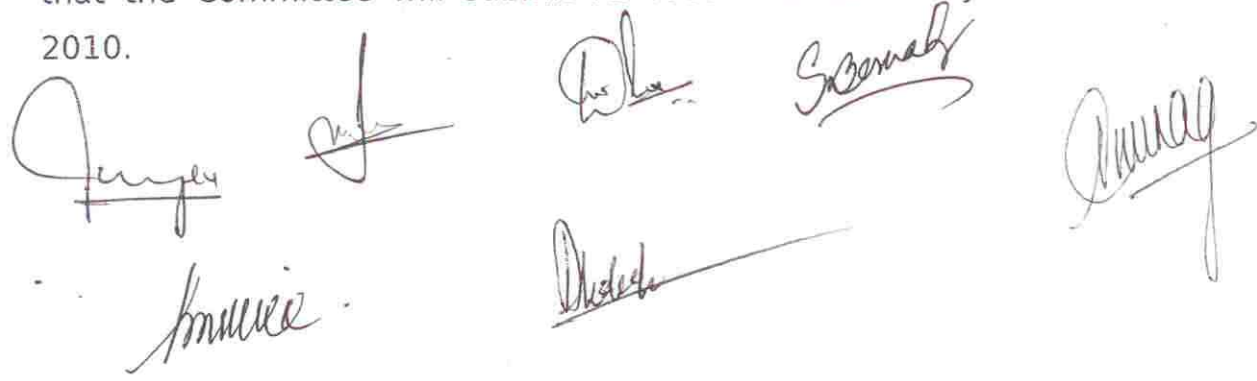


PROCEEDINGS OF THE COMMITTEE CONSTITUTED FOR EXAMINING THE ANOMALY IF ANY ARISEN OUT OF THE WAGE REVISION OF 01-01-1997.

The recognised unions of ONGC have been raising the issue of anomaly which is stated to have arisen during the wage revision of 01-01-1997. During the various meetings of the committee constituted for assisting in wage revision w.e.f. 01-01-2007, it was also pointed out that there is difference in the pay scale vis-a-vis other companies in the oil industry. The management had assured to look in to the matter during the wage revision.

2. It was informed to the recognised unions that the resolution of the '97 wage revision anomaly may be dealt separately and accordingly a Committee was constituted to examine the issue.

3. While the wage revision of the unionised categories of employees was being concluded in a meeting held on 17<sup>th</sup> September, 2010. On the insistence of the unions, a part minutes was drawn wherein it was decided that the Committee will submit its recommendation by 30<sup>th</sup> November 2010.



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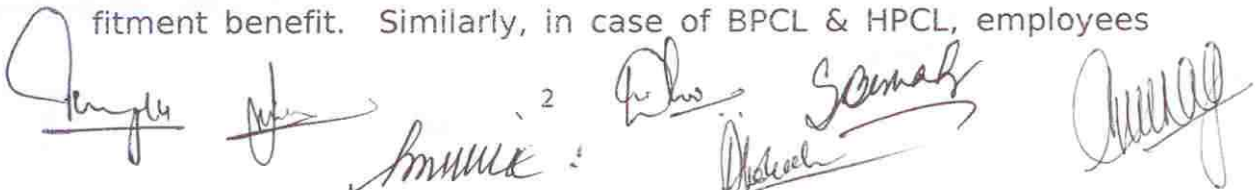
4. A Committee of the following members was constituted to examine the issue vide office order No. 14(1)/2007 – IR dated 31-08-2010.

S/Shri

1. A. K. Shah, GM(HR), Dehradun,
2. S. Mallik, DGM(F&A), Dehradun,
3. A. Sahu, DGM(HR), Dehradun,
4. Pradeep Mayekar, GS, ONGC (BOP) Karmachari Sanghatana, Mumbai,
5. Sunil Hedao, GS, ONGC Employees Mazdoor Sabha, Vadodara,
6. D. V. K. Raju, GS, Petroleum Employees Union, Chennai,
7. Sanjeeb Baruah, GS, ONGC Purbanchal Employees Union, Nazira
8. Anurag Prakash, Auditor, National Union of ONGC Employees, Dehradun.

5. During the various meetings of the Committee, the following came up for consideration:-

- (i) Union representatives pointed out that employees who had joined ONGC on or after 1.1.1997 have not been extended the fitment benefit under LTS-1997 and they have been fitted at the bottom of revised scales. The minimum of each revised scales does not provide coverage for full fitment benefit i.e. minimum of each scale has been fixed quite lower in comparison to the minimum that comes after application of the fitment formula.
- (ii) Union representatives pointed out that other downstream Oil PSUs like IOC, BPCL, HPCL have extended full fitment benefit to employees who joined after the effective date of settlement till the date of signing of settlement. In case of IOC, Memorandum of Settlement (MOS) for wage revision w.e.f. 1.1.1997 was signed on 4.1.2001 and employees who have joined on or after 1.1.1997 and up to the date of signing of MOS have been allowed full fitment benefit. Similarly, in case of BPCL & HPCL, employees

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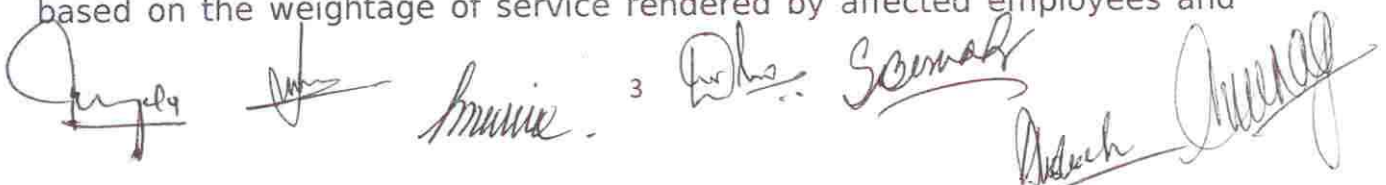
who had joined on or after effective date of MOS and till the date of signing of MOS, have also been granted fitment benefit.

