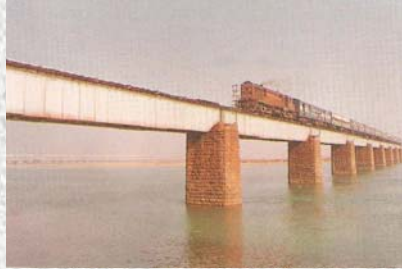


# MEMORANDUM TO SIXTH CENTRAL PAY COMMISSION



**SUBMITTED BY**



**INDIAN RAILWAYS TECHNICAL SUPERVISORS' ASSOCIATION**

(Regd.No.1329, Under Trade Union Act 1926), Central Head Quarters

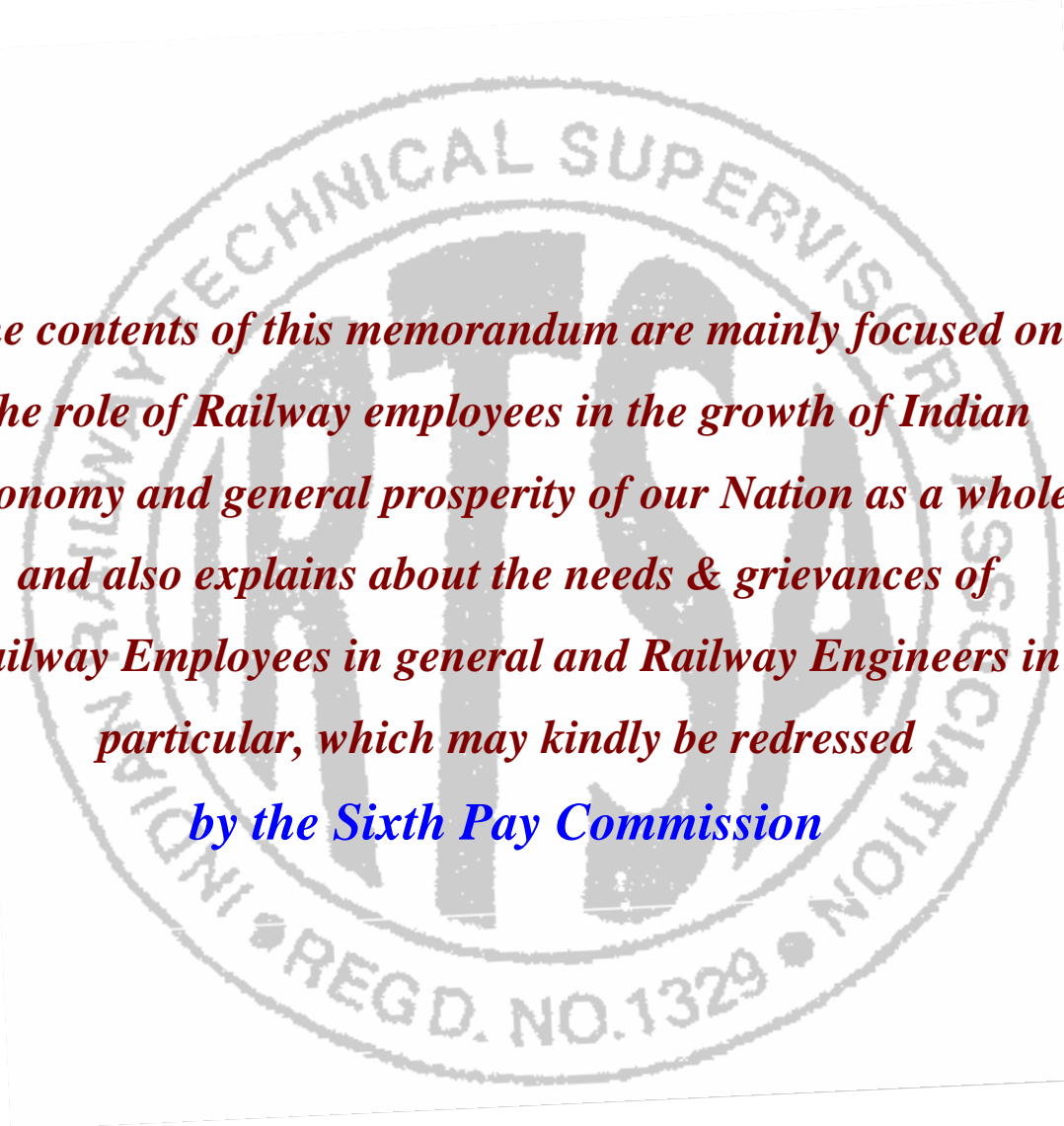
32, Phase 6, Mohali, Chandigarh -160055

Email: [gsirtsa@yahoo.com](mailto:gsirtsa@yahoo.com)

**DECEMBER 2006**

*The golden rule is to test everything in the light of reason  
and experience, no matter whom it comes from.*

*- Mahathma Gandhi*



*The contents of this memorandum are mainly focused on  
the role of Railway employees in the growth of Indian  
Economy and general prosperity of our Nation as a whole  
and also explains about the needs & grievances of  
Railway Employees in general and Railway Engineers in  
particular, which may kindly be redressed  
by the Sixth Pay Commission*

# INDIAN RAILWAYS TECHNICAL SUPERVISORS ASSOCIATION

(Estd. 1965, Regd. No. 1329 – at Delhi – under Indian Trade Union Act, 1926)

**HARCHANDAN SINGH**  
General Secretary, IRTSA  
e-mail: [gsirtsa@yahoo.com](mailto:gsirtsa@yahoo.com);



C.Hq. 32, Phase 6, Mohali  
Chandigarh-160 055.  
Phone : 0172-2228306  
Mobile: 9316131598

No. IRTSA / CHq/SCPC/ Memo

Dated : 31.01.2007

**THE CHAIRMAN,**  
SIXTH CENTRAL PAY COMMISSION,  
NEW DELHI.

*(Through Member Secretary, Sixth CPC)*

**Subject:- REVISED MEMORANDUM TO SIXTH PAY COMMISSION BY IRTSA**  
**(INDIAN RAILWAYS TECHNICAL SUPERVISORS ASSOCIATION)**

Sir,

In continuation of our Memorandum dated 29.12.2006, submitted to the Sixth Pay Commission, we very humbly state that due to an oversight on our part there were some omissions in application of some factors referred to in the Memorandum, due to which we have had to revise some parts of our Memorandum.

We, therefore, very humbly request your benign self to very kindly condone the lapse and to please consider the Revised Memorandum being submitted herewith.

It is once again humbly requested that we may very kindly be accorded a personal hearing and, if feasible, a Presentation to the worthy Pay Commission, explaining our submissions.

Thanking you,

Yours faithfully,

**(HARCHANDAN SINGH),**  
General Secretary / IRTSA.

**Encl. Revised Memorandum**

# INDIAN RAILWAYS TECHNICAL SUPERVISORS ASSOCIATION

(Estd. 1965, Regd. No. 1329 – at Delhi – under Indian Trade Union Act, 1926)

(PH- 0172-2228306 & 9316131598) e-mail : [gsirtsa@yahoo.com](mailto:gsirtsa@yahoo.com)

Harchandan Singh,  
General Secretary/IRTSA

32, PHASE 6, MOHALI  
CHANDIGARH – 160055,

No. IRTSA/CHq./SCPC/Memo

Dt: 29/12/2006

**THE CHAIRMAN,  
SIXTH CENTRAL PAY COMMISSION,  
NEW DELHI.**

**(Through Member Secretary, Sixth CPC)**

Sir,

Sub: **MEMORANDUM TO SIXTH PAY COMMISSION on behalf of IRTSA  
(INDIAN RAILWAYS TECHNICAL SUPERVISORS ASSOCIATION)**

Ref: Notification dated 05-10-2006 of the Pay Commission.

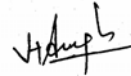
1. In response to the notification issued by the Pay Commission, we hereby submit this memorandum for the kind and favorable consideration of the Sixth Pay Commission, on behalf of nearly 50,000 Engineers/Technical Supervisors working in all the technical departments of the Indian Railways, *(including Mechanical, Electrical, Civil Engineering, Signal & Telecommunications, Drawing/Design Departments, Stores Departments and Laboratory etc.)*
2. As front line managers, Engineers / Technical Supervisors *(i.e. Junior Engineers, Section Engineers and Senior Section Engineers)* on Railways manage the Production, Maintenance and Repair of Locomotives, Coaches, Wagons, Machinery, Plants and Equipments, Permanent Way, Bridges, Works, Signal & Telecom systems and Over Head Electrification *(OHE)*, Stores & Lab etc. in all the departments in nearly 45 Workshops, 6 Production Units, Diesel/Electric Loco and EMU Sheds, C&W *(Carriage & Wagon)* Depots, Electrical, Engineering and S&T *(Signal & Telecommunication)* Depots and Stores Depots, Power Houses, Printing Presses and Over Head Electrification etc. situated around the country.
3. It is unfortunate that a great injustice had been done with this category by all the previous Pay Commissions, inspite of the very vital role played by them.
4. IRTSA represents the 50,000 Engineers / Technical Supervisors who themselves manage a very vast and diversified cross section of Railwaymen spread on all the major departments of Railways. It is a Federation of various organisations, which have now merged into it.
5. In this Memorandum, we have placed our views on the Terms of Reference of the Pay Commission, including the Principles which should govern the Structure of Pay and Allowances and the conditions of service of Central Government Employees including the overall pay structure of Employees and

their Post Retirement Benefits, besides dealing in detail with the Duties, Responsibilities and Proposed Pay Structure of the Engineers / Technical Supervisors (*JEs, SEs and SSEs*) on the Indian Railways.

6. We have also submitted a separate Memorandum for early grant of Interim Relief for the kind consideration of Pay Commission. (*A copy of this Interim Relief Memorandum is enclosed as Annexure-1 for ready reference please*).
7. We hope the Pay Commission will soon consider and decide this issue and make appropriate recommendations for grant of Interim Relief to Central Government Employees.
8. The Railway Reforms Committee (RRC) and Railway Accident Enquiry Committee (1968 & 1978) had recommended for Recognition of IRTSA in view of the vital role played by the Supervisors of the Railways. We are sure and pray that our views and requests may please be given due and favourable consideration by the Pay Commission.
9. We humbly request the Pay Commission to give kind consideration to the memorandum and grant adequate time for detailed hearing to the representatives of IRTSA in order to do full justice to the Technical Supervisors of Indian Railways.

Thanking you,

Yours faithfully,



Encl: One Memorandum

**(Harchandan Singh)**  
General Secretary  
Indian Railways Technical  
Supervisors' Association

# FOREWORD

Growth of GDP after new liberalization era since 1990 has reached the mark of 9% and expected to grow beyond 10% in a continuously upward trend. But the benefits of the liberalization have not reached middle and salaried classes. As per many study reports on this matter, **Government employees are the worst affected lot.**

Reduction of manpower in the name of modernization and non-filling up of vacant posts due to reluctance in direct recruitments has resulted in heavy workload on the employees. The employees' requirement to improve their performance level to compete with MNCs, Corporate and Private Sectors has thrust more responsibilities and demand for improved efficiency on them without any additional remuneration or motivational packages. **So far, five Pay Commissions were set up and none of them could remove their frustration and discontentment.**

5th CPC categorically recommended to constitute 6th CPC by 2003 and that their Recommendations must be available to employees by 2006. They also suggested that Government should install a **Permanent Wage Body** to collect data on a regular basis in order to neutralize various elements of inflation and provide wage revision periodically in the larger interest of the country. Government ignored their Recommendations and went one step ahead to declare that there is no need for Pay Commission at this juncture. Hence Government employees were compelled to announce even a General Strike for setting up of Sixth CPC. Due to the prompt intervention by the Honorable Prime Minister, the Strike was called off and Government Notified formation of 6th CPC on 05-10-2006.

Several Anomalies out of Recommendations of previous Pay Commissions have not been settled so far. Government employees are totally frustrated and have started migrating from Government Service. **A lot of expectations rest on 6th CPC, as this is the First Pay Commission constituted after neo-liberalization era.** Lot of challenges are ahead. They have a great role to play, not merely in the interest of employees but more importantly on regulating and stabilizing the Government mechanism with stronger, efficient and talented work force so that the country will go ahead with a trend of growth in economy and to sustain it forever.

We welcome the Sixth Pay Commission and wish them all success in their endeavor for presenting positive and vibrant recommendations.

**M. SHANMUGAM**  
Central President,  
Indian Railway Technical  
Supervisors' Association.  
4-Sixth Street, TVS Nagar, Chennai

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# **CHAPTER - 1**

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# CHAPTER 1

## IMPACT OF ECONOMIC LIBERALIZATION ON GOVERNMENT EMPLOYEES

### 1.1 CHANGE OF ECONOMIC SCENARIO SINCE 5<sup>TH</sup> CPC

1.1.1 Government tilted from its 43-year-old policy of Socialistic Governance from Controlled Economy to Mixed Economy since 1990. Government made a 'U' turn to Privatisation Policy from Nationalization. It invites and encourages all Global, Corporate and Private Sectors to come out with heavy investments on Indian soil offering Himalayan concessions in various forms. It has resulted in a sea change in the structure and direction of the Indian Society and its Economy.

*Changes since  
Fifth CPC*

1.1.2 Due to the galloping growth of Gross Domestic Product from 3.5% to almost 9% now, the income levels of the Country have risen six times higher over the position that existed in 1990. Though this growth indicates the vast increase in National Income, the distribution of the same is not equal. With Government's continued efforts of wooing these sectors, there is a complete change in Socio-Economy with booming market driven values. The worst affected lots are the Lower and Middle tier of population because of the serious erosion of their purchasing power. They are totally in panic due to erosion of their capacity to meet their day-to-day requirements.

*Erosion of  
purchasing power*

1.1.3 The benefits of the massive accumulation of income in the country went in favour of the rich. In the process, rich are becoming richer. The poor are becoming poorer and the Middle & Salaried Class are in a state of dismay as per many Study Reports of internal and external agencies. Government Employees have to shoulder heavier

*Middle Class in a  
state of dismay*

responsibilities than ever before, under constant pressure to improve their performance levels on par with the performance of MNCs, Corporate and Private Sectors.

- 1.1.4 Government is required to monitor, guide and control the massive activities of MNCs, Corporate and Private Sectors. This has further added to the workload of Government Employees, as it requires displaying higher levels of proficiency to manage other Sectors. Consequently the Government employees have to perform dual duties.

## **1.2 BRAIN DRAIN**

- 1.2.1 Highly qualified, efficient and talented youth are being hijacked by the MNCs, Corporate, and Private Sectors with unimaginable pay packages and high value perquisites, wooing them away from Government establishments. The Government offers only rock bottom wages and emoluments, which do not attract efficient youth to join Government establishments. This is a dangerous trend. It is to be noted that in recent times, in the process of cut-throat competition, even the existing topmost officials in the rank of IAS Cadre, Engineering Cadres in Military, Government IT Sector Officers, Technocrats, Supervisors and talented Technical Workforce have started migrating from Government Service - accepting the fabulous monetary benefits and perquisites. The tendency of migration of existing Government staff is growing fast. Many highly talented officers have already left. A few are in the process of leaving if the Government still sticks on with same hostile policy towards its own employees.

*Rock bottom wages offered by Government fail to attract efficient and talented personnel*

*Migration from Government Sector on the rise*

- 1.2.2 Manpower reduction in the form of right sizing and downsizing, without a scientific review of actual staff requirement, has created serious imbalances and created increased workload heavily, in total violation of benchmarks

*Unplanned reduction in manpower has caused serious imbalances*

and yardsticks, without any compensation. Enhancement of present salary structure and other facilities are essential requirement of the day. Government Employees cannot continue to be denied Fair Wages and other motivational packages any more, quoting financial constraints of Government as a reason. Government will lose efficient and talented employees in due course. It will lead to collapse of the effective Administrative System and thereby all the lofty schemes and plans will not produce any positive result to meet the expectations, however great they may be.

1.2.3 Fortunately, Government has got one more opportunity – by making use of the formation of Sixth CPC and try – to set everything right and in order. The frustration of Government employees must be removed. Motivational packages for different type of job nature may be granted and it must allow 6th CPC to work independently without placing Damocles’ Sword over their head.

1.2.4 Sixth CPC is requested to consider the above said realities and make appropriate recommendations, to take care of Nation’s stability through the deployment of efficient and talented work force. Work Content, Work Environment, Degree of Responsibility, Efficiency, Accountability and the essentiality of each Department may also please be taken into account. This will help both the Government and its employees on a long-term basis.

The Pay Commission may also kindly consider, through Sub-Committees of experienced experts in various fields, the actual working conditions of different Departments – exclusively and separately for the following distinct areas: -

*Separate sub-committees to study the working conditions in different areas*

Railways		Other than Railways	
Technical	Non-Technical	Technical	Non-Technical
i) Top Management		i) Top Management	
ii) Executive & Supervisory		ii) Executive & Supervisory	
iii) Supporting		i) Supporting	

### 1.3 INDIAN RAILWAYS – DISTINCT ROLE IN ECONOMIC GROWTH – Importance of Railways Ignored

1.3.1 It is regrettable that a vital transport medium like the Railways has not been able to increase (the length of) its network since independence in comparison to the roads. Growth of Rail track was a meager 17% compared to the 800% growth of Roadways in the 58 years since independence, the sole reason being the fact that the Railways is not assisted by Government of India (GOI) with requisite budgetary support for its effective infrastructure building exercise. In England, 33% budgetary support is provided for the privately run Railway system. Over the past 58 years, Roadways enjoyed 40% continuous budgetary support by GOI, while Railways suffered due to lack of budgetary support (only a net budgetary support of 3%).

*Railways receive net 3% budgetary support, compared to 40% given to Roadways*

*In England, 33% budgetary support is given to Railway system*

1.3.2 Railways pay interest at 7% per annum to the Central Exchequer for Capital Investment by the GOI for the amounts drawn upto 1965, 6.5% for the amounts drawn from 1965 to 1985 and continue to pay 7.5% for the amounts drawn from 1985 onwards. It pays around 4 to 5% of the earnings to State Governments in lieu of Sales Tax etc., from its dividend payment. IR's development was almost stagnant after Independence. It is still run with 51000 Bridges built over 100 years ago, out of total 121295 Bridges. Its traffic is disturbed by over 35132 Level Crossings out of which 18490 are Unmanned Gates. Its signal system could not be improved to world standards though it is the Second Largest State Owned Railway System of the world.

*43% of the bridges were built in 19th century. 38341 level crossings, including 21792 unmanned gates hamper daily traffic*

*Railways is a safer mode than roadways*

1.3.3 Its routes were electrified only by 25%. Its Tracks are so weak that not more than 22% of the Tracks are fit to run trains at proposed speed of more than 160 kmph.

1.3.4 People's expectations from Railways are more but till very recently, Governments concentration on its growth was meager. Though it runs around 55.68 lakh trains per year, it is not able to meet people's needs. Around 5700 Goods and 9556 Passenger Trains operate every day, carrying 14.73 Million Passengers (58% in suburban sector) and 1.4 Million Tonnes of Freight per day.

1.3.5 Indian Railways came under Integrated Transport Policy only in 1999 and was declared as Infrastructure only in 2002. It shows how negligent we were over 50 years since Independence that Railways lacked the recognition from the Government itself.

*Indian Railways  
came under  
Integrated  
Transport Policy  
only in 1999 and  
was declared as  
Infrastructure  
only in 2002*

Source: Indian Railways Year Book 2004-05

1.3.6 **Future of Railways** : Indian Railways came to limelight in the last two to three years thanks to the MR's bold steps taken towards freeing the hands of Rail Managers and Employees for arresting inherent loopholes in the form of concessions. There is necessity to still further block any loopholes within the system itself. With the latest allotment of funds by the Government, Railways started to construct separate Freight Corridor thereby releasing Goods Traffic on separate track, which may help Railways to operate more than 7000 additional Passenger trains. But still more courageous acts from the Ministry of Railways are required to raise the Fare & Freight Structure atleast to meet the operational expenses on par with Road Vehicles. Incidentally, fares in IR are the lowest in the world. The number of Employees per million Passenger Kilometers, per million Tonnes Freight Haulage and per Unit Track Kilometer is lower than most other countries.

1.3.7 Indian Railways requires substantial funds for its modernization activities. It requires more manpower, instead of a Labour Reduction Mechanism. Railways by its nature require more manpower for its basic activities in operation and all modernization and sophistication in the system should go for improved customer needs. If Railway Ministry goes on reducing manpower in Railways in the name of right sizing like other departments of Government, it will end only in jeopardizing safety of operations. Moreover, for efficient running, well-trained, experienced and qualified persons are required at top, middle and lower levels of management with suitable motivation.

*IR requires substantial funds for its modernization activities*

1.3.8 Indian Railway's expansion to the uncovered areas should be the prime objective and the scope for greater growth are inevitable and it cannot be just compared to any other Department of Government. Its identity as the biggest vibrant infrastructure cannot be any more marginalized and it may be the sole Department which does not need any guidance or assistance from the Neo-liberalization process except Government's improved concentration and patronage which will be sufficient enough for this Department to improve and deliver goods to assist the fast growing economy of the country.

*Expansion of IR network in uncovered areas essential*

1.3.9 Following example may be useful to understand how a slight change will result in a more fruitful outcome.

If the marketable Stock of IR for Freight Traffic were 60% instead of 40% as at present, the Nation would have saved Diesel worth of Rs.7500 Crores per annum.

#### **1.4 MODERNIZATION IN INDIAN RAILWAYS**

1.4.1 Major Areas of Modernisation on Railways :

- Plastic & Composite Plastic Sleepers
- Mechanized Track Maintenance
- Track Machines

*Extensive modernization in Railways*

- Track Recording Cars
- Self Propelled Ultrasonic Rail Testing Cars
- Route Relay & Solid state Interlocking
- Auxiliary Warning System
- Digital Microwave System
- Optic Fibre Cables
- Mobile Train Radio Communication System
- Cell phone Charging Facilities in Compartments / Stations
- Composite Brake Blocks (in place of Cast Iron Brake Blocks)
- Electronic In-Motion Weigh Bridges
- Wheel Flat Detection Device
- Modern Electric ABB Locos
- Modern Diesel GM Locos
- Modern LHB Coaches
- Containerization of Freight Traffic
- Extensive use of IT
- Long Range Decision Support System
- Freight Operations Information System
- Coach Operations Information System
- Introduction of Super Fast Trains like Jan Shatabdi, Garib Rath, Sampark Kranti Trains
- Food Plazas / Counters in Railway Stations and Catering Systems (IRCTC)
- Self Printing Ticketing Machine
- National Train Enquiry System
- Roll on, Roll off (Ro-Ro) Scheme for trucks
- ACD using Satellite Based GPS (Global Positioning System)
- Deviation Count Principle for Identification of Track Layout
- Kolkata Metro / Sky Bus Metro

1.4.2 IR is the second largest railway system in the world under single management of state. It is the only Public Sector

Department whose budget is being separately presented to Parliament since 1924.

- 1.4.3 It is a strategic organization of the Government – warlike activities go on in the IR round the clock, 365 days a year. It is the lifeline of the Nation. It is a mighty integrating force. Its assistance to Nation in emergencies and war is immense and indispensable. As per Mckinsey Report, IR is a sunrise industry.

Courtesy:” Managing Indian Railways”, By Mr. V.K. Agarwal, Former CRB

## 1.5 FINANCIAL STATUS OF GOVERNMENT OF INDIA AND ITS IMPROVED CAPACITY TO PAY

### 1.5.1 Assets of Central Government

- Total Out-lay increased by 2.14 times, from Rs. 25654 Crores in 1997-98 to Rs. 549395 Crores in 2005-06.
- Total Assets increased by 2.5 times, from Rs. 478774 Crores in 1997-98 to Rs. 1242596 Crores in 2005-06.

### 1.5.2 Changes in Economic Projections of Government - Reduction in %age Expenditure on Pay & Allowances vis-à-vis Revenue and Expenditure of Central Government

Sl. No.	Description	1995-96	2005-06	%age Variation
1.	<b>Net National Product (NNP)</b>	As on 1.1.96	As on 1.1.06	
	a) On 1993-94 Prices	8237	12525	(+) 52%
	b) On Current Prices	9825	23438	(+) 138.5%
2.	<b>Total Revenue Receipts</b>	Rs. 110191Cr	Rs. 351200 Cr. (04-05)	(+) 218.7%
3.	<b>Total Revenue Expenditure</b>	Rs. 143522 Cr	Rs. 446512 Cr. (04-05)	(+) 211.1%
4. a)	<b>Total Pay &amp; Allowances (Incl. Traveling All.)</b>	Rs.18090 Cr.	Rs. 35339 Cr. (04-05)	+ 95.3%
b)	<b>Pay &amp; Allowances as percentage of Total Expenditure</b>	11.6%	7.26% (04-05)	(-) 37.4%
c)	<b>Pay &amp; Allowances as % age of Revenue Receipts (Net to Centre)</b>	17.1%	11.9% (04-05)	(-) 30.4%
d)	<b>Pay &amp; Allowances as % age of Tax Revenue (Net to Centre)</b>	22.9%	15.8% (04-05)	(-) 31.0%
5.	<b>Total Strength of Employees</b>	37,95,745	3345678 (04-05)	(-) 11.85%

*2.14 times increase in Total outlay  
2.5 times increase in Total assets*

*Reduction in %age Expenditure on Pay & Allowances vis-à-vis Revenue and Expenditure of Central Government*

- (i) **Total Revenue increased by 2.62 times, from Rs. 255525.54 Crores in 1997-98 to Rs. 671121.31 Crores in 2005-06.**

*2.62 times increase in Total revenue*

(ii) **Total Expenditure increased by 2.53 times, from Rs. 372972.78 Crores in 1997-98 to Rs. 947047.66 Crores in 2005-06.**

*2.53 times increase in Total expenditure*

(iii) **Net National Product (NNP) at factor cost (at current prices) is Rs. 2535627 Crores in 2005-06, which was Rs. 1224946 Crores in 1997-98, an increase by 2.6 times.**

*2.6 times increase in NNP*

### 1.5.3 Performance of Public Sector

(i) Gross Domestic Product (GDP) increased from Rs. 352518 Crores in 1997-98 to Rs. 585196 Crores in 2003-04, an increase by 1.6 times.

*Percentage share of Public Sector in GDP is 23.2%*

(ii) Percentage Share of Public Sector in GDP increased to 23.2% in 2003-04.

