



CHAPTER-IV

48. Pay and allowance :

Board of Directors of the Federation will fix the pay scales and allowances to be paid to its employees. These may be at par with the scales prescribed by the State Government for its employees from time to time. In case the Board decides to pay in scales more than those prescribed, by the Governments the same should be got approved by the R.C.S., Orissa.

a) Initial pays


The initial pay of a person other than one already in Federation service, when appointed to a post under the Federation shall be the minimum of the pay scale prescribed for the post unless otherwise decided by the Federation.

Provided that when the first appointment is to a post with fixed pay he shall draw such fixed pay. Provided further that in no case shall the pay be fixed at a stage higher than the maximum of the time scale for the post.

b) Fixation of pay on promotion :

i) When an employee/workman other than those covered under **Rule-b(ii)** is appointed or promoted to a higher post, his initial pay in the higher post shall be fixed at a stage next above the pay notionally arrived at by increasing his pay in respect of the lower post by an amount equivalent to his last increment in the scale of the lower post.

Provided that where an employee/ workman was in receipt of pay at the maximum of the scale of pay in the lower post, his initial pay in the higher



post shall be fixed at the stage next above the pay notionally arrived at by increasing his pay in respect of the lower post by an amount equivalent to his last increment in the scale of the lower posts.

Provided further that if the minimum pay of the new post is higher than his pay so fixed in the old post he will draw that minimum as initial pay in the new post.

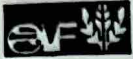
Note : Stagnation increment due to an employee/workman at the time of promotion shall be taken into account for this purpose in fixing his pay in the higher post to which he is promoted.

ii) In case of an employee/workman in **Grade-I** post carrying duties and responsibilities of greater importance than those attached to the post held by him the initial pay shall be fixed at the stage of the time scale next above his pay in respect of the old post or at the minimum pay of the new post if such minimum is higher than his pay in the old post,

iii) When an employee holding one post is appointed to another post carrying an identical time scale he will be entitled to draw the pay which he was drawing at in his previous post,

iv) In fixation of pay under **Sub-rule-b(iii)** the special pay, if any, drawn in the old post shall not be taken into account for fixation of pay in the higher post,

Provided that where the fixation of pay in the time scale of the higher post results in a drop in emoluments with reference to the previous post carrying the special pay, the difference between the pay so fixed in the higher post and



the pay plus special pay drawn in the lower post will be allowed in the form of personal pay to be merged in future increments if any, subject to the conditions that :-

- 1) The special pay is drawn as admissible under **Rule 48(H)**.
- 2) The special pay was drawn in the lower post continuously for a minimum period of **3 years** on the date of promotion to the higher post.
- 3) A certificate shall be furnished by the appointing authority in respect of the lower post that the concerned employee/workman would have continued to draw that special pay in the lower post but for his promotion.
- 4) The higher post to which the employee/workman is promoted does not carry any special pay and/ or compensatory allowance.
Provided that the special pay drawn in a tenure post and/or deputation allowance or special pay drawn in lieu thereof shall not be taken into account in any circumstances.
- 5) The reducible personal pay allowed under this Sub-rule shall not be taken into account for fixation of initial pay of the employee/ workman on his further promotion to any other higher post, if, however, the pay fixed in the higher post is less than the pay drawn in the lower post, the less may be protected in shape of personal pay.

c) **CHANGE OF PAY:**

The holder of a post, the pay of which is changed shall be treated as he was transferred to a new post on new pay.

Provided that he may at his option retain his old pay until the date on which he has earned his

next subsequent increment on the old scale or until he vacates his old post or ceases to draw pay on that time scale. The option once exercised is final.

d) **PAY OF DEPUTED EMPLOYEES :**

The pay and allowances of officers on deputation from the Central or State Government or from other public Sector undertakings shall be governed by such terms and conditions as may be prescribed by the Central/State Government/ Public Undertakings as the case may be from time to time.

e) **PAY IN CASES OF CONTRACTUAL APPOINTMENT**

In case of persons engaged in the Federation on contractual terms, the pay, emoluments and increments shall be regulated according to the terms and conditions specifically provided for in the contract.

f) **COMBINATION OF APPOINTMENT :**

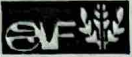
When an employee/workman holds an additional charge of another post he shall be entitled to get additional pay @ 20% of his pay provided:

i) the additional post is in the same establishment in which he is working for a continuous period of 30 days,

ii) the additional post is in a higher category.

iii) he holds the additional charge of a higher post for not less than one month and nor more than six months.