- (iii) A copy each of MOS of IOC, BPCL & HPCL was provided by union representative to other Committee members.
- (iv) During discussions it was explained to the union representatives that comparison of pay scales with other PSUs cannot be made in isolation.
- (v) Union representatives suggested that in order to remove this anomaly, employees who joined on or after 1.1.1997 till 31.12.2006 may be granted notional fitment benefit. The revised basic pay as on 1.1.2007 may be fixed taking into consideration notional fitment benefit. However, no arrears for the past period based on notional fitment benefit shall be demanded.
- (vi) It was explained that in other PSUs quoted by the union representatives, fitment benefit has been restricted to employees joining till the date of MOS, whereas union is demanding fitment benefit to all employees irrespective of date of joining on or after 1.1.1997.

6. It was decided to have a comparative study of the pay revision of the other oil PSUs with ONGC.

7. After deliberations, the Committee came to the conclusion that there has been some aberrations in formation of 1997 pay scales, wherein full fitment benefit as per fitment formula could not be given in the pay scale and the minimum of pay scale has been fixed quite lower i.e. more than Rs.1000/- than what would have come by following the fitment formula.

8. After establishing the aberrations, the Committee deliberated on the issue of compensating/removing the peculiar problem. Union representatives urged to grant some fixed numbers of increment (s) based on the weightage of service rendered by affected employees and

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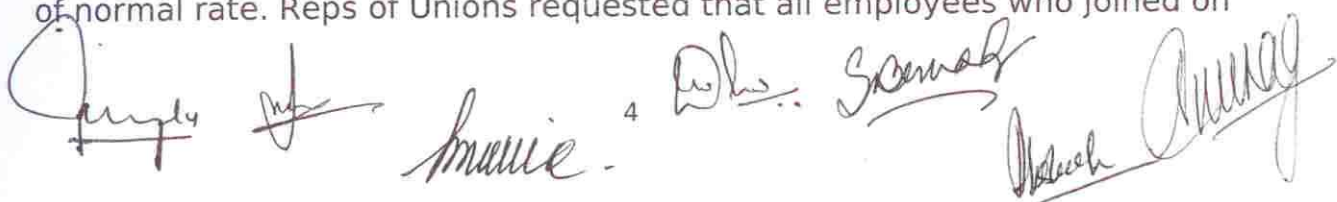
same may be taken into account for fixation of revised pay in 2007 pay scales. They stated that this will not involve opening of 1997 pay scale and no arrears for the past period will be demanded. However, Management representatives stated that such benefit cannot be granted as it will involve huge cascading effect till the service span of each affected employee. The Union representatives sharply reacted and stated that lump sum payment idea is not acceptable to them as they vindicated during various wage negotiation meetings earlier at New Delhi.

9. In support of their point of view Union representatives brought out that GAIL has resolved similar anomaly by granting some additional increments to affected employees w.e.f. Dec.2006 and their pay has been fixed in revised scales in 2007 accordingly. (Annexure - I)

10. The issue regarding coverage of employees was then deliberated. Union representatives contended that all employees who joined between 1.1.1997 to 31.12.2006 are affected due to fixing of lower minimum basic pay in 1997 pay scale. Management representatives stated that there is no logic for inclusion of post LTS-1997 employees as they joined ONGC fully knowing the revised pay structure, whereas there is some justification for employees joining before coming into effect of LTS-2007 as at the time of joining they had in mind of better pay scale which were under revision at that point of time. It was also brought out that in IOC, benefit has been given to only such set of employees who joined up to the date of signing of LTS and not to those joining thereafter.

11. Two options were discussed. One is lump - sum and another is extending some percentage on the previous basic pay as on 31-12-2006. Members from the unions were vehemently against the lump - sum payment and requested for giving some increments on the basic pay.

12. After a prolonged deliberation, management representatives suggested that all the employees of unionised categories who joined on or after 01-01-1997 up to signing of MoU in 2000, the increment will be 1.5 of normal rate. Reps of Unions requested that all employees who joined on

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... after 01-01-1997 up to 31-12-2006 should be covered and increment to be given at the following rates-

- A. 6 increments on basic pay of 31-12-2006 to those who joined up to signing of the MoU i.e. in 2000.
- B. 5 increments on basic pay of 31-12-2006 to those who joined after signing of the MoU i.e. in 2000 and up to 31-12-2006.

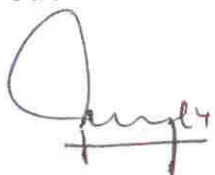
13. During the wage revision – 1997, the scales at the induction level were fixed at lower side. The employees were not given full fitment as per fitment formula in order to arrive at the minimum of pay scale in 1997 which was fixed quite low i.e. more than Rs.1000/- than what would have been fixed by following the fitment formula (Annexure – II).

14. However, the pay scale at top of class – III were fully covered under fitment formula, hence there is no aberration in this scale.

15. The aberration due to the lower fixation of minimum of the scale has its spread through out the entire period of wage revision and therefore all the employees who joined up to 31-12-2006 are affected.

16. Fixation of Pay at Induction levels of unionised categories in different wage revisions in ONGC since 1987 is placed at Annexure – II(A,B,C,D).

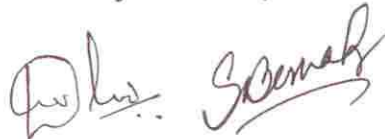
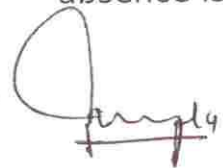
17. The Comparative analysis of wage revision 1997 at Induction level in ONGC and IOC is placed at Annexure – III, wherein it is seen that in IOC full fitment benefit was accorded vis-a – vis minimum of pay scale whereas the same was not considered in ONGC. The other downstream companies such as BPCL, HPCL followed the same principle as IOC.



b. After prolonged deliberation, the following was proposed in the committee meeting held at Dehradun on 18-04-2011:-