## 1.6 PARALLEL ECONOMY IN INDIA -

**VARIEDLY REFERRED TO AS “Black Money, Uncounted Economy, Illegal Economy, Subterranean Economy or Unsanctioned Economy**

Sl. No.	Source	1980-81 Rs. crores	1983-84 Rs. crores	1987-88 Rs. crores
1	Income Tax Evasion	14665	22319	34329
2	Corporation Tax Evasion	393	743	1030
3	Black Gains in Real Estate	5260	9089	10951
4	Excise Duty Evasion	1463	2424	5953
5	Customs Duty Evasion	1463	2424	5953
6	Black Income from Smuggling	1200	7000	12000
7	Black Income from Exports	1007	1466	2361
8	Evasion from State Taxes	5674	8447	16131
9	Black Income from Public Expenditures			
	i. States	4093	5682	11580
	ii. Central Government	1861	3102	4950
10	Black Income from Private Corporate Investment	531	1010	1724
11	Total (1 to 10)	50977	85208	149297
12	GDP at Factor Cost (current price)	122226	185991	294408
13	Ratio of Black to GDP [[11] as percentage of (12)]	41.71	45.81	50.71
14	GDP at Factor Cost (Agricultural Sector)	46.649	67498	92379
15	GDP at Factor Cost (Non-Agricultural Sector)	75577	118893	207029
16	Ratio of Black to GDP (Non-Agricultural Sector) [[11] as percentage of (15)]	67.45	71.91	72.11

Source: Suraj B.Gupta, Black Income in India (1992), Page .146.

1.6.1 According to the Fiscal Responsibility and Budget Management Act, 2003 (*FRBM*), Tax Arrears stood at Rs. 1,11,107 Crores at the end of 2004-05 and Non-Tax Arrears at Rs. 45,890 Crores more than half the Budget Estimate of Total Revenue of 2006-07.

## **1.7 CONCLUSIONS**

1.7.1 Sixth CPC may please appoint **three distinct Sub Committees** under them for assessing and analyzing in a Scientific manner - considering the actual work load, working conditions, environment, their direct role in economy, individual characteristics of the Organisation / Department etc.

➤ A team to study the working system prevailing in **Indian Railways Non-Technical Department**.

➤ Another team to study the working system prevailing in **Indian Railways Technical Departments** (*65% of Railway men are in Technical Field. 80% of total Government Technical Staff are working in the Technical Department of IR*).

➤ A team to study the working system of **all Government Departments put together** (*only 55% of total Government Employees or 45% of Railway men*).

➤ Financial constraints of Government may be tackled successfully by bold actions in bringing out black money to surface and by plugging tax evasion.

*Bold steps to control black money and tax evasion required*

➤ Fair Living Wage and adequate Motivational Allowances to Government Employees should not be denied quoting financial constraints.

➤ Efficiency and talent of Government Employees will improve only when their frustrations are removed.

➤ Government may take action for even distribution of its excellent accumulated income for a peaceful set of population.

➤ Sixth CPC may consider the fact that Government Employees count for only **0.29%** of total population. It should grow to a level of **0.5%** for effective execution of Government Plans and Objectives.

➤ Share of Public Sector as productive elements is **23.5%** of GDP. Percentage of Public Sector Employees among the Productive Elements of the Country is merely **4.6%**. But they contribute around **23.5%** to the growth of GDP.

➤ Migrating tendency of the existing Government Employees and aversion of new talented efficient youth to join Government Services may be reversed only with attractive

salaries and other remunerative benefits.

- Recommendations of Sixth CPC may ensure elimination of existing anomalies and avoid further rise thereof. Our suggestions for long-term benefits to Employees and Government in this respect may be considered.
- Sixth CPC being the first CPC in the Post Liberalisation era, Policy of Government is getting consolidated to address many challenges which can be successfully dealt when they assess the Employees demands on the basis of ground realities.

# **CHAPTER – 2**

## **PRINCIPLES OF DETERMINATION OF PAY, ALLOWANCES, OTHER BENEFITS & DATE OF EFFECT ETC.**

### ***CONTENTS***

- 1. INTRODUCTION**
- 2. VIEWS OF PREVIOUS PAY COMMISSIONS**
- 3. PRINCIPLE OF EQUAL PAY FOR EQUAL WORK**
- 4. CHANGED ECONOMIC SCENARIO AND LIBERALISATION**
- 5. METHODOLOGY FOR COMPARISON & JOB EVALUATION**
- 6. PROPOSED CRITERION FOR WAGE FIXATION, SPAN OF GRADES, RATES OF INCREMENT**
- 7. PRINCIPLE FOR DETERMINATION OF ALLOWANCES AND PROMOTION POLICY – ACP**
- 8. DATE OF EFFECT OF RECOMMENDATIONS OF CPC**
- 9. NEED FOR CONTINUING MACHINERY FOR PAY REVISION**

## CHAPTER – 2

### PRINCIPLES OF DETERMINATION OF PAY, ALLOWANCES, OTHER BENEFITS & DATE OF EFFECT ETC.

#### 2.1 INTRODUCTION

- 2.1.1 All the previous Five Central Pay Commissions since Independence, as well as the earlier two Royal Commissions – namely the “*Islington Commission*” (1912-15) and “*Lee Commission*” (1923-24) have gone at length into the principles which should determine the Pay fixation and Service conditions. But their approach and interpretations have widely differed and were largely influenced by the then prevailing situations in the country as well as the so called financial constraints of the Government and other limitations pointed out by them.
- 2.1.2 The matter has also, in the meantime, been gone into by the highest court of the land, i.e. the Supreme Court, the Administrative Reforms Committee, National Commission on Wages, Income and Price Policy (*Boothalingam Commission*) and Special Committee on Wages and Dearness Allowances of Government Employees headed by Shri. H. N. Ray as well as by the large number of Pay Commissions set up by the various State Governments from time to time.
- 2.1.3 While it may not be necessary to go into all the details of the recommendations made by the previous Pay Commissions, it would be worthwhile to examine some of the important aspects dealt with by those Commissions and to judge their present day relevance.

#### 2.2 VIEWS OF PREVIOUS PAY COMMISSIONS

##### - ON PRINCIPLES OF PAY AND WAGES

- 2.2.1 **ISLINGTON COMMISSION** ( 1912 - 15 )  
Islington defined the Principle for Wage Determination as “**To**

***obtain recruits of the right stamp and to maintain them in such a degree of comfort and dignity as will shield them from temptation and keep them efficient for the term of their service”.***

*To maintain them in such a degree of comfort and dignity as will shield them from temptation*

**2.2.2 LEE COMMISSION ( 1923 – 24 )**

Lee Commission emphasized the need for **“Fair Comparison” of wages with the prevailing market conditions.**

*Fair comparison of Wages with the prevailing market conditions*

**2.2.3 FIRST PAY COMMISSION ( 1946 - 47 )**

First CPC recommended **“to pay enough to maintain “comfort”, “dignity” and “efficiency” and to (attract and) “recruit right type of employees”.**

They further observed that **“Fair Relativity” should be maintained between the rates of Pay of civil servants and comparable outside rates, the parity being judged only with reference to long term trends in wage levels in the country and that the *Employees’ minimum pay should in no case be less than a “living wage”.***

*Fair Relativity of Wages with other Sectors*

They also noted that the **“theory that state should be a Model Employer requires that a Government which proposes to sponsor Minimum Wage Legislation for Private Industry must be ready to give the benefit of that Principle to its own employees”.**

*Minimum Wage should not be less than Living Wage*

**2.2.4 SECOND PAY COMMISSION**

Second CPC observed that the **Wages both at lower and higher level should be determined on the basis of combination of social and economic considerations.**

*Social & Economic Consideration for calculation of Wages*

*Government, had defined in the First Five Year Plan as well as enshrined in the Constitution the principle of a “fair wage” and “equal pay for equal work” which was ignored by the Commission as well as by the Government.*

## 2.2.5 THIRD PAY COMMISSION ( 1970 – 73 )

2.2.5.1 View of the Third CPC was that ***“It (Government) will also have to ensure that the treatment of its Employees is not conspicuously different from that of the Employees of other Public Sector Undertakings. In such circumstances, wider human and administrative considerations may necessitate a review, and adoption of wage and salary levels, different from those which would have been justified on pure consideration of economics ”*** (Ref. Para 108, page 52, Vol. I).

*Comparative Wages  
should not be  
conspicuously different  
from those of PSUs*

2.2.5.2 Third Pay Commission also observed that

***“Our analysis has clearly shown that, a large section of Government Employees have suffered a grievous fall in real wages and their position vis-à-vis the Employees in the organized private and public sectors has considerably deteriorated ”*** (Ref. Para 29, page 24, Vol.I).

*Fall in Real Wages*

2.2.5.3 Third CPC further emphasized that ***“The Disparities have widened to such an extent that we cannot hope to bridge the gap at one step. But a fair deal to the Government Employees demands that the gap should be narrowed to the extent that finances of Government would permit”.***  
(Ref. Para 29, page 24, Vol.I).

*Widened disparities  
need to be narrowed*

## 2.2.6 FIFTH PAY COMMISSION (1994-1997)

2.2.6.1 Fifth CPC observed that the ***“earlier CPCs had referred to three characteristics of a sound Pay Structure – Inclusiveness, Comprehensibility and Adequacy. There is no doubt that these characteristics are valid even today as ever”.***

*Characteristics of Pay  
Structure & Method of  
Determination*

2.2.6.2 It summarized various methods for determination of Pay as under –

- The need based approach
- Capacity to pay approach
- Relative Parity approach
- Job evaluation approach
- Living Wage approach

2.2.6.3 Though Fifth CPC analyzed all the above approaches at length it observed that Job Evaluation approach being most scientific approach is more preferable than any other approach and said they could not apply this principle because they had neither the time nor the requisite wherewithal. Hence, it recommended to Government to set up **Permanent Pay Body** which could be assigned with the responsibility of evaluation of each job in the Government Services on a continuous basis.

## **2.2.7 Gist of Views of Previous Pay Commissions**

2.2.7.1 All the Previous Pay Commissions from (1912-15 to 1996 ) have by and large accepted the principle of “*Fair Comparison*” or of “*Parity*” of wages of Government Employees with those of Public Sector and to an extent with those of the Private Sector, but they have not been able to bring about this parity because of following main constraints :

- i) Lack of adequate data, time and methodology for drawing out the “*Fair Comparisons*”.
- ii) ( *So called* ) Financial Constraints of the Government. Besides, they said, Government Employees enjoy some additional benefits etc.

## **2.2.8 Our Views – On Methodology & Principles**

- (i) Since all the benefits were universally available in all the sectors, in one form or the other, and were weighed more in favour of the public, private and corporate sectors – except the pension which was available only to the existing Government Employees and some Public Undertakings. But even the Pension has also been unjustly denied for the new Government Employees recruited after **01.01.2004**.
- (ii) Non-feasibility of comparison was only hypothetical as scientific job evaluation methods were available for a fair comparison of wages, but not used.
- (iii) Difference in nature of work can well be taken care of in scientific job evaluation – which provides adequately for such comparisons.
- (iv) All above said grounds mentioned by previous Pay Commissions for denial of Wage Parity were notional,

non-existent, unrealistic and unjust. In fact the law of equity and natural justice demands that such vast disparities should not be allowed to exist whatever be the cost. As for the non-pay benefits, these are more weighted in favour of the Employees in Public Undertakings than the Government Employees on all accounts mentioned above as well as other Perquisites. The other problems can also be resolved if there is a will to do so.

*Law of Equity &  
Natural Justice must be  
ensured*

- (v) It is high time that steps are taken to remove these constraints and proper justice is done to the Government Employees so that they get their due, because (*in the words of Third Pay Commission itself*) -

*“ If disparities are too great, a gnawing sense of injustice will corrode morale and lead to discontent, with adverse effects on efficiency ” - “For performing comparable duties Government Employees should not receive emoluments so conspicuously below those received by persons of same social strata engaged in private trade and industry as to develop this sense of grievance”.*

*Injustice bound to erode  
Morale & Efficiency*

- (vi) One of the terms of reference of the Fourth Pay Commission was to make the recommendations on the structure of emoluments (*and conditions of service*) *“having regard, among other relevant factors, to the prevailing pay structure under the Public Sector Undertakings, State Governments etc...”*

- (vii) It was for the first time that this point had been included in the terms of reference of a Pay Commission, because of the ever widening gap in the emoluments of Government Employees and their *counterparts* in Public Sector Undertakings and even in State Services. This has now assumed alarming proportions in certain cases so as to cause extreme frustration amongst the Government Employees thereby not only affecting their morale and efficiency but also threatening the industrial peace to some extent.

*Widening gap in  
Pay Structures*

- (viii) In fact there is absolutely no justification for the Government to maintain large disparities between the Government Employees and those of Public Sector Undertakings. Some of the related aspects, in this regard, are discussed below.

## **2.2.9 FORM OF MANAGEMENT**

2.2.9.1 Only difference between the Government Departments and the Public Sector Undertakings is that of form of Management. The difference is more reduced particularly in case of the Departments like Railways – which is a Profit Making Industrial

*Railways - a Profit Making  
Industrial & Commercial*

and Commercial organisation as any other Public Undertaking. But this difference in respect of forms of management does not in any way effect the control of the Government on the over-all working of these Undertakings or in respect of the matters related to their financial affairs and over-all wage policies.

Mainly there are two forms of Public Sector Undertakings – the Government Companies and Statutory Corporations. In both the cases, the Articles of Association and the Statute respectively, provide the requisite powers and authority to the Government ( *or for that matter, to the President* ) to issue the directions and instructions in regard to finances, conduct of business and affairs of the company or to directly fix the pay and conditions of service etc. of the Employees. Even when the corporations fix the terms and conditions of certain categories of employees, previous approval of the Government is required.

2.2.9.2 Decisions of Supreme Court in various cases (*as in Hindustan Antibiotics Vs its Workers case*) have established that the discrimination cannot be made on the grounds of forms of management of an industry and as such it is constitutional obligation of the Government to remove such discrimination, wherever it exists.

*Discrimination on the grounds of Form of Management not accepted by Supreme Court*

### **2.3 PRINCIPLE OF EQUAL PAY FOR EQUAL WORK**

2.3.1 Article 39, Clause (d) under the Directive Principles of our Constitution provides that “*The state shall in particular direct its policy towards securing .... Equal pay for equal work*” – for both men and women.

2.3.2 Numerous Judicial pronouncements by the Supreme Court have extended the concept of “*equal pay for equal work*” not only between men and women but also between men and men; and between women and women doing the same type of work in different Organizations of the Government.

*Equal Pay for Equal Work should be implemented for all*

2.3.3 In the French Motor Car Company's case, the Supreme Court reaffirmed the earlier decision that in case of certain common categories of employees, it might be possible to take into account the scales of pay in those concerns which might be engaged in entirely different lines of business as the work of common category was more or less similar in all concerns.

2.3.4 Administrative Reforms Commission ( A.R.C. ) in their report on "Personnel Management" have suggested that "the posts in the civil service should be grouped into grades so that all those which call for similar qualifications and involved in similar duties and responsibilities fall in the same grade and that the same pay scales should therefore be applied to all posts in the same grade".

2.3.5 We have already quoted some of the important observations of the previous Pay Commissions in paras 1.1.2 and 1.1.3. The Third Pay Commission had further observed in the light of Supreme Court's judgements in the above said cases, that –  
"The Directive Principles of the Constitution did not countenance the invidious distinction which was sought to be made on the basis of the character of the employer" (Para 63, page 41-42 Vol. I).

*Directive Principles do not allow for such distinction*

2.3.6 Third Pay Commission had also observed that "Since the Government has the controlling, if not the sole interest, in the Public Sector Undertakings, and is also the authority for appointment and removal of the members of the Board of Management, it cannot disown responsibility for such vital matters as the pay scales adopted by the Undertakings and the disparities between those scales and the pay scales applicable to its own Employees" (Para 64, page 42, Vol.I).

*Parity of Wages between Government & PSU Employees responsibility of Government*

2.3.7 Obviously the reason is that the pay scales and allowances like House Rent Allowance and C.C.A. etc., of the Employees in those states even including some of the Backward States like

*Some States are giving better Wages now*

U.P and Bihar have been improved and are higher both in respect of quantum and span than those of the Central Government Employees. This is leading to great resentment and frustration amongst the Central Government Employees.

2.3.8 The Sixth Pay Commission is, therefore, requested to take a note of these developments and bring the pays of the Central Government Employees at par with the Employees in the various Public Sector Undertakings and State Government Service where they are getting better wages, It should also provide a further cushion to compensate the Central Government Employees for shouldering higher responsibilities, particularly on the Railways, to ensure public safety and punctuality and reliability of the system. Special conditions of service and burden on account of dislocation due to frequent transfers to distant areas falling in different states and regions, seriously affecting their social lives as well as the education of their wards besides mental and physical stresses, also need to be adequately compensated in case of central Government employees.

*Compensation for Special Conditions of Service, higher responsibility and frequent transfer*

### **2.3.9 Comparison with Private & Corporate Sectors**

2.3.9.1 The rapid pace at which the Private and Corporate Sectors are growing and the amount of salaries offered to their staff, has created a new situation altogether. The wages of Central Government Employees seem just negligible in comparison to Private and Corporate Sectors for similar jobs and qualifications. Fair comparison or at least a semblance of comparison must exist in order to attract the proper talent to Government jobs and also to maintain efficiency of the Employees to serve honestly and effectively.

*Astronomical growth in salaries in PSUs, Private & Corporate Sectors*

### **2.3.10 Concept of Model Employer**

2.3.10.1 In Socialistic pattern of society and with laudable principles enshrined in our Constitution and in the objectives of Five Year

Plans, it was natural for the Employees to expect the Government to play the role of the “**Model Employer**”. But, it is ironical that none of the previous Pay Commissions had practically accepted the Concept of “**Model Employer**” which was strongly demanded by the Employees Unions and Associations. Apparently, the main reason for such an outright rejection of the concept of model employer was that the said Pay Commissions considered the term “**Model Employer**” as **the term** which should pay the highest wages, but this was never implied that way by the Employees, who were always demanding only a “**Fair Comparison**” with the prevailing wages elsewhere in the country.

*Previous Pay Commissions unjustly linked the concept of Model Employer with highest Wages*

### **2.3.11 Our Views On Concept of “MODEL EMPLOYER”**

2.3.11.1 In our view the Government should act as a Model employer by paying a “*Fair Wage*” which is adequate enough to maintain them in such a degree of comfort and dignity as would shield them from temptation, keep them efficient for their term of service and would adequately meet their personal and social needs.

*Criteria for Model Employer – Fair Wage & Fair Comparison*

2.3.11.2 Such a concept, if adopted, would of course, bring into play the principle of “*Fair Comparison*”, but would definitely not evolve a pay structure which is the highest in the land. The basic inference to be derived from the concept of a “*Model Employer*” is that merely the so-called financial constraints should not forbid the Government from paying the “*Fair Wages*” to its Employees.

### **2.3.12 Financial Constraints and Resources**

2.3.12.1 Much significance has been attached to the financial constraints the Government is faced with whenever the demand for revision of wages of its Employees has been put forth. The previous Pay Commissions failed to do justice to the Central Government Employees because of the so-called

*Undue stress given on the so-called Financial Constraints*

financial constraints although they accepted the need to bridge the gap between the real wages of the Government Employees vis-à-vis the Employees in the organized Private and Public Sectors. It may also be mentioned that

(a) Pay structure of the Members of Parliament have been revised **27 times in 62 years;**

(b) Pay structure of PSUs was revised every 5 years, on an average;

2.3.12.2 Resource mobilization, both of the Railways as well as of the Central Government as a whole has considerably improved during the last few years and so has the Gross National Product and per capita income.

## **2.4 CHANGED ECONOMIC SCENARIO AND LIBERALISATION OF ECONOMIC AND INDUSTRIAL POLICIES**

2.4.1 The economic scenario has greatly changed in the country especially during the last 2 to 3 years. Resources of the Government have greatly improved; the budgetary deficit is under control – according to the claims of the Government itself. Balance of payments position has also greatly improved and the Government has given large scale concessions to Industrial and Corporate Sectors amounting to thousands of crores of rupees in the form of reduced Excise and Customs Duties. Foreign Exchange Reserve has also increased considerably.

*Resources of the Government have greatly improved*

2.4.2 It is a pity that while giving large scale concessions to Industrialists and Businessmen, the Government is showing a complete apathy towards its own Employees. There could be no greater fallacy or travesty of truth that having given such concessions to corporate sectors, it would be a great injustice if the Government expresses its inability to meet the expenses involved in granting pay parity to its Employees who are responsible for keeping the Nation on the move in their own humble way.

*Government is depriving its own employees, while giving large concessions to Industrialists and Businessmen*

2.4.3 Finances of the Central Government are flexible and placed under a self imposed restraint. The experience over the years has shown that, given the will, ways can be found for mobilizing additional resources not only for meeting the rightful aspirations of the Employees but also for meeting the demands on account of Developmental Planning, Defence and National Security etc.

#### **2.4.4 Vast Changes In Economic Scenario Since Fifth CPC**

2.4.4.1 As mentioned earlier in Chapter 1, we very humbly reiterate that major changes have taken place in the economic scenario especially in India, during the last 10 years – after the Fifth Central Pay Commission gave its Report in January, 1997 – which was made effective from 01.01.1996.

*If there is a will,  
there is a way*

**(a) Net National Product had grown by 52% (from 8237 as on 01.01.1996 to 12525 on 01.01.2006) as per Constant Prices in 1993-94 and by 138.55% (from 9825 as on 01.01.1996 to 23438 on 01.01.2006) as per current prices.**

**(b) Total Revenue Receipts of Central Government have increased from Rs. 110191 crores in 1995-96 to Rs. 351200 crores in 2004-05 i.e. by (+) 218.7% and Revenue Expenditure has also grown by 211.1%. GDP (Gross Domestic Product) has also grown sharply.**

**(c) Decline in Percentage of Expenditure on Pay & Allowances:-**

- **Expenditure on Pay & Allowances – as percentage of Total Expenditure has gone down by 37.4%.**
- **Expenditure on Pay & Allowances as %age of Revenue Receipts had also gone down from 17.1% in 1995-96 to 11.9% in 2004-05 i.e. a fall by 30.4%.**
- **Expenditure on Pay & Allowances of employees – as percentage of GDP has also gone down.**

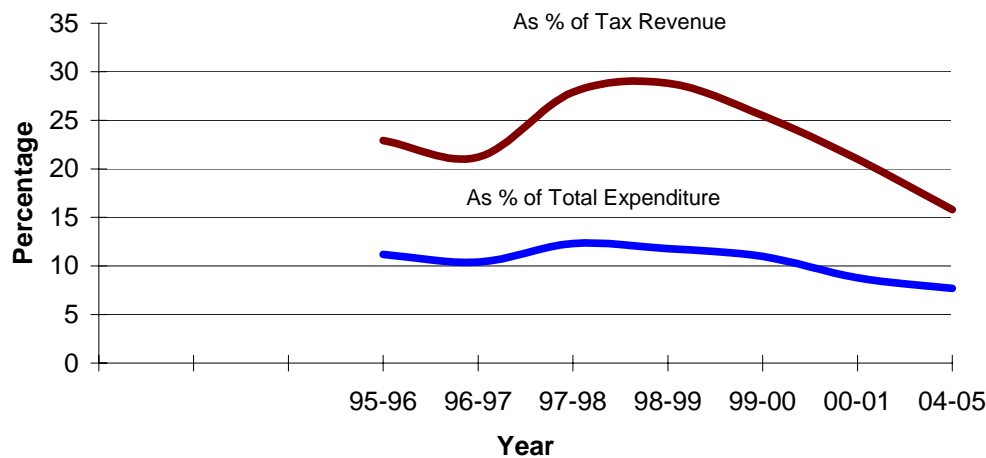
*Sharp Decline in  
Percentage of Expenditure  
on Pay & Allowances*

*Continued*

**Percentage Variation of Expenditure on Salaries & Wages  
with respect to Total Revenue Expenditure**

S.No.	Description	1995-96	2005-06	%age Variation
1.	Net National Product (NNP)	As on 1.1.96	As on 1.1.06	
	a) On 1993-94 Prices	8237	12525	(+) 52%
	b) On Current Prices	9825	23438	(+) 138.5%
2.	Total Revenue Receipts	Rs. 110191Cr	Rs. 351200 Cr. (04-05)	(+) 218.7%
3.	Total Revenue Expenditure	Rs. 143522Cr	Rs. 446512 Cr. (04-05)	(+) 211.1%
4. (a)	Total Pay & Allowances (Incl. Traveling All.)	Rs.18090 Cr.	Rs. 35339 Cr. (04-05)	+ 95.3%
(b)	Pay & Allowances - as percentage of Total Expenditure	11.6%	7.26% (04-05)	(-) 37.4%
(c)	Pay & Allowances - as % age of Revenue Receipts (Net to Centre)	17.1%	11.9% (04-05)	(-) 30.4%
(d)	Pay & Allowances - as % age of Tax Revenue ( <i>Net to Centre</i> )	22.9%	15.8% (04-05)	(-) 31.0%
5.	Total Strength of Employees	37,95,745	3345678 (04-05)	(-) 11.85%

**Percentage Variation of Expenditure on Salaries & Wages  
with respect to Total Revenue Expenditure**



YEAR	95-96	96-97	97-98	98-99	99-00	00-01	04-05*
AS % OF TOTAL EXPENDITURE	11.2	10.4	12.3	11.8	11	8.8	7.7
AS % OF TAX REVENUE	22.9	21.2	27.9	28.8	25.5	21	15.8

Source: Indian Public Finance Statistics (2004-05)

\* Revised estimate

2.4.4.2 It is apparent from the data in the foregoing table and graph above, that while Net National Product (*NNP*) and the Gross Domestic Product (*GDP*) had substantially increased during the

last 10 years, the expenditure on Pay and Allowances had not kept pace either with the rise of NNP or GDP, nor had these been increased in proportion to the Revenue Receipts or Revenue Expenditure, at large. All this had caused a great hardship to the employees – who feel greatly let down and frustrated.

(i) It is apparent from the foregoing analysis, that the Government has apparently sufficient capacity to pay – adequately – provided there is will to pay and do justice.

