

केनरा बैंक  Canara Bank PERSONNEL MANAGEMENT SECTION PERSONNEL WING HEAD OFFICE : BANGALORE - 560 001	CIRCULAR NO : 211/2010 INDEX : STF 14 DATE : 17.06.2010 A G Y E
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SUB: SALARY REVISION FOR OFFICER EMPLOYEES

Synopsis: Payment of arrears of salary and revised salary on an ad-hoc basis
<p>Indian Banks' Association, Mumbai in consultation with Government of India have finalised salary revision for officer employees in Banks. The salary revision for officers can be implemented when the related Regulations under Canara Bank (Officers') Service Regulations, 1979, are amended by our Board in accordance with the statutory provisions as provided under Section 19(1) of Banking Companies (Acquisition & Transfer of Undertakings) Act-1970.</p> <p>In the meanwhile, Indian Banks' Association, Mumbai has conveyed the No Objection of the Government to disburse an ad-hoc amount equivalent to the net arrears payable to the officer employees as also to continue to pay the revised salary & allowances on an ad-hoc basis till such time amendments are carried out in Canara Bank (Officers') Service Regulations, 1979.</p> <p>Keeping in view the above, the Board of Directors has permitted to disburse an ad-hoc amount equivalent to the net arrears payable to the officer employees for the period from 01.11.2007 to 31.05.2010 as also to continue to pay the revised salary & allowances on an ad-hoc basis from the month of June 2010 till such time amendments are carried out in Canara Bank (Officers') Service Regulations, 1979.</p>

The details of revision in various components of salary & other allowances are as under :

1) SCALES OF PAY

Scale I -	14500	<u>600</u>	18700	<u>700</u>	20100	<u>800</u>	25700
		7		2		7	
Scale II -	19400	<u>700</u>	20100	<u>800</u>	28100		
		1		10			
Scale III -	25700	<u>800</u>	29700	<u>900</u>	31500		
		5		2			
Scale IV -	30600	<u>900</u>	34200	<u>1000</u>	36200		
		4		2			
Scale V -	36200	<u>1000</u>	38200	<u>1100</u>	40400		
		2		2			
Scale VI -	42000	<u>1200</u>	46800				
		4					
Scale VII -	46800	<u>1300</u>	52000				
		4					

FITMENT :

Fitment shall be stage-to-stage, i.e. on corresponding stages from 1st stage onwards and the increments shall fall on the anniversary date as usual.

2) STAGNATION INCREMENTS

- a) Officers in Junior Management Grade Scale I who have moved to scale of pay for MMG Scale II in terms of Regulation 5(b) after reaching maximum of the higher scale shall be eligible for four stagnation increments for every three completed years of service of which first two shall be Rs.800/- each and next two Rs.900/- each.

Provided that officers who have completed three years or more after receipt of the second stagnation increment as on 1.11.2007 will get the third stagnation increment on 1.11.2007 and another stagnation increment on or after 1.11.2008 on their completion of six years after receipt of second stagnation increment.

- b) Officers in MMG Scale II who have moved to scale of pay for MMG Scale III in terms of Regulation 5(b) after reaching maximum of higher scale shall be eligible for three stagnation increments of Rs.900/- each for every three completed years of service.

Provided that officers who have completed three years or more after receipt of the first stagnation increment as on 1.11.2007 will get the next stagnation increment with effect from 1.11.2007 and a subsequent stagnation increment on or after 1.11.2008 on their completion of six years after receipt of the first stagnation increment.

- c) Provided further those officers in substantive MMG Scale III i.e. those who are recruited in or promoted to MMG Scale III shall be eligible for four stagnation increments of Rs.900/- each for every three completed years of service. Those who have already received two stagnation increments and completed more than three years of service after receipt of second stagnation increment as on 1.11.2007 will get the third stagnation increment on 1.11.2007 and the fourth stagnation increment, on or after 1.11.2008 on their completion of six years after receipt of second stagnation increment.

3) DEARNESS ALLOWANCE

On and from 1.11.2007, Dearness Allowance shall be payable for every rise or fall of four points over 2836 points in the quarterly average of the All India Average Working Class Consumer Price Index (General) Base 1960=100 at 0.15% of Pay.

4) HOUSE RENT ALLOWANCE

	I	II
i)	Major "A" Class Cities and Project Area Centres in Group A	8.5% of Pay
ii)	Other places in Area I and Project Area Centres in Group B	7.5% of Pay
iii)	Other places	6.5% of Pay

Provided that if an officer produces a rent receipt, the House Rent Allowance payable to him/her shall be the actual rent paid by him/her for the residential accommodation in excess over 1.2% of Pay in the first stage of the Scale of Pay in which he/she is placed with a maximum of 150% of the House Rent Allowance payable as per aforesaid rates mentioned in Column II above.

