738	297
November 2015 to January 2016	772	331

*SPECIMEN*

Date: \_\_\_\_\_

To:

The Personnel Department,  
\_\_\_\_\_  
\_\_\_\_\_*RE: MEDICAL BENEFIT*

I had incurred Medical expenses of not less than Rs. (X) in connection with the treatment of myself / my eligible dependents during the year 01.01.2015 to 31.12.2015. Out of this amount of Rs. (X), an amount of Rs. (Y) was declared by me earlier for reimbursement as per the maximum allowed under the rules.

In view of the revised rules allowing reimbursement of the balance amount beyond Rs. (Y), kindly reimburse the balance amount of Rs. (X) minus (Y) to me.

I hereby certify that the amount of Rs. (X) being the amount of the above benefit payable to me by the Company has been actually spent by me

Yours faithfully,

(Signature)

Place : \_\_\_\_\_ Name of the Development Officer : \_\_\_\_\_

Date : \_\_\_\_\_ Designation : \_\_\_\_\_

Salary Roll No. : \_\_\_\_\_

Office : \_\_\_\_\_

Address : \_\_\_\_\_