*Government has capacity to Pay*

(ii) If the Government only restores the percentage of Expenditure on Pay & Allowances to 11.6% of Total Revenue Expenditure i.e. to the level of that prevailing in 1995-96 (i.e. prior to implementation of Fifth CPC), it will have an additional amount of Rs. 16456 Crores more available to spend on Pay & Allowances of its employees on the basis of Budgetary Provision of 2004-05 and a much higher amount as per Budgetary Provisions of 2006-07 or, for that matter, of 2007-08.

*Restoration of % Expenditure on Pay & Allowances to 1995-96 level will generate additional amount of Rs. 16456 Crores*

## **2.5 METHODOLOGY FOR COMPARISON – JOB EVALUATION**

2.5.1 One of the arguments, given in the past, against the principle of “*Fair Comparison*” is the lack of any method for comparison of wages vis-à-vis job content. Numerous arguments have been given against the adoption of system of job evaluation for the purpose.

2.5.2 It is really a matter of regret that all the previous pay commissions preferred to resort to adhocism. Clear and enlightened ways have long since been evolved the world-over in respect of job evaluation and are available to us. However, Job evaluation becomes the first casualty in all pay commissions which, like a **still-born baby**, has been abandoned in India without being given a fair trial.

*Ad hoc measures were adopted by previous Pay Commissions*

2.5.3 Third Pay Commission did not find the scope for application of the job evaluation. It rather suggested the “*Adoption of the Technique, first on an experimental basis and later, if found successful, on continual basis*”. (Ref. Para 102 page 51 Vol. I).

But nothing had further been done or heard of it till date, even though two more pay commissions had been set up thereafter . Third Pay Commission did not adopt the method as it found the following limitations with the system –

- i) that there was non-availability of required data
- ii) that it had “*so far been applied mostly to industrial jobs*” and rarely to “*highest paid jobs*”
- iii) that it is “*time-consuming*” and
- iv) that the “*subjective element is still there in any job evaluation*”.

2.5.4 The experience the world-over, however, does not confirm the said observations except of course to some points i.e., time and subjective elements. With the advent of Information Technology and E-governance, the time factor also seems insignificant. This exercise does not require to be given up for good because of these limitations which are also capable of being overcome, as has been done elsewhere in the world. It is only a positive mindset / approach which is required.

*Time Factor (for declining)  
Job Evaluation not relevant  
any more due to  
computerization and  
availability of adequate  
data*

2.5.5 There are four methods for job evaluation i.e. –

- (i) Ranking Method
- (ii) Classification or Grading Method,
- (iii) Factor Comparison Method and
- (iv) Point Rating Method.

2.5.6 One of the reasons for **treating job evaluation as time-consuming** is that it has generally come to be looked upon in terms of “*Point Rating*” system which has its advantages, but is of course quite time-consuming.

### **2.5.7 Application of Classification Method**

2.5.7.1 Out of all the four mentioned methods of Job evaluation, Classification Method is much easier and quicker and forms the basis for classification of all the jobs under U.S.A Government – at Federal, State and Local Body level – in the U.S. Civil Services, who are all covered under the United States Classification Act, 1949, amended from time to time. It covers all the professional, administrative and technical jobs at various levels, with each of the groups covered under a separate

*Advantages of  
Classification Method*

schedule of the said Act. Besides, this Classification method has also been successfully employed for classification of workers in U.K., Germany and many other countries.

*Classification Method  
Much easier & quicker*

2.5.7.2 Classification (or Pre-determined Grading) method of job evaluation consists of establishing certain job grades, indicating levels of functions according to which the jobs are classified. This is done by preparing definitions for each grade and classifying individual jobs according to relative characteristics in comparison to the different grade definitions keeping in view the totality of the job, and comparing or matching the same with the grade definitions.

## **2.5.8 Application of Job Evaluation**

2.5.8.1 Experiences gathered in the U.S.A., U.K, and Germany etc. can be made use of. The Pay Commission can formulate the norms and methodology for application of the Classification Method of Job Evaluation. The Third and Fourth Pay Commissions had suggested the setting up of a Permanent Cell by the Government for collection of Data in respect of nature and description of various jobs performed in different Departments and Public Sector Undertakings and about the pay and allowances available for the same. Fifth pay Commission (*vide chapter 171 para 99*) had gone a step further and proposed a Permanent Pay Commission for Central Government Employees. We are not sure whether this suggestion has been seriously considered by the Government or not and what are the results of it. But whatever data that has been collected in this regard can be made use of by the Sixth Pay Commission both for the purpose of drawing out wage comparisons and job evaluation. Further data, as required, may be collected and made use of, in the interest of justice. The availability of modern Information Technology shall further expedite the matter considerably.

*Experience of other  
Countries may be of use*

*Permanent Pay  
Commission for Central  
Government Employees*

## **2.5.9 Proposed Method for Job Evaluation**

2.5.9.1 We are suggesting below a few steps which may be taken for adopting the Classification/Grading Method of Job Evaluation for Central Government Employees and for drawing out comparisons with their counterparts in Public Undertakings etc.

i) Brief Job descriptions and details of pay scales, emoluments and other particulars be collected for various group of Employees including those under Central Government and in major Public Sector Undertakings, State Govt. Services and major Private Undertakings-Corporate etc.

ii) The entire Employees' **jobs** are broadly grouped into 8 to 10 groups depending upon the overall nature of work like "*Industrial*", "*Non-Industrial*" and "*Secretarial*" etc. These groups may be further broken up into various sub-groups like "*Artisan*", "*Supervisory*", "*Administrative*" etc.

iii) Separate "*Grade definitions*" be finalized for each group of Employees indicating the type of work or level of Job difficulty, area and span of supervision etc. that would qualify for each of the grade, keeping, of course, the horizontal parities and vertical differentials as well as the outside comparisons, in view.

iv) Groups of experts may then be formed to fit in various categories of Employees in the respective grades according to level of job difficulties and Grade descriptions or definitions finalized by the apex cell of the Pay Commission.

v) The final reports of "*experts groups*" may then be cross-checked by the Pay Commission to remove any disparities or anomalies due to the impact of subjectivity or any extraneous factors, before submitting its own report to the Government.

vi) Provision may be made for evaluating new types of jobs and adjusting the same according to horizontal parities and vertical relativities and also for revision of the levels according to change in job requirements, if any, from time to time.

2.5.9.2 This entire method, if followed, will certainly lead to better justice, better job satisfaction, greater industrial harmony leading to higher efficiency and productivity and the time, cost and effort would definitely be worth the returns, particularly in the long run.

## **2.6 PROPOSED CRITERION FOR WAGE FIXATION, SPAN OF GRADES, RATE OF INCREMENT**

2.6.1 We request the Pay Commission the following basic criteria be

kept in view for a fair wage determination for Central Government Employees.

### **2.6.2 Minimum Wage**

2.6.1.1 Determination of Need Based Minimum Wage should be made keeping in view the following points. i) Norms proposed by 15th Labour Conference, ii) Judgement of Supreme Court of India (*in the case of Reptakoo Brett & Co. V/s Others*), iii) Provisions of Constitution (*Articles* ), iv) Overall improvement in Standard of Living, v) Changed socio-economic environments, vi) Improvement in per capita income and vii) Comparative wages in the Public Sector Undertakings etc.

### **2.6.3 Maximum Wage**

2.6.3.1 We strongly feel that the overall wage structure in P.S.U.s and Private / Corporate Sectors should be kept in view while fixing the Pay Structure for the sake of equity and natural justice and no pre-conceived ratio be adhered to.

### **2.6.4 Intermediate Grades**

2.6.4.1 Having fixed the Minimum and Maximum of the Wages, the intermediate grades should be fixed on the basis of qualifications, training, experience, workload and responsibilities etc. shouldered by each group of Employees and these should bear parity with similar jobs in Government Undertakings and organized Private / Corporate Sector.

#### **2.6.4.2 Special Consideration for Conditions of Service in Railways**

The wages of the Industrial Employees, especially those on the **Railways**, should be fixed separately from those of the Non-Industrial Employees with a view to adequately compensate them for the Hazards / Job requirements and peculiar Conditions of Service under which the Railwaymen have to work. Additional stresses and strains of the system be duly considered and compensated.

*Special Consideration  
& Job Requirements of  
Industrial Employees  
on Railways*

## 2.6.5 Span of Grades

2.6.5.1 It is requested that

- (a) All grades be so framed that there is no stagnation.
- (b) **Provision should be made for the last incremental amount to continue even after reaching the maximum of the grade, till the next promotion is granted in order to avoid stagnation and resultant frustration.** This principle has been adopted in some of the States like West Bengal, and Punjab etc. where the last increment drawn in a scale is to continue, as per tripartite agreement on wages of Industrial Workers. Punjab, Kerala and some other states have also adopted the similar system.
- (c) A Master Scale may be framed by the Pay Commission for equitably maintaining the Vertical Relativities, to avoid stagnation and to avoid or minimize anomalies in Fixation of Pay etc.

*Continuation of last increment till next promotion to avoid stagnation*

*Master Scale may be formed to minimize anomalies in Fixation of Pay*

## 2.6.6 Rates of Increment

2.6.6.1 Rate of annual increment should be equal to 5% (of minimum) of pay of each slab of five years - so as to promote motivation, incentive and efficiency as well as to meet the requirements of enhanced liabilities.

*Rate of Increment be 5% (of minimum) Pay of each slab*

2.6.6.2 **Each scale should have at least 2 slabs of 5 years each, to avoid stagnation and resultant frustration. Last increment should continue even after reaching maximum of scale till next promotion.**

2.6.6.3 If promotion is not available to an employee for any reason (other than inefficiency) even after a reasonable period of time, of say 5 years of entry into a grade, the Employee concerned should be promoted to next grade or granted a special "Proficiency Increment" for every 5 years of service in a grade, as has been introduced by some of the State Governments like Punjab etc.

*Provision of Proficiency Increment*

*Time-bound or Time-scale Promotion for motivation, efficiency and job satisfaction*

## 2.7 PRINCIPLES FOR DETERMINATION OF ALLOWANCES & PROMOTIONAL POLICY

2.7.1 The submission in regard to the principles for determination of Allowances is being made in subsequent chapter for kind consideration of the Pay Commission.

The Promotional policy should be such as to provide optimum motivation to promote greater efficiency and job satisfaction. The only way of ensuring reasonable promotional prospects is through Time-Bound or at least Time-Scale promotions with a view to provide a promotion every 4 to 5 years of service as is prevalent in the Army as well as in some other Departments like CPWD, TELECOM etc., and in some of the States for the Junior Engineers as well as some other categories.

## **2.7.2 Assured Career Progression (ACP)**

2.7.2.1 Fifth Pay Commission ( *in Para 22.29, Page 196 and Annexure 22.1, Page 200 of its Report*) had recommended that i) every employee, recruited in a particular grade / scale of pay, shall be allowed to move to his respective and specified higher scales on completion of specified period of residency in lower Pay Scale and ii) Number of Financial Upgrading in case of Group 'A' Officers should be 3 in the career and 2 in the case of Group 'B', 'C' and 'D' employees. This was totally unjustified and discriminatory. The 6<sup>th</sup> Pay Commission is requested to remove this discrimination and to provide a **modified policy regarding Assured Career Progression (ACP), with a financial upgrading first after 4 years of service and subsequently after every 5 years of service during the career to provide adequate motivation and ensure optimum efficiency. A brief treatise on A Futuristic Motivation Package and Modified Promotion Policy, is placed at Annexure 14 for the kind perusal and consideration of the Pay Commission.**

*Conditions of Assured Career Progression*

## **2.8 DATE OF EFFECT OF RECOMMENDATIONS OF CPC**

2.8.1 It is humbly requested that the **recommendations of the Sixth Pay Commission (including those for Interim Relief) be made effective from 01.01.2006, if not earlier – when the Decennial Revision was in any case due.**

*Date of Implementation should be 01.01.2006*

## **2.9 NEED FOR CONTINUING MACHINERY FOR PAY REVISION**

2.9.1 Kind attention is invited towards the following **recommendations of Fifth Pay Commission** made in Chapter 171 of its Report (*as per Para 99 of Summary of Recommendations*) :

*Recommendations of Fifth Pay Commission : Permanent Pay Commission*

***“ Need for continuing machinery for pay revision:***

***The Commission has recommended that pay revision should, in future, be entrusted to a Permanent Pay Commission drawing its authority from a Constitutional provision, whose recommendations should have a binding character. Pay should be revised annually as in***

*Pay should be revised annually*

**other countries. As an alternative, it has been suggested that dearness allowance should be converted into dearness pay every time the cost of living rises by 50% over the base level. This would imply a revision of pay every 4 to 5 years. The final option is to have a decennial exercise as at present, but with fixed dates. The Commission has suggested that the date of constitution of the next Pay Commission should not be later than 01.01.2003, and the date of implementation of its recommendations should be 01.01.2006, irrespective of when its report is submitted”.**

*Revision of Pay every  
4 to 5 years*

# CHAPTER – 3

## DETERMINATION OF MINIMUM & MAXIMUM WAGES, OVERALL WAGE STRUCTURE AND OTHER SERVICE CONDITIONS

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- 4 RECOMMENDATIONS OF 15TH INDIAN LABOUR CONFERENCE
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- 8 VIEWS OF SUPREME COURT ON MINIMUM WAGE
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## CHAPTER – 3

### DETERMINATION OF MINIMUM & MAXIMUM WAGES, OVERALL WAGE STRUCTURE AND OTHER SERVICE CONDITIONS

#### 3.1 INTRODUCTION

The wages to be paid to the workers and officials at the lowest level have to be related to the essential basic needs and social requirements rather than merely the economic considerations, as has all through been done by the last Five Pay Commissions.

*Wages related to essential basic needs and social requirements*

#### 3.2 STATUTORY REQUIREMENT

##### 3.2.2 LIVING WAGE

3.2.2.1 Article 43 of the Constitution of India provides as under:

**“A living wage etc for Workers: - The state shall endeavor to secure, by suitable legislation or economic organization or in any other way, to all workers,... a living wage, conditions of work ensuring a decent standard of life and full enjoyment of Leisure and Social and Cultural opportunities ..”**. It is a matter of regret that even in the 21<sup>st</sup> Century we have reached nowhere near the above said objective.

*Concept of Living Wage*

#### 3.3 DETERMINATION OF MINIMUM WAGE

3.3.1 The Third Pay Commission (*in Chapter 6 Vol. I of its Report*) had observed that *“In a modern welfare state, such as ours, Government as the employer has a responsibility for meeting the essential needs of its lowest paid Employee and for maintaining his health and efficiency. The International Labour Organization has consistently pressed for the achievement of a minimum standard of living for workers and their families, particularly through dynamic minimum wage and social security measures which systematically take account of economic growth*

*Responsibility of Government as an Employer*

and rising living cost. There has been a growing recognition that raising the quality of human resources is as essential to future development as is the accumulation of capital. Minimum wage determination has to be based on various socio-economic factors rather than be left to the market forces of supply and demand”.

*Importance of Human Resources*

3.3.2 However, while actually computing the minimum wage the Third Pay Commission did not do justice with the low paid Employees and very much undermined the “ need ” of the workers.

### **3.4 RECOMMENDATIONS OF 15<sup>TH</sup> INDIAN LABOUR CONFERENCE**

3.4.1 With regard to the minimum wage fixation it was agreed that “**minimum wage should be ‘Need Based’ and State should ensure the minimum human needs of the industrial worker, irrespective of any other considerations.** To calculate the minimum wage, the Conference accepted the following norms and recommended that they should guide all wage fixing authorities including Minimum Wage Committees, Wage Boards, Adjudicators, etc.

*Minimum human needs to be considered*

#### **3.4.2 Main Recommendations of 15<sup>th</sup> Labour Conference**

(i) *In calculating the minimum wage, the standard working class family should be taken to consist of 4 consumption units per earner. The earnings of women, children and adolescents should be disregarded.*

*Four consumption units per family*

(ii) *Minimum food requirements should be calculated on the basis of a net intake of 2,700 calories as recommended by Dr. Aykroyd for an average Indian adult of moderate activity.*

*Minimum food requirements*

(iii) *Clothing requirements should be estimated at per capita consumption of 18 yards per annum, which would give for the average worker’s family of four a total of 72 yards.*

*Clothing requirements*

(iv) *In respect of housing the norm should be the minimum rent charged by the Government in any area for houses provided under the subsidized Industrial Housing Scheme for low-income groups.*

*Housing*

(v) Fuel, Lighting and other miscellaneous items @ 20% of the total.

*Other items*

### **3.5 VIEWS OF NATIONAL COMMISSION ON LABOUR (NCL) ON MINIMUM WAGE**

3.5.1 NCL mentioned three levels of wages, viz. Living Wage, Fair Wage and Minimum Wage. Living Wage represented **“a standard of living which provided not merely for a bare physical subsistence but for the maintenance of health and decency, a measure of frugal comfort including education for the children, protection against ill health, requirements of essential social needs and some insurance against more important misfortunes”.**

*Definition of Living Wage*

### **3.6 COMPARISON WITH PUBLIC SECTOR UNDERTAKINGS**

3.6.1 Minimum wages in various Public Undertakings vary between Rs.7000 to Rs. 7500 per month. However, besides the pay and DA etc., the employees of Public Sector Undertakings are getting much higher Ex-gratia Bonus to the tune of Rs. 15000 to Rs. 25000 P.A. (or even more) as compared to only about Rs.5000 P.A. to the Railwaymen, thereby creating further disparity of about Rs.1500 to Rs.2000 p.m. in addition to a difference of over Rs.2000 in Pay and DA. Similarly there are a number of other benefits available to the employees in PSUs as a higher proportion to that available to Government employees (like more House Rent Allowance, Education Allowance, Transport Allowance and Medical Allowance etc.) Besides, the revision of Wages is in any case due in the Public Sector Undertakings w.e.f 01.01.2007 which will further increase this difference by another 15 to 20% or even more.

*Employees of Public Sector Undertakings getting much higher Ex-gratia Bonus*

*Much higher allowances to PSU employees*

### 3.7 COMPARATIVE EXISTING & PROPOSED MINIMUM WAGE CENTRAL GOVERNMENT EMPLOYEES AND PSUs

Sl. No	Employer	Minimum Wages ( as on 01.01.2006)					Expected/ Projected Rise	Total	Minimum Wage Comparable to PSUs
		Pay	DP	DA	Total	PLB / (Ex Gratia) Bonus			
		Rs.	Rs.	Rs.	Rs.	Rs.			
1.	Central Govt.	2550	1275 (50%)	918 (24%)	4743	5342 ÷ 12 = 445	To be decided by 6th CPC	5188	10000
2.	P.S.U (Average)	4500		2655 (59%)	7155	1431 (@20%)	1431 (20% w.e.f. 1.1.07)	10017	10000

\* PSU – BHEL, Indian Oil Corporation, NTPC, NHPC etc., as attached with calculation of NNP

### 3.8 VIEWS OF SUPREME COURT ON MINIMUM WAGE

#### 3.8.1 Supreme Court Judgment 1991 (Ref: Fifth CPC Para 41.7):

*Supreme Court, in 1991, in a Judgment (in the case Reptakoo Brett and Co. versus others) opined that the criteria recommended by the Indian Labour Conference, 1957 may not suffice. It held that an additional component of Children's Education, Medical Requirements, Recreations including Festivals / Ceremonies and provisions for old age and Marriage should constitute **25%** of minimum wages.*

*Supreme Court's  
view on Minimum  
Wage*

3.8.2 We are of the opinion that the criteria laid down by the 15<sup>th</sup> Labour Conference for calculating the minimum wages of Government Employees should be improved upon, keeping in view the rise in the standard of living of the Country due to overall development, improvement in per capita income, NNP and comparative wages in the Public Sector Undertakings etc., besides the additional components rightly mentioned by the Supreme Court of India.

*Our opinion*

3.8.3 Need Based Minimum Wage works out to be Rs. 10995 (or say Rs.11000) p.m. on the basis of norms recommended by 15<sup>th</sup> Labour Conference, Judgment of Supreme Court of India (cited above) and the Consumer Price Index for Urban Non-Manual Employees – as per details submitted below.

**3.9 NEED BASED MINIMUM WAGE (As on 01.01.2006) As per 15<sup>th</sup> Labour Conference, Supreme Court Judgment & (Urban) Consumer Price Index**

SL NO	HEAD OF EXPENDITURE	NEED BASED MINIMUM WAGE
1	<b>Cost Of Food</b> (for 4 Members) (Average of 365 days per annum @ Rs.29 or Rs.28.60 to be exact, per day per head )	Rs. 3480.00
2	<b>Clothing</b>	Rs. 1350.00
3	<b>House Rent</b>	Rs. 2500.00
	<b>Sub Total</b>	<b>Rs. 7330.00</b>
4	<b>Miscellaneous Expenditure</b> ( 20% of Total )	Rs. 1466.00
	<b>Total</b>	<b>Rs. 8796.00</b>
5	<b>Children's' Education ,Social Needs etc.,</b> ( 25% of Total )(As per Supreme Court Judgment)	Rs. 2199.00
	<b>Grand Total</b>	<b>Rs. 10995.00</b>

3.9.1 It is, therefore, requested that the **Minimum Wage of the Central Government Employees may be fixed at Rs. 11000** for the Non-Technical Staff, and **Rs.13000** for the Technical Staff – in view of their higher job requirements, especially on the Railways, as mentioned by us in Chapter 1 and 4 of the Memorandum - to bring about a parity of wages with Government / Public Undertakings and an equity with Private / Corporate Sector.

**3.10 DETERMINATION OF MAXIMUM WAGES**

3.10.1 In our opinion, the ratio between the Minimum and Maximum Wages of the lowest and highest paid Employees in the Railways and the Central Government Services should bear a fair comparison and relativity with the wage structure prevailing elsewhere in the Country, which varies between Rs.100,000 to Rs.150,000 or more per month at the highest level in PSUs and much more in Corporate Sector etc.

*Fair Relativity  
between  
Minimum &  
Maximum  
Wages*

**3.11 DETERMINATION OF INTERMEDIATE GRADES**

3.11.1 Intermediate grades should be fixed keeping in view the duties, responsibilities, work load and other relative

*Factors  
effecting  
Intermediate  
grades*

factors including vertical differential and horizontal parities etc., with a rise of 4.31 times over the existing pay scales recommended by Fifth Pay Commission, as per rise of Minimum Wage cited in Para 3.9 *supra*.

- 3.11.2 It is requested that, **number of grades be reduced to 15 or 16 in conformity with the recommendations of A.R.C and all Employees should be fitted in. This can be done by merging some of the grades within each cadre and also by clubbing the grades in different cadre on the basis of horizontal parity.**

*Reduction in number of grades*

### **3.12 SPAN OF GRADES AND PROMOTIONAL AVENUES**

- 3.12.1 Fourth and Fifth Pay Commission increased the span of certain grades particularly at the entry levels, but most grades were still comparatively short, which resulted in large-scale stagnation particularly because of two major factors. Firstly many of the grades were over-lapping and, secondly, the avenues of promotion in most cases were too bleak to fetch a promotion within the span of a grade. In case of certain categories of Employees like Senior Section Engineers (S-13 scale), the span was so short and over lapping that many of them were stagnated on the maximum of the grades within a couple of years of fixation in the revised scales and still continue to be so stagnated. Some others were stagnated within 2 to 3 years of their promotions from one grade to another. This has been one of the most frustrating aspects of the grades recommended by all the Pay Commissions so far.

*Stagnation due to short and overlapping grades*

### **3.13 INTRODUCTION OF MASTER SCALE**

- 3.13.1 Many State Governments have adopted Master Scale for their employees ( *as in Punjab and Kerala etc.* ). This

*Master Scale as a solution*

avoids stagnation and anomalies arising out of an adhoc Pay Structure – which could bring in subjectivity and bias etc.

### **3.14 PROPOSED MASTER SCALE**

It is proposed and requested that the following Master Scale be adopted for all central Government employees:

**Rs.11000-500-13500-700-17000-900-21500-1100-27000-1400-34000-1700-42500-2100-53000-2600-66000-3300-82500-4000-102500-5100-128000-6400-160000.**

*Proposed  
Master Scale*

### **3.15 RATE OF INCREMENTS**

3.15.1 Rate of increment in each grade should be 5 per cent.

This is necessary to provide adequate motivation, incentive and additional emoluments required to meet additional liabilities, as well as to compensate for the improved efficiency on account of experience etc.

### **3.16 EXISTING WAGE DISPARITIES**

3.16.1 A detailed study of existing wage structure in Public Sector Undertakings reveals that the wages of Central Government Employees are nearly 35 % to 50% lesser than those prevailing in the Public Undertakings for similar jobs.

3.16.2 The differences are even much more in comparison to the Employees in the Corporate and Private Sectors. This difference is bound to grow very fast considering the pace at which the Corporate and Private Sectors are growing due to liberalization and globalization policies in the country. The coming of the Multinationals has further reduced the attraction for the Government jobs due to wage differential.

3.16.3 A “*Fair Comparison*” of wage structure would therefore be necessary to maintain parity and equality, and providing attractive salary to “**recruit and**

***maintain the Employees in a degree of comfort as will shield them from temptations and keep them efficient for the term of their service*** – a principle defined more than 80 years ago by “*Islington Commission*” but not achieved so far. The position will erode even faster in the coming years, unless checked forthwith, by providing reasonably good pay scales, emoluments and service conditions to the Central Government Employees.

3.16.4 All the previous Pay Commissions noted that there were wage ***disparities***, but none removed them, only on the basis of the argument that the Government did not have the resources. But this is neither true nor justified as mentioned in detail in Chapter – I.

3.16.5 It is, therefore, imperative that the wages of all the Central Government Employees be increased adequately to reduce the gap between Employees of Public ***Undertakings***, Private and Corporate Sectors vis-à-vis the Central Government Employees, at least partially.

### **3.17 OTHER SUGGESTIONS IN A NUTSHELL**

3.17.1 Sixth Pay Commission is therefore requested to **recommend longer Pay scales with lesser overlapping in order to reduce stagnation**. The following suggestions are offered in this regard for kind consideration of the Commission.

- (i) There should be one “***Master Scale***” from bottom to top (as proposed in para 3.14 supra).
- (ii) Span of all the grades should be such that there is no stagnation at any stage.
- (iii) Start of the second and subsequent grade in each cadre should be sufficiently higher than the start of the lower grade so as to reduce the overlapping to the bare minimum.
- (iv) Last increment in a grade should be continued till the next promotion / retirement, so as to avoid stagnation which is most frustrating and demoralizing.
- (v) Cadres should be properly and periodically restructured so as to provide reasonable avenues of promotion.
- (vi) System of Time-Bound or Time-Scale Promotions should be introduced forthwith.