NOTE:

The claims of officer employees for House Rent Allowance linked to the cost of their ownership accommodation shall also be restricted to 150% of House Rent Allowance as hitherto.

5) CITY COMPENSATORY ALLOWANCE

	Area	Rate	Maximum Amount
i)	Places in Area 1 and in the State of Goa	4% of Basic Pay	Rs.540/- p.m.
ii)	Places with population of five lakhs and over and State Capitals and Chandigarh, Puducherry and Port Blair	3% of Basic Pay	Rs.375/- p.m.

6) PROVIDENT FUND

- (a) While the officers who are presently covered under the Pension Scheme and those who will join the Pension Scheme in terms of option being made available under Joint Note dated 27th April, 2010 shall continue to contribute 10% of the Pay towards Provident Fund, there shall be no matching contribution.
- (b) Officers of State Bank of India will continue to be covered by Contributory Provident Fund Scheme as hitherto.
- (c) Officers who are presently covered under Contributory Provident Fund Scheme who do not opt for Pension Scheme being made available under Joint Note dated 27th April, 2010 shall continue under the Contributory Provident Fund Scheme as hitherto.

- (d) There shall be no Provident Fund to officers joining the services of banks on or after 1st April 2010. They shall be covered by a Defined Contributory Pension Scheme, where the officer will contribute 10% of Pay plus Dearness Allowance and the bank will make a matching contribution. The Scheme shall be governed by the provisions of the Contributory Pension Scheme as introduced for employees of Central Government w.e.f. 1st January 2004 and modified from time to time.

7) PENSION

1. The terms of the Bank Employees' Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall not apply to the officers who join the services of Banks on or after 1st April 2010; and they shall be covered by a Defined Contributory Pension Scheme, which shall be governed by the provision of the Contributory Pension Scheme introduced for officers of the Central Government w.e.f. 1st January 2004, and as modified from time to time. Necessary amendments to the relevant provisions of the Bank Employees' Pension Regulations, 1995 dated 29th September 1995/ 26th March 1996 shall be carried out following the procedure in this regard.
2. Further to Clause 6 of the Joint Note signed on 2nd June 2005 between representatives of Officers' Associations and IBA, it is agreed between the parties as under:
 - (i) With effect from 1st May 2005, the pension of officers who retired or died while in service during the period 1st April 1998 to 31st October 2002 will be re-fixed based on the definition of 'Pay' as defined in Clause 5 of the Joint Note dated 14th December 1999. No arrears of pension and commuted value of pension will be payable on account of such re-fixing of pension.
 - (ii) With effect from 1st May 2005, the pension of officers who retired or died while in service during the period 1st November 2002 to 30th April 2005 will be re-fixed based on the definition of 'Pay' as defined in Clause 6 of the Joint Note dated 2nd June 2005. No arrears of pension or commuted value of pension will be payable on account of such re-fixation of pension.
3. Further to Clause 2(b) of the Joint Note dated 2nd June 2005, it is agreed between the parties as under:
 - (i) On and from 1.5.2005, in the case of officers who retired during the period 1.4.1998 to 31.10.2002, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every 4 points over 1684 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100. Such increase or decrease in dearness relief for every said four points shall be calculated in the manner given below:

Scale of Basic Pension per month	The rate of Dearness Relief payable as a percentage of Basic Pension
(i) Upto Rs. 3550	0.24 percent
(ii) Rs.3551 to Rs.5650	0.24 per cent of Rs. 3550 plus 0.20 per cent of the basic pension in excess of Rs.3550
(iii) Rs.5651 to Rs.6010	0.24 per cent of Rs.3550 plus 0.20 per cent of the difference between Rs.5650 and Rs. 3550 plus 0.12 per cent of basic pension in excess of Rs.5650
(iv) Above Rs.6010	0.24 per cent of Rs. 3550 plus 0.20 per cent of the difference between Rs.5650 and Rs.3550 plus 0.12 per cent difference between Rs.6010 and Rs.5650 plus 0.06 per cent of basic pension in excess of Rs. 6010

- (ii) In respect of retirees for the period 1.11.2002 to 30.4.2005 for whom pension has been revised w.e.f. 1.5.2005 based on definition of pay in terms of Clause 6(2) of the Joint Note dated 2nd June 2005, dearness relief shall be payable w.e.f. 1.5.2005 for every rise or be recoverable for every fall as the case may be of every four points over 2288 points in the quarterly average of All India Average Consumer Price Index for Industrial Workers in the series 1960=100 @ 0.18% of the basic pension.
- (iii) In respect of officers who retire on or after 1.5.2005, dearness relief shall be payable for every rise or be recoverable for every fall, as the case may be, of every four points over 2288 points in the quarterly average of the All India Average Consumer Price Index for Industrial Workers in the series 1960=100, at the rate of 0.18 per cent of basic pension.
- (iv) In respect of officers who retired or died while in service on or after 1.05.2005 Dearness Relief shall be payable at 0.18% of the basic pension or family pension or invalid pension or compassionate allowance as the case may be. Dearness Relief in the above manner shall be paid for every rise or fall of 4 points over 2288 points in the quarterly average of the All India Average Consumer Price Index for industrial workers in the series 1960 = 100.

NOTE:

The Dearness Relief as above shall be payable for the half year commencing from the 1st day of February and ending with 31st day of July on the quarterly average of index figures published for the months October, November and December of the previous year and for the half year commencing from 1st day of August and ending with the 31st day of January on the quarterly average of the index figures published for the months of April, May and June of the same year.

8) MEDICAL AID

On and from 1st November 2007, reimbursement of medical expenses shall be as under :

- a) Officers in JMG & MMG Scales—Rs.5100/-p.a.
- b) Officers in SMG & TEG Scales - Rs.6320/-p.a.

9) HOSPITALISATION EXPENSES

On and from 1st May 2010, reimbursement of hospitalisation expenses under Regulation 24(1)(b)(i) of Officers' Service Regulations, 1979/1982, shall be in terms of the Hospitalisation Scheme laid down under Bipartite Settlement dated 27th April 2010 for workmen employees, subject to following limits:-

Scale of Officer	Limits
a) Junior Management Grade Scale I and Middle Management Grade Scales II & III.	<p>i. Bed Charges Self – Rs.700/- per day. Family – Rs.525/- per day.</p> <p>ii. Other charges – At the scale of 125% of the limits laid down under the Hospitalisation Scheme applicable to workmen employees.</p>
b) Senior Management Grade Scales IV & V and Top Executive Grade Scales VI & VII.	<p>i. Bed Charges Self – Rs.900/- per day. Family – Rs.675/- per day.</p> <p>ii. Other charges – At the scale of 150% of the limits laid down under the Hospitalisation Scheme applicable to workmen employees.</p>

10) RECOVERY OF HOUSE/FURNITURE RENT

- i. House rent recovery shall be @ 1.20 % of the first stage of the scale of pay in which the officer is placed or the standard rent for the accommodation, whichever is less.
- ii. Furniture rent recovery shall be @ 0.25% of the first stage of the scale of pay in which the officer is placed.

11) FIXED PERSONAL PAY (W.E.F. 1.11.2007)

Fixed Personal Pay together with House Rent Allowance shall be at the following rates and shall remain frozen for the entire period of service.

Increment Component (Rs.)	DA as on 01.11.2007 (Rs.)	Total F.P.P. payable where bank's accommodation is provided (Rs.)
(A)	(B)	(C)
800	58	858
900	65	965
1000	72	1072
1100	79	1179
1200	86	1286
1300	94	1394

NOTE:

- (i) F.P.P. as indicated in "C" above shall be payable to those officer employees who are provided with bank's accommodation.
- (ii) F.P.P. for officers eligible for House Rent Allowance shall be "A" + "B" plus House Rent Allowance payable on the last increment of the relevant scale of pay.
- (iii) The increment component of F.P.P. shall rank for superannuation benefits.

12) PROFESSIONAL QUALIFICATION PAY (PQP) (W.E.F. 1.11.2007)

(A) Officers shall be eligible for professional qualification pay as under :

- (i) Those who have passed only CAIIB – Part I / JAIIB

Rs.410/- p.m. one year after reaching top of the scale.

- (ii) Those who have passed both parts of CAIIB –

a. Rs.410/- p.m. one year after reaching top of the scale.

b. Rs.1030/- p.m. two years after reaching top of the scale.

(B) An Officer employee acquiring JAIIB/CAIIB (either or both parts) qualifications after reaching the maximum of the scale of pay, shall be granted from the date of acquiring such qualification the first instalment of PQP and the release of subsequent instalments of PQP shall be with reference to the date of release of first instalment of PQP.

Provided further that in a case where an officer, as on the date of this Joint Note, has already acquired any of the above said qualifications and has not earned any increment or PQP on account of acquiring such qualification/s, he may be, with effect from 1st November 2007 or the date of acquiring such qualification/s, whichever is later, released PQP as provided herein above.