Coverage –

- a. All unionised category of employees other than Top of Class – III who joined on or after 01-01-1997 up to 31-12-2006 shall be granted the benefit of additional increment to redress the issue of aberration.
- b. Those who have joined on or after 01-01-1997 up to 11th July 2000(date of signing of LTS) shall be granted additional 03 increments on the basic as on 31-12-2006. The increment rate shall be the percentage entitled to at the time of induction.
- c. Those who have joined on or after 12th July 2000 up to 31-12-2006 shall be granted additional 02 increments on the basic as on 31-12-2006. The increment rate shall be the percentage entitled to at the time of induction.
- d. Employees who joined / inducted at A4 level, will be eligible for only 01 increment on the basic as on 31-12-2006. The increment rate shall be the percentage entitled to at the time of induction.
- e. Unionized category of employees who have been promoted to executive cadre on or before 01-01-2007 shall not be entitled for grant of any additional increments.
- f. Unionized category of employees who have separated from the Company due to resignation, disciplinary action shall not be granted the benefit of any additional increments.
- g. In case of unauthorized absence, decision for grant of additional increment shall be considered only if the period of unauthorized absence is regularized.



2. Illustration:

Revised basic pay of unionized category of employees who joined on or after 01-01-1997 up to 31-12-2006 and granted additional increment shall be fixed in the revised pay scale as per the following methodology:

(a) Pre-revised Basic Pay as on 31-12-2006

Plus

(b) Additional increments as per clause 18b or 18c or 18d as applicable

Plus

(c) Annual Increment on (a) + (b)

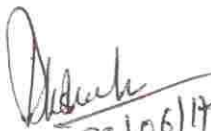
Plus

(d) Dearness Allowance(DA)@78.2% on (a) + (b) +(c)

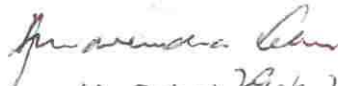
(e) Fitment benefit @ 30% on (a) + (b) + (c) + (d)

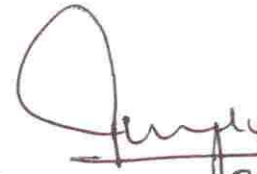
Thus, the revised Basic Pay as on 01-01-2007 will be fixed as (a) + (b) + (c) + (d) + (e)


20. Implementation of above shall be treated as full and final settlement of the issue and no issue related to 1997 wage revision shall be reopened in future.

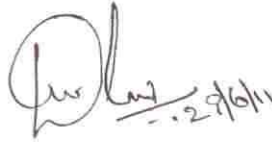
  
(A. K. Shah) 29/06/11


  
(S. Mallik) 29/6/11

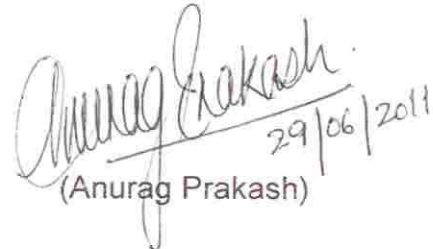
  
(A. Sahu) 29-6-2011

  
(Pradeep Mayekar) 29/06/2011

  
(Sunil Hedao) 29/06/2011

  
(D. V. K. Raju) 29/6/11

  
(Sanjeeb Baruah) 29/06/2011

  
(Anurag Prakash) 29/06/2011



**GAIL (INDIA) LIMITED**  
Corporate HR Department

**OFFICE ORDER**

No.CO/HR/ER/WR-14

31<sup>st</sup> January 2011

**Subject : Revision of Pay Structure for workmen of GAIL w.e.f. 1.1.2007**

GAIL Management is pleased to announce the revision in pay structure for Workmen w.e.f. 1.1.2007. In terms of DPE OM No.2(7)/2006-DPE(WC) –GL-XIV dated 9<sup>th</sup> November, 2006 and 2(7)/06-DPE (WC)– GL VI dated 1st May 2008, Board of Directors in its 206<sup>th</sup> Meeting held on 18<sup>th</sup> January, 2011 has approved the Pay Revision for Workmen of the Company w.e.f. 01.01.2007. Communications to Ministry of Petroleum & Natural Gas & Department of Public Enterprises, Govt. of India were thereafter sent vide letter No. CO/HR/ER/WR-14 dated 20<sup>th</sup> January, 2011. Subsequently, two separate tripartite agreements were arrived at with GAIL Employees' Association (GEA) and GAIL Karamchari Sangh (GKS) on 21<sup>st</sup> January, 2011 in which representatives of Management (GAIL), Union(s) and Central Labour Authorities participated. Details of the revised pay structure for workmen w.e.f. 01.01.2007 are as below:

**1. Coverage:**

- 1.1) All regular workmen who were on the rolls of the Company as on 31.12.2006 and continued thereafter including those promoted as executives within GAIL and those separated on account of superannuation, resignation, death, etc., after 1.1.2007.
- 1.2) Those workmen who joined GAIL on or after 1.1.2007.

**2. Pay Scales:** Existing pay scales of workmen shall be revised w.e.f. 1.1.2007 as under:

Grade	Pay Scales ( ₹ )	
	Pre-revised (open-ended)	Revised (Close Ended)
S-0	4300	10500-24000
S-1	4500	11000-25000
S-2	4800	11700-28500
S-3	5100	12500-33000
S-4	5700	13500-34000
S-5	6200	14500-36000
S-6	6700	15700-37000
S-7	7200	16300-38500



3. **Fitment Benefit:**

- 3.1) Workmen as defined under sub-para No. 1.1 above will be allowed fitment benefit @30% of Basic Pay plus Dearness Allowance @78.2% as on 01.01.2007.
- 3.2) Those workmen as defined under sub-para 1.2 above will be deemed to have been appointed in the revised pay scales and will not be entitled to fitment benefit in terms of sub-para 3.1 above.