*Longer span of grades*

*Relativity between grades*

*Continuation of last increment*

(vii) Proficiency increments should be given for every four to five years of stay in a grade.

(viii) A.C.P. (Assured Career Progression) policy should be amended to provide an assured promotion atleast on completion of 4 to 5 years and as adopted by many of the State Governments (instead of after 12 and 24 years recommended by Fifth Pay Commission).

*Assured Career Progression every 4 to 5 years*

(ix) Classification of all posts of Section Engineers & CMS-II (Existing Scale Rs.6500-10500) and Senior Section Engineers & CMS-I (Existing Scale Rs.7450-11500) in Group 'B' (Gazetted) - as in other Departments like M.E.S. and C.P.W.D., etc., as per recommendations of 5th Pay Commission and orders of DOP thereon.

### 3.18 PROPOSED PAY STRUCTURE & PAY SCALES FOR CENTRAL GOVERNMENT EMPLOYEES

3.18.1 Considering all the aspects in the foregoing paras (*in this Chapter and in Chapter--I*), we request the Pay Commission to recommend the following pay structure for the Central Government Employees, in Group C and D -

#### PROPOSED PAY SCALES FOR GROUP C & D EMPLOYEES

Sl. No	Grade	Existing Pay Scale	Pre-Revised Scale Recommended by 5th CPC (Para 53.13, 54.18 & 54.38, )	Projected scales which should have been given on rise of NNP (in 10 yrs at 38.6 % instead of 30.9 % ) *	Proposed Equated Scale of Fifth CPC	Proposed Pay Scale for Sixth CPC on Multiple Factor of 4.31 (i.e. ratio of Proposed Min. & Existing Min. Pay) **
1	S-1 S-2	2550-3200 2610-3540	750-940 775-1025	3000-3760 3100-4100	3050-4590	11000-500-13500-700-17000
2	S-3 S-4	2650-4000 2750-4400	800-1150 825-1200	3200-4600 3300-4800	3200-4900	12000-500-13500-700-17000-900-18800
3	Asst. Technician (Helper & Sr. Helper)	2550-3200 2650-4000	750-940 8001150	3000-3760 3200-4600	New Scale (Tech)	13000-500-13500-700-17000-900-20600
4	S-5 S-6	3050-4590	950- 1500	3800-6000	4000-6000	14900-700-17000-900-21500-1100-23700
5	S-7	4000-6000	1320-2040 (1200-1800)	5280-8160	4500-7000	17900-900-21500-1100-27000-1400-28400
6	S-8	4500-7000	1320-2040	5280-6000	5000-8000	20600-900-21500-1100-27000-1400-32600
7	S-9	5000-8000	1400-2300	5600-9200	5500-9000	24800-1100-27000-1400-34000-1700-39100
8	S-9 (Tech) S-10	5000-8000 5500-9000	1600-2660 1640-2900	6400-10640 6560-11600	6500-10500	28400-1400-34000-1700-42500-2100-44600
9	S-11	6500-6900	2000-2120	8000-8480	7500-12000	34000-1700-42500-2100-44600
10	S-12	6500-10500	2000-3200	8000-14000	8000-13500	35700-1700-42500-2100-53000-2600-55600
11	S-13	7450-11500	2375-3750	9500-15000	10000-15200	44600-2100-53000-2600-66000-3300-69300

**Note- Proposed Pay Scales are based on the following facts :-**

- i) Fifth CPC had wrongly applied the multiple factor of 3.25 (on Fourth CPC Pay Scales) based on rise of NNP by 30.9% for 9 years, instead of 38.6 % for 10 years, and wrongly calculated the multiple factor as 3.25 instead of 4.05. (*As mentioned by us in para 4.10.2 (i) of our Memorandum*);
- ii) **Multiple Factor of 4.31 as the ratio between Proposed & Existing Minimum Pay.**  
(*As mentioned by us in para 3.11 of our Memorandum*)

# Chapter 4

## Part I

**DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY  
OF ENGINEERS / TECHNICAL SUPERVISORS (JE, SE & SSE)**  
*in all branches of Technical department  
on Railways*

## Part II

**DETERMINATION OF PAY SCALES  
OF ENGINEERS / TECHNICAL SUPERVISORS  
(JE, SE & SSE and C & M STAFF)**  
*in all Branches of Technical Department  
on Railways*

# Chapter 4

## *Part I*

### ***DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS (JE, SE & SSE) in all Branches of Technical Department on Railways***

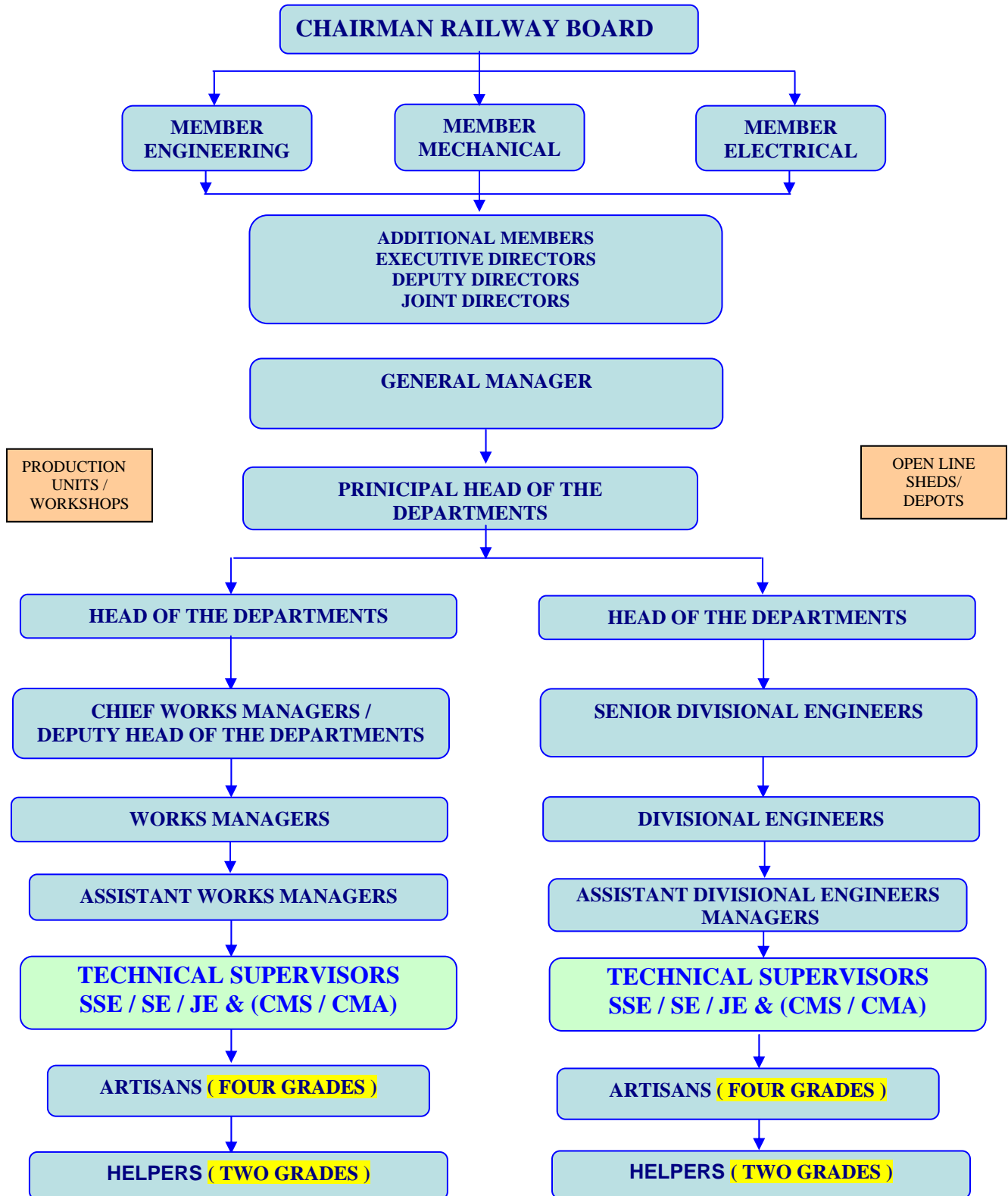
#### **CONTENTS**

- **ORGANIZATIONAL CHART OF TECHNICAL DEPARTMENTS IN INDIAN RAILWAYS**
- **ACTIVITIES OF TECHNICAL DEPARTMENTS**
- **ORGANIZATIONAL CHART OF TECHNICAL SUPERVISORS IN WORKSHOPS & PRODUCTION UNITS**
- **ORGANIZATIONAL CHART OPEN LINE SHEDS AND DEPOTS**
  1. **ROLE OF TECHNICAL SUPERVISORS ON INDIAN RAILWAYS**
  2. **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS IN PRODUCTION UNITS AND RAILWAY WORKSHOPS**
  3. **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS IN CARRIAGE & WAGON MAINTENANCE DEPOTS AND LOCO SHEDS IN OPEN LINE**
  4. **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS IN CIVIL ENGINEERING DEPARTMENT**
  5. **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS IN ELECTRICAL DEPARTMENT**
  6. **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS IN SIGNAL & TELECOMMUNICATION DEPARTMENT**
  7. **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS IN DESIGN AND DRAWING OFFICE**
  8. **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF ENGINEERS / TECHNICAL SUPERVISORS IN CHEMICAL AND METALLURGICAL DEPARTMENT & STORES DEPARTMENT**

**INCLUDING**

**WORKING CONDITIONS, ENVIRONMENTAL CONDITIONS, SPECIAL NATURE OF WORK – INVOLVING SAFETY, RISK AND ARDUOUS NATURE OF WORK AND VARIOUS OTHER FACTORS**

# ORGANIZATIONAL CHART OF TECHNICAL DEPARTMENTS IN INDIAN RAILWAYS

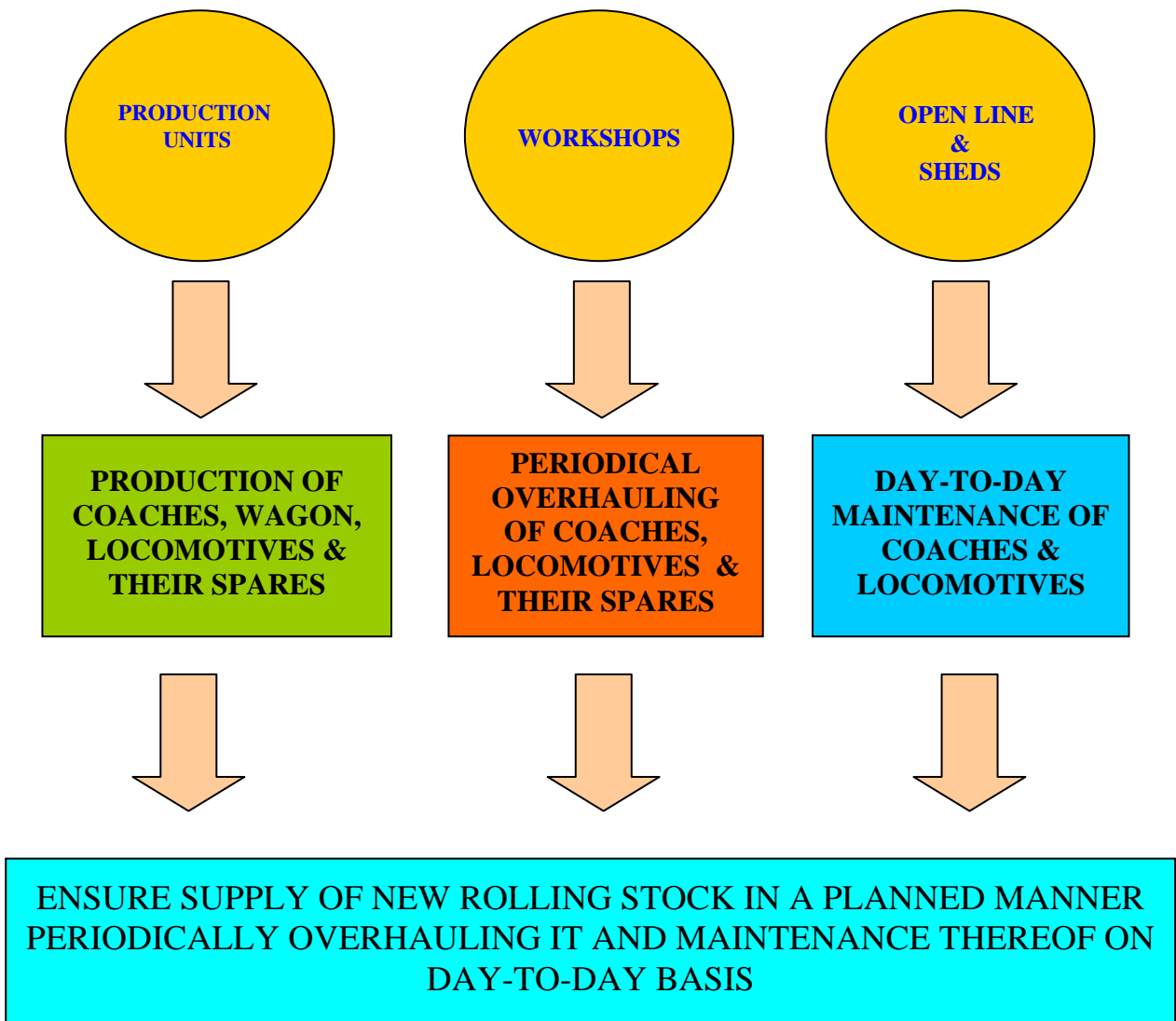


## ACTIVITIES OF TECHNICAL DEPARTMENTS

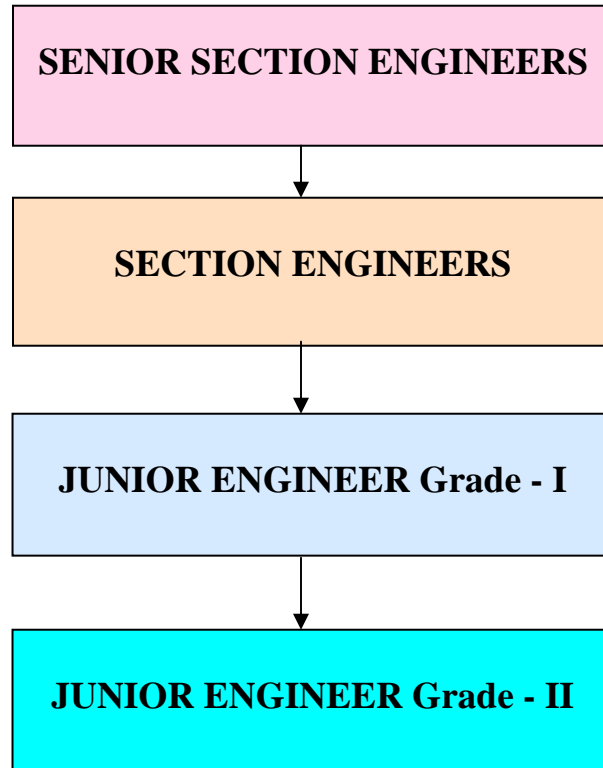
Rolling Stock comprises of Locomotives, Coaches, Wagons and Other Special Stock such as Rail Cranes, Tie Tamping Machines etc. that run on rails.

There are 6 production units and 44 workshops on Indian Railways. Around one third of the total Railway employees are working in these production units and workshops.

### THE SET UP



## ORGANIZATIONAL CHART OF TECHNICAL SUPERVISORS OF WORKSHOPS & PRODUCTION UNITS



The strength of staff under the control of one SSE is around **300 to 500**

The strength of staff under the control of one SE is around **100 to 150**

The strength of staff under the control of one JE-I is around **40 to 80**

The strength of staff under the control of one JE-II is around **20 to 40**

## INTRODUCTION

Engineers / Technical Supervisors (namely the Junior Engineers, Section Engineers and Senior Section Engineers) form the backbone of Indian Railways. They manage a large number of workers (i.e. Technicians) in all Production Units, Repair Workshops, Diesel / Electric Loco Sheds, EMU Car Sheds, Open Line Carriage & Wagon, Permanent Way, Electric Traction, Electrical Power, Air Conditioning, Train lighting, Signaling & Telecommunication Depots, Drawing & Design Offices, Stores Depots, CMT Labs and Printing Presses etc.

### 4.1 ROLE OF TECHNICAL SUPERVISORS ON INDIAN RAILWAYS

4.1.1 The strength of Technical Staff and Engineers / Technical Supervisors on Railways is around 9.4 lakhs, which is 65% of the total Railway employees. It also constitutes a very large proportion of the total Technical Staff working in all other Government establishments. There are around 45 thousand Supervisors who on day-to-day basis interact with around 9000 officers above them and around 9.2 lakhs Staff below them. They are the planners, designers, programmers, executors of technical works, engaged directly on non – technical works as being integrated with the technical duties and perform managerial role with authority in observance of rules and regulations of Government and Indian Railways, executors of managements' instructions spelled out in various manuals, Disciplinary Authorities, facilitators of welfare measures of employees under them. Their duties are so much multifarious and onerous that they are altogether a different category not comparable with

*Technical staff in Railways constitute large proportion of Government employees*

*System of Railways will suffer seriously due to the increased migrating tendency in the existing cadre and absolute reluctance from talented Engineers opting to serve in Government service*

employees of any other branch.

- 4.1.2 Last Five Pay Commissions missed many factors related to Technical Supervisor and many sensitive issues pertaining to them were out of their sight. A stage has come today when they are touching the elastic limit of tolerance and if situation of present state continues in Sixth Pay Commission, we are afraid the entire system of Railways will suffer seriously due to the increased migrating tendency in the existing cadre and absolute reluctance from talented Engineers opting to serve in Government service. The Technical Supervisors though small in numbers contribute large in sensitiveness of work related to operation of the system and especially to ensure Comfort, Punctuality and more importantly Safety of the travelling Public – which is of prime importance.
- 4.1.3 The Pride, honour and decency of the posts were totally pushed to backseat since 1931 and stand as worst after Fifth CPC recommendations. Neither the Government nor the previous Pay Commissions took cognizance of the actual work content, the environmental conditions under which they work, the multifaceted requirement of skill, knowledge, involvement, responsibility and accountability of these cadres.
- 4.1.4 The inability of both administration and recruiting agencies in filling up thousands of posts that are vacant for years together is mainly because of reluctance of qualified, efficient and talented youth from open market. The scales of pay are equated to employees on Non-Technical departments based on the number of years one spent in acquiring academic qualification. The academic knowledge on the part of Technical Supervisors is playing only a meager role in his day-to-day function. There are several

*Last Five Pay  
Commissions missed  
many factors*

other elements other than academic elements in the work composition of technical works, which the 5th CPC had not taken into consideration.

4.1.5 We have explained in the forgoing chapters about the exact Job content (primary and secondary) which the Pay Commission may very kindly view with clarity on these issues.

4.1.6 As explained earlier, the Sixth Pay Commission may kindly divide their study exercise in three branches,

1. Non Railway Government Employees
2. Non-Technical Railway Employees
3. Technical Railway Employees

So that the strategic importance will not miss their vision and knowledge.

*Importance of  
Technical Staff be  
not missed*

#### **4.1.7 RECRUITMENT, QUALIFICATIONS AND TRAINING**

4.1.7.1 50% posts of JE-IIs (*Junior Engineers*) (*Scale Rs.5000-8000*) are filled up by direct recruitment through Railway Recruitment Boards with Diploma in (Mechanical / Electrical / Civil / Electronics) Engineering as qualifications. They are further given intensive practical & theoretical training 1½ year (*18 months*) in Systems Technical Schools, Training Centres with practical training in Workshops, Sheds, Depots, and Production Units etc.

4.1.7.2 25% are promoted from Sr.Technicians having long years of practical experience after passing a positive selection (including a written test and interview).

4.1.7.3 Another 25 % are selected as “Intermediate Apprentices” from more qualified and experienced Technicians through Limited Departmental Selection and given a further training of 1½ years in System Technical Schools and Workshops / Sheds and Depots including four theoretical and practical sessions etc.

4.1.7.4 20% of Section Engineers (Scale Rs.6500-10500) are filled by Direct recruitment of Engineering Degree Holders.

#### **4.1.8 JOB DESCRIPTION**

**4.1.8.1** Management and Supervision of the following areas

1. Production, Repair, Maintenance and Designing of Locomotives, Coaches, Wagons and their Spares / Parts and Assemblies and Quality Control thereof.
2. Repair, Maintenance, Overhauling (POH) of Electrical General Services, Permanent-Ways, Bridges, Works, Overhead Electrification, Power Houses, Signal & Telecommunication Systems, Transport and Material Handling equipments including allied Machineries, Plants and Equipments
3. Procurement and Maintenance of Stores
4. Testing & Quality Control of materials produced and procured by Railways - wherever required.

#### **4.1.9 RESPONSIBILITIES**

4.1.9.1 As “Front Line Managers” JEs, SEs and SSEs are responsible for the following aspects, besides numerous others.

- a. Effective execution of administrative policies and plans.
- b. Time bound turn over and repair to achieve Production targets and train schedules (including running repairs) of Rolling Stock, Permanent-Ways, Bridges and S&T Equipments etc. to ensure safe, reliable and punctual train operations through effective execution of “*Safety Norms*” and “*Quality Control*” etc.
- c. Inventory Control and Material Management.
- d. Optimum utilization of men and material resources - including large number of workforce (*of Technicians and Helpers etc.*) and machines tools & equipments costing lakhs of rupees.
- e. Safety of Men, Material and Travelling Public through intensive Supervision and Quality Control.
- f. Early restoration of Traffic after Accidents through effective “*Disaster Management*”.
- g. Ensure staff discipline, holding inquiries, supervising wage disbursement and effective house keeping.
- h. Human Resource Management and maintenance of Industrial peace through redressal of on the spot and day-to-day grievances of staff.

*Safety & Time-bound execution most vital on Railways*

#### **4.1.10 WORKING HAZARDS**

4.1.10.1 Facing extreme working hazards to get the work done (*on time*) in all weather conditions, including Air and Noise Pollution, threat to Personal Safety during “*On Line*” Track Repairs and Over Head High Tension Electric Repairs and Repair of Rolling Stock, High Speed Locos and Signalling & Telecom Equipments etc.

Working round the clock – even on Festivals and National Holidays especially for attending to Break-Down Repairs and Accidents.

#### **4.1.11 AVENUES OF PROMOTION**

4.1.11.1 After successful training / passing of Selection, they are absorbed as Junior Engineers Grade II (*Grade Rs.5000-8000*). They are subsequently eligible for promotion as Junior Engineer–I (*Grade Rs.5500-9000*) and thereafter as Section Engineer (*Scale Rs.6500-10500*) and Sr. Section Engineer (*Scale Rs.7450-11500*).

4.1.11.2 In most cases, when one gets promoted to the rank of Section engineer or Senior Section Engineer he is about 50 years of age and has 25 to 30 years of valuable experience to his credit.

4.1.11.3 With the aforesaid qualification and experience he holds a key position in the working of various Workshops / Shops/ Sheds / Depots / Technical Schools / Production Units / Drawing & Design Offices / Computer Centres etc. of the Railway Organisation. But unfortunately, they do not get the commensurate emoluments at any stage. The worst part of it is that many Technical Supervisors do not even reach the level of Senior Section Engineers in Grade Rs. 7450 – 11500 and in many cases they retire at lower levels due to lack of avenues of promotion and multiplicity of grades etc.

*Low emoluments & lack of promotional avenues for Engineers on Railways*

4.1.11.4 Only about 2 to 3% of Junior Engineers on Railways get promoted as Group “B” Officers (Scale Rs.7500-12000) and that too at the fag end of their careers with hardly any service left on their credit. Rest of them slog in lower Scales for whole of their lives. *(We shall deal with this issue of promotional prospects further in details in Part II of this Chapter)*

*Only 2% of J.E.s reach Group ‘B’ on Railways*

#### **4.1.12 INCREASE IN THE DUTIES AND RESPONSIBILITIES DUE TO MODERNISATION**

4.1.12.1 Previously, the Rolling Stock In Vogue on Railways were mostly Steam Locomotives, Conventional Coaches, Four Wheel Wagons with Plain Bearings, Simple Laminated Springs, Suspensions and Side Buffers etc.

4.1.12.2 Railways have progressively modernized its Rolling Stock to provide high speed super fast Trains, improved riding qualities, enhanced carrying capacities of Passengers and Freight, through gradual introduction of Electric and Diesel Locos, Integral type Steel Body, sophisticated Coaches and Wagons, Air-Conditioned Coaches, Electrical Multiple Units ( EMUs ) and high capacity wagons with Roller Bearings, Helical Spring Suspensions, C.B.C. Couplers and many other complicated fittings including Air Brake and Dual Brake System for quick application and release arrangements of Brake Gear System, etc. for catering to the needs of the system, and requirements of our fast developing Nation.

*Modernization of Railways have greatly added to duties & responsibilities of Engineers*

4.1.12.3 The Diesel, Electric and 3 Phase High Tech Locos and EMUs, High Speed and High Tech (LHB) Coaches, Wagons, sophisticated Machinery and Plants, Modern Technology in Workshops, Sheds and Depots have increased manifold over the years, thereby adding greatly to the job requirements, technical know-how, skills,

responsibilities and workload of JEs / SEs and SSEs in all the fields of their activities, due to utmost need for greater passenger safety and comfort as well as punctuality of system. Most of the Workshops & Sheds, Maintenance & Stores Depots, Production Units etc. are now certified with **ISO 9001 and ISO 14001**. Even Running Maintenance of some of the Trains is also now ISO-9000 certified – adding further responsibility of Quality Control on JEs, SEs and SSEs. Technological advancements which have imposed additional workload to the duties and responsibilities along with requirement of better technical know-how of JEs, SEs and SSEs are discussed Department wise in the forthcoming paragraphs.

## **4.2 DUTIES & RESPONSIBILITIES OF ENGINEERS / TECHNICAL SUPERVISORS IN RLY. PRODUCTION UNITS AND WORKSHOPS**

### **4.2.1 INTRODUCTION**

Consolidated Job Description, Qualifications and Advancements due to modernization on the Railways, in the Job Requirements of JEs, SEs and SSEs on the Railways have been given in the earlier part of this Chapter. We are submitting here below a detailed list of duties of Junior Engineers, Section Engineers & Senior Section Engineers of various Departments separately, highlighting the added job requirements due to the advancements in each Field.