13) OTHER ALLOWANCES**(i) Deputation Allowance**

On and from 1st May 2010, Deputation Allowance shall be at the following rates:

- a) An officer deputed to serve outside the bank – 7.75% of Pay with a maximum of Rs.2,300/- p.m.
- b) An officer deputed to an organization at the same place or to the training establishment of the bank – 4% of Pay with a maximum of Rs.1200/- p.m.

ii) HILL AND FUEL ALLOWANCE (W.E.F. 1.11.2007)

	Place	Rate
a)	Places with an altitude of 1000 metres and above but less than 1500 metres and Mercara Town	2% of Pay subject to a maximum of Rs.550/-p.m.
b)	Places with an altitude of 1500 metres and above but less than 3000 metres.	2.5% of Pay subject to a maximum of Rs.680 p.m.
c)	Places with an altitude of 3000 metres and above.	5% of Pay subject to a maximum of Rs.1570/- p.m.

iii) HALTING ALLOWANCE (W.E.F. 1.5.2010)

Grade / Scales of Officers	Major 'A' class cities (Rs.)	Area I (Rs.)	Other Places (Rs.)
Officers in Scale IV & above	1000/-	800/-	700/-
Officers in Scale I/II/III	800/-	700/-	600/-

Provided that in the case of officers in Scale IV and above, halting allowance payable per diem while on outstation work at the four metros, viz. Delhi, Mumbai, Kolkata and Chennai, shall be Rs.1200/- and for officers in Scale I/II/III Rs.1000/-.

iv) SPECIAL AREA ALLOWANCE (W.E.F. 1.11.2007)

At places where special area allowance is payable in terms of Regulation 23(ii) of Officers' Service Regulations, 1979/1982, the said allowance shall be payable at rates as furnished separately in the circular.

v) MODE OF TRAVEL AND EXPENSES ON TRAVEL (W.E.F. 1.5.2010)

The following provisions shall apply wherever an officer is required to travel on duty :

- (a) An officer in Junior Management Grade is entitled to travel by 1st Class or AC 2-tier Sleeper by train. He may, however, travel by air (economy class) if so permitted by the Competent authority, having regard to the exigencies of business or public interest.
- (b) An officer in Middle Management Grade is entitled to travel by 1st Class or AC 2-tier Sleeper by train. He may, however, travel by air (economy class) if the distance to be travelled is more than 1000 kms. He may, however, travel by air (economy class) even for a shorter distance if so permitted by the Competent Authority, having regard to the exigencies of business or public interest

- (c) An officer in Senior Management or Top Executive Grade is entitled to travel by AC 1st Class by train or by air (economy class).
- (d) An officer in Senior Management or Top Executive Grade may travel by car between places not connected by air or rail provided that the distance does not exceed 500 km. However, when a major part of the distance between the two places can be covered by air or rail only the rest of the distance should normally be covered by car.
- (e) Any other officer may be authorised by the Competent Authority, having regard to the exigencies of business, to travel by his own vehicle or by taxi or by the Bank's vehicle.

The remaining provisions as in Sub-regulations (2) & (3) of Regulation 41 of Officers' Service Regulations shall remain unchanged.

vi) LEAVE TRAVEL CONCESSION : (W.E.F. 1.5.2010)

1. During each block of 4 years, an officer shall be eligible for leave travel concession for travel to his place of domicile once in each block of two years. Alternatively, he may travel in one block of two years to his place of domicile and in another block of two years to any place in India by the shortest route.
2. Alternatively, an officer, by exercising an option anytime during a 4 year block or two year block, as the case may be, surrender and encash his LTC (other than travel to place of domicile) upon which he shall be entitled to receive an amount equivalent to 75% of the eligible fare for the class of travel by train to which he is entitled upto a distance of 4500 kms. (one way) for officers in JMG Scale I and MMG Scale II & III and 5500 kms (one way) for officers in SMG Scale IV and above. An officer opting to encash his LTC shall prefer the claim for himself / herself and his / her family members only once during the block / term in which such encashment is availed of. The facility of encashment of privilege leave while availing of Leave Fare Concession is also available while encashing the facility of LTC.
3. The mode and class by which an officer may avail of Leave Travel Concession shall be the same as the officer is normally entitled to travel on transfer and other terms and conditions subject to which the Leave Travel Concession may be availed of by an officer, shall be as decided by the Board from time-to-time. Provided that w.e.f.1st May 2010 an officer in Junior Management Grade Scale I while availing LFC will be entitled to travel by air in the lowest fare economy class in which case the reimbursement will be the actual fare or the fare applicable to AC 1st Class fare by train for the distance travelled whichever is less. The same rules shall apply when an officer in Middle Management Grade Scale II and Middle Management Grade Scale III while availing LTC where the distance is less than 1000 kms.

vii) DEFINITION OF FAMILY :

- a. For the purpose of medical facilities and for the purpose of leave fare concession, the expression 'family' of an officer shall mean an officer's spouse, wholly dependent unmarried children (including step children and legally adopted children), physically challenged brother/sister with 40% or more disability, as also parents ordinarily residing with and wholly dependent on the officer.