However, Management may entrust such duties without extra payment also.



- g) The pay and allowances shall cease to accrue to any employee/workman when he ceases to be in service with effect from and in

anaging Director may fix the pay of an employee/workman of ficiating in a post at an amount less than that admissible under these rules for good and sufficient reasons.

i) **Pay on reversion to a lower post :**

The authority which orders the reduction of rank of any employee/workman as a measure of penalty may allow him to draw such pay not exceeding the maximum of the scale of pay of the post to which he is reverted as it may think proper.

j) **Pay and allowances in case of dismissal, removal or suspension:**

An employee/workman under suspension shall be entitled to the following payments:

- A) A subsistence allowance at an amount equal to the leave salary which the employee/ workman would have drawn if he had been on leave on half average pay or on half pay and in addition, dearness allowance based on such leave salary.

Provided that where the period of suspension exceeds twelve months, the authority which, made or is deemed to have made the order of suspension shall be competent to vary the amount of subsistence allowance for any period subsequent to the period of the first twelve months as follows :

- 1) the amount of subsistence allowance may be increased by a suitable amount, not exceeding 50 percent of the subsistence

allowance admissible during the period of the first 12 months, if in the opinion of the said authority, the period of suspension has been prolonged for reasons, to be recorded in writing, not directly attributable to the workman/employee concerned.

- 2) the amount of subsistence allowance, may be reduced by a suitable amount not exceeding 50% of the subsistence allowance admissible during the period of the first twelve months if in the opinion of the said authority the period of suspension has been prolonged due to reasons to be recorded in writing directly attributable to the employee/workman concerned.
 - 3) the rate of clearness allowance will be based on amount of subsistence allowance admissible under the above Sub-rules.
- B) He may also get any other compensatory allowance admissible from time to time on the basis, of pay of which the employee/workman was in respect on the date of suspension subject to the fulfillment of the conditions regulating the grant of such allowance.
- C) No payment under the above Sub-Rules shall be made unless the employee/workman furnishes a certificate that he is not engaged in any other employment business, profession or vocation during the period of suspension.
- D) When an employee/workman who has been dismissed, removed, compulsory retired or suspended is reinstated or would have been reinstated but for his retirement on superannuation while under suspension, the authority competent to order the reinstatement shall consider and made a specific order:

i) Regarding the pay and allowance to be paid to the employees/workmen for the period of his absence from duty or for the period of suspension ending with the date of his retirement on superannuation as the case may be, and

ii) Whether or not the said period shall be treated as a period spent on duty.

E) Where it is held that the employee/ workman has been fully exonerated or in the case of suspension, that it was wholly unjustified, the employee/workman shall be given the full pay to which he would have been entitled had he not been dismissed, removed, compulsorily retired or suspended, as the case may be, together with any allowances of which he was in receipt prior to such dismissal, removal, retrenchment or suspension as the case may be.

Provided that in any other case not covered under this Rule, the employee/ workman shall be given such proportion of pay and allowances not in any case less than the subsistence and other allowances admissible during suspension, as the competent authority may prescribe.

Provided further that in case the competent authority treats the period of suspension as absence from duty, such period may be converted into any type of leave admissible to such workman/employee, at his option, as the competent authority may decide.



F) Pay of an employee/workman under arrest etc.

- i) The employee/workman against whom proceedings has been drawn up either for his arrest for debt or on a criminal charge or who is detained under any law in force shall be considered as under suspension for any periods during which he is detained in custody or is undergoing imprisonment and not allowed to draw any pay and allowance (other than any subsistence allowance that may be granted in accordance with the principles laid down under Sub-Rule(j) of Rule-48 for such period until termination of the proceedings drawn up against him or until he is released from detention and allowed to rejoin duty as the case may be. Adjustment of his allowance for such period should there after be made according to the circumstances or the case, the full amount being disposed only on the event of the employee/workman being acquitted of blame or of its being proved that the employee/workman's liability arose from circumstances beyond his control or this detention being held by the competent authority to be contrary to law.

NOTE : Suspension of an employee/workman when arrested is automatic and no specific order, is required during the time he is detained in custody succeeding 48 hours.