*Major strides in modernization on Railways*

### **4.2.2 TECHNOLOGICAL ADVANCEMENTS**

1. AC/EMU for Multi Modal Transport System (MMTS)
2. Aerodynamically designed High Horse Power DMU/DPC
3. Fire Proof Coaches
4. Second Class Deluxe 3-seater Chair Car
5. Sky bus bogie for Konkan Railway
6. Self Propelled Ultrasonic Rail Testing Car (SPURT CAR)
7. Diesel Multiple Units with Electro-Pneumatic braking
8. Electric Multiple Unit with stainless steel pipes & double ferrule fittings
9. Jet Deflector Crane Car for Defense Applications
10. AC/DC Electric Multiple Units (3-phase)

*Technological advancements have added to job requirements of Engineers on Railways*

11. Jan Shatabdi coaches with Modular Toilets
12. Meter gauge Cape gauge coaches for Angolan Railways
13. Self propelled diesel hydraulic accident Relief train (SPDHART)
14. 1600 HP IGBT based- 3 phase DEMU
15. FRP Modular toilets
16. Bogie Mounted Brake System
17. Air Spring Suspension for EMU and DEMUs.
18. Centre Buffer Coupling.
19. Eco-friendly Controlled Discharge Toilet System
20. Pollution-free Diesel Locomotives with GM Motors Design.
21. Three-Phase Electric Locomotives, (with regenerative Braking System to save power).
22. Remote Diagnosis System in Electric Locomotives.

#### 4.2.3 **JOB DESCRIPTION**

Engineers / Technical Supervisors (*JEs, SEs & SSEs*) working in Production Units and Workshops are having following 3 main functions

*Multifarious  
responsibilities of  
S.S.Es, S.E.s & J.Es. on  
Railways*

- 1. Technical duties**
- 2. Non Technical Duties**
- 3. Managerial duties**

#### 4.2.4 **DUTIES & RESPONSIBILITIES OF SENIOR SECTION ENGINEER**

1. SSE is in-charge of a complete Shop, controls and responsible for all the activities of the Shop.
2. Controls and maintain the Shop and its office - which includes technical activities, non-technical activities and ministerial activities.

#### **Managerial Duties**

1. Man Power Planning.
2. On the job training and identification of training needs to workers.
3. Conducting trade test for worker promotions.
4. Liaison with outside agencies.
5. Work contracts, Technical suitability and rate reasoning for outsourced items, vendor ratings.

6. Analysis of rejections and implementation of corrective and preventive action.
7. Preparation of annual M & P and Works Programme.
8. Restoring normalcy during the natural calamities.
9. Maintenance of good Industrial Relation by ensuring implementation of welfare measures, Safety Regulations etc.
10. Planning capacity augmentation of Machinery, Plant, Material, Land and Manpower etc.

### **Technical Duties**

1. Timely completion of work and out-turn as per planned targets.
2. Raising of indents for requisite materials.
3. Maintenance of tally cards.
4. Allocation & distribution of Staff & deputing Staff to various work centres as per work content requirement and requirement.
5. Imparting on the job training for new jobs and for new Workers.
6. Ensuring sound Load Centre planning, Process planning, Machinery and Plant, Tool Planning, Planning and arranging for Jigs & Fixtures, identification and execution of alternate process in case of failure or short fall in the existing process.
7. Ensuring control of documents and data for effective implementation and adherence of production/maintenance schedules.
8. Ensuring availability of required Raw material / semi-finished and finished products for all the activities of the Shop.
9. Co-ordination between Sections in the Shop.
10. Co-ordination between Feeder Shop and the customer Shop.

11. Ensuring sound in process quality control.
12. Effective handling, storage, packing, preservation and delivery of Raw material / semi-finished / finished products.
13. Monitoring and ensuring good House Keeping.

#### **Non- Technical Duties**

1. Maintenance of various Files and Records for ISO, EMS (*Environmental Management Systems*) and QMS (*Quality Management Systems*).
2. Maintenance of History Cards, Manuals for M&P, Records of Men Idle and Machine Idle.
3. Maintenance of various records and files regarding staff matters.
4. Maintenance of various records and files regarding all activities related to the Shop.
5. Maintenance of Attendance Records and Incentive Records for all the employees of the Shop.
6. Maintenance and issue of Privilege pass & PTOs.
7. Claiming wages and ensuring distribution of wages to all the employees working in the Shop.
8. Ensuring smooth conduction of election for organized labour, Society etc.
9. Conduction of DAR inquires.
10. Court witness and certifying the Railway properties in court of law.

*Maintenance of Records & paper work adds to work-load & accountability*

#### **4.2.5 DUTIES AND RESPONSIBILITIES OF SECTION ENGINEERS**

Section Engineer is charge for two or three sections in a Shop, controls and responsible for all the activities of the sections under his control.

*Duties & responsibilities of Section Engineers*

#### **Managerial Duties**

##### ***Man power planning.***

1. On the job training and identification of training needs to workers.
2. Liaison with outside agencies.

3. Work contracts, Technical suitability and rate reasoning for outsourced items, vendor ratings.
4. Analysis of rejections and implementation of corrective and preventive action.
5. Preparation of annual M & P and works programme.
6. Restoring normalcy during the natural calamities.
7. Maintenance of good Industrial relation by ensuring implementation of welfare measures, safety regulations, etc.

### **Technical Duties**

1. Timely completion of work and out-turn – as per targets and Train Schedules.
2. Raising of indents.
3. Maintenance of tally cards.
4. Staff postings to various work centres in accordance to the requirement.
5. Incorporating on the job training for a new job or for a new worker.
6. Ensuring sound Load Centre planning, Process planning, Machinery and plant, tool planning, Jig & Fixture planning, identification and execution of alternate process in case of failure or short fall in the existing process.
7. Ensuring control of documents and data for effective implementation and adherence of production/maintenance schedules.
8. Ensuring availability of required Raw material/semi-finished/finished products for all the activities of the Shop.
9. Co-ordination between sections in the Shop.
10. Co-ordination between feeder Shop and the customer Shop.

11. Ensuring sound in process quality control.
12. Effective handling, storage, packing, preservation and delivery of Raw material/semi-finished/finished products.
13. Planning capacity augmentation of M&P, land, men
14. Monitoring and ensuring good house keeping.

*Quality control, planning, multiple coordination & documentation*

#### **Non- Technical Duties**

1. Maintenance of various files and records for ISO, EMS and QMS.
2. Maintenance of history cards, manuals for M&P men idel and machine idle.
3. Maintenance of various records and files regarding staff matters.
4. Maintenance of various records and files regarding all activities related to the sections.
5. Maintenance of attendance records and incentive records for all the employees of the sections.
6. Claiming wages and ensuring distribution of wages to all the employees working in the sections.
7. Ensuring smooth conduction of election for organized labour, Society etc.
8. Conduction of DAR inquires.
9. Court witness and certifying the Railway properties in court of law.

#### **4.2.6 DUTIES AND RESPONSIBILITIES OF JUNIOR ENGINEER**

In charge of a Section where 20 to 40 artisans and helpers in various grades will work.

#### **Technical Duties**

1. Planning, allocation and execution of work.
2. Man Power Planning.
3. Staff postings to various Load Centres in accordance to the requirement.

*J.Es. are ‘ Spot Managers’ – planning, executing, co-coordinating, managing, optimizing productivity & ensuring quality control*

4. On the job training and identification of training needs to workers.
5. Incorporating on the job training for new jobs and new workers.
6. Ensuring sound Load Centre planning, Process Planning, Machinery and Plant, Tool Planning, Jig & Fixture Planning, Identification and Execution of alternate process in case of failure or shortfall in the existing process.
7. Ensuring control of documents and data for effective implementation and adherence of production/maintenance schedules.
8. Ensuring availability of required Raw material/semi-finished/finished products for all the activities of the Shop.
9. Co-ordination between Sections in the Shop.
10. Co-ordination between Feeder Shop and the Customer Shop.
11. Ensuring sound in process Quality Control.
12. Analysis of Rejections and implementation of Corrective and Preventive Action.
13. Effective handling, storage, packing, preservation and delivery of Raw material/semi-finished/finished products.
14. Monitoring and ensuring good House Keeping.
15. Restoring normalcy during the natural calamities
16. Maintenance of good Industrial relation by ensuring implementation of welfare measures, safety regulations, etc.

#### **Non-Technical Duties**

1. Witnessing Gate attendance card punching of all employees of the Shop and authorizing form 442.
2. Payment of Wages to the employees of the Shop.
3. Maintenance of various Files and Records for ISO, EMS and QMS.

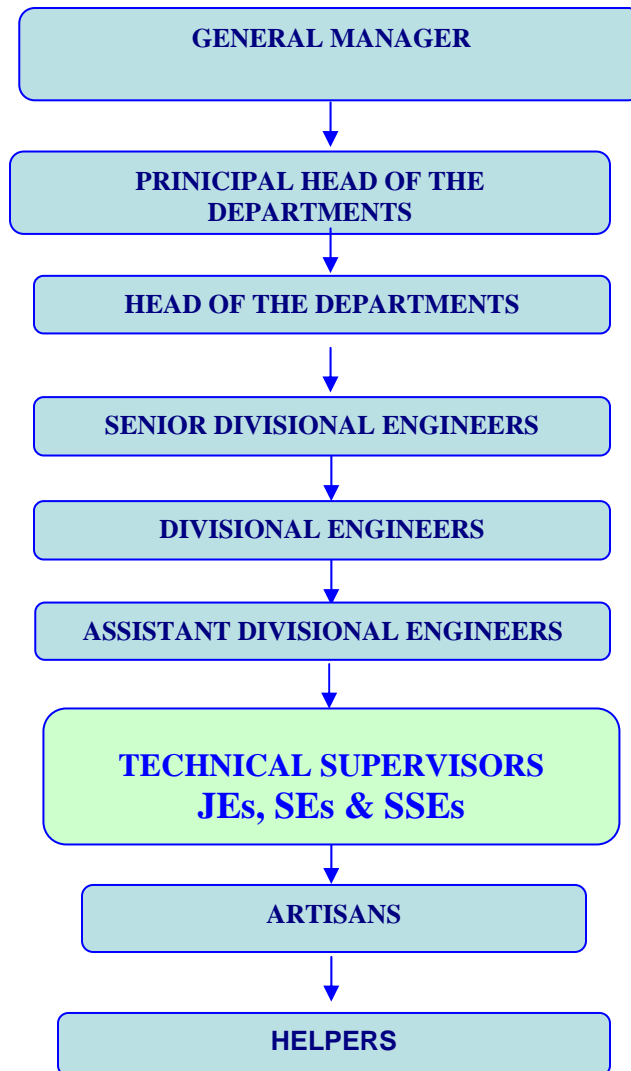
4. Maintenance of History Cards, manuals for M&P, Record of Men Idle and Machine Idle.
5. Maintenance of various Files and Records regarding staff matters.
6. Maintenance of various Records and Files regarding all activities related to the Sections.
7. Maintenance of Attendance Records and Incentive Hours Record for all the employees of the section.
8. Claiming wages and ensuring distribution of wages to all the employees working in the section.
9. Ensuring smooth conduction of election for organized labour, Society etc.
10. Conduction of DAR inquires.
11. Court witness and certifying the Railway properties in court of law.

*Diversified duties & responsibilities*

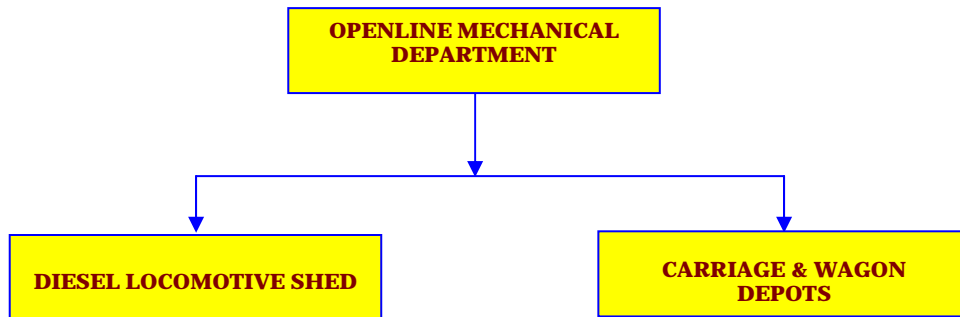
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# ORGANIZATIONAL CHART

## OPEN LINE SHEDS AND DEPOTS OF MECHANICAL DEPARTMENT



The Employees working in the above Sheds and Depots are the “Front Line” Technical Staff who work in direct Co-ordination with the Operation’s branch of Railways.



### 4.3 DUTIES & RESPONSIBILITIES OF ENGINEERS / TECHNICAL SUPERVISORS IN C & W DEPOTS, LOCO SHEDS & OPEN LINES

4.3.1 **JOB CONTENT** There are around **33000 coaches** and **2,00,000 lakhs wagons** of different types and **7000 Diesel / Electric** engines deployed in service. The Rolling stock produced by the Production Units or rolled out from Repair Workshops are received by the Open Line Maintenance Depot and Sheds where it is maintained as per detailed specified norms by the Engineers working in the Depots and Sheds. They have to critically analyze large number of distinct items every day before the Rolling stock is taken for operation. They examine them with utmost caution and high sense of inspection.

*Intensive supervision, close inspection, repair & maintenance of Rolling Stock*

More particularly the safety items are critically examined and certified by the Technical Supervisors. Mostly they work in Open Space and unhealthy environment even during the time of natural calamities and ensure uninterrupted dispatch of the Rolling Stock to take off from railways stations.

*Critical examination & timely execution under all weather conditions*

### 4.3.2 PRODUCTIVITY OF FRONT LINE ENGINEERS IN OPEN LINES

**Traffic unit** represents passenger kilometers and net tonne kilometers taking into account **Open Line staff only**. It is a key indicator to express the productivity of Open Line staff.

Year	Traffic unit per Open Line employee (in 1000s)
1980-81	244
1990-91	346
2000-01	535
2003-04	686
2004-05	740

Source: IR Facts and Figures 2004-05

The productivity of Open Line staff has enormously increased by **203.3%** between the period 1980-81 and 2004-05. This has greatly helped to bring down the Operating Ratio of IR to less than **90**. However, the Open Line Staff are not paid any Motivational Allowance like the workshop staff who are paid incentive and running staff who are paid running Allowance. In the present context, it is vitally important to consider the hard work put up by Open Line staff and suitable Open Line Allowance to be paid.

*Denial of Motivational Allowance/ Incentive to Open Line staff*

Open Line staff are paid lesser than their counterparts in Workshops although they shoulder higher responsibilities and skills than workshop staff.

### **TECHNICAL COMPETENCE**

The knowledge level of workshop staff is confined to the Shop in which they are working. They will be conversant with the work carried out in that particular Shop. It is not the case of Open Line staff. The C & W Open Line staff should possess complete knowledge on wheel profiles, suspension systems, draw and buffing system and its braking system. He should possess such knowledge of not only one type of coach or wagon but for all types of coaches and wagons.

*Complete knowledge and Technical competence required*

### **ENHANCED RESPONSIBILITIES**

The increase in number of trains with increased composition and trailing load coupled with decreased staff strength warrants technical staff to shoulder more responsibilities than ever before. Technological advancements that have occurred in Railways for faster movement of passengers and freight further enhance the level of responsibilities.

*Enhanced responsibilities of Open line Engineers*

## MULTIFACETED SKILLS

A Technical Supervisor not only applies his Technical skills and Technical knowledge to examine and certify a train, locomotive, Permanent Way, Bridges, Overhead Electric Equipments and other Civil / Electrical infrastructure, but he has the extraordinary responsibility of playing many roles.

*Multifaceted skills of  
P-Way, Bridge, OHE  
& Open Line  
Engineers*

An Open Line Technical Supervisor has to exhibit the following Managerial, Technical and Non- Technical skills.

- Plays the role of a manager by managing the workforce under him efficiently to extract the maximum output in meeting the quantity of target with a standard of high quality, since it is a safety related work.
- He should not only possess thorough knowledge of his field, but also understand the level of knowledge possessed by each and every staff working under him. This enables proper distribution and timely completion of work.
- Displays his ministerial skills, since he has to furnish reports in a clear and understandable language so as to convey the actual problem faced for proper analysis.
- Plays the role of a tutor and mentor to constantly educate his workforce on the latest developments and changes in technology and also keep motivating them on the values of character so that they don't fall into the trench of bad habits due to the hazardous nature of their duties.
- Due to lack of proper training facilities in Railways, these responsibilities have fallen on the Supervisors, which he cannot ignore since he has to execute the job with this

workforce only and it becomes his need to educate them to make his job easier and to ensure safety of the trains certified.

- Special skill is required to **super check** all the vital work carried out by his staff to ensure whether all the mandatory requirements are met and immediate corrective action needs to be taken for any discrepancy noticed.
- JE/SE of Open Line communicates analyses of component failures by keeping track of manufacturers/vendors, suggestions for improving design etc to higher levels.

### **CRISIS MANAGEMENT**

The technical Carriage & Wagon Staff not only involve themselves in day-to-day maintenance of Rolling Stock and Permanent way. They also take part in restoration activities if breakdown occurs. In case of a Train accident, the Open Line technical staffs are the first persons to reach the site. They also involve in cause analysis to find out the reason for derailment/accident. Restoration of traffic is possible only with the help of Open Line technical staff. The Accident Relief Trains, which contains the Re-railing equipment, First Aid equipments and spares for restoration including rail cranes are also maintained by the Open Line staff.

*Crisis Management*

### **WORK ENVIRONMENT**

The Open Line technical staff are exposed to outdoor elements, be it hot or cold, summer or winter, rain or mist, flood or cyclones, night or day. They are subjected to all the effects of atmospheric vagaries as they are continuously exposed to open atmosphere. Irrespective of ambient conditions, Open Line technical staff are

*Open Line Staff  
continuously exposed  
to atmosphere  
vagaries*

expected to deliver consistent quality of output in a pre determined time. Open Line technical staff working in Pit Lines are additionally subjected to the nuisance of human excreta and mosquito menace.

#### 4.3.3. **GENERAL DUTIES OF OPEN LINE TECHNICAL SUPERVISORS**

As “Front Line Managers” JEs, SEs and SSEs are responsible for the following aspects, besides numerous others.

1. Effective execution of administrative policies and plans.
2. Time bound turn over and repair to achieve Production targets and train schedules (including running repairs) of Rolling Stock, Permanent-Way, Bridges and S&T Equipments etc. to ensure safe, reliable and punctual train operations through effective execution of “Safety norms” and “Quality Control” etc.,
3. Efficient Material Management.
4. Effective Human Resource Management involving large number of Technicians and Helpers.
5. Effective utilization of Ministerial Staff under their control.
6. Maintenance of M&P and related equipments.
7. Safety of Men, Material and Traveling Public through intensive Supervision and Quality Control.
8. Early restoration of Traffic after Accidents through effective “Disaster Management”.
9. Ensure staff discipline, holding inquiries, supervising wage disbursement and effective house keeping.
10. Maintenance of Industrial peace through redressal of day-to-day grievances of staff.

*Effective quality  
control and  
management*

#### 4.3.4 DIESEL LOCO SHEDS

*Technological  
advancements in  
Diesel Locos*

##### **TECHNOLOGICAL ADVANCEMENTS**

1. **6000 HP** High Capacity ABB & 3 Phase Electrical AC Locomotives
2. High Capacity Diesel GM Locos with New Generation **IGBT** Technology.
3. High Horse Power DEMUs.
4. CNG Based Diesel Electric Multiple Units.
5. Microprocessor Controlled Locomotives

##### **SPECIFIC DUTIES OF SENIOR SECTION ENGINEER**

###### **Duties**

1. Planning & Scheduling.
2. Preventive Maintenance Schedule of locomotives
3. Plans the programme for carrying out Preventive Maintenance Schedules.
4. Prepare an annual calendar charting the list of locos to be scheduled every month.
5. Ensure that the charted out plan is being carried out, without hold up of locos or bottlenecks.
6. Nomination of locos for the trains as per the link, taking into consideration all the vital parameters like wheel diameter, wheel profile, under truck clearances, health of electrical machinery etc.
7. Conduct super check to ensure quality of maintenance Investigate on-line failures of the locomotive.
8. Monitor the performance of each and every loco component, including trial.
9. Timely placement, attention and release of loco after light schedule.
10. On-line help to loco drivers in case of any defects in loco to prevent the loco failures.

*Multifarious duties  
& responsibilities of  
Section Engineers*

###### **Responsibilities**

1. General performance & upkeep of the Shed.
2. Subject to audit by the Divisional Audit Personnel.
3. Maintains outage of the Shed
4. Nomination of locos for Passenger links
5. Planning the manpower requirement of all the maintenance sections under his control.
6. Timely execution of major preventive maintenance schedules.
7. Ensure maintenance activities in conformance with the approved maintenance instructions.
8. Adequate technical expertises to devise corrective & preventive action for better the performance of the

- locomotive.
9. Take seasonal preventive measures like monsoon attention, summer precautions etc.
  10. Responsible for processing the indents placed for various assemblies / sub-assemblies.
  11. Check the material requirements of each section, identify the common items and procure the same in adequate quantity to reduce duplication of work
  12. Closely monitor the stock level of the inventory
  13. They will also plan and project the future requirements of the inventory

### **Accountability**

1. Responsible for any failures of the loco attended by them till next schedule attention.

### **SPECIFIC DUTIES OF SECTION ENGINEER**

#### **Duties**

1. Inspect and certify the suitability of in-coming raw materials
2. Conduct DAR enquiry
3. Conduct joint inspection with the inspecting agency like RITES or the manufacturer's representative

*Specific duties  
of Section Engineers*

#### **Responsibilities**

1. Manpower planning
2. Maintenance Planning
3. Closely monitor the consumption pattern of stock / non-stock inventory
4. Closely monitor the failure pattern of any assembly / sub-assembly and chalk out an action plan to reduce the failures
5. Effective material management
6. Ensure that the contractor carries out the outsourced activity associated as per stipulated procedure.

### **SPECIFIC DUTIES OF JUNIOR ENGINEERS**

#### **Duties**

1. Assist loco pilot, to attend on-line loco problems
2. Maintenance of the records for the schedule carried out on the loco.

*Multifarious duties  
& responsibilities of  
Junior Engineers*

#### **Responsibilities**

1. Responsible for carrying out Light Schedule activities

### **CARRIAGE & WAGON DEPOTS**

Following technological advancements have come in the nature of Open Line C & W Technical staff.

1. Advanced Air Brake System.
2. High capacity Centre Buffer Couplers for Coaches
3. Modular Toilet System
4. Water Raising Apparatus System
5. Air springs and Shako Couplers
6. 24 coach trains with revised maintenance pattern
7. Controlled Discharge Toilet System
8. High Speed Coaches of LHB design
9. Coach Management Information System.
10. Round Trip Maintenance with Return BPC for Freight Stock.
11. Closed Circuit Premium Rakes upto 6000 earning km.
12. High Speed **CASNUB** Bogies
13. **BLC** Wagons to carry ISO Containers.

From the above facts, it is evident that the responsibilities and competence required of Open Line Technical supervisors, due to technological advancements are ever increasing.

## **DUTIES, RESPONSIBILITIES AND ACCOUNTABILITY OF TECHNICAL SUPERVISORS (JEs, SEs & SSEs) IN CARRIAGE & WAGON DEPOTS**

### **SENIOR SECTION ENGINEER**

*Multifarious duties  
& responsibilities of  
Technical Supervisors  
in C & W Depots*

#### **Technical Duties**

1. Planning of entire day-to-day maintenance activities including placement of rakes in Pit Lines, balancing of rake occupation in Pit Lines.
2. Planned detachment of Coaches and Wagons and booking the same to Workshops for periodical overhauling.
3. Maintenance and upkeep of Brake Down specials in good fettle to ensure availability of the same for crisis management in any eventualities.
4. Maintenance of all re-railing equipments including Rail cranes.
5. At accident sites, planning and execution of re-railment and restoration in the most efficient and shortest possible time.
6. Recording of clues/parameters at accident sites for cause analysis.
7. Conduct inquiry for Yard level derailments.
8. Conduct super check to ensure quality of maintenance.

#### **Non-Technical Duties**

1. Plan and procure all Machinery and Plant in the Depot.
2. Collecting salary for the entire Depot.

3. Conduct DAR enquires.
4. Implement all policies of the department and latest advancements in his Depot.
5. Ensure industrial peace by addressing all grievances of the entire staff of the Depot by coordinating with HQ for their assistance in all aspects.

*Multifarious duties  
& responsibilities of  
Technical Supervisors  
in C & W Depots*

### **Responsibility**

1. He should possess skills to convert the policy makers' vision into reality.
2. He should possess vision to constantly develop the Depot to suit the changes / advancements in technology.
3. Manage the organized labour and ensure productivity.
4. Plan & transit standard passengers from accident site in the shortest possible time by arranging a special train.

### **Accountability**

1. Custodian of all assets including Machineries and Plant, Stores and other related equipments worth several crores even though a junior Administrative Grade Officer manages the Depot.
2. Subject to Audit by the Divisional Audit Personnel.
3. Planning and Running of special trains.

## **SECTION ENGINEER**

### **Technical Duties**

1. In-charge of sections in Sick lines and ROH/IOH Shed.
2. Plans day-to-day outturn of wagons/coaches.
3. Plan stores for the day-to-day work.
4. Maintenance and upkeep of Machineries and plants in Yard and sick line.
5. Coordinate with Operating Dept. for placement of wagons/coaches.
6. Examination and certification of prestigious trains like Shatabdi, Rajdhani and other Super fast trains.
7. He has to attend any en route failure like train parting, brake binding etc.
8. As Safety Inspectors, he has to inspect and ensure safety aspects in C & W Depots at Division level as well as Head Quarters Level.
9. As C & W controller, he works in 24 hrs shifts, to monitor all Depots and coordinate with other control offices for immediate attention during emergencies.

### **Non-Technical Duties**

1. He should ensure the upkeep of his section.
2. Manage staff attendance.
3. Ensure staff welfare.
4. Maintain all relevant records.