4. **Grant of Special Dispensation to Workmen who joined GAIL between 01.01.1997-17.11.2000:** It has been decided to allow following Special Dispensation to workmen who joined GAIL between 01.01.1997 – 17.11.2000 as below:

- 4.1) Notional amount to be added in the following manner to the Basic Pay as on 31.12.2006 in respect of Workmen who joined in the Grades and Pre-Pre-Revised Scales of Pay as mentioned against each during the period from 01.01.1997 to 17.11.2000 (both days inclusive) :

Joining Grade	Pre-Pre-Revised Pay Scale which had come into effect from 01.01.1992	Notional Amount
S-1	₹ 2,450/-	₹ 340/-
S-3	₹ 2,600/-	₹ 150/-
S-4	₹ 2,700/-	₹ 150/-

- 4.2) This dispensation at (4.1) above, will only be admissible to such workmen (having joined during 01.01.1997 to 17.11.2000) who continue to be workmen but not to those who have already been promoted to Executive cadre and/or separated from the services of the Company.
- 4.3) Neither any arrears whatsoever for the above Notional Amount (sub-para 4.1 above) nor any consequential benefits on such Notional Amount shall be admissible for the previous period of Pay Revision i.e. from 01.01.1997 to 31.12.2006.

5. **One-time Special Benefit:** While fixing the revised Basic Pay w.e.f. 01.01.2007 of such workmen who were on the rolls of the Company on 30.11.2010 by which date Memorandum of Settlement had been signed with both the Unions, one-time special benefit @ 4% will be added to the same. This one time special benefit will also be admissible to such workmen who joined GAIL on or after 1.1.2007 but before 01.12.2010 w.e.f. date of their appointment in the revised regular pay scale.

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## 6. Fixation of Pay:

### 6.1) Workmen who were on the rolls of the Company as on 31.12.2006 and continued thereafter as defined under sub-para 1.1 above

Revised Basic Pay of workmen who were on the rolls of the Company as on 31.12.2006 and continued thereafter will be fixed in the revised pay scales as per following methodology:

- (a) Pre-revised Basic Pay as on 01.01.2007  
plus
- (b) Dearness Allowance (DA) @78.2% on (a) above  
plus
- (c) Fitment Benefit @30% on {(a) + (b)} above  
plus
- (d) One-time Special Benefit @4% in terms of sub-para 5 above

Following illustrations will explain the position further :

#### **Illustration-I**

- (a) Basis Pay as on 01.01.2007 : ₹ 5279.00
- (b) DA Merger @ 78.2% ₹ 4128.17 = ₹ 9,407.17
- (c) Fitment Benefit @30% on {(a)+(b)} above : ₹ 2822.15 = ₹ 12,229.32
- (d) One-time special benefit @ 4% on {(a)+(b)+(c)} = ₹ 489.17 = ₹ 12,718.49

Thus, Revised Basic Pay {(a)+(b)+(c)+(d)} = ₹ 12,718.49 Rounded off to next ₹ 10/- i.e. ₹ 12,720/-

#### **Illustration-II (in respect of workman who joined in S-3 Grade between 01.01.97-17.11.2000) :**

- (a) Basis Pay as on 31.12.2006 : ₹ 8973/-  
Plus
- (b) Grant of Spl. Dispensation ₹ 150/- : ₹ 9123/-  
Leading to
- (c) Basic Pay as on 01.01.2007: ₹ 9442/-  
Plus
- (d) Dearness Allowance (DA) @78.2% on (c) above : ₹ 7384/-  
Plus
- (e) Fitment Benefit @30% on {(c) + (d)} above : ₹ 5048/-  
Plus

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(f) One-time special benefit @4% on {(c)+(d)+(e)} = ₹ 875/-

Thus, Revised Basic Pay {(c)+(d)+(e)+(f)} = ₹ 22,749=Rounded off to next ₹ 10/- i.e., ₹ 22750/-

6.2) **Workmen who joined Company on or after 01.01.2007 as defined under sub-para 1.2 above**

- 6.2.1) Workmen appointed on or after 01.01.2007 at the minimum of the pre-revised pay scales shall be deemed to have been appointed at the minimum of the corresponding revised pay scale and accordingly, their pay will be fixed in the revised pay scale.
- 6.2.2) Workmen appointed on or after 1.1.2007 with additional increments in the pre-revised pay scales will be granted equal number of increments in the revised pay scales subject to the condition that the pay so arrived at, will be restricted to the revised pay of a workman in the same grade who was on the rolls of the Company as on 31.12.2006 and drawing same pre-revised pay. In respect of such workmen who have joined from other Govt./ PSUs and whose pay will get revised in the earlier organization as a result of pay revision, they would be entitled to normal pay protection as per rules.
- 6.2.3) One-time special benefit @4% as mentioned in para 5 above will also be allowed to such workmen as defined under sub-para 1.2 above but having joined GAIL before 01.12.2010.
- 6.3) Revised Basic Pay of workmen, as fixed in the revised pay scales in terms of sub-paras – 6.1 and 6.2 above, will be rounded off to next ₹ 10/-.

7. **Rate of Increment:**

- 7.1) **Annual Increment:** The rate of annual increment shall be 3% of the revised basic pay. Basic Pay so arrived at will be rounded off to next ten rupees.
- 7.2) **Promotion Increment:** The Promotion Increment shall be the rate of annual increment (@ 3%). Basic Pay so arrived at will be rounded off to next ten rupees.
- 7.3) **Stagnation Increment:** In cases where full amount of annual/ promotion increment cannot be granted due to restriction of maximum of the scale, the difference shall be treated as Personal Pay (Stagnation) which would count as Basic Pay for all the purposes. In the event of promotion to Executive Cadre, Personal Pay (Stagnation) shall be merged with the Basic Pay in the executive grade. Any Personal Pay (Stagnation) in excess of the maximum of the promoted pay scale shall continue as Personal Pay (Stagnation).