- ii) where an employee/workman has been suspended all service benefits to him would also remain suspended except as mentioned in **Rule-(j)**.

- iii) in case of reversal of dismissal, removal and compulsory retirement while a workman/employee is not completely exonerated of the charges and is reinstated in service, it shall be open to the competent authority to decide whether or not to allow and pay or allowances to him for the affected period. The period of absence from duty in these cases shall not be treated as a period spent on duty unless such competent authority specifically directs that it shall be so treated for any specified reason or purpose.

Provided that if the employee/workman so desires, such authority may direct that the period of absence from duty shall be converted to leave of any kind due and admissible to the workman/employee.

G) Special Pay :

Special pay means an addition to the pay of a post or of an employee/workman granted in consideration of :

- i) specially arduous nature of duties, or
- ii) a specific and significant addition to the work or responsibility.

NOTE : Special pay in relation to an employee/workman is not automatically treated as the presumptive pay unless the employee/workman performs or discharges the work or responsibility in consideration of which the special pay is sanctioned.

49. Compensatory Allowance :

- a) The compensatory allowance shall be so regulated that it is not on the whole, a source of profit to the recipient.

- b) A compensatory allowance attached to a post shall not be drawn by the workman/employee without actually performing the duties of that post.
- c) The admissibility of such compensatory allowance other than house rent allowance or a permanent traveling allowance may be extended to a maximum period of **4 months** to an employee/workman who take a earned leave or half pay leave from the post to which the allowance is attached or is transferred there from for not more than four months to another post subject to the conditions that :-
 - i) the concerned employee/workman is likely to return on expiry of his leave or temporary duty to that post which the said allowance is attached or to another post carrying a similar allowance and
 - ii) continue to incur the whole or a considerable part of the expenses to meet which the allowance was granted.
- d) The compensatory allowance is not admissible during leave preparatory to retirement nor the allowance can be reckoned for payment on encashment of leave after retirement.
- e) Grant of house rent allowance and/or permanent traveling allowance which are in the nature of compensatory allowances will be regulated by separate rules framed for the purpose.
- f) if an employee/workman is transferred from one post to another and to both of these posts compensatory allowance is attached, he may draw the allowance during the joining time at the lower rate only.

50. HOUSE RENT ALLOWANCE :

A) An employee/workman who is not provided any residential accommodation either owned or hired by the Federation, shall be entitled to a house rent allowance. The rate of such allowance will be determined by the Board of Management taking into account the house rent allowance allowed by the State Government to its employees as well as by other Public sector Undertakings and Corporate Bodies.

B) City & Compensatory Allowance :

i) An employee/workman posted to Unit Office outside the State shall be entitled to compensatory, city and other allowances as admissible to State Govt. employees as per Home (Protocol) Department, (Govt. of Orissa) Circular from time to time.

ii) City compensatory allowance and unhealthy area allowance shall be paid to the employee/workman at the rates applicable to the State Government employees with approval of Board of Management.

51. Honorarium :

The Federation may sanction to any employee/workman an honorarium as an extra remuneration for any additional duty/ arduous duty performed by him under the orders of the appointing authority or any other authority empowered on this behalf. The sanction of honorarium may be prescribed by the Federation by specific orders to be issued in this behalf.

52. Medical Allowances :

a) The employee/workman of the Federation shall be entitled to get medical allowance as decided by Board of Management from time to time.

b) Conveyance allowance :

Conveyance allowance shall be paid to the employee/ workman of the Federation as decided by the Board of Management from time to time.

53. Traveling allowances

Traveling allowance shall be granted to the employee/ workman at the rates applicable to the State Government employees of equivalent rank and subject to such terms and conditions regulating the grant of such allowance to the State Government Employees.

54. Deduction/Recoveries from the Pay/Emoluments/Leave Salary:

Every Drawing/Disbursing Officer of the Federation shall while drawing and disbursing the pay/ emoluments/ leave salary of an employee/workman of the Federation shall recover from the pay/ emoluments/leave salary payable to such employee/ workman admissible amounts towards his contribution under E.P.F, Scheme, Income Tax and such other deductions as are recoverable under any statute/ rules/ orders/ instructions in force.

55. Increments :

Subject to any special orders or instructions to the contrary an increment shall accrue as a matter of course on completion of one year of service as envisaged in a time scale of pay unless specifically withheld by the competent authority for reasons to be recorded in writing.