### **Responsibility**

1. He should possess knowledge about all types of wagons and coaches.
2. He should be aware of all latest technological advancement in Railways pertaining to his Department.
3. He should possess knowledge of DAR rules.
4. He should possess all knowledge and techniques to tackle emergency situations.
5. He is responsible for the day's outturn in sick line and smooth operation of train service in yards round the clock.

### **Accountability**

1. For any failure of the system in train service in his shift.
2. For out turn target of wagons/coaches in sick lines and Intermediate / Routine Overhauling.
3. For detention of prestigious trains on C&W account.

## **JUNIOR ENGINEERS**

### **Technical Duties**

1. Examination of each and every component including fasteners, of a coach or wagon, for any failures, abnormalities and unsafe condition, which may endanger the safety of the train.
2. Attention/correction of the condition wherever necessary and certification of the entire train for its overall safety till the train returns to the originating station in case of Passenger train and to an extended period of 30 days or a distance of upto 6000 km in case of Goods trains.
3. Issuance of Brake Power Certificate, covering the entire journey of the train ensuring the Brake power and other norms as prescribed for the particular type of train.
4. Examination, attention and provision of all amenity fittings of passenger trains, conforming to the particular class of the coach and ensuring other aspects like overall cleanliness, availability of water in toilets and proper functioning of safety/service fittings.
5. Analysis of failure, if any, and reporting the same to the concerned authorities.
6. Coordinating and conducting trials for the development of new technologies / components with RDSO, Manufacturing Units and Vendors.

### **Non-Technical Duties**

1. Maintenance of all registers with respect to train service.
2. Maintenance of staff attendance.

3. Witnessing of salary disbursement to staff

### **Responsibility**

1. Examination and certification of trains in stipulated time.
2. Despatch of trains in stipulated time.
3. Must possess knowledge of all types of wagons and coaches.
4. Must possess knowledge of both Air brake system and Vacuum brake system.
5. Ensure safety of the staff working under him and assisting workmen during accidents & authorizing Workmen Compensation if required.

### **Accountability**

1. For any failure in mechanical components of the certified train.
2. For any failure in the brake power.
3. For any delay in dispatch of trains.

### **EXTRAORDINARY NATURE OF WORK OF TECHNICAL SUPERVISORS WORKING IN CARRIAGE AND WAGON DEPOTS / SHEDS**

1. Apart from discharging these extraordinary responsibilities, he is expected to do his work in an atmosphere, which is very harsh in nature.
2. A supervising Engineer in a coaching Depot has to keep bending his back for at least 6 hours a day while inspecting a rake in the pit line.
3. It makes his work all the more difficult, since he has to walk through the pit line, where the night soil and other dirt are washed and let out.
4. In spite of all this he has to keep high vigil so that he does not miss any single part, failing which, it may lead to a major disaster resulting in heavy loss of precious human lives.
5. He has to discharge his duties under the open sky, be it severe hot or cold and even during stormy conditions.
6. There is no Allowance of time given for such extraordinary weather condition and he is expected to deliver his duty within the stipulated time, which thrusts enormous amount of stress and strain on the supervising engineers.
7. As for the Wagon Supervisors, they are subjected to Yard conditions, which are very unfriendly in nature. Rank vegetation, pits and engineering materials along the uneven pathway and poisonous reptiles are a big hindrance to his duties.
8. He has to walk several kilometers in a duty, in such

*Extraordinary nature  
of work of Technical  
Supervisors in  
C & W Depots*

conditions for several hours in extreme weather conditions, keeping his concentration and vigil very high, so that he does not miss any mechanical failure, which may lead to major disasters resulting in loss of crores of rupees and even precious human life. This subjects him to enormous amount of stress and strain during each and every shift.

#### **4.4.1 DUTIES & RESPONSIBILITIES OF ENGINEERS / TECHNICAL SUPERVISORS IN CIVIL ENGINEERING**

##### **4.4.1 TECHNOLOGICAL ADVANCEMENTS**

1. Heavy Duty Rail and Elastic Fasteners
2. Continuous Welded Rails with Switch Expansion Joints
3. Pre-Stressed Concrete Sleepers / Fibre Reinforced Sleepers / Plastic and Composite Plastic Sleepers
4. Mechanised maintenance of Tracks
5. Track temping machines and Track Recording Cars
6. Ultrasonic Flaw Detection Testing
7. In-Motion Weigh Bridges
8. Complete Water Management and Supply
9. Pre-Cast RCC slabs in Works and Buildings
10. Pre-Stressed concrete Girders in Bridges

*Multifarious duties & responsibilities of Technical Supervisors in Civil Engineering*

#### **4.5 DUTIES & RESPONSIBILITIES OF ENGINEERS / TECHNICAL SUPERVISORS IN ELECTRICAL ENGINEERING**

##### **ELECTRICAL DEPARTMENT CONSISTS OF FOLLOWING DIVISIONS**

1. Traction distribution
2. AC Loco depts.
3. Electrical workshops
4. EMU (car shed) depots
5. General services ( Power and Train lighting)

*Multifarious duties & responsibilities of Technical Supervisors in Electrical Engineering*

##### **TRACTION DISTRIBUTION**

This department of Electrical consists of OHE (Over Head equipment), PSI (Power supply installation) and RC (Remote control)

a) Following are the works to be carried out in OHE

1. Foot patrolling.
2. Trolley inspection.

3. Current collection test.
4. Special checks.
5. Annual maintenance and checks by OHE inspection car.
6. Periodical overhaul
7. Re-tensioning of OHE.

#### **1. FOOT PATROLLING**

Has to check and correct the functions of insulators, droppers, sagging or hogging of contact wire, equalizing plate, auto tensioning device and counter weight, structural soundness, removal of bird's nests & branches of trees infringing on OHE, general conditions of switching station en – route.

#### **2. TROLLEY INSPECTION OF OHE**

Done in all section except were use of trolley is prohibited. SE should inspect the entire section once in a month. SSE should inspect the entire section once in 3 months. Apart from trolley inspection SE and SSE have to travel by the cabs of Locomotives and EMU trains once a month.

#### **3. CURRENT COLLECTION TEST**

Carried out to ensure good contact between the contact wire and pantograph. Performed at night. SE should do the test once in 3 months. SSE should do the test once in 6 months.

#### **4. SPECIAL CHECKS**

Special check and cleaning of general insulators, section insulators, Bi-metallic clamps, Earth connections and feeders.

#### **5. ANNUAL MAINTENANCE AND CHECKS BY OHE INSPECTION CAR.**

- a. Masts, portals and cantilever supports.

Check rail level, all steel parts, all anchors for

tightness, structural soundness, clean all insulators, check and adjust the height and staggers on the basis of setting distance and rail level.

b. Contact and connecting wires

Check and replacement of contact and centenary wires, PG clamps & jumpers, droppers.

c. Turn Outs

To ensure smooth travel of pantographs under the loop line OHE, check stagger of booth OHES of turn outs. Check up contact bars, hit marks, rail level setting of the obligatory mast.

d. Droppers

Ensuring tightness of droppers and their vertical position.

e. Maintenance of section insulators assemblies, isolators, over lap contact wire thickness, neutral thickness, over line structure / tunnel, OHE at level crossings, Regulating equipments, Bonds & earthing connections, masts, feeder lines and PG clamps.

f. Integrated Blocks

Simultaneous work is carried out by permanent way, signal OHE/ PSI staff. In this scheme, a 3 to 6 Km block is taken by introducing single line working in the off peak traffic hours between two stations.

## **6. Re-tensioning of unregulated OHE**

Re-tensioning of unregulated OHE in accordance with the tension temperature chart should be done normally at the end of 6 months from the date of erection and again at the end of 12 months there after once in 2 years.

## **7. Periodical Overhaul**

POH is done to recondition and restore the installations in the condition it was when it was first commissioned.

POH should be thorough and cover every part of the installation. The POH of OHE should be planned on a programmed basis so that every part of the installation received detailed attention, repair and over haul at an interval of four years. Maintenance charts, prepared in different colours may be made indicating the type of schedule each section has to under go.

### **I . B) POWER SUPPLY INSTALLATIONS (PSI)**

The staff working in PSI has to be more alert in supplying power to OHE. Their assigned duties are as per AC traction manual No: 20216-20253. The PSI staff has to work round the clock to note down the voltage, current and to reset the relay indication while tripping of circuit breakers.

1. **Condition monitoring of Transformers** (Due to over voltage in the system resulting gas formation, which will deteriorate the dielectric properties of the oil and the flash point will come down from 145 degree centigrade to 50 degree centigrade).
2. **Over haul of Transformers.**
3. **Circuit breakers and interrupters**
  - Oil, Gaskets and bushings of minimum oil circuit breakers has to be checked and maintained.
  - B.SF<sub>6</sub> circuit breakers : Gas system, interrupting unit, operating mechanism and vacuum circuit breaking breaker has to be checked and maintained.

#### **4. Lead Acid Batteries**

Batteries should be maintained to keep the followings in order:

- General condition of battery room and cells.
- Specific gravity of electrolyte in the cells.
- Charging current.
- Cell voltage
- Condition of the plates and extent deposits.
- Inter cell connections and main battery

#### **5. Protective Relays and Switching stations.**

##### **I. c. R.C. (REMOTE CONTROL)**

Staff has to maintain as per the Schedule to record the earth resistance value and to maintain earth in the stipulated time, since it involves remote controlling system. This is a vital for Power Supply installation and therefore its proper maintenance is imperative.

On Electrified Sections, batteries and battery charger are installed at following locations.

1. Traction / Sub-station - 110V, 200AH lead acid cells for Control Panel protection and indication circuits.
2. Switch Station - 110V, 40AH lead acid battery for operating circuit breakers and Interpreters, Motor operation, Isolators.
3. Remote Central Equipment - Batteries of suitable Voltage and Capacity at Remote Control Centre, Traction Sub-station and Switch Station.

#### **MAINTENANCE OF AC LOCOS**

With the introduction of New Type of Locos like inverter Loco with advanced Technological changes which have increased the hauling capacity as well as computerization of circuit indication system, the Staff should have know-how of the functioning of Locos and grasping all the working system of the Locos. This has

helped the Railways to carry 56 wagons at a stretch and also in hauling of 24 to 26 Coaches.

*Multifarious duties  
& responsibilities of  
Technical Supervisors  
in Electrical  
Engineering*

## **ELECTRICAL WORKSHOP**

Electrical workshop consists of Air-conditioning Coaches Wing and Train lighting Coaches Wing. Major repairs and periodical overhauling, etc. are being carried out with new Technological changes. Now-a-days the Electrical shops deals with high speed Air-conditioning Coaches, LHB Coaches, Inverter Type Coaches, etc.

The Staff have to train themselves to the know-how of the system. There should be a periodical Training imparted to the Staff on this area to learn the new techniques.

## **EMU CAR SHEDS (TRACTION ROLLING STOCK)**

The Staff of EMU Car Shed are entrusted with maintenance and periodical overhauling of EMU Coaches, Tower Wagons/OHE Inspection Car, MEMU Coaches, MRTS/Metro Coaches, Service Coaches, etc. These Staff require high degree of skill and Technical knowledge to perform day to day maintenance and the awareness of Technological changes in EMU Car or Energy Speed Monitoring Device, Air suspension Bogie, etc.

## **POWER**

The Staff working in the Power has to play a Vital role in

order to ensure round the clock supply of electricity to the Administrative Offices, Workshops, Railway Quarters and Other areas. They have to maintain AC Plants, Power Generator and Distribution, Repairs and Maintenance of Pump Generator sets of all depots, with vast up to-date knowledge.

## **4.6 DUTIES & RESPONSIBILITIES OF ENGINEERS / TECHNICAL SUPERVISORS - SIGNAL & TELECOMMUNICATION AND TECHNOLOGICAL ADVANCEMENTS**

- Supervisions & Management of installation, repairs and maintenance of the following systems:

*Multifarious duties  
& responsibilities of  
Technical Supervisors  
in S & T*

1. Telephone Exchanges & Telecommunication Systems;
2. Passenger amenity – On-Train Mobile Telecom System;
3. IVRS (Inter Active Voice Response System);
4. PRS (Public Reservation System);
5. UTS (Unreserved Ticketing System);
6. Coach Guide System & Display Boards;
7. CCT (Closed Circuit Televisions);
8. Emergency Socket System;
9. Gate Communication System;
10. Control Communication System;
11. Disaster Management Communication System;
12. Point Machine System;
13. Electric and Non-electric Signalling System;
14. Track Circuit System;
15. Interlocked Color Light Signaling System.
16. Track Circuiting – Panel Inter Locking
17. Route Relay Inter Locking / Solid State Inter Locking
18. Automatic Block Signaling
19. Auxiliary Warning System
20. Axle Counter Governed Block Section.
21. Fibre Optic Cabling for Telecommunication
22. Digital Microwave System.

*Multifarious duties  
& responsibilities of  
Technical Supervisors  
in S & T*

#### **4.7 DUTIES & RESPONSIBILITIES OF ENGINEERS / TECHNICAL SUPERVISORS - DESIGN AND DRAWING STAFF TECHNOLOGICAL ADVANCEMENTS**

1. Design of AC/EMU for Multi Modal Transport System (MMTS)
2. Design of Aerodynamically designed High Horse Power DMU/DPC
3. Design of Fire Proof Coaches
4. Design of Second Class Deluxe 3-seater Chair Car
5. Design of Sky bus bogie for Konkan Railway
6. Design of Self Propelled Ultrasonic Rail Testing Car (SPURT CAR)
7. Design of Diesel Multiple Units with Electro-Pneumatic braking
8. Design of Electric Multiple Unit with stainless steel pipes & double ferrule fittings
9. Design of Jet Deflector Crane Car for Defense Applications
10. Design of AC/DC Electric Multiple Units (3-phase).
11. Design of Jan Shatabdhi coaches with Modular Toilets
12. Design of Metre gauge Cape gauge coaches for Angolan Railways
13. Design of Self propelled diesel hydraulic accident Relief train (SPDHART)
14. Design of 1600 HP IGBT based- 3 phase DEMU
15. Design of FRP Modular toilets
16. Design of Bogie Mounted Brake System
17. Design of Air Spring Suspension for EMU and DEMUs.
18. Design of Centre Buffer Coupling.
19. Environment friendly Controlled Discharge Toilet System

*Multifarious duties  
& responsibilities of  
Technical Supervisors  
in Drawing & Design*

#### **DUTIES AND RESPONSIBILITIES OF DESIGN OFFICE STAFF IN PRODUCTION UNITS**

1. The Design office staff are involved in product and tool

design which calls for knowledge of CAD/CAM, FEA, Vehicle Dynamics, Electrical Engineering, Electronics, mastering in certain areas of technology such as metallurgy, metrology, production technology and tool engineering etc.

2. The design work is a creative job and is not a repetitive one, which requires continuous and intensive application of mind.
3. The design cadre staff are directly related to production activity. The various activities include design calculation of various parameters of strength of components under different conditions of loading, prototype manufacturing, verification and validation of design, before approving for batch production. **The output of design staff forms the basis for production and design office plays vital role in a production unit.**
4. The design staff are analyzing on day to day basis, the customer's functional and performance requirements execute the design such that it meets all the requirements and co-ordinate and interact with shop floor, in order to finalize improvements and modifications in the design of the coach and its components. Close co-ordination with shop floor activities is required from design staff for the manufacture of prototype coach; conduct test & trials during the development stage.
5. During the development of new concepts, even process planning group are not authentic enough to decide the sequence of operations, as no validated process is known at that time. But design group shoulders the responsibility to get the prototype manufactured; supervising the complete fabrication process on shop

floor and giving on the spot solutions and decisions for the problems emerged out during the actual manufacture to avoid any type of delay in execution of the project. Furthermore, when the series production starts after the prototype manufacture, design group **monitor and supervise** the online performance of newly developed products. The responsibility increases further to the tune of successfully completing the commissioning of newly built coaches in Indian Railways.

6. Besides the above, creating the specifications for the new materials and concepts in coach building, control of all RDSO and ICF specifications, standardization of components, raw materials etc are carried out by design staff only.
7. To establish adequacy of the design, the design engineers identify the right type of raw materials to be used, decide the process to be followed, Heat treatment to be given, protective coating to be given and final process of finish. By this way design staff are involving in all processes of activities starting from evolution of basic design to the Process planning, tool planning, manufacturing, inspection, material handling, packing and delivery and preparing operating and maintenance manual and commissioning instructions for new builds.
8. Even after the dispatch of coaches, design staff are having continuous interaction with the customer railways in communicating the improvements/modifications carried out in Design for keeping the Zonal railways updating of design changes and help them to carryout the maintenance by providing all related information. A close liaison is maintained with the user Railways in

trouble shooting the problems observed during the service run of these coaches. Depending upon the feedback received from user Railways and reaction from passengers, design group is making consistent effort to improve the quality of the product in terms of better passenger amenities, better passenger safety measures and also to improve revenue earning.

9. On the Jig & Tool design side, the design engineers are involved in design & development of all major assembly and sub-assembly fixtures, press tools to suit the new inventory machines, Drill jigs, other machining fixtures for mass production activity, machinery & plant drawings, handling equipment drawings etc. and also to co-ordinate with Tool room for proper manufacture of tools and provide necessary guidance to the shop floor staff for proper use of tools.

10. **Pay Commission is requested to recommend for grant of Design allowance to JEs, SEs & SSEs on Railways at par with their counterparts in CPWD.**

*Design Allowance be  
paid to JEs, SEs &  
SSEs on Railways*

11. On the Electrical side, the design engineers are involved in creating equipment specifications, evolution of power, control and auxiliary schemes with protections, preparation of test procedures, commissioning instructions, Maintenance manual etc.

## **GENERAL DUTIES OF DRAWING & DESIGN ENGINEERS:**

### **INTRODUCTION:**

There are around 6000 Engineers working in the above branches of Drawing & Design contributing vital technical input to production, repair, construction, operation activities of Indian Railways. Their contribution to the

Railways was well recognized during the pre-independence period. The pay scales were the highest among the technical departments prior to 1931, which eroded over the years. Now, it seems, **the administration as well as the Pay Commissions have forgot the importance of this Cadre.**

*The supremacy of the cadre prior to 1931 is completely eroding.*

The duties and responsibilities of the employees working in the branch are sensitive in nature involving intense mental application and planning and estimating area. They have to process vital data taking guideline from RDSO, considering moving dimensions and safety related sensitive dimensions and they have to plan their work starting from designing on their own in accordance to the master plan given by the RDSO. Actually, they have to design themselves the components required for the Rolling Stock viz. coaches, locos as well as Civil Engineering areas like track laying, maintenance, inspection, bridges and also in construction activities.

*Drawing & Design Engineers design Components for the Rolling Stock*

Though they are small in numbers when compared to the strength of the Railway men, their contributions are in no way insignificant. This simple concept about the category may kindly be noted by 6<sup>th</sup> CPC and rendered justice in the form of suitable pay scales along with motivational Allowance like Drawing Allowance for those in Office and Incentive for those attached to Shops & Sheds.

**I. SPECIFIC DUTIES OF DRAWING & DESIGN ENGINEERS (TECHNICAL):**

1. Preparation of layout drawing for Sheds, Shops and Sick Lines for modification/extension.
2. Issue of Technical Standing Orders, Procedure Orders, Maintenance Orders, Alteration Sheets, Trail Sheets and following action on them.
3. Preparation of technical notes, graphs, charts etc., for Loco Standards Committee, Carriage & Wagon Committee, Diesel Group meetings, Corrosion Committee meetings, etc., investigation of derailment and engine failures and their remedial measures.

*Duties & responsibilities of Drawing Office Staff*

4. Selection of alternative material and specification for smooth and economical operation.
5. Suggestion and preparation of Drawing for anti-pilferage of Rolling Stock components.
6. Provision of safety devices for Rolling Stock to avoid accidents.
7. Fixing permissible clearances for meeting components and condemning limits thereof pertaining to Non-IRS and BESA locomotives.
8. To monitor trial of components in connection with procurement.
9. Visit Shops, Sheds, Sick Lines, etc. for collecting data to enable the issue of modification to components of Rolling stock and guide the technical staff.
10. Study & prepare report for standardization / rationalization of thousands of components of Rolling stock.
11. Discuss technical problems with officers in day to day working and difficulties faced by the Shops, Sheds and prepare drawings thereof.
12. Training of Apprentices in Drawing Sections.
13. Modification of Rolling stock components and maintain its up-to-date records.

Drawing section of Mechanical Workshops have different cells and Head Junior Engineer/ Drawings/Senior Designer supervise these different cells constituting the above nature of work and assist Chief Junior Engineer/Drawings/Designer in day to day work.

In addition, the Section Engineer/Sr.Designer performs the following duties in common with their Counter-parts in Production Units of Railway viz., Integral Coach Factory, Chittaranjan Locomotive Works and Diesel Locomotive works.

*Designing of safety devices of Rolling Stock to avoid accidents and fire hazards*

*Collection of data & issue of modification to components of Rolling stock and guide the technical staff.*

## **II. GENERAL DUTIES:**

1. General administration of Technical & Ministerial staff and supervision in the Drawing B.C. preparing the assembly and detail part drawings for manufacture of components.
2. Developments of indigenous components for import substitution and supervision, preparation of detailed working drawings from consulting Engineers and of Railways Design and standard Organisations Line Drawings and from samples supplied by the Shops and Sheds.
3. Co-ordination with Shops during manufacture of components and evolution of new methods for their

*Co-ordination with Shops during manufacture of components and evolution of new methods for their manufacture and also handling correspondence with RDSO and Railway*

- manufacture and also handling correspondence with RDSO and Railway Board/Other Zonal Railways on Technical matters.
4. Compilation and maintenance of Technical Data/Drawings for thousands of items.
  5. Supervision and supply of up to date drawings to Workshops, Sheds and to controller of stores for manufacture/procurement of material.
  6. Technical scrutiny of tender papers for procurement of Rolling Stock components and inspection of materials as per specification.
  7. Estimation of Railway materials and compilation of Rolling Stock components.

**III. CLASSIFICATION OF DRAWING & DESIGN ENGINEERS AS TECHNICAL SUPERVISORS:**

*Classification as  
Technical Supervisors*

With regards to recruitment qualifications, nature of work and functionary powers, controlling Technical, Non-Technical & Managerial works, they are actually Technical Supervisors. When the Railway Ministry has recognized Staff in other Departments with similar qualifications, duties and responsibilities as Technical Supervisors, it is essential that the same should be agreed upon to for this Cadre also. This will help the administration itself in managing this sensitive section and also the staff concerned will not have any grievances. Once they are classified as Technical Supervisors, their duties and responsibilities can be streamlined accordingly.

The pay scales and other benefits for this category are brought out in the respective topics of our memorandum in the respective disciplines of Engineering. **Design & Drawing office may be granted a Design Allowance 15% considering the sensitiveness in their job** where even the slightest mistake will lead to heavy loss in the flow and more importantly their role in the safety in all departments in Rolling Stock, tracks etc., is vast.

**GENERAL DUTIES OF DRAWING & DESIGN CADRE  
CIVIL, MECHANICAL, ELECTRICAL AND S & T DEPARTMENT  
[INCLUDING WORKSHOPS SHOPS & PRODUCTION UNITS]**

The role of the drawing staff as such is yet to be stipulated. Apart from carrying out all technical works of highest precision including diagnostic study, all sundry & miscellaneous works like clerical, typing, binding, protocol etc. are being practically forced upon this unfortunate few.

**It has to be noted that transforming a concept into reality is made possible only with the presence of these personnel.** An idea is given final shape with the help of data, 2D & 3D sketches, simulated models, technical analysis, economic considerations, on site feasibility study and the like. All the shortfalls are eliminated and shaping into reality is made possible. Planning, Design, Development, Trial study, Analysis of failures, Review of works, incorporating regular technological advancements etc. are also being carried out.

*Planning, Design,  
Development, Trial study,  
Analysis of failures, Review  
of works, Implementing  
Constant technological  
advancement*

The works listed / assigned requires a high level of technical acumen, forecasting ability and problem solving ability. This job requires high technical qualifications alongwith managerial skills. This point has been ignored all along and merely for convenience this Cadre has been placed with other general pay scales. A few of the jobs currently handled are as below:

*High level of technical  
acumen & forecasting  
ability required*

- ⇒ Technical Evaluation.
- ⇒ Engineering Coda Provisions.
- ⇒ Railway's Codal Provisions.
- ⇒ Survey (*Reconnaissance, Preliminary & Final location*)
- ⇒ Collection of Data.
- ⇒ Planning.
- ⇒ Design
- ⇒ Estimation
- ⇒ Works management.
- ⇒ Feasibility Study.

*Multifarious duties of  
Drawing/ Design Office Staff*

- ⇒ Economy Viability Study.
- ⇒ Developmental works.
- ⇒ Preparation of General arrangement & detailed drawings related to –
  - New projects and proposals
  - Modification and Restoration
  - Civil & Construction works
  - Track layout.
  - Track Maintenance
  - Electrical System
  - Signalling System
  - Network
  - Radio Signalling
  - Maintenance of M&P
  - Water Supply & Sanitation
  - Accident & Prevention
  - PERT & CPM charts.
  - Rain water harvesting.
  - Index section & plans.
- ⇒ Interaction with Field Engineers.
- ⇒ Exploring alternative methodology.
- ⇒ Thorough study of accidents and preventive measures.
- ⇒ Conducting trials regarding technical feasibility and economic viability.
- ⇒ Liaison with accounts for vetting.
- ⇒ Track monitoring works like OMS, Amsler, Oscillograph.
- ⇒ Processing to obtain CRS's sanction for works.
- ⇒ Processing to obtain Safety certificate from CRS for running of trains.
- ⇒ Preparation of specifications for all works.
- ⇒ Preparation of Work Instructions.
- ⇒ Job Analysis.
- ⇒ Asset Management & Development.
- ⇒ Preparation of system maps.
- ⇒ Preparation of special maps.
- ⇒ Technical assistance to special Committee.
- ⇒ Looking into safety aspect.
- ⇒ Preparing of technical standing order.
- ⇒ Preparation and analysis of technical reports.
- ⇒ Providing in-house training.
- ⇒ Workshop activities.
- ⇒ Preparation of Track Machine Deployment Charts.
- ⇒ Tender related activities.
- ⇒ Mooting out new proposals.

**Non-technical & out of scope works.**

- ⇒ Computer programming.
- ⇒ Creating & maintaining Database.