8. **Dearness Allowance:**

- 8.1) 100% Dearness Allowance (DA) neutralization would be linked to AICPI 2001=100 viz. 126.33 as on 01.01.2007. The rate of DA shall be revised Quarterly (i.e. on 1st Jan.; 1st April, 1st July and 1st October) as notified by Govt. of India, DPE from time to time.
- 8.2) Rate of Quarterly DA as notified by DPE from time to time upto 31.03.2011 is as under :

No.	Period	% of Rev. Basic Pay
1	01.01.2007 – 31.03.2007	0
2	01.04.2007 - 30.06.2007	0.8
3	01.07.2007 - 30.09.2007	1.3
4	01.10.2007 - 31.12.2007	4.2
5	01.01.2008 - 31.03.2008	5.8
6	01.04.2008 - 30.06.2008	6.3
7	01.07.2008 - 30.09.2008	9.2
8	01.10.2008 - 31.12.2008	12.9
9	01.01.2009 - 31.03.2009	16.6
10	01.04.2009 - 30.06.2009	16.9
11	01.07.2009 - 30.09.2009	18.5
12	01.10.2009 - 31.12.2009	25.3
13	01.01.2010 - 31.03.2010	30.9
14	01.04.2010 - 30.06.2010	34.8
15	01.07.2010 - 30.09.2010	35.1
16	01.10.2010 – 31.12.2010	39.8
17	01.01.2011 – 31.03.2011	43.0

9. **Implementation/Operationalization of E-0 Grade (Scale of Pay ₹ 16400-40500) in Executive Grade :**

- 9.1) E-0 Grade (Scale of Pay ₹ 16400-40500) will be implemented/ operationalized w.e.f. 01.04.2011 thro' DPC exercise 2011.
- 9.2) Operationalization of E-0 Grade will be linked with Workmen's possessing Induction level Qualification as below:
- 9.2.1) Those possessing prescribed Induction Level Qualification for S-5 Grade in parent discipline will be considered for promotion from S-7 Grade to E-1 Grade (Scale of Pay ₹ 20600-46500).

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- 9.2.2) Those possessing prescribed Induction Level Qualification for S-3 Grade in parent discipline will be considered for promotion from S-7 Grade to E-1 Grade (Scale of Pay ₹ 20600-46500), but they will have to attain induction level qualification in parent discipline for S-5 level for being considered for promotion beyond E-2 Grade (Executive Cadre).
- 9.2.3) Those not covered under sub-para (9.2.1) & (9.2.2) will be considered for promotion maximum upto E-0 Grade.
- 9.3) Workmen already promoted to Executive Cadre as a result of DPC Exercise(s) conducted in the years 2007, 2008, 2009 & 2010 are deemed to have been promoted to E-1 Grade regardless of their meeting induction level qualification for S-3 grade in parent discipline.

**10. House Rent Allowance (HRA):**

- 10.1) House Rent Allowance (HRA) on the revised Basic Pay shall be at the following rates w.e.f 26.11.2008 and same shall be determined by the extant classification of cities as notified by the Central Government:

City Classification/ Population	HRA entitlement (as % of Revised Basic Pay)
'X' / 50 lacs and above	30%
'Y' / Between 5-50 lacs	20%
'Z' / Less than 5 lacs	10%

- 10.2) In case the HRA entitlement as stated above is less than the actual HRA drawn by the workman on 25.11.2008, the difference would be allowed as 'Personal Allowance' to the concerned workman until the difference is eliminated/ mitigated in the course of time. Such 'Personal Allowance', if admissible, will be part of the Perquisite and Allowances extended to the workmen under Cafeteria Approach.

**11. Company Owned/ Company Leased/Self Leased Accommodation:**

- 11.1) Self lease/ Company lease facility will be allowed to the workmen subject to the actual rent paid. The ceiling for such Self Lease and Company Lease Accommodation facility will be as below:

City Classification/ Population	Self/ Company Lease Entitlement (as % of the maximum of corresponding pay scale)
'X' / 50 lacs and above	45%
'Y' / Between 5-50 lacs	35%
'Z' / Less than 5 lacs	25%

11.2) Company owned/ leased accommodation facility as above, is now extended to workmen in below S-3 grade w.e.f. 01.02.2011 which will be covered under extant policy as applicable to other grades viz. S-3 & above.

11.3) Aforesaid revised rates of self/ company lease entitlement will be effective for workmen in S-3 Grade & above and grades below S-3 wherever applicable from 26.11.2008 in line with methodology adopted in case of Executives. The arrear against revised rates of lease entitlement will be paid only in cases where the concerned workman has actually borne the expense more than his entitlement for lease accommodation after approval of the Competent Authority.

**12. House Rent Recovery (HRR) for Lease Accommodation:**

12.1) The rates of House Rent Recovery (HRR) in case of revised Self Lease/ Company Lease facility will be as below:

Grade	Rate of House Rent Recovery ( ₹ p.m.)
S-7	1068
S-6	1028
S-5	938
S-4	908
S-3	878
S-2	705
S-1	660
S-0	631

12.1) Aforesaid rates of HRR for Leased Accommodation are subject to clarification/ instruction received from Department of Public Enterprises (DPE)/ Ministry of Petroleum & Natural Gas (MoP&NG) in this regard.

13. **License Fee for Company Owned Accommodation:** For workmen who are allotted Company Owned Accommodation, revised rate of License Fee Recovery (LFR) will be applicable w.e.f. 01.01.2010 as below:

Type of Accommodation	Range of living area (in Sq. Mt.)	LFR ( ₹ p.m.)
A	Upto 30	65
	More than 30	81
B	More than 26.5 & upto 40	144
	More than 40	185

14. **City Compensatory Allowance (CCA):** Dispensed with w.e.f. 26.11.2008.

15. **North East Allowance :** North East Allowance is admissible to workmen posted at North Eastern locations @ 12.5% of the Revised Basic Pay w.e.f. 26.11.2008

16. **Remote Locality Allowance and Tribal Area Allowance:**

16.1) Remote Locality Allowance and Tribal Area Allowance will continue at the existing rates.

16.2) Review of Remote Locality Allowance and Tribal Area Allowance is subject to DPE/ MoPNG instruction on the same.

17. **Outfit Maintenance Allowance:** Outfit Maintenance Allowance to eligible workmen as per extant guidelines is revised from ₹ 100/- p.m. to ₹ 500/- p.m. w.e.f 21.08.2009

18. **Gun Allowance:** Gun Allowance to eligible workmen as per extant guidelines is revised from ₹ 100/- to ₹ 200/- p.m. w.e.f. 30.11.2010.

19. **Washing Allowance:** Dispensed with effect from 30.11.2010

20. **Cash Handling Allowance:** Discontinued w.e.f. 30.11.2010

21. **Cafeteria Approach for Perquisites and Allowances:**

21.1) The Workmen may choose from the following set of perks and allowances in a manner that the total monthly payment under the same does not exceed 47% of revised basic pay w.e.f. 26.11.2008 in line with 'Cafeteria Approach' for Executives:

Heads	Max. upto % of revised Basic Pay
Leave Travel Concession (LTC)/ Holiday Home	30%
Children Education Allowance (CEA) for the school / college going child(ren) for employees having school/college going child/children	20%
Transport Allowance for employees owning and maintaining four/two wheeler	₹ 800 p.m.
Catering Expense Reimbursement (CER)	20%
House Upkeep Allowance (including Cable Connection Charges)	10%
Domestic Help Allowance	10%
Self-Development & Professional Updation Allowance	10%
Incentive for adopting small family norms	Notified rates
Productivity Allowance	5%
Fitness Allowance	10%
Personal Allowance for HRA protection	Actual amount
Personal Allowance	15%

- 21.2) Aforesaid ceiling for "Cafeteria" of Perquisites & Allowances (i.e.47% of Revised Basic Pay) will be subject to review by the Management from time to time whether on its own or under instructions received from Govt. of India and same shall be uniform for executives and workmen.
- 21.3) DPE Guidelines issued vide O.M.s dated 26.11.2008 and 02.04.2009 are the genesis for aforesaid 'Cafeteria Approach' for perquisites and allowances. Accordingly, heads to be covered under 'Cafeteria Approach' may be amended based on clarification/ instruction from DPE/ MoP&NG.
- 21.4) Payment for perquisites and allowances under 'Cafeteria Approach' will be made based on option exercised by the employee. No option would be asked for the period from 26.11.2008 till the date of implementation of the cafeteria approach (w.e.f. FY 2011-12). Workmen, including those separated on or after 26.11.2008, would be paid arrear amount equal to the difference between admissible amount under 'Cafeteria Approach' and payment already made on account of the heads stated in above table. Recoveries, if any, would be effected on the same principle. Income Tax exemption, if any, be sought directly from Income Tax authorities.
- 21.5) The workmen will exercise their option under 'Cafeteria Approach' only once at the beginning of financial year within a period of fifteen days i.e. by 15<sup>th</sup> April every year. Option so exercised can be reviewed once in a financial year.
- 21.6) For claiming income tax benefits on availing perquisites/ allowances which qualify for income tax rebate, vouchers pertaining to the journey undertaken/ expenditure incurred for the applicable year shall be submitted sufficiently in advance within the relevant financial year to concerned Finance Department.
- 21.7) Availment or encashment of LTC: The actual amount paid to the individual under this head for the Block Year 2008-09 would be divided by 24 (months) to calculate monthly amount admissible which would then be adjusted against payment due under "Cafeteria Approach" w.e.f from 26.11.2008. The actual amount paid, if any, to the individual under this head for the Block year 2010-11 would also be adjusted as lump-sum against payment due under "Cafeteria Approach".
- 21.8) Holiday Home Availment or encashment: The actual amount incurred by GAIL towards allowing availment or encashment of Holiday Home facility for years 2008, 2009 & 2010, would be divided by twelve (each year) to calculate monthly amount admissible in each year, which would be adjusted against payment due under "Cafeteria Approach" from 26.11.2008 till 31.12.2010. Further, actual amount incurred by GAIL for allowing Holiday home facility for the year 2011 would also be adjusted as lump-sum against payments due for various perquisites and allowances under "Cafeteria Approach" till 31.03.2011. The existing Holiday Home Scheme will continue with the exception that the Bill will be directly settled by the individual employee and not GAIL with the Hotel.

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21.9) Children Education Assistance (includes all elements i.e. tuition fee, merit scholarship, hostel subsidy, transport subsidy, journey fare and admission fee): The actual amount paid to the individual will be adjusted against payment due under "Cafeteria Approach" from 26.11.2008 onwards.

21.10) Transport Allowance, Catering Expenses Reimbursement, Cable Connection Charges, Productivity Allowance, Incentive for adopting small family norms and Personal Allowance for HRA protection: The actual monthly amount paid by GAIL towards payment under the above heads will be adjusted against payment due under "Cafeteria Approach" from 26.11.2008 onwards.

21.11) With a view to enable workmen to choose a set of perquisites and allowances under 'Cafeteria Approach' upto the ceiling of 47% of Basic Pay from FY 2011-12, requisite changes will be effected in SAP-ESS module.

22. **Revision of Catering Expenses Reimbursement and Productivity Allowance:** Revision of Catering Expenses Reimbursement and Productivity Allowance for period from 01.01.2007 to 25.11.2008 is as below and the same are included in the "Cafeteria" w.e.f. 26.11.2008:

Head	Grade	Revised Amount (₹ p.m.)
Catering Expenses Reimbursement	S-7 to S-0	1200/-
	S-7 & S-6	1100/-
Productivity Allowance	S-5 & S-4	900/-
	S-3 & S-2	900/-
	S-1 & S-0	700/-

23. **Superannuation Benefits:**

23.1) Comprehensive Superannuation Benefits including Contributory Provident Fund, Gratuity, Superannuation Benefit Scheme and Post Retirement Medical Benefits etc. will be within the maximum ceiling of 30% of Revised Basic Pay and DA w.e.f. 01.01.2007.

23.2) **Gratuity** : Ceiling revised to ₹ 10 Lac w.e.f. 01.01.2007.