The authority empowered to make a substantive appointment to the post which an employee/workman holds may, if it considers that the conduct of such employee/workman has not been good or that his work has not been satisfactory, withheld an increment from



him. In ordering the withholding of an increment, such authority shall state the period for which it is withheld and whether the postponement shall have the effect of postponing future increments.

56. Period that will count for increment :

Unless any specific order of the competent authority indicates otherwise, the following periods of service shall count for increment in a time scale.

- 1) All duty in post on a time scale shall count for increment in that time scale.
- 2) The duty of any employee/workman in any other post to which he has been so appointed in officiating capacity or otherwise, other than a post carrying less pay shall also count towards increment in his original time scale of pay.
- 3) All leave, other than extra ordinary leave otherwise than on medical certificate, or for a study in the interest of the Federation, or for any other reasons beyond the control of the concerned employee/workman, shall count for increment in the scale of pay of the post in which the employee/workman was working at the time he proceeded on leave :

Provided that specific orders of the competent authority sanctioning the extra ordinary leave shall indicate expressly that such leave shall or shall not count for increments.

- 4) Unpaid holiday, enjoyed by a workman/employee will not count for increment unless converted into leave on full average pay or half average pay at the request of the workman/employee.
- 5) Service on deputation shall count for increment.



- 6) Joining time as admissible to an employee/workman under the appropriate rules will count for increment.
- 7) If an increment is withheld as a measure of penalty the order of the authority competent to impose such penalty shall state the period for which the increment is withheld and whether the postponement shall have the effect of postponing future increments.
- 8) If an employee/workman is reduced, as a measure of penalty to a lower stage in his time scale, the authority ordering such reduction shall state the period for which it shall be effective and whether the period of reduction shall operate to postpone future increments and if so to the extent the increments shall be so postponed.
- 9) An increment shall not be due to an employee/workman during the period of suspension unless the period of suspension is treated as duty by an order of the competent authority.
- 10) An employee/workman shall draw the increment from the first day of the month during which the increment falls due.
- 11) If an employee/workman is reduced as a measure of penalty to a lower grade in the time scale the authority ordering such reduction shall state the period for which it shall be effective and whether *on* restoration the period of reduction shall operate to postpone future increments and if so, to what extent.

57. Efficiency Bar:

Where an efficiency bar is prescribed in the time scale the increment next above the efficiency bar shall be

drawn only after specific sanction of the authority empowered to allow crossing of the bar in respect of that post, when an employee/ workman is held up at the stage of efficiency bar, his case shall be reviewed each year by the competent authority who shall pass specific orders on each such review as to whether he is fit to cross the bar.

An order permitting crossing of the efficiency bar in a scale of pay shall mention the date from which the employee/ workman has been allowed to cross the bar.

58. Advance Increment :

- a) The competent authority may in exceptional circumstances grant advance increments to any employee/workman, not exceeding three in the entire service tenure of such employee/workman.
- b) The competent authority shall grant 2 (two) advance increments to an employee/workman of the Federation who is a green card holder.

59. Stepping up of Pay :

Stepping up of pay of an employee/workman to that of his Junior shall be allowed under the following conditions;

- i) both the junior and senior employee/workman should belong to the same cadre and the post to which they have been promoted should be identical and in the same cadre.
- ii) The scale of pay of the lower and higher posts for which they are entitled to draw pay should be identical and;
- iii) Senior employee/workman was Senior to the Junior in the lower scale.



- iv) The Senior employee/workman was promoted to the higher post before the date of promotion of the junior employee/workman to similar post.
- v) If the Junior employee/workman was drawing from time to time a higher rate of pay than the senior employee/ workman in the lower post by virtue of fixation of pay under normal or due to any advance increment granted to him, the provisions regarding stepping up of the pay of the senior officer shall not be invoked.
- vi) The next increment of the senior employee/workman in case his pay has been stepped up will be admissible to him on the same date as the date of increment of the junior employee/ workman with reference to whom the stepping up has been allowed.

60. Stagnation Increment :

An employee/workman, who has reached the maximum of the scale of pay of the post held by him and whose pay does not exceed Rs. 2630/- p.m. shall not be allowed to draw the increment which would be equal to the annual increment last drawn by him for every two subsequent years following the year in which such employee/workman has stagnated subject to the condition that the number of such increment admissible will not exceed 3 (three) in any particular post or scale of pay.