- ⇒ MIS data.
- ⇒ Upkeep of computers.
- ⇒ Progress of Works.
- ⇒ Preparation of regular and special reports and minutes of meetings.
- ⇒ Assisting Hon. MLA / MP Committee & members.
- ⇒ Taking part in preparation of books from data entry to Dispatch.
- ⇒ All sundry works assigned by the Administration.

## **4.8 CHEMICAL AND METALLURGICAL ORGANIZATION**

### **4.8.1 ROLE OF C & M (SCIENTIFIC) STAFF**

The Chemical and Metallurgical wing is functioning in all the major workshops and production units & is known as backbone of entire Quality Assurance on Indian Railways. The C & M wing is providing it's technical & advisory services to all Engineering Departments such as Mechanical, Civil, Electrical, S & T etc. The activities are primarily related to operation, maintenance, safety and reliability of rolling stocks & preventive maintenance of critical assets.

In brief the Duties & functions of the C & M wing of Indian Railways are stated below:

### **4.8.2 DUTIES & RESPONSIBILITIES**

1. Physical testing of all components of rolling stock.
2. Chemical & Physical testing of ferrous, non-ferrous, rubber, Plastics, Plywood, Composites, FRP components & materials, Electrical cables, adhesives sealants & all other materials used over Indian Railways.
3. Testing of Paints & surface coatings used for corrosion prevention on railway coaches & other useful assets.
4. Oil, Grease, Coolants & other modern Lubricants testing & verification in Diesel Sheds for proper running of Locomotives.
5. Welder approval for SAW, MIG, TIG, Spot welding processes
6. Environmental testing such as Sewage, Industrial effluents, stacks & Chimneys, ambient & Occupational air, Bio-medical waste, Hazardous waste as per norms of **Central Pollution Control Board** & State Pollution Control Board.
7. X-Ray testing of Bogie frames (Critical Weld joints), Castings, forging etc.
8. Various Non-destructive testing techniques are

*Duties, Responsibilities &  
Role of C & M (Scientific)  
Staff on Railways*

employed to ensure the soundness of ferrous & non-ferrous components used in the manufacturing of coaches & other products being used in various fields of Indian Railways.

9. Quality control on Paint shop for corrosion prevention & phosphating.
10. Quality Control for welding quality of Bogie frames, Under-frames, Shell etc. at Shop Floor for LHB, Conventional & All export coaches.
11. Quality Assurance activities for healthy running of Locomotive, Coaches, etc. on Shop floor.
12. Ultrasonic Testing of Wheel & Axles running in Railway Coaches & during manufacture for detection of cracks.
13. Development & approval of Welding Consumables, Welding processes etc. for manufacture of Railway coaches, bridges, track etc.
14. Calibration & Standardization of measuring & testing equipment.
15. Auditing of different criteria & aspects of ISO: 9001, 14001 & 18001.
16. Indigenization of Imported LHB Coach components for saving Railway revenue.
17. Consultancy to Design Wings of all Engineering Branches of Indian Railways for selection of proper raw material, heat treatment etc.

## Chapter 4

### Part II

# DETERMINATION OF PAY SCALES OF ENGINEERS / TECHNICAL SUPERVISORS (JE, SE & SSE and C&M STAFF)

*in all branches of Technical Department  
on Railways*

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BY THE PREVIOUS PAY COMMISSIONS
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## CHAPTER 4 ( PART – II )

### DETERMINATION OF PAY SCALES OF ENGINEERS / TECHNICAL SUPERVISORS (JE, SE & SSE and C & M STAFF)

#### 4.9 NEGLECT OF TECHNICAL SUPERVISORS BY THE PREVIOUS PAY COMMISSIONS

4.9.1 As mentioned in the preceding Paras (*in Chapter 5, Part I of the Memorandum*) the workload and responsibilities of Engineers / Technical Supervisors (*i.e. JEs, Ses & SSEs*) have greatly increased in all the fields of their activities, i.e., Workshops, Sheds, Production Units, Power Houses, Train Lighting, A/C (*Air Conditioning*), C&W (*Carriage & Wagon*), Permanent Way Works, Signals & Telecommunication Works, Traction Distribution and O.H.E. etc.

*Manifold increase in duties & responsibilities of JEs, SEs & SSEs*

4.9.2 But it is most unfortunate that the category of JEs, SEs & SSEs on the Railways has been very much neglected over the years and has neither received due recognition, in spite of increased responsibilities, nor have their wages been kept abreast with those of their counterparts elsewhere in the Country. Consequently, they are very much frustrated and have been agitating continuously for the last many years, over the apathetic attitude of the Administration as well as the previous Pay Commissions – specially Fifth Pay Commission towards them. This has not only been affecting the efficiency of this category but also a large force of Technicians & Workers working under them. This phenomenon is bound to jeopardize the safety and efficiency on the Railways because of continuous erosion of initiative of the Technical Supervisors due to the prevailing conditions of

*JEs, SEs & SSEs neglected over the years - wages not kept abreast with increased responsibilities*

service, more so in view of the fact that they have extremely inadequate avenues of promotion.

4.9.3 Meanwhile, the emoluments and service conditions of their counterparts in the Public Undertakings as well as Private and Corporate Sectors have been greatly increased, thereby increasing the wage disparity of 150% to 200% vis-à-vis their counterparts in Public Undertakings and 300 to 400% with those in Private and Corporate Sectors – with equal or even lower responsibilities and workload than those in the Railways. Even the emoluments and service conditions of their counterparts in the State Government Undertakings and State Govt. Services have improved considerably, over the years. But the Jes, Ses & SSEs on the Railways have been ignored all along, in spite of additional workload and responsibility as well as transferability of their service all over the Railways, as against a much stable life enjoyed by their counterparts elsewhere.

*Astronomical disparities  
in wages of Staff on  
Railways vis-à-vis PSUs  
& Private Sector*

#### **4.9.4 Erosion of Wages of Engineers / Technical Supervisors since 1931**

4.9.4.1 It is also a matter of regret that whereas the duties and responsibilities of the category of Technical Supervisors have been constantly increasing over the years, as already stated in pre-going Paras. The real wages of the category have rather been constantly reduced or eroded not only because of rise in the cost of living but also on account of serious injustices meted out to them, particularly by the previous Pay Commissions, and more recently by the Fifth Pay Commission which would be apparent from the following facts.

*Erosion of Wages  
of Engineers /  
Technical Supervisors  
since 1931*

#### 4.10 ANOMALIES IN PAY SCALES OF JEs, SEs and SSEs ON RAILWAYS

4.10.1 JEs, SEs and SSEs are presently in the following four scales

Sl. No	Designation	5 <sup>th</sup> CPC Scale	Equated Scale Recommended by 5 <sup>th</sup> CPC (Vide Para 54.38)	5 <sup>th</sup> CPC Scale Code	Existing Pay Scale given by Railway Board (Rs.)
1	Junior Engineer-II (JE)	1400-2300	1600 – 2660	S-9	5000–150–8000
2	Junior Engineer – I (JE)	1600-2660	1640 – 2900	S-10	5500–175–9000
3	Section Engineer (SE)	2000-3200	2000 – 3500	S-12	6500-200-10500
4	Sr. Section Engineer (SSE )	2375-3500	2375 – 3750	S-13	7450-225-11500
5					

4.10.2 Above Pay Scales granted after the Fifth Central Pay Commission had the following anomalies and disparities :-

- (i) **Wrong Calculation of Compensation Factor (of 30.9%) and Multiplication Factor (of 3.25 times of Existing Scales ) by Fifth CPC (based on Rise of NNP for 9 years instead of 10 years).**
- (ii) **Non-application of accepted Compensation Factor of 30.9% and Multiplication Factor of 3.25 (by Fifth CPC) for Pay Scales and Increments of JEs, SEs and SSEs.**
- (iii) **Disturbance of Horizontal Parities and Vertical Relativities.**
- (iv) **Disparities with Public Undertakings not removed.**

*Anomalies in the 5<sup>th</sup> CPC Scales*

*Wrong calculation of Rise of NNP*

*Non-application of determined Multiple Factor*

*Horizontal Parities disturbed*

The anomalies enumerated above are explained herebelow:-

- (i) **Wrong Calculation of Compensation Factor & Multiplication Factor by Fifth CPC**

*Wrong calculation of Rise of NNP*

Fifth Pay Commission based their proposed Pay Scales on the Compensation Factor of 30.9% as calculated by them in Annexure 41.5 and there by worked out a Multiplication Factor of 3.25 which they applied to the then existing Pay Scales (of Fourth CPC).

But unfortunately the Fifth CPC calculated the above Factors as Rise of NNP for 9 years only from 1986 – 87 to 1994 – 95 instead of for 10 years – from January 86 to December 95 (or 01.01.86 to 01.01.96).

**Revised Calculations for rise of NNP (1986-1996) & Projection thereof –**

The actual rise of N.N.P from January 1986 to December 1996 was 38.6% and not 30.9% as wrongly worked out by the Fifth CPC – As per detailed calculations submitted in Chapter-2 of this Memorandum.

Accordingly the Multiplication Factor should have been 4.05 (or Say atleast 4 ) instead of 3.25 adopted by 5<sup>th</sup> CPC.

**(ii) Disturbances of Horizontal Parities and Vertical Relativities**

Horizontal Parities and Vertical Relativities have been seriously disturbed specially after the 5<sup>th</sup> Central Pay Commission, in respect of Pay Scales and Rates of their increments etc., as would be apparent from the following facts and statistics.

*Horizontal Parities  
disturbed*

**(a) ANOMALY IN THE PAY SCALE OF SENIOR SECTION ENGINEERS ( S.S.E ) (Rs. 2375- 3500 SCALE S-13 Revised to Rs. 7000-11500 / Modified to Rs. 7450-11500)**

*Anomaly in the  
scale of SSE*

(Ref:- Para 54,38, 83.180, 83.192, 83.203, 83.217 & 83.220 of Fifth CPC Report )

The Revised Pay Scale (S-13) of Rs. 7450-11500 allotted to the Senior Section Engineers (in the Pre-revised Scale of Rs. 2375-3500) was totally anomalous as it had disturbed the Vertical Relativities and Horizontal Parity with the other categories, as well as violated the basic principles adopted by the Fifth Pay Commission, causing much dissatisfaction amongst this vital category and adversely affecting their efficiency, as per details submitted below:-

**(1) Non-application of 3.25 Common Multiplying Factor:-**

The Fifth CPC had itself laid down the principle of 3.25 as the “ Common Multiplying Factor “ for working out the revised Pay Scales, but out of the 34 Pay Scales, the revised Pay Scale of SSE ( Rs. 2375-3500) was the only Scale where this principle/ formula of the Pay Commission had been violated as the Multiplication Factor in this case worked out to be 2.97 at the minimum of the Scale at Rs. 7000 (as recommended by the 5<sup>th</sup> CPC) and 3.13 at Rs. 7450 (allotted by the Government) instead of 3.25 applied in almost all other cases, according to which the minimum of their Pay Scale should have been Rs. 7719. This loss has caused much dissatisfaction and loss of efficiency of this category.

*Non-application of  
determined Multiple  
Factor*

- (2) **Non-application of 30.9% rise of emoluments:-** As mentioned by us earlier in this Chapter, while the actual rise of NNP (Per Capita Net National Product ) was 38.6% for 10 years since January'86 to December'95, but the Fifth CPC considered it only as 30.9% for 9 years (from April'86 to March'95) (vide Annexure 41.5 Vol. I of its Report).

*Non-application of  
30.9% rise*

But even the lower factor of 30.9% rise of emoluments (Pay + DA) as on 01.01.96 adopted by the Pay Commission, had not been applied in the case of Scale S-13, given to the SSEs in the existing Scale of Rs. 2375-3500 as even by the application of this formula of 30.9% rise of emoluments (Pay + DA), minimum of their Pay Scale should have been Rs. 7710.

- (3) **Disturbance of Vertical Relativity with Group 'A' and Group 'B' Officers:-**

*Disturbance of  
vertical relativity*

The 5<sup>th</sup> CPC had also disturbed the vertical relativity and horizontal parity with Group 'A' and Group 'B' Officers, while recommending the Pay Scale of Rs. 7000 – 11500 for the SSEs in the Scale ( S – 13 ) Rs. 2375 – 3500:-

- (a) The SSE (then called Shop Superintendent) had been granted a Superintending Allowance of Rs. 150 P.M. in March'73 as a result of an award of ( Miabhoy ) Railway Labour Tribunal, 1969 in lieu of Incentive Bonus in Workshops and followed by another award by the Board of Arbitration for their counterparts in the Open Line, Loco Sheds, etc. This Allowance was merged with Pay by the Third Pay Commission and they were allotted the highest of Group 'C' Scale of Rs. 840 – 1040 in lieu thereof in comparison to highest scale of Rs. 700 – 900 allotted to the other Group 'C' employees.

- (4) **Disturbance of Vertical Relativity with the Subordinates:-**

Ministerial Staff (Chief Clerks and Head Clerks etc.) work under the Senior Section Engineers in the Shops / Sheds & Depots. But allotting the same Pay Scale of Rs. 7450 – 11500 to the SSEs as well as the said Ministerial Staff, Vertical Relativity had been disturbed in violation of basic principle that "an equal cannot be over an equal".

The Fourth Pay Commission replaced the Pay Scale of Rs. 840 – 1040 with Rs. 2375 – 3500. In comparison, the Group 'A' and Group 'B' Officers were allotted the Pay Scales of Rs. 700 – 1200 and Rs. 650 – 1200, respectively, by the Third CPC and Rs. 2200 – 400 and

Rs. 2000 – 3500, respectively by the Fourth CPC.  
 But the Pay Scales of Rs. 8000 – 13500 and Rs. 7500 – 12000 were allotted to Group 'A' and Group 'B' Officers, thereby disturbing the existing relativity with S.S.E who had been allotted the higher Pay Scale for historic reasons as stated above due to which the minimum of the scale of Shop Superintendent (now S.S.E. ) has never been lower than the Group 'B'. (as per details given below ):-

As per	Minimum of the Pay Scale (Rs.)		
	Foreman / SS / SSE	Group 'B'	Group 'A'
3 <sup>rd</sup> CPC	840	650	700
4 <sup>th</sup> CPC	2375	2000	2200
5 <sup>th</sup> CPC	7000 (Rev. 7450)	7500	8000

- (5) **Discrimination in respect of (% age of Rise of) increment.** The SSE in Scale (S -13 ) Rs.2375-75-3200-100-3500 had been discriminated against by the Fifth CPC also in respect of the %age Rise of rate of increment, which was the lowest @ 125% in their case in the scale of Rs.7000-225-11500 allotted by the Fifth CPC (or even in modified scale of Rs.7450-225-11500) in comparison to rise of 150% to 160% in most other cases, as would be apparent from the following Table:-

*Wrong fixation of increment in Scale S-13*

Pre-revised Scale Rs.	Revised Scale Rs.	Old Rate of Increment Rs.	New Rate of Increment Rs.	%age Rise of Increment
750-940	2550-3200	14	60	329%
2000-3200	6500-10500	75	200	167%
2375-3500	7450-11500	100	225	125%
2200-4000	8000-13500	100	250	150%
3000-4500	10000-15200	125	325	160%

In fact, the existing rate of increments should have been increased by 3.25 times in all cases, as per rise of NNP since 4<sup>th</sup> CPC and should have been Rs. 325 to the SSE.

**DISTURBANCE OF HORIZONTAL RELATIVITY DUE TO LOW RATE OF INCREMENT –**

*(Resulting in lower fixation of Pay of Seniors in Higher Scale than Juniors in Lower Scale):-* As a result of low rates of increment, (S-13) Rs.7450-11500, as mentioned above, a great anomaly has crept in, badly disturbing the relativity of Pay of Seniors in Scale S-13, with the Juniors in the lower Scale S-12 Rs.6500-10500 and consequently **the pay of the many of the Seniors S-13 had been fixed at a level lower than the Juniors in S-**

*Disturbance of horizontal relativity*

12 although they were getting the same pay in the pre-revised scales, as would be evident from the following table:-

**Disturbance of Horizontal Relativity due to low rate of increment**

Sl. No.	Existing Pay on 01.01.96 Rs.	Revised Pay fixed (under RPR-97) vide 5 <sup>th</sup> CPC	Existing Pay on 01.01.96	Revised Pay fixed (under RPR-97) vide 5 <sup>th</sup> CPC
	Existing Scale Rs.2000-3200 Revised Scale Rs.6500-200-10500		Existing Scale Rs.2375-3500 Revised Scale Rs.7450-225-11500	
1	2450	7500	2450	7450
2	2525	7700	2525	7675

**Disturbance of Horizontal Relativity due to low rate of increment**

3	2825	8700	2825	8575
4	2900	8900	2900	8800
5	2975	9100	2975	9025
6	3050	9300	3050	9250
7	3125	9500	3125	9475
	Existing Scale Rs.1640-2900 Revised Scale Rs.5500-175-9000			
8	2600	7950	2600	7900

6. All the above anomalies in the pay of Senior Section Engineers ( Rs. 2375-3500 ) placed in the revised Scale of Rs. 7450-11500, caused great resentment, frustration and dissatisfaction amongst them, thereby seriously reducing their efficiency.

7. Sixth Pay Commission is, therefore requested to please suitably adjust and compensate the above said losses suffered by Senior Section Engineers on the Railways by allotting a suitable Pay Scale and Increments as per detailed submission made later on in this chapter.

**4.10.4 ANOMALY IN THE PAY SCALE OF SECTION ENGINEER (S.E.) (GRADE Rs.2000-3200 (Scale S- 12) REVISED TO Rs. 6500- 10500)**

( Ref: Para 54.38, 83.180, 83.192, 83.203, 83.217 and 83.220 of 5<sup>th</sup> CPC Report )

The Fifth CPC had done great injustice with the Section Engineers ( in pre-revised scale of Rs.2000 – 3200 ) by placing them in the revised scale S – 12 Rs.6500-10500. This was anomalous and discriminatory, and had disturbed the existing Horizontal Parity, thereby causing much frustration

*Anomalies in Scale  
S-12 of S.E.*

amongst the staff concerned, and reducing their efficiency:-

**Disturbance of Existing Relativity:-** Out of over 33 categories of employees in the previous Pay Scale of Rs.2000 – 3200, only the Section Engineers on Railways have been placed in the Revised Scale of Rs.6500-10500. This has disturbed Horizontal Parity among Categories, thereby depriving Section Engineers, in spite of higher responsibilities shouldered by them over the years.

*Existing relativity  
disturbed*

**COMPARATIVE REVISED PAY SCALES OF VARIOUS CATEGORIES  
IN THE PRE-REVISED SCALE OF RS.2000-3200 AFTER 5<sup>TH</sup> CPC**

Sl. No.	Category	Pay Scale as per 4 <sup>th</sup> CPC Rs.	Pay Scale allowed after 5 <sup>th</sup> CPC Rs.	Para Ref. of 5 <sup>th</sup> CPC Report	Department
1.	<b>Section Engineer</b>	<b>2000-3200</b>	<b>6500-10500</b>	<b>54.38, 83.180, 83.192, 192, 203, 217, 220</b>	<b>Railways</b>
2.	Supervisor Gr.I	2000-3200	10000-15200	66.110	Para Medical
3.	Sr. Dietician	2000-3200	8000-13000	52.52	Water Resources
4.	Asst. Engineer	2000-3200	8000-13000	90.60	Agriculture
5.	Veterinary Officer	2000-3200	8000-13000	56.86	
6.	Lecturer	2000-3200	8000-13000	104.59	
7.	Asst. Vet. Officer	2000-3200	8000-13000	64.35	Env. & Forests
8.	Rural Medical Officer	2000-3200	8000-13000	69.22	Health
9.	Field Instructor	2000-3200	8000-13000	69.22	Health
10.	Bacteriologist	2000-3200	8000-13000	69.22	Health
11.	Tutor Dietician	2000-3200	8000-13000	69.22	Health
12.	Librarian Sel. Grade	2000-3200	7500-12000	55.177	School Library
13.	H/M Primary School	2000-3200	7500-12000	55.259	Teaching Staff
14.	H/M Middle School	2000-3200	7500-12000	55.259	Teaching Staff
15.	H/M Secondary School	2000-3200	7500-12000	55.259	Teaching Staff
16.	Dairy Chemist	2000-3200	7500-12000	50.101	Agriculture
17.	Jr. Research Officer	2000-3200	7500-12000	63.61	Defence
18.	Sr. Scientific Officer	2000-3200	7500-12000	63.67	Defence
19.	Civilian Technical	2000-3200	7500-12000	63.73	Defence
20.	Sr. Foreman in Naval	2000-3200	7500-12000	63.302	Defence
21.	ACSO (R)	2000-3200	7500-12000	63.83	Defence
22.	Civilian Edn. Officer	2000-3200	7500-12000	63.84	Defence
23.	Tr. Scientific Officer	2000-3200	7500-12000	63.87	Defence
24.	Research Officer	2000-3200	7500-12000	64.50	Env. & Forests
25.	Works Engineer	2000-3200	7500-12000	66.56	Economic Affairs
26.	Dy. Manager Press	2000-3200	7500-12000	55.221	Printing Staff
27.	Ch. Enforcement Officer	2000-3200	7500-12000	66.112	
28.	Jr. Fishery Scientist	2000-3200	7500-12000	68.22	Food Processing
29.	Sr. Tutor	2000-3200	7500-12000	69.44	Health
30.	Map Analyst	2000-3200	7500-12000	70.80	Home Affairs
31.	Asst. Technical Officer	2000-3200	8000-13500	70.59	Home Affairs
32.	Transaction Officer	2000-3200	7500-12000	70.132	Home Affairs
33.	Salt Superintendent	2000-3200	8000-13500	72.23	Industry

1. It is requested that the above said anomalies in the Pay Scale of Rs.6500-10500 allotted to Section Engineers may please be removed and they may please be equated with the Revised Scale of Rs.7500-12000 / Rs.8000-13500.

**4.10.5 ANOMALY IN PAY SCALE OF JUNIOR ENGINEER ( JE – I & JE-II) (Scales S- 9 Rs.5000-8000 & S-10 Rs.5500- 9000) on Railways**

( Ref: Para 54.38, 83.180, 83.192, 83.203, 83.217 and 83.220 of 5th CPC Report )

Much injustice had been done both by 4<sup>th</sup> and 5<sup>th</sup> Pay Commissions with respect to the Junior Engineers I & II who were in the Pre-revised scales of Rs.1400-2300 and Rs.1600-2660 and who were placed in the revised scales of Rs.5000-8000 and Rs.5500-9000 respectively.

*Anomalies in the Pay Scale J.E.-I & J.E.-II*

**Parity with the other categories disturbed by the 4<sup>th</sup> CPC :-**

Category	3 <sup>rd</sup> CPC Rs.	4 <sup>th</sup> CPC Rs.	5 <sup>th</sup> CPC Rs.
Loco Inspector	425-700	2000-3200	6500-9000
Power Controller	425-700	2000-3200	6500-9000
Police Inspector	425-700	2000-3200	6500-9000
Excise Inspector	425-700	2000-3200	6500-9000
Head Master	425-700	2000-3200	6500-9000
Motor Man	425-700	1640-2900	6000-9800
<b>Junior Engineer – II</b>	<b>425-700</b>	<b>1400-2300</b>	<b>5000-8000</b>
<b>Junior Engineer - I</b>	<b>550-750</b>	<b>1600-2660</b>	<b>5500-9000</b>

**Parity with the other Departments Disturbed by Fifth CPC**

Vertical relativity and Horizontal Parity with other Departments had been seriously Disturbed by the Fifth CPC in respect of Pay Scales of Junior Engineers in the Pre-revised Scales of Rs.1400-2300 and Rs.1600-2660, as would be apparent from the following table:-

*Parity with other Deptts. disturbed*

**Comparative Revised Pay scales of various categories In the Pre-revised scale of Rs.1400-2300 after 5<sup>th</sup> CPC**

Sl. No	Designation	Existing Scale of 4 <sup>th</sup> CPC Rs.	Revised Scale Rs.	Para No. of 5 <sup>th</sup> CPC	Department
1.	Architect Asst.	1400-2300	6500-10500	89.18	Urban Affairs
2.	Sub-Editor	1400-2300	5500-9000	55.59	Publication staff
3.	Asst. Dietician	1400-2300	5500-9000	52.52	Para Medical
4.	Physiotherapist	1400-2300	5500-9000	52.96	Para Dental
5.	Social Worker	1400-2300	5500-9000	52.103	Para Dental
6.	Scientific Asst.	1400-2300	5500-9000	56.25	Agriculture
7.	Investigator	1400-2300	5500-9000	91.4	Welfare
8.	Technical Asst.	1400-2300	5500-9000	56.37	Agriculture
9.	Statistical Asst.	1400-2300	5500-9000	56.37	Agriculture
10.	Documentation Asst.	1400-2300	5500-9000	61.50	Commerce
11.	Inspector	1400-2300	5500-9000	62.22	Posts

Sl. No	Designation	Existing Scale of 4 <sup>th</sup> CPC Rs.	Revised Scale Rs.	Para No. of 5 <sup>th</sup> CPC	Department
12.	Statistical Asst.	1400-2300	5500-9000	62.25	Posts
13.	Jr. Scientific Asst.	1400-2300	5500-9000	63.67	Defence
14.	Legal Asst.	1400-2300	5500-9000	74.30	Labour
15.	Chargeman in Navy	1400-2300	5500-9000	63.302	Defence
16.	Sr. Engine Driver	1400-2300	5500-9000	55.184	Marine Staff
17.	Steno Typist (R)	1400-2300	5500-9000	63.83	Defence
18.	Jr. Scientific Asst.	1400-2300	5500-9000	63.87	Defence
19.	Supervisor Tech. Gr.II	1400-2300	5500-9000	63.165	Defence
20.	Cameraman	1400-2300	5500-9000	63.188	Defence
21.	Sr. Reception Officer	1400-2300	5500-9000	63.237	Defence
22.	J.S.A. I	1400-2300	5500-9000	63.23	Defence
23.	Technical Asst. (TA)	1400-2300	5500-9000	63.264	Defence
24.	Sr.Artist	1400-2300	5500-9000	64.15	Environment
25.	Home Sister	1400-2300	5500-9000	69.45	Health
26.	Skipper mate	1600-2660	6500-10500	55.187	Central Excise
27.	Artist-cum-Photographer	1600-2660	6500-10500	63.293	DRDO
28.	Superintendent	1600-2660	6500-10500	89.25	CPWD
29.	Engine Driver	1400-2300	5500-9000	55.184	Navy
30.	Supervisor Tech.	1400-2300	5500-9000	63.165	Army
31.	Jr. Scientific Asst.	1400-2300	5500-9000	63.263	Ordinance Fact
32.	Home Sister	1400-2300	5500-9000	69.45	Family Welfare
33.	Supervisor	1400-2300	5500-9000	104.65	U.T
34.	<b>Jr. Engineer – II</b>	<b>1400-2300</b>	<b>5000-8000</b>	54.36, 83.180/192, 203/217	<b>Railways</b>
35.	<b>Jr. Engineer – I</b>	<b>1600-2660</b>	<b>5500-9000</b>		<b>Railways</b>

It is therefore, earnestly requested that the **Pay Scales of Junior Engineers I & II (Rs.5000-8000 & Rs.5500-9000)** be revised to a merged scale of Rs. **6500-10500**.