24. **Revised Rail Travel Entitlement:** Revised Rail Travel Entitlement of the workmen will be as under:

Grade/ Level	Existing entitlement	Revised entitlement
S-5 to S-7	II AC Rail	II AC Rail
S-3 & S-4	<ul style="list-style-type: none"> <li>• II AC Rail (if service rendered in the S-3/S-4 grade for more than 5 years) - for official tours and LTC availment</li> <li>• III AC Rail - LTC encashment</li> </ul>	II AC Rail
S-2 & S-1	III AC Rail	II AC Rail
S-0	III AC Rail	III AC Rail

25. **Introduction of Performance related Pay (PRP)/ Variable Pay:**

25.1) Workmen of the company will be allowed Performance Related Pay/ Variable Pay determined by the performance level of the Company/ Unit and Individual. Broad parameters to determine the extent of Performance Related Pay/ Variable Pay will be in line with the guidelines issued by DPE for Executives as below:

25.1.1) **Financial Performance of the Company:** The PRP would be based on the profits of the Company. 60% of PRP payment will be based on Current year's Profit before Tax (PBT) and 40% PRP will be based on Incremental Profit in the same proportion as in case of Executives.

25.1.2) **MoU Rating of the Company:** PRP would be linked to Memorandum of Understanding (MoU) rating achieved by the CPSE in the respective financial year as under:

MoU Rating	Eligibility level
Excellent	100%
Very Good	80%
Good	60%
Satisfactory	40%
Poor	Nil

25.1.3) **Grade of the Workmen:** The workmen's overall eligibility for PRP will be governed by grade-wise ceiling as stated below:

Grade	% of Revised B. Pay
S-7 to S-4	39%
S-3 to S-0	37.5%

25.1.4) **Performance of the Workman:** Extent of PRP admissible will also be determined by the Performance Appraisal Rating secured by the workman as given below:

PAD rating	Eligibility level for PRP
Outstanding	100%
Very Good	80%
Good	60%
Satisfactory	40%
Poor	Nil

25.2) Detailed Scheme for PRP for workmen will be notified separately.

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26. **Validity of Pay Revision:** This revision of pay structure for workmen shall come to force w.e.f. 01.01.2007 and its periodicity shall be co-terminus with the Pay Revision of the Officers but not later than ten (10) years w.e.f. 01.01.2007.

27. **Payment of Arrears and Recoveries:**

27.1) The amount of Adhoc adjustable advance against pay revision w.e.f. 01.01.2007 as received by the workmen shall be adjusted against the arrears due to the implementation of pay revision w.e.f. 01.01.2007. Income Tax, as payable, shall be deducted from the arrears.

27.2) Unless otherwise stated in this Office Order, workmen who have separated from the service of the Company on or after 01.01.2007, will be eligible for benefits of pay revision upto the date of their separation, subject to having settled all dues. Similarly, recoveries/ deduction will also be effective till date of separation from the service of the Company on or after 01.01.2007.

27.3) The excess payment, wrong payments, arithmetical and system errors, in calculation of the arrears shall be subject to corrections, adjustments and recoveries.

27.4) Any other recovery due to the Company, shall also be fully adjusted against pay revision arrears due to him/ her, in terms of the approval of Competent Authority.

28. **Implementation and Interpretation:** Issues pertaining to Pay Revision for Workmen w.e.f. 01.01.2007 shall be referred to the office of Director (HR)/ HoD HR Deptt. Corporate Office for interpretation/ clarification and resolution thereof.

Hindi Version follows.

 31.1.11

(A K Rudra)  
Executive Director (HR)

**Distribution:**

1. CMD
2. Director (Finance)/ Director (Projects)/ Director (HR)/ Director (Marketing)/ Director (Business Development)/ CVO
3. HoDs at Corporate Office
4. ED (BIS&CR), Noida
5. OICs of Work Centers/ Zonal Office
6. HR and F&A Incharges of Work Centers/ Zonal Office
7. General Secretary, GEA
8. General Secretary, GKS
9. All Workmen (*through E-Mail*)

Annexure - II

**1997 ONGC Wage Revision - Analysis**

Scale	I	II	III	IV	V	VI	VII
Level	W1	W2	W3	W4	W5	W6	TC
Whether Induction Level	Induction		A1 Induction	A2 Induction	A3	A4 Induction	TC Induction
Pre-revised Basic as on 31-12-1996	2282	2340	2370	2472	2532	2718	2802
DA	1264	1296	1313	1369	1403	1506	1552
Fixed DA	56	56	56	56	56	56	56
Ad hoc		65	65	75	75	85	85
Fitment	1986	2036	2062	2151	2203	2365	2438
Total	5588	5794	5866	6124	6269	6730	6934
Revised Basic Pay as on 01-01-1997	4300	4500	4700	5100	5800	6500	7000
Add 03 (Three) increments	330		361				
Total	4630	4500	5061	5100	5800	6500	7000
Difference (Gap)	958	1294	805	1024	469	230	-66
Increment Rate	2.5	2.5	2.5	3	3	3.5	3.5
Increment equivalent to	9	11	7	7	3	1	0

FIXATION OF PAY AND DESIGNING OF NEW PAY SCALES IN WAGE REVISION OF 1987			
	SCALE I	SCALE II	SCALE VI
PRE-REVISED SCALES OF 1983	Rs.400-10-460-12-520-15-550	Rs. 430-10-460-12-520-15-640-20-700-25-750	Rs. 725-25-850-30-1000-40-1080-50-1480
MINIMUM OF 1983 PAY SCALE	400.00	430.00	725.00
ADD Variable Dearness Allowance of Rs.571/- payable at CPI 608	571.00	571.00	571.00
ADD Interim Relief being paid as per Central Govt. orders as on 31.3.1987	100.00	100.00	120.00
ADD An adhoc benefit of Rs.80/-	80.00	80.00	80.00
TOTAL OF ABOVE	1151.00	1181.00	1496.00
REVISED MINIMUM PAY OF 1987	1156.00	1181.00	1526.00
REVISED SCALES OF 1987	Rs.1156-25-1306-30-1456-35-1526	Rs. 1181 -25-1306-30-1456-35-1666-40-1786-50-1886	Rs. 1526-35-1666-40-1786-50-1986-60-2106-70-2386-80-2706-90-2886
Fresh entrants joining service on April 1, 1987	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES

## FIXATION OF PAY AND DESIGNING OF NEW PAY SCALES IN WAGE REVISION OF 1992

PRE-REVISED SCALES OF 1987				SCALE I			SCALE II			SCALE VI		
	MINIMUM OF 1987 PAY SCALE	1156.00	1181.00	1526.00								
ADD	Adhoc Benefit of Rs. 45 / Rs.55 / Rs.60 granted vide O. O. dated 20.10.92	45.00	45.00	60.00								
ADD	DA	858.80	858.80	858.80								
ADD	Performance & Productivity Allowance	40.00	40	40								
ADD	Fitment Benefit	240.20	245.20	317.20								
	TOTAL	2340.00	2370.00	2802.00								
	REVISED MINIMUM PAY OF 1992	2340.00	2370.00	2802.00								
	REVISED SCALES OF 1992	2340.00 OPEN ENDED	2370.00 OPEN ENDED	2802.00 OPEN ENDED								

Fresh entrants joining service on January 1, 1992			
	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES

FIXATION OF PAY AND DESIGNING OF NEW PAY SCALES IN WAGE REVISION OF 1997				
	PRE-REVISED SCALES OF 1996	SCALE I New Introduced Rs. 2282.00 OPEN ENDED	SCALE III Rs. 2370.00 OPEN ENDED	SCALE VII Rs. 2802.00 OPEN ENDED
	BASIC PAY as on 31.12.1996	2282.00	2370.00	2802.00
	ADD DA as on 01.01.1997 @ 55.4% MIN Rs. 1218/-	1264.00	1313.00	1552.00
	ADD FIXED DA		56.00	56.00
	ADD Adhoc amount		65.00	85.00
	TOTAL	3546.00	3804.00	4495.00
	ADD FITMENT BENEFIT OF 56% OF TOTAL	1985.76	2130.24	2517.20
	TOTAL	5531.76	5934.24	7012.20

REVISED MINIMUM PAY SHOULD BE	5500.00	5900.00	7000.00
REVISED SCALES OF 1997 FIXED AT	4300.00 OPEN ENDED	4700.00 OPEN ENDED	7000.00 OPEN ENDED

Fresh entrants joining service on January 1, 1997

SCALES REDUCED BY Rs. 1200.00	SCALES REDUCED BY Rs. 1200.00	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES
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DIFFERENCE OF INCREMENTS BETWEEN EXISTING (1996) AND FRESH ENTRANTS (1997)	11 INCREMENTS	11 INCREMENTS	
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FIXATION OF PAY AND DESIGNING OF NEW PAY SCALES IN WAGE REVISION OF 2007			
PRE-REVISED SCALES OF 1997	SCALE I Rs. 4300.00 OPEN ENDED	SCALE III Rs. 4700.00 OPEN ENDED	SCALE VII Rs. 7000.00 OPEN ENDED
BASIC PAY as on 01.01.2007	4300.00	4700.00	7000.00
ADD DA as on 01.01.1997 @ 78.20%	3362.60	3675.40	5474.00
TOTAL	7662.60	8375.40	12474.00
ADD FITMENT BENEFIT OF 30% OF TOTAL	2298.78	2512.62	3742.20
TOTAL OF ABOVE	9961.38	10888.02	16216.20

REVISED MINIMUM PAY FIXED AT	10000.00	11000.00	16000.00
REVISED SCALES OF 2007 FIXED AT	Rs. 10000/- TO Rs. 18000/-	Rs. 11000/- TO Rs. 24000/-	Rs. 16000/- TO Rs. 36000/-

Fresh entrants joining service on January 1, 2007	SCALES INCREASED BY RS. 38.00	SCALES INCREASED BY RS. 112.00	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES



FITMENT FORMULA ADOPTED IN OTHER OIL PSU'S IN WAGE REVISION 1997					FITMENT FORMULA ADOPTED BY ONGC IN WAGE REVISION 1997				
INDIAN OIL CORPN. LTD. (REFINERY)		IOC/MARKETING							
	GRADE I	GRADE IV	GRADE I	GRADE III					
BASIC PAY AS ON 31.12.96 OR DATE OF JOINING (IN RESPECT OF WORKMEN WHO HAVE JOINED ON OR AFTER 1.1.97 AND UPTO DATE OF SIGNING OF THIS SETTLEMENT)	2234	2366	2234	2408	BASIC PAY as on 31.12.1996	New Scale Introduced	Scale III Rs.2370 (Open ended)	Scale VII Rs.2802 (Open ended)	
PLUS					ADD DA as on 01.01.1997 @ 55.4% MIN Rs. 1218/-		1313.00	1552.00	
PERSONAL PAY (ARISING OUT OF MOS DATED 13.9.99)	40	75	40	60	FIXED DA		56.00	56.00	
PERSONAL PAY (DA)			54	54	Adhoc amount		65.00	85.00	
PLUS					TOTAL FITMENT BENEFIT OF 56% OF TOTAL		3804.00	4495.00	
VDA (AS ON 1.1.97)	1260	1352	1290	1397	ADDD		2130.24	2517.20	
PLUS					TOTAL		5934.24	7012.20	
FDA RELATED TO (BASIC + PP)	186	186	186	186	REVISED MINIMUM PAY SHOULD BE		5900.00	7000.00	
FITMENT BENEFIT @ 20% OF (BASIC+PP)	455	488	465	504	REVISED SCALES OF 1997 FIXED AT	4300.00 OPEN ENDED	4700.00 OPEN ENDED	7000.00 OPEN ENDED	
PLUS					Fresh entrants joining service on January 1, 1997	SCALES REDUCED BY R. 1200.00	SCALES REDUCED BY R. 1200.00	FULL BENEFIT OF FITMENT INCORPORATED IN SCALES	
ADDITIONAL FITMENT	1250	1500	1250	1500	DIFFERENCE OF INCREMENTS BETWEEN EXISTING (1996) AND FRESH ENTRANTS (1997)	11. INCREMENTS	11. INCREMENTS		
TOTAL	5425	5968	5519	6109					
2 ADDL. INCREMENTS ON ABOVE	330	425	336	435					
BASIC FIXED	5755	6393	5855	6544					
SCALE FIXED AT	4600 - 8400	5400 - 10850	4600 - 8400	5400 - 10500					