- b. The term wholly dependent child/parent, wholly dependent physically challenged brother/sister shall mean such member of the family having a monthly income not exceeding Rs.3500/- p.m.

If the income of one of the parents exceeds Rs.3,500/- p.m. or the aggregate income of both the parents exceeds Rs.3,500/- p.m., both the parents shall not be considered as wholly dependent on the officer.

14) PROJECT AREA ALLOWANCE :

On and from 1st November 2007, Project Area Compensatory Allowance shall be payable at the following rates :

Project Areas falling in Group A – Rs.290/- p.m.

Project Areas falling in Group B – Rs.255/- p.m.

15) MID-ACADEMIC YEAR TRANSFER ALLOWANCE :

On and from 1st May 2010, mid-academic year transfer allowance shall be payable at Rs.700/- p.m. subject to other conditions.

16) SPLIT DUTY ALLOWANCE :

On and from 1st November 2007, Split Duty Allowance shall be payable at Rs.165/- p.m.

17) COMPENSATION ON TRANSFER (W.E.F.1.5.2010)

An officer on transfer will be eligible to draw a lumpsum amount as indicated below for expenses connected with packaging, local transportation, insuring the baggage etc.

Grade/Scale of Officer	(Rs.)
Officers in Scale IV and above	12,000.00
Officers in Scale I, II and III	9,000.00

18) MATERNITY LEAVE (W.E.F.1.5.2010)

- (a) Maternity leave, which shall be on substantive pay, shall be granted to a female employee for a period not exceeding 6 months on any one occasion and 12 months during the entire period of her service.
- (b) Within the overall period of 12 months, leave may also be granted in case of miscarriage/abortion/MTP.
- (c) Within the overall period of 12 months, leave may also be granted in case of hysterectomy up to a maximum of 45 days.

19) PROVISION FOR STATE BANK OF INDIA

The disposal of the balancing cost of pension in respect of State Bank of India arising out of this Joint Note shall be decided by the bank with the concurrence of Government of India.

20) The Officers' Associations who are parties to this Joint Note have offered and agreed that all officers in the service of the banks as on 27th April 2010 and who exercise their option to join the Pension Scheme in terms of the Joint Note dated 27th April 2010 for the purpose will contribute from their arrears on account of wage revision in terms of this Joint Note, an amount of Rs.922 crores towards their share in the amount of Rs.1800 crores offered by UFBU towards 30% of the estimated funding gap of Rs.6000 crores. The said amount is worked out @2.8 times of the revised pay payable for the month of November 2007.

21) DATE OF EFFECT

For payment of arrears, the benefits under various provisions as above, shall be from 1st November 2007, unless otherwise specified against the relevant provisions.

THE FOLLOWING STEPS ARE TO BE ADHERED TO, IN CONNECTION WITH PAYMENT OF REVISED SALARY AND ARREARS OF SALARY ON AN AD-HOC BASIS:

(A) REVISED SALARY ON AN AD-HOC BASIS:

The salary for the month of June 2010 and onwards will be paid as per the revised scale of pay on an ad-hoc basis pending amendment to the relevant Regulations of Canara Bank (Officers') Service Regulations, 1979.

On and from 01.11.2007, additional stagnation increments are permitted for the Officer employees in scale I/II/III, the same may please be taken note of while giving fitment on stage to stage basis.

In case of any discrepancy in the fitment advised, the officer employees are required to take up with the respective HRM Section by furnishing full details.

(B) MEDICAL AID:

The differential medical aid for the years 2007 to 2010 may be paid to Officer employees concerned in service on their making an application for reimbursement.

For the year 2007, the reimbursement of medical expenses under the medical aid scheme shall be enhanced proportionately for two months i.e. November and December 2007.

Executives those who opted for reimbursement of medical expenses as per CBO SR, 1979 and those who promoted to Scale IV & above on or after 01.01.1999, are eligible for the differential medical aid. Executives those who opted for old scheme for reimbursement of medical expenses, are not eligible for reimbursement of medical aid.

(C) DEFINITION OF FAMILY:

On and from 01.05.2010, the physically challenged brother/sister of the Officers with 40% or more disability, comes under the definition of the Family, the same may please be taken note of.