**Unjust disturbance of Vertical Relativity - Equating JEs with MCMs – violation of Law of Natural Justice by equating the Supervisor with the Supervised –:-**

Fifth Pay Commission had recommended a pre-revised Scale of Rs.1400-2300 for MCM (*Master Craftsmen – now Called Senior Technicians*) and a higher pre-revised Scale of Rs.1600-2660 for the JEs (*Junior Engineers*) (*vide Para 54.18 & 54.38*), keeping in view their Vertical Relativity.

All Senior Technicians (*MCM*) are supervised by the Junior Engineers (*Gr. I & II*) and it has been held by Railway Labour Tribunal-1969 (*headed by Justice Miabhoy*) that the Workers / Artisans in a Section cannot be segregated for the purpose of Supervision.

As such, it is imperative and the Pay Commission is very humbly requested that Junior Engineers (*JEs*) should be in a Scale higher than that of the Senior Technicians (*MCM*).

*Disturbance of Vertical Relativity in case of J.Es.*

#### 4.10.6 IMPROVEMENT OF SUPERVISORS TO WORKERS

*Supervisor to Workers  
Ratio*

**RATIO** (IN RAILWAY WORKSHOPS, SHEDS, DEPOTS AND PRODUCTION UNITS):-

JEs, SEs and SSEs on the Railways are to manage and supervise a large number of workers (Helpers, Asst. Technicians, Highly Skilled Technicians and Master Craftsmen etc). This number is not only unmanageable in most cases but is also many times larger than those supervised by their counterparts in Public Undertakings who are getting much higher salaries than that of the former.

The number of workers supervised by the Section In-Charge varies between 20 to 100 or even more and the number of workers supervised by the Senior Technical Supervisors (SEs and SSEs) varies between 100 to 1000 or more as against 5 to 10 men supervised by a J.E. and 40 to 50 men by a Senior Engineer / Shift Engineer or Manager in Public Undertakings.

In fact there is no yardstick for determining the charge of an Engineer / Technical Supervisor in the Railway Workshops, Sheds, Production Units and an Open Line Depot. This is causing lot of problems. Effective supervision is just not possible, although it is most essentially required in view of the modernization and sophisticated Rolling Stock, Traction Units, Machinery and Plants and Equipments and above all the 'Safety and Quality Control' on the Railways.

R.R.C. (Railway Reforms Committee) in Part – IX of its report on 'Personnel' recommended for a Supervisors to workers ratio 1:7 (including PCO) and 1:5 (Excluding PCO i.e. Production Control Organisation). Committee of C.W.Es' appointed by Railway Board had recommended a Supervisors to Worker ratio of 1:8. Even these recommendations of R.R.C. and Committee of C.W.E's had not been implemented even after more than 9 years, thus jeopardizing the safety and efficiency on the Railways, and putting a great burden on Engineers / Technical Supervisors whose workload and responsibilities have tremendously increased as a result of modernization and sophistication etc.

*R.R.C's.  
recommendation*

It is therefore, requested to recommend that -

- 1) **Proper Yard stick be provided for Supervisors to Workers ratio at all levels.**
- 2) **Recommendations of R.R.C. for a ratio of 1:7 between**

Supervisors and Workers be implemented early, for effective supervision, quality control and safety. Or

- 3) Engineers / Technical Supervisors (JEs, SEs and SSEs) on Railways be paid higher emoluments / Pay Scales for shouldering higher responsibilities and having larger span of control than their counterparts anywhere else – either Government / Public Undertakings or in State Government Services etc.

#### 4.11 PROPOSED PAY SCALES FOR ENGINEERS / TECHNICAL SUPERVISORS (JEs, SEs & SSEs) ON RAILWAYS

*Proposed Pay scales for Engineers on Railways*

- 4.11.1 Keeping in view the duties, responsibilities, workload and other job requirements of Junior Engineers, Section Engineers and Senior Section Engineers on the Railways, the substantial increase of their duties and responsibilities in recent years and considering the major disparities and anomalies in their Pay Scales and the high emoluments of their counterparts not only in Private and Corporate Sectors but even in the Public Undertakings, as detailed in the foregoing Paras of this Chapter, it is requested that the following Pay Scales may please be recommended for and granted for the Engineers / Technical Supervisors on the Railways:-

#### PROPOSED PAY SCALES FOR ENGINEERS / TECHNICAL SUPERVISORS JUNIOR ENGINEERS, SECTION ENGINEERS & SENIOR SECTION ENGINEERS ON RAILWAYS

*(INCLUDING MECHANICAL, ELECTRICAL, CIVIL ENGINEERING, SIGNAL & TELECOMMUNICATION, DRAWING / DESIGN, STORES & LAB etc.)*

Sl. No	Designation	Existing Pay Scale	Pre-Revised Scale Recommended by 5th CPC (Para 54.38)	Projected scales which should have been given on rise of NNP (in 10 yrs at 38.6 % instead of 30.9 % ) *	Proposed Equated Scale of Fifth CPC	Proposed Pay Scale for Sixth CPC on Multiple Factor of 4.31 (i.e. ratio of Proposed Min. & Existing Min. Pay) **
1	Jr. Engineer (JE) - II Jr. Engineer (JE) - I	5000-8000 5500-9000	1600-2660 1640-2900	6400-10640 6560-11600	6500-10500	28400-1400-34000-1700-42500-2100-44600
2	Section Engineer (S.E.)	6500-10500	2000-3200	8000-14000	8000-13500	35700-1700-42500-2100-53000-2600-55600
3	Senior Section Engineer (S.S.E.)	7450-11500	2375-3750	9500-15000	10000-15200	44600-2100-53000-2600-66000-3300-69300

#### Note- 1. Proposed Pay Scales are based on the following facts :-

- (iii) Fifth CPC had wrongly applied the multiple factor of 3.25 (on Fourth CPC Pay Scales) based on rise of NNP by 30.9% for 9 years, instead of 38.6 % for 10 years, and wrongly calculated the multiple factor as 3.25 instead of 4.05. (As mentioned by us in para 4.10.2 (i) of our Memorandum);
- (iv) **Multiple Factor of 4.31 as the ratio between Proposed & Existing Minimum Pay.** (As mentioned by us in para 3.11 of our Memorandum);
- iii) Higher duties, responsibilities and job requirements of Technical Staff, especially on the Railways;
- iv) Comparative Pay Scales and emoluments of the counterparts in P.S.U.s. with similar duties, responsibilities and job requirements.
- v) Additional training after recruitment of Diploma Holders as JEs
- vi) Additional training after recruitment of BEs - Degree Holders as SEs.

**Note- 2.** It is requested that all posts of Section Engineers (S.E.) and Senior Section Engineers (S.S.E.) on the Railways, be classified in Group 'B' (Gazetted), as in other Departments.

#### **4.12 C & M ORGANIZATIONS ANOMALIES**

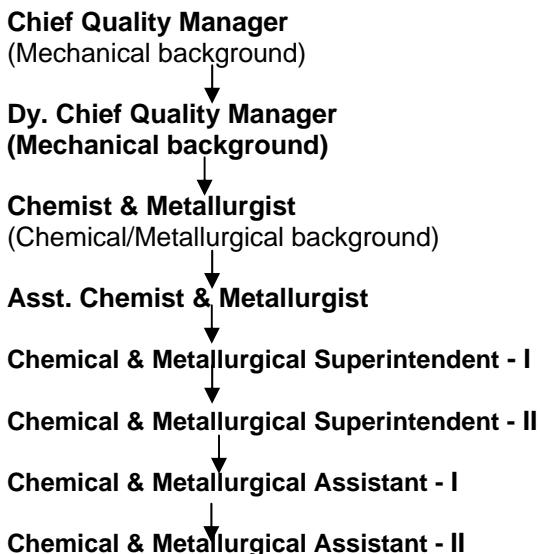
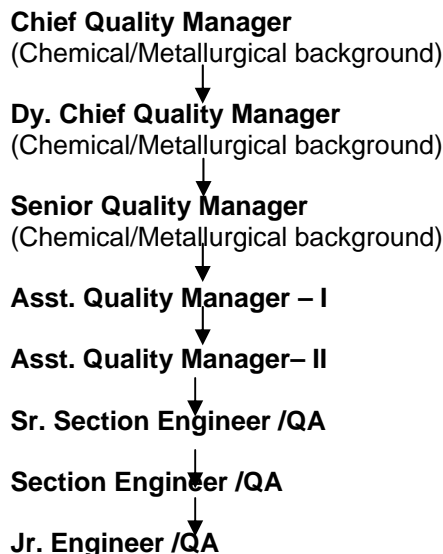
1. The C&M organisation above Selection-grade is headed by Officials of Other Disciplines in a truly feudalistic manner, especially Mechanical & Electrical; as a result there is a lack of proper direction & guidance for proper utilization of the C&M Organisation.
2. C & M Organisation is placed under Unorganized sector as a result despite of their hard work the privileges are not at par with other technical departments of Indian Railways.
3. The entry grade into this department for the Science graduates is in the Scale of Rs. 5000 – 8000 /-, whereas in the Mechanical department the same scale has been given for the Diploma holders and promotes like ITI trade personal.
4. The lateral entry for the ENGINEERING GRADUATES i.e. B.E. Metallurgy/Chemical Engineering graduates are being inducted as C.M.A.– I in the Scale of Rs. 5500 – 9000 /-; whereas the ENGINEERING GRADUATES. in Mechanical/Electrical/Civil are inducted as S.E. in their respective departments in Scale of Rs. 6500-10500. THIS IS A STEP-MOTHERLY TREATMENT.
5. **The C & M staff is not having any other promotional chances like Limited departmental Competitive Examination for Group-B posts whereas in other departments such as in Mechanical / Electrical etc. a person even with ITI qualification can reach Group B & Group A services.**
6. The avenue of promotions in C & M Organisation for Group B are very remote, as a result the junior have to wait for the death/Retirement of senior for promotion which is very sad for a democratic state claiming for equal opportunities in the constitution of India.
7. After 5<sup>th</sup> Pay Commission all other Departments of Indian Railways have been restructured but this Organisation is still waiting for restructuring above Group-B level. Now every hope is from 6<sup>th</sup> Pay commission to look into the matter.
8. No benefit of Assured Career progression to the suffering Officers is provided in this Organisation even after putting 12 years of service in the entry grade whereas such benefits has been extended freely in all other disciplines of Indian Railways.
9. Despite of working in Hazardous Environment such

as X-ray, Chemical Lab, effluent testing Laboratory, highly polluted paint shop, welding shops, burning of Polymers during testing; the staff of Organisation has not given any Occupational Hazard Allowances

## **DEMANDS**

1. Separation of C&M Organisation from the Control of Mechanical & Electrical Engineering Departments.
2. C&M Organisation should be given status of Organized Sector.
3. The entry grade into this department for the Science graduates should be equivalent to J.E. – I of Mechanical Department.
4. The lateral entry for the ENGINEERING GRADUATES in C&M Organisation should be in the same grade as given to ENGINEERING GRADUATES of other departments (e.g. Section Engineers in Mechanical & Electrical Department).
5. Group-B (Gazetted) status to all Supervisors presently working in Grade of Rs. 7450 – 11500.
6. Assured Career Progression / Time bound promotions as given to other organized departments.
7. All privileges such as Incentive, Officiating/Supervising allowance should be extended to C&M wing also as is given to the Mechanical Department.
8. Prevailing & Demanded Organisation Structure & Designations are mentioned below. The demanded Organisation structure is similar & equivalent to Mechanical Department of Indian Railways.

*Demands for C & M  
Organizations*

**EXISTING ORGANIZATIONAL STRUCTURE****PROPOSED ORGANIZATIONAL STRUCTURE**

In nutshell, C & M wing is a specialized cadre of Indian Railways involved in Multiple Quality Assurance and Technical activities. But unfortunately the entire C&M Organisation is working under Mechanical Department and it is a natural fact that the useful work of Quality Assurance & technical activities is sacrificed under the pressure of production. *In the present century, which is highly competitive and quality demanding, the separation of C&M wing from Mechanical (Production) Department is the need of time.* Also the Genuine demands raised by the C&M Organisation be considered for Implementation in welfare of Indian Railways.

**PROPOSED PAY SCALES FOR CHEMICAL & METALLURGICAL STAFF ON RAILWAYS**

Sl. No	Designation	Existing Pay Scale	Pre-Revised Scale Recommended by 5th CPC	Projected scales which should have been given on rise of NNP (in 10 yrs at 38.6 % instead of 30.9 % )*	Proposed Equated Scale of Fifth CPC	Proposed Pay Scale for Sixth CPC on Multiple Factor of 4.31 (i.e. ratio of Proposed Min. & Existing Min. Pay)**
1	Chemical & Metallurgical Assistant (CMA)-II	5000-8000	1600-2660	6400-10640	6500-10500	28400-1400-34000-1700-42500-2100-44600
2	Chemical & Metallurgical Assistant (CMA)-I	5500-9000	1640-2900	6560-11600		
3	Chemical & Metallurgical Superintendent (CMS)-II	6500-10500	2000-3200	8000-14000	8000-13500	35700-1700-42500-2100-53000-2600-55600
4	Chemical & Metallurgical Superintendent (CMS)-I	7450-11500	2375-3750	9500-15000	10000-15200	44600-2100-53000-2600-66000-3300-69300

- Note-** i) Direct recruitment of B.Es. and M.Sc.s. Should be in the scale of C.M.S.-II instead of CMA-I in view of higher qualifications and job requirements;
- ii) Existing staff with B.E. or M.Sc. qualification should be promoted as CMS-II forthwith.
- iii) Qualification of BE (Metallurgy & or Chemical Engineering should not be essential for serving ACMT for promotion as CMT as no such qualification is provided for in any other cadre.
- iv) All posts of CMS-I & II on the Railways, be classified in Group 'B' (Gazetted).

# Chapter 5

## **CONDITIONS OF SERVICE AND AMENITIES** *in all branches of Technical Department on Railways*

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3. GRANT OF RESTRICTED HOLIDAYS TO TECHNICAL STAFF
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11. WORKING CONDITIONS
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13. FAMILY PLANNING INCENTIVES
14. ENTITLEMENT FOR TRAVELLING ON TOUR
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(b) INCLUSION OF ALL DEPENDANTS IN PRIVILEGE PASS

## Chapter 5

### CONDITIONS OF SERVICE AND AMENITIES

#### 5.1 INTRODUCTION

The conditions of service have a great impact and bearing on the morale of the Staff who not only need adequate remuneration but also proper “Rest, Leisure and Congenial Working Environment”, for serving an organization effectively and efficiently.

#### 5.2 HOURS OF WORK

5.2.1 Hours of work have a lot of effect on the health and working efficiency of an Employee. Longer working hours not only reduce the time for much required leisure and rest but also result in erosion of concentration and efficiency and safety.

*Concentration and efficiency is related to hours of work*

5.2.2 Almost all Countries have reduced the number of Working Hours of Industrial Workers to 40 hours per week in most cases and 42 to 44 hours a week in certain cases (*including lunch break*). Most of the Government Undertakings (*in India*) have 42 to 45 hours of working in a week.

5.2.3 On Railways, the Working Hours for most of the Industrial Workers are 48 hours a week, Many Engineers / Technical Supervisors however, have to work for even much longer hours in the interest of work and exigency of services. Some Railway Workshops have 42 to 45 hours of working in a week. This difference of Working Hours among various Workshops, Sheds and Depots on the Railways, has been causing much heart-burning amongst the Staff

*Working Hours for Staff in Railways is 48 hours a week. Supervisors work for much longer hours*

putting in longer hours than their Counterparts in the other Workshops under the same Organization, getting the same Wages, but working for additional number of hours, without additional remuneration or Over-Time Allowance etc.

5.2.4 Another glaring anomaly in this regard is that the “Lunch-Break” is not reckoned in computing the above-said working hours on the Railways, which is contrary to the position prevailing in the other Industrial Houses/Government Undertakings, where the “Lunch-Break” is included in reckoning of Working Hours in a week.

*“Lunch Break” is not included in Working Hours*

5.2.5 Third Pay Commission (*vide Para-13, Page-59, Chapter-61, Vol. IV*) had recommended a net working of **45 hours a week excluding the Lunch-Break and 48 hours a week including Half-an-Hour** lunch. They further recommended for bringing about uniformity in Working Hours of Industrial Workers in the Railways, and introduction of 45 hours of net working in a Week for these Workers.

*3<sup>rd</sup> CPC recommended for 45 hours of work a week and uniformity in Working hours*

5.2.6 The Recommendation of the Third Pay Commission for “45 hours a week”, was inline with the recommendations of the **National Commission on Labour** which had proposed the “**Concept of 40 hours of work per week to be kept as a goal to be reached in two stages - the first stage being a working week of 45 hours**”.

*National Commission of Labour proposed the goal of 40 hours of work a week*

5.2.7 It is regretted that the above said recommendations of the Third Pay Commission and National Commission of Labour have not been implemented on the Railways, thereby leading to a lot of frustration and

discontentment amongst the Railway Workers, most of them have to put in 48 hours or even more per week and that too excluding the Lunch-Break.

**(i) It is therefore requested that a working week of net 45 hours may be adopted for all Industrial Workers on the Railways.**

**(ii) It is further requested that the Government should be asked to reduce the working hours for the Industrial Workers to 40 hours a week (*in about a period of say 10 years*) as recommended by the National Commission on Labour.**

**(iii) It is requested that Lunch Break should be counted for computing maximum number of working hours in a week, under the Factories Act.**

### **5.3 GRANT OF RESTRICTED HOLIDAYS TO TECHNICAL STAFF / ENGINEERS.**

5.3.1 It is regretted while the office / Secretarial Staff get the Restricted Holidays in addition to the Gazetted Holidays, but the Engineers / Technical Staff do not get the facility in Workshops, Production Units and Open Line Depots etc. This is quite discriminatory.

*Engineers / Technical Staff are deprived of Restricted Holidays*

5.3.2 It is therefore, requested that the **Engineers / Technical Staff be also granted atleast two Restricted Holidays to attend the Religious Functions / Festivals etc., – at par with the Secretarial Staff etc.**

### **5.4 FIVE DAYS' WEEK FOR INDUSTRIAL WORKERS**

5.4.1 The Industrial and Technical Staff have been discriminated against in so far as the facility of "5 Days a Week" is concerned. While this pattern has been allowed for Secretarial/Ministerial Staff who already had lesser working hours, the former continue to work for 6 days a week. It is, thus, requested that this discrimination be removed and **"5- Days a Week" be implemented for the Industrial Workers / Technical**

*"5 Days a Week" for Industrial Workers and Technical Supervisors*

**Staff and Engineers / Technical Supervisors (i.e. JEs, SEs & SSEs) also.**

**5.5 WEIGHTAGE FOR NIGHT DUTY ALLOWANCE (NDA) FROM SUN SET TO SUN RISE**

5.5.1 Elements of Hazards for which Night Duty Allowance (NDA) is given, start with the Sunset and continue till Sunrise. But Weightage for calculation of NDA is done for the Hours of Duty between 10 PM (2200 Hrs) to 6 AM (0600 Hrs) only. This is against Law of Natural Justice. It is therefore requested that –

*Night Duty Allowance (NDA) should be given for working anytime between 6 pm to 6 am*

- (a) **Weightage for Night Duty Allowance (NDA) be given for hours of Duty between Sunset to Sunrise (i.e. from 6 PM to 6 AM).**
- (b) **Additional Transport Allowance for Night Duties be granted.**

**5.6 NATIONAL HOLIDAY PAY**

Designation	PAY	DP	DA @ 29%	WAGE PER DAY	NH PER DAY	% of NH to One Day's Wage
Helper	2550	1275	1109.25	164.5	85	51.7
Helper G1	2650	1325	1152.75	170.9	85	49.7
Technician III	3050	1525	1326.75	196.7	85	43.2
Technician II	4000	2000	1740	258.0	106	41.1
Technician I	4500	2250	1957.5	290.3	140	48.2
Sr.Technician	5000	2500	2175	322.5	140	43.4
JE II	5000	2500	2175	322.5	140	43.4
JE I	5500	2750	2392.5	354.8	140	39.5
SE	6500	3250	2827.5	419.3	140	33.4
Sr.SSE	7450	3725	3240.75	480.5	140	29.1

*It can be seen that the NH pay is not even equal to one day's wage.*

5.6.1 It can be seen that the NH pay is not even equal to one day's wage, which is irrational and unjustified. It is a statutory requirement that working on a Holiday is considered at par with overtime and paid accordingly.

*To motivate more people to turn up for duty on NH, the existing rate of National Holiday pay is to be substantially enhanced beyond the statutory requirement.*

5.6.2 This is further substantiated by a verdict of District Court, North Arcot, Vellore in a case with Tamil Nadu

Electricity Board Staff versus TNEB. The verdict says...  
"it was clarified that the employees who are required to work on Holidays which fall within the purview of the above Act are eligible for the statutory benefit of one additional day's wage or compensatory Holiday at the option of the employee even if the Holiday falls on normal holidays like Sundays....."

5.6.3 A sample survey in Train Care Centre, Basin Bridge, Coach Care Centre, Chennai Egmore and Wagon Care Centre, Tondiarpet reveals that nearly 25% of the staff avail NH. This results in tremendous work pressure on employees who come for duty on NH. To motivate more people to turn up for duty on NH, the existing rate of National Holiday pay is to be substantially enhanced beyond the statutory requirement.

**5.7 (a) MAXIMUM ACCUMULATION OF LEAVE – LIMIT BE REMOVED**

It is requested that the limit on maximum accumulation of leave may be abolished as has been done in the case of many of the State Government Employees. It may be mentioned that many a time leave is not granted to an Employee due to exigencies of service or on account of some reason(s), and it lapses due to over accumulations. In many other cases, the Employees have to take leave even when they do not require availing it, merely to avoid the lapsing of the same, on account of over accumulation.

It is therefore requested that **limits on maximum accumulation be removed, in order to avoid hardship to the Staff, as well as to improve Attendance in the Offices and Industrial Establishments.**

*Limit on maximum accumulation of Leave be removed to reduce absenteeism*

**5.7 (b) ENCASHMENT OF LEAVE DURING SERVICE**

It is requested that **Encashment of Leave be allowed during service up to 60 days at a time**, as admissible in many Undertakings. This will ensure that the Employees do not avail of the leave merely in order to avoid lapsing of the same, and in turn will improve Attendance and Efficiency, benefit the hard-pressed Employees and reduce the Government expenditure on encashment at Higher Wages at the time of Retirement.

*Encashment of Leave during service up to 60 days at a time*

**5.7 (c) GRANT OF HALF A DAY'S EARNED LEAVE**

It is requested that **Half a Day's LAP / Earned Leave be allowed to the Technical Supervisors - as already allowed to the Artisan Staff, in the Workshops - to enable them to attend to the exigencies without having to waste full day's leave when not required - particularly if there is no Casual Leave to the credit of an Employee. This will also improve attendance as a whole.**

*Grant of Half day earned leave*

**5.7 (d) COMMUTATION OF HALF PAY LEAVE WITHOUT MEDICAL CERTIFICATE**

It is requested that **Commutation of Half Pay Leave may be allowed without the need to produce a Medical Certificate, in case of emergency.**

*Commutation of Half Pay Leave without production of Medical Certificate*

**5.7 (e) CASUAL LEAVE – RESTORATION TO 12 (15 IN CASE OF OPEN LINE) DAYS OF CL PER ANNUM**

Most of the Government Undertakings and State Governments have more liberal Casual Leave Rules as compared to those under the Central Government Services. But the number of Casual Leaves was unjustly reduced after Fifth CPC. This has caused much hardship and heart burning to the Employees. It is requested that the reduced quantum of 4 (5 days in case of open line) days of Casual Leave may please be immediately restored back.

*Restoration of Casual Leaves to 12 days*

## 5.7 (f) ACCUMULATION OF CASUAL LEAVE

It is requested that the **accumulation of Casual Leave may be allowed and the un-availed Casual Leave in a calendar year be credited to the Earned Leave Account**, as permitted in many Public Undertakings.

*Crediting un-availed  
Casual Leave in  
Earned Leave Account*

Employees may please be permitted to **Prefix or Suffix Casual Leave with other type of Leave**, especially in cases of hardship where the employee does not have any leave to his / her credit.

*Casual Leave may be  
permitted to be prefix  
ed or suffixed with any  
other type of Leave*

## 5.8 MEDICAL FACILITIES

**5.8.1** The Medical facilities on the Railways require the following improvements:-

The Railway Employees living in remote localities or employed at stations which do not have Railway Hospitals / Health Units, should be entitled to get Medical Facilities from State Government / Municipal Hospitals / Dispensaries; and expenses if any should be Reimbursed by the Railways along with the cost of Medicines, if any, purchased by the Employee from the market, on the prescription of the Doctor concerned – not only in case of Emergency but even other wise – due to long distance of place of working / residence to the Railway Hospital.

*Grant of Medical  
facilities*

All Central Government Employees, including Railways Employees, should be entitled for free Specialized Advice and Treatment from Super Specialty Hospitals like AIIMS / NIMS / NIMHANS / JIPMER / CMC / PGI, since these Hospitals are run by the Union Government.

*Free Specialized Advice  
and Treatment in Super  
Specialty Hospitals*

**Continued....**

## 5.9 AMENITIES

### 5.9.1 Supply of Uniforms or Uniform Allowance to all Engineers / Technical Supervisors

- a) Engineers / Technical Supervisors (*JEs, SEs and SSEs*) and other Technical Staff working in Workshops, Sheds and Open Line Depots whose work involves spoilage of clothing due to working hazards should be provided with proper “Uniforms” OