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भारतीय खाद्य निगम
FOOD CORPORATION OF INDIA

मुख्यालय
नई दिल्ली
Head Quarters
New Delhi

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No WRC/17/4/2009 **Dated: 04.10.2010**

CIRCULAR NO. WR-09-2010-13

SUBJECT: Revision of Allowances/Perks in respect of the Executives on IDA pattern of pay scales – regarding.

Attention is invited to Para -10 of this office circular no. WR-09-2009-13 dated 18.09.2009 conveying therein that the executives will continue to get allowances/perks as admissible on pre-revised pay. Ministry of CA,F & PD vide Order No.16-02/2008-FC.I dated 28.09.2010 has conveyed the approval to revise the rates of allowances/perks for all IDA Executives who have been allowed revised scales of pay on or after 01.01.2007.

Accordingly, the revised allowances and perks shall be effective from 18.09.2009 as per details given below:

Part-A: Benefits outside the purview of 50% ceiling of revised Basic Pay.

1. **House Rent Allowance**:-

1.1. The House Rent Allowance will be payable on Basic pay at the following rates:-

Cities with population	Revised classification	Rate of H.R.A.
50 lakhs & above	X	30%
5 to 50 lakh	Y	20%
Less than 5 lakh	Z	10%

1.2 In case the revised prescribed House Rent Allowance for any particular executives is less than the actual amount of House Rent Allowance presently being drawn the difference would be allowed as Personal Allowance till the difference is eliminated in course of time subject to the condition that the difference will be subsumed within the overall limit of allowances and perks.

1.3 The classification of cities shall be as per Govt. of India instructions from time to time.

2. **City Compensatory Allowance**:-

2.1 The payment of City Compensatory Allowance shall be discontinued w.e.f. 18.09.2009. Any amount paid after 18.09.2009 on account of CCA shall be recovered.

3. **Non-Practicing Allowance**:-

The Non-Practicing Allowance will be limited to 25% of the basic pay.

4. **Special Duty Allowance/Island Special Duty Allowance/Hard Area Allowance/ Special Compensatory Allowance**.

4.1 The special (Duty) Allowance in the North Eastern Region (including Sikkim and Ladakh) will be payable @ 12.5% of (Basic Pay + Non-Practicing allowance +Stagnation Increment).

4.2 The Island Special (Duty) Allowance in the Andaman & Nicobar & Lakshadweep of Island will be payable as under:-

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	Area	Rates
a)	Area around capital towns (Port Blair in A&N Island Kavarati and Agatti, Lakshadweep)	12.5% of (Basic Pay + Non-Practicing Allowance + Stagnation Increment where applicable).
b)	Difficult Area (North and Middle Andaman, South Andaman excluding Port Blair in A&N Island, all islands in Lakshadweep except Kavarati, Agatti and Minicoy).	20% of (Basic Pay + Non-Practicing Allowance + Stagnation Increment where applicable).
c)	More difficult Areas (Little Andaman, Nicobar group of Island, Narcondam Islands, East Island in A&N Island, Minicoy in Lakshadweep).	25% of (Basic Pay + Non-Practicing Allowance + Stagnation Increment where applicable).

4.3 The Hard Area Allowance in the Nicobar Group of Islands and Minicoy in Lakshadweep Islands will be payable @ 25% of (Basic Pay + Non Practicing Allowance + Stagnation Increment).

4.4. The Special Compensatory Allowance will be payable as under;-

Sl. No.	Description of Allowances	Rate of Allowances	
		Pay Rs.21090 & above	Pay below Rs. 21090
(i)	Bad Climate	400	240
(ii)	Special Compensatory (Hill) Area Allowance	600	480
(iii)	Scheduled /Tribal Area Allowance	400	240
(iv)	Project Allowance	1500	1000
(v)	Remote Locality (A) (B) (C) (D)	 2600 2100 1500 400	 2000 1600 1200 320

4.5 The allowances cited above 4.1 to 4.4 shall be admissible to the Executives at the areas and as per the terms & conditions prescribed by the Central Govt. for their employees.

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Part-B: Benefits within the purview of 50% ceiling of revised basic pay.

1.1. It has been decided to introduce 'Cafeteria Approach' for payment of allowances/perks to the executives w.e.f. 18.09.2009. The perquisites and allowances payable shall be subject to a maximum of 50% of basic pay. Under the newly introduced 'Cafeteria Approach' for payment of revised allowances and perks the employee will have a choice to choose allowances and perks from the list of allowances/perks except for Productivity Linked Incentive, Medical and Leave Travel Concession (LTC) schemes. Therefore, the existing schemes for Productivity Linked Incentive, Medical (indoor and outdoor) and LTC will continue.

1.2 Accordingly, the perquisites and allowances mentioned at Annexure 'A' shall form part of Cafeteria Approach limited to 40% of basic pay w.e.f. 18.09.2009:

1.3. The executives shall submit declaration in the prescribed format annexed at Annexure-A by 15th March of every year for opting set of allowances to Bills Section of the concerned office for the next financial year. At the time of declaration, the officer would have to indicate against each

item, whether the same would be claimed as Allowance or as a reimbursement. Where reimbursement mode is selected, payment would be restricted to the amount of bills/vouchers furnished or to the amount equivalent to the percentage of the basic pay provided in the option form, whichever is less. The declaration once submitted by the employees to Bills Section will not be changed till end of the financial year and the employee will continue to draw the same set of allowances/perks during the currency of that financial year. However, the officers who are promoted or transferred from one city category to another may be permitted to change and resubmit their option afresh. The officer would be permitted to opt for a maximum of 40% benefits under the 'Cafeteria Approach'. The Approach of perks and Allowances would be regulated as under:-

(i) The option for the period 18.09.2009 to 31.03.2011 shall be exercised for the full prescribed limit of 40% from the list of allowances referred at preceding para 1.2.

(ii) The instructions for regulating the facility of official vehicle to entitled officers shall be conveyed separately.

(iii) Arrears on account of revision of allowances /perks shall be paid w.e.f. 18.09.2009 after adjusting /recovering the amount already paid in respect of following items:

(a) City Compensatory Allowance
(b) Lunch subsidy
(c) Conveyance Allowance/Conveyance Reimbursement
(d) Children Education Allowance
(e) Reimbursement of house messenger wages

1.4 In respect of executive on IDA pattern, the existing rules in respect of the above five items shall be discontinued with effect from 18.09.2009.

1.5 The basic pay wherever referred shall be the actual basic pay drawn during the period under option.

1.6 Payments on account of perquisites and allowances shall be subject to Income Tax as per Income Tax Act.

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1.7 The executives shall have to specify in the option form a particular allowance out of the opted allowances from which necessary deduction would be made in case the total percentage of allowances opted exceeds the prescribed limit.

1.8 In case of executives placed under suspension only subsistence allowance as applicable on the basic pay shall be payable. A suspended executive shall not be eligible to opt for allowances/perks under the 'Cafeteria Approach'.

1.9 Executives on long leave such as Study Leave, EOL on any grounds and Child Care Leave shall not be eligible for perks and allowances provided above during their leave period.

In view of above, all the administrative authorities are requested to follow the instructions referred to above.

This issues with the concurrence of finance and approval of C&MD.

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(SANJEEV GAUTAM)
DY.GENL.MANAGER (EP).

ENCL:- As above.
Distribution :- As per mailing list.

Annexure-A

FOOD CORPORATION OF INDIA

Declaration/option form for allowances /perks under the Cafeteria Approach for the financial year……

1. **Name of the employee:**
2. **Designation :**
3. **Place of posting :**
4. **Staff No. :**

SL.No	Perquisites & Allowance	Percentage of Basic Pay.	Tick mark (✓) the choice of allowance	Mode of payment: Reimbursement or Allowance
1.(a)	Transport Subsidy (to be claimed if conveyance allowance not claimed)	15% p.m.		
(b)	Transport Subsidy for Physically Handicapped employee.	25% p.m.		
2.	Children Education Allowance: School (incl. play school) College PG study in professional Institution/ University	Restricted to 2 children. 4% per child p.m. 6% per child p.m. 8% per child p.m.		
3.	Hostel Allowance (studying outstation)	5% per child p.m.		
4.	Conveyance Allowance: Four wheeler vehicle Two wheeler vehicle	 15% p.m. 7.5% p.m.		
5.	Driver Allowance (provided driver is employed)	7.5% p.m.		
6.	Lunch Allowance through meal voucher. (Executives posted in 'Z' category cities would have the option to avail cash lunch allowance in lieu of meal vouchers)	7.5% p.m.		
7.	Professional Development Allowance.	2% p.m.		
8.	Professional Membership Fee & training program	2% p.m.		
9.	House up Keep Allowance.	10% p.m.		
10.	Electricity	2% p.m.		
11.	Mobile/Telephone Reimbursement for personal use: CGM/ED GM AGM/DGM Manager	 Actual 6% p.m. 4% p.m. 2% p.m.		
12.	Family Maintenance & Disturbance Allowance (on transfer if family is residing at old station.)	7.5% p.m.		

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13.	Dress allowance	5% p.m.		
14.	Laundry /Washing Allowance	2.5% p.m.		
15.	Entertainment Allowance: CGM/ED GM AGM/DGM Manager	 8% p.m. 6% p.m. 4% p.m. 2% p.m.		
16.	Domestic Assistance	5% p.m.		
17,	Cook Allowance	2.5% p.m.		
18.	Birth day gift	0.5% p.m.		
19.	Disability Allowance for dependent children	2.5% p.m.		

I hereby opt for the above marked perks and allowances for the financial year ……. restricted to 40% of Basic Pay. _____allowance may be restricted in case the total percentage exceeds the prescribed limit.

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Signature:
Date:

FOR USE IN FINANCE & ACCOUNTS DEPARTMENT

1. Maximum entitlement of perks and allowance of employee : _____
2. Total amount payable to the employee : _____

Accounts Assistant **Manager (A/Cs)**