(D) HOSPITALISATION EXPENSES:

For reimbursement of Hospitalisation Expenses, please refer H.O. Circular No. 193/2010, dated 29.05.2010 for schedule of charges and limits applicable to Workmen Employees.

(E) LFC :

On and from 01.05.2010, an officer in MMG Scale II / III (in case the distance is less than 1000 kms) and Officer in JMG Scale I while availing LFC will be entitled to travel by air in the lowest fare economy class in which case the reimbursement will be the actual fare or the fare applicable to AC 1st Class fare by train for the distance travelled whichever is less, the same may please be taken note of.

(F) RECOVERY OF AMOUNT OUTSTANDING IN SA:

The branches / offices are requested to make a note that in case any recovery is pending with regard to excess TA / LFC etc., such recoveries could be made out of the ad-hoc arrears now being paid.

(G) SHORTFALL IN NOTICE PERIOD WHILE RESIGNATION / VOLUNTARY RETIREMENT:

In case of Officer Employees who ceased to be in the services of the bank on account of resignation or voluntary retirement on or after 1.11.2007, the salary and emoluments as per the revised scale has to be recalculated for the short fall in notice period if any and the differential amount of salary has to be recovered from their arrears of salary.

(H) RECOVERY OF PF FOR ABROAD POSTING:

Circles are also requested to recover Provident Fund at the notional revised basic pay as per the revision for those Officer Employees who are on deputation / posting abroad on or after 01.11.2007. Please note that no arrears of salary / allowance is payable to the Officer Employees for their period of stay abroad.

(I) ELIGIBILITY CRITERIA FOR CONVEYANCE, FREIGHT CHARGES ETC:

Whenever there is a change in scale of Pay of Officers on account of wage revision, the Basic Pay of Rs 19,400 in the revised scale corresponding to Rs 13,820/- of the old scale, shall be taken as the basis for reckoning the basic eligibility criteria for reimbursement of conveyance expenses under petrol limit, freight charges, etc.

(J) OFFICIATING ALLOWANCE :

On and from 01.11.2007, Officiating Allowance is payable on the revised basic pay.

(K) REPAYABLE WITHDRAWAL FROM SPF A/C:

The revised salary payable from June 2010 on ad-hoc basis may be taken into account while determining the eligible amount of repayable withdrawal from SPF A/c

(L) PAYMENT OF SUBSISTENCE ALLOWANCE:

No arrears of Subsistence Allowance on account of wage revision is payable to an Officer who was under suspension as on 01.11.2007. For Officers who are placed under suspension subsequent to 01.11.2007 separate guidelines will be issued.

(M) PAYMENT OF ARREARS GRATUITY / MEDICAL AID TO EX OFFICER EMPLOYEES:

In respect of officers who have retired / ceased to be in services of the Bank on or after 01.11.2007, the differential amount of Gratuity & differential amount of Medical aid, shall be disbursed only after hearing from us.

(N) PAYMENT OF ARREARS OF SALARY ON AN AD-HOC BASIS:

An ad-hoc amount equivalent to the net arrears payable for the period from November, 2007 to May, 2010 shall be paid to the Officer employees, pending amendments to the relevant regulations of Canara Bank (Officers') Service Regulations, 1979. The date of payment of arrears shall be informed separately.

(O) DIFFERENTIAL PL ENCASHMENT

The consequential difference in cash equivalent on encashment of Privilege Leave availed during the period from 01.11.2007 to 31.05.2010 on account of revision in scales of pay shall also be paid.

(P) PAYMENT OF ARREARS OF SALARY ON AN AD-HOC BASIS TO EX-EMPLOYEES

The ad-hoc arrears payment for the officer employees who ceases to be in the services of the Bank on or after 01.11.2007 will be advised later.

(O) DEDUCTION OF INCOME TAX

While disbursing arrears, the branches should also ensure that proportionate income tax at source is deducted and remitted to the concerned authorities wherever applicable.

ANOTHER OPTION FOR PENSION

IBA has informed that they have sought the approval of the Government to implement the terms of the Pension Settlement pending amendment to the Regulations. They will advise us in the matter as soon as such approval is obtained from the Government. In view of the above, in respect of employees who are in service as on 27th April 2010 and presently covered by Contributory Provident Fund, while making payment of arrears, the following procedure is suggested by them for smooth implementation of the Pension Settlement.

