



Maharashtra State Electricity Distribution Co.Ltd.

Estrella Batteries Expn. Bldg., Gr. Floor, Plot No.1, Dharavi Road, Matunga, Mumbai - 400 019.
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GAD/O&M/F.No.1/ **39714**

Date : **4 NOV 2008**

The Chief Engineer,
Maharashtra State Electricity Distribution Co.Ltd.,
Zonal Office, Rasta Peth,
Pune - 411 011.

Sub : Management Trainee Scheme - Clarification on certain issues.
Ref : CE/PZ/GAD/4729 dated 10th July 2008.

With reference to the above, it is to inform you that the Management Trainees (Tech.) Scheme was introduced by the Company and accordingly the Management Trainees (Tech.) have been inducted as per the terms and conditions of the said Scheme. The points/issues such as protection of pay, deduction of CPF Contribution, payment of stipend/remuneration, various statutory deductions and admissibility of other service facilities raised vide your letter under reference are examined thoroughly and clarified as under:-

(1) Protection of Pay in respect of departmental employees :

- (a) The Management Trainees(Tech.) who are departmental employees and having basic pay equal to more than Rs.9890/- and gross pay more than Rs.24,000/-, their pay will be protected as such they will continue to draw gross salary against remuneration/stipend as hitherto before till the completion of two year's training period.
- (b) Other Management Trainees(Tech.) who are departmental employees are eligible for remuneration of Rs.24,000/- p.m. which is equal to gross emoluments (Basic+D.A.+HRA+other Allowances+CPF) of the minimum of pay scale of Dy.Ex.Engr. i.e. Rs.9890-390-11840-415-22215 on Cost to Company basis. Therefore, remuneration/stipend of Management Trainee's who were having basic pay less than Rs.9890/- as such drawing salary less than Rs.24,000/- will be entitled to stipend of Rs.24,000/- on cost to Company basis. In view of the above, the amount of remuneration/stipend is required to be fixed in the following manner:-

Basic Pay	-	Rs. 9890/- (Minimum of Basic pay of Dy.E.E.)
Corresponding D.A.	-	Rs. 9593/- (97%)
CPF (Company's share)	-	Rs. 2337/- (12% of B.P. + D.A.)
Other Allowances	-	Rs. 2180/-

Rs.24,000/-
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In view of the above break up stipend/remuneration would be Rs.21,663/- i.e. (Rs.24,000 - 2337 = 21,663) including D.A. and other allowances AND excluding the CPF amount of Rs.2337/- (Management's share) considering the concept of stipend on Cost to Company basis.

M. V. Chauhan

(2) Service benefits such as Leave, LTC and Medical facilities etc. :

All the departmental employees who are appointed as Management Trainee and undergoing the training shall be entitled to all service benefits such as availment of leave, LTC, Medical facilities etc. which were applicable to them prior to their appointment as Management Trainee.

(3) Deductions of C.P.F. :

The Management Trainees are appointed on fixed stipend of Rs.24,000/- p.m. on Cost to Company basis which includes Management's share of CPF also. Therefore, while making the payment of remuneration/stipend the CPF (Company Share) amounting to Rs.2337/- is required to be adjusted, which will be paid to the CPF Trust. The employee's equal share should also be deducted from the amount of stipend and paid to the CPF Trust. There is no need to change the old CPF No. of employee either of MSEDCL or MSPGCL. However, in case of new enterant new CPF No. is required to be obtained.


(4) Other statutory deductions :

All the statutory deductions such as CPF, Income Tax, PT, Quarter Rent etc. to be deducted from the amount of remuneration/stipend payable to the Trainees. Further the recovery of advances/loan amount etc. may also be recovered from the stipend and paid to the respective authorities accordingly.

(5) As per the terms and conditions of the appointment, the Management Trainees will be absorbed in the post of Dy.Ex.Engineer, only after successful completion of two years training. As such their seniority in the post of Dy.E.E. will be reckoned from the date of their absorption in the post of Dy.Ex.Engineer and not from their date of appointment as Management Trainee.

(6) The CPF Trust is common for all Companies and being maintained at Corporate Office, Mumbai. Therefore, transfer of CPF account of Mr.Y.B.Nikam, Management Trainee and ex.employee of MAHAGENCO does not arise.

You are therefore, requested to take necessary action accordingly.


Chief General Manager (P)

Copy submitted to:-

- i) The Director(Operations), MSEDCL, Prakashgad, Bandra (E), Mumbai.
- ii) The Executive Director (HR), MSEDCL, Prakashgad, Bandra (E), Mumbai.

Copy f.w.cs. to:-

1) The Chief General Manager (T/E), MSEDCL, Prakashgad, Bandra (E), Mumbai.

2) The Chief Engineer, MSEDCL,

(AMZ), Akola/(AZ), Aurangabad/(BUZ), Bhandup/

(KLNZ), Kalyan/(KLPZ), Kolhapur/(BZ), Latur/

(NZ), Nagpur/(NUZ), Nagpur/(NSKZ), Nashik/(KZ) Ratnagiri.

(TRD), Nasik

} for information &
n.a. at their end.