



INFRASTRUCTURE & GOVERNMENT

Maharashtra State Electricity Transmission Company Limited

Executive Summary : Compensation benchmarking & Salary Components Restructuring Report – August 2008

HUMAN CAPITAL ADVISORY SERVICES

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Our analysis is based on the prevailing market conditions, study of comparator companies. Our report makes reference to 'KPMG Analysis'; this indicates only that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented; we do not accept responsibility for the underlying data.

In performing this engagement and preparing this Report.

- Collection of data for market assessment has been limited to such information as can be collected from resources on the published public domain and meetings with market participants
- Wherever information was not available in the public domain, suitable assumptions were made to extrapolate values for the same.

The purpose of this engagement is to assist Maharashtra State Electricity Transmission Company Limited in deciding compensation (salary structure) and benefits to the employees of the company. Our work for the engagement commenced on 23 February 2008 and this report was prepared on a request from the client on 05 August 2008. We have not undertaken to update our deliverable for events or circumstances arising after that date. Post submission of this deliverable, we have no obligation to update or revise the contents of this report because of events or transactions that may occur or arise subsequent to the date of the Final Report. The Client is advised to perform its own independent investigation/ validation through primary research study, if deemed to be necessary. This document is intended to facilitate and is not a substitute for such an independent validation.

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Project Objectives and Scope

- Understand the current cash and non-cash components
- Understand the various provisions of the Current Terms and Conditions of service impacting compensation aspects
- Understand the cultural aspects of current compensation philosophy of ours and others, the need of changes in the same required for implementation of MSETCL's vision and the implications of change in any compensation components.
- Detailed Compensation Survey of compensation components across identified comparators