- (a) An amount equal to 2.8 times of the "Pay" for the month of November 2007 be withheld and kept in a suspense account for crediting to the Pension Fund in case the employees opt to join the Pension Scheme complying with the terms of the Settlement dated 27th April 2010.
- (b) If any employee gives in writing an irrevocable letter stating that he does not intend to join the Pension Scheme, in terms of the Settlement, 2.8 times of the November 2007 pay as above need not be withheld.
- (c) Once the offer is made to join the Pension Scheme, on expiry of the period of option, the amount withheld in respect of those who exercised the option to join the Pension Scheme should be transferred to the Pension Fund. The arrears withheld in respect of those who did not opt for pension within the stipulated time, be refunded to them.

- (d) No portion of arrears be withheld in respect of non-optee employees who retired from 1st November 2007 to 27th April 2010. They will be joining the Pension Scheme by making contribution towards funding gap as retired employees in terms of the Settlement.

We shall advise separately on extending another option for pension to those who have not opted for the same earlier, as soon as the guidelines are received in this regard from the IBA.

For any further clarifications, branches / offices are required to take up the same with their respective HRM Section only.

Circles are requested to take appropriate steps to implement all other terms of the Joint Note from the respective date from which they are effective.

The details of Special Area Allowance are furnished in the annexure.

A K NAHAR
GENERAL MANAGER

SPECIAL AREA ALLOWANCE (ANNEXURE TO HO CIRCULAR 211/ 2010 DATED 17.06.2010)

SL. NO.	AREA	Allowances (Rs.)	
		Pay below Rs.14,700/	Pay above Rs.14,700/
1	2	3	4
1.	Mizoram		
	a) Throughout Lunglei District excluding areas beyond 25 kms. from Lunglei town of Mizoram.	2000	2600
	b) Throughout Aizawl	1600	2100
	c) District of Mizoram	1200	1500
2.	Nagaland	1600	2100
3.	Andaman & Nicobar Islands		
	a) North Andaman, Middle Andamans, Little Andaman, Nicobar & Narcondum Islands	2000	2600
	b) South Andaman (including Port Blair)	1600	2100
4.	Sikkim	2000	2600
5.	Lakshadweep Islands	2000	2600
6.	Assam	320	400
7.	Meghalaya	320	400
8.	Tripura		
	a) Difficult areas of Tripura	1600	2100
	b) Throughout Tripura except difficult areas.	1200	1500
9.	Manipur	1200	1500
10.	Arunachal Pradesh		
	a) Difficult areas of Arunachal Pradesh	2000	2600
	b) Throughout Arunachal Pradesh other than difficult areas.	1600	2100
11.	Jammu & Kashmir		
	1) Kathua District: Niabat Bani, Lohi, Malhar and Machhodi	2000	2600

SL. NO.	AREA	Allowances (Rs.)	
		Pay below Rs.14,700/	Pay above Rs.14,700/
1	2	3	4
	2) Udhampur District:		
	a) Dudu Basantgarh, Lander Bhamag Illaqa, other than those included in Part 2(b).	2000	2600
	b) Areas upto Goel from Kamban Side and areas upto Arnas from Keasi side in Tehsil Mohre.	1600	2100
	3) Doda District:		
	Illaquas of Padder and Niabat Nowgam in Kishtwar Tehsil	2000	2600
	4) Leh District :		
	All places in the District	2000	2600
	5) Barmulla District		
	a) Entire Gurez-Nirabat, Tangdar Sub-Division and Keran Illaqua	2000	2600
	b) Matchill	1600	2100
	6) Poonch and Rajouri District :		
	Areas in Poonch and Rajouri District excluding the towns of Poonch and Rajouri and Sunderbani and other urban areas in the two Districts	1200	1500
	7) Areas not included in (1) to (6) above, but which are within the distance of 8 kms. from the line of Actual Control or at places which may be declared as qualifying for border allowance from time-to-time by the State Government for their own staff.	1200	1500
12.	Himachal Pradesh		
	(1) Chamba District		
	(a) Pangi Tehsil, Bharmour Tehsil, Panchayats : Badgaun, Bajol, Deol Kugti, Nayagam and Tundah, Villages: Ghatu of Gram Panchayat Jagat, Kanarsi of Gram Panchayat Chauhata	2000	2600
	(b) Bharmour Tehsil, excluding Panchayats and Villages included in (a) above.	1600	2100
	(c) Jhandru Panchayat in Bhatiyat Tehsil, Churah Tehsil, Dalhousie Town (including Banikhet proper).	1200	1500

SL. NO.	AREA	Allowances (Rs.)	
		Pay below Rs.14,700/	Pay above Rs.14,700/
1	2	3	4
	(2) Kinnaur District:		
	a) Asrang, Chitkul and Hango Kuno/ Charang Panchayats, 15/ 20 Area comprising the Gram Panchayats of Chhota Khamba, Nathpa and Rupi, Pooh Sub-Division, excluding the Panchayat Areas specified above.	2000	2600
	b) Entire District other than Areas included in (a) above.	1600	2100
	(3) Kullu District:		
	a) 15/20 Area of Nirmand Tehsil, comprising the Gram Panchayats of Kharga, Kushwar and Sarga	2000	2600
	b) Outer-Saraj (excluding villages of Jakat-Khana and Burrow in Nirmand Tehsil) and entire District excluding outer Seraj area and pargana of Pandrabis but including villages Jagat-Khana and Burrow of Tehsil Nirmand).	1200	1500
	(4) Lahaul and Spiti District :		
	Entire area of Lahaul and Spiti	2000	2600
	(5) Shimla District :		
	a) 15/20 area of Rampur Tehsil comprising of Panchayats of Koot, Labana-Sadana, Sarpara and Chadi-Branda.	2000	2600
	b) Dora-Kawar Tehsil, Gram Panchayat of Darkali in Rampur, Kashapath Tehsil and Munish, Ghori Chaibis of Pargana Sarahan.	1600	2100
	c) Chopal Tehsil and Ghoris, Panjgaon, Patsnau, Naubis and Teen Koti of Pargana Sarahan, Deothi Gram Panchayat of Taklesh Area, Pargana Barabis, Kasba Rampur and Ghori Nog of Pargana Rampur of Rampur Tehsil, Simla Town and its suburbs (Dhalli, Jatog, Kasumpti, Mashobra, Taradevi and Tutu).	1200	1500
	(6) Kangra District:		
	a) Areas of Bara Bhangal and Chhota Bhangal	1600	2100

SL. NO.	AREA	Allowances (Rs.)	
		Pay below Rs.14,700/	Pay above Rs.14,700/
1	2	3	4
	<p>b) Dharamshala Town of Kangra District and the following offices located outside the Municipal limits but included in Dharamshala Town-Women's ITI, Dari, Mechanical Workshop, Ramnagar, Child Welfare and Town and Country Planning Offices, Sakoh, CRSF Office at lower Sakoh, Kangra Milk Supply Scheme, Dugiari, HRTC Workshop, Sadher, Zonal Malaria Office, Dari, Forest Corporation Office, Shamnagar, Tea Factory, Dari, I.P.H. Sub-Division, Dan, Settlement Office, Shamnagar, Hinwa Project, Shamnagar.</p> <p>Palampur Town of Kangra District including HPKVV Campus at Palampur and the following offices located outside its municipal limits but included in Palampur Town – H.P. Krishi Vishwavidyalaya Campus, Cattle Development Office/Jersey Farm, Banuri, Sericulture Office/Indo-German Agriculture Workshop/HPPWD Division, Bundla, Electrical Sub-Division, Lohna, D.P.O. Corporation, Bundla, Electrical HESEE Division, Ghuggar.</p>	1200	1500
	<p>(7) Mandi District:</p> <p>Chhuhar Valley of Jogindernagar Tehsil, Panchayats in thunag Tehsil-of Bagraa, Chatri, Chhotdhar, Garagushain, Gatoo, Garyas, Janjehli, Jaryar, Johar, Kalhani, Kalwan, Kholanal, Loth, Silibagi, Somachan, Thachdhar, Tachi, Thana, Panchayats of Dharampur Block- Binga, Kamlah, Saklana, Tanyar and Tarakholah, Panchayats of Karsog Tehsil – Balidhar, Bagra, Gopalpur, Khajol, Mahog, Mehudi, Manj, Pekhi, Sainj, Sarahan and Teban, Panchayats of Sundernagar Tehsil – Bohi, Batwara, Dhanyara, Paura-Kothi, Seri and Shoja.</p>	1200	1500
	<p>1) Sirmaur District:</p> <p>Panchayats of Bani, Bakhali (Pachhad Tehsil), Bharog Bheneri (Paonta Tehsil), Birla (Nahan Tehsil), Dibber (Pachhad Tehsil) and Thana Kasoga (Nahan Tehsil) and Thansgin Tract</p>	1200	1500
	<p>(9) Solan District : Mangal Panchayat.</p>	1200	1500
	<p>(10) Remaining areas of Himachal Pradesh not included in (1) to (9) above.</p>	320	400
13.	<p>Uttar Pradesh: Areas under Chamoli, Pithoragarh and Uttar Kashi Districts</p>	2000	2600
14.	<p>Uttaranchal (Uttarakhand): Areas under Rudraprayag and Champavat Districts.</p>	1600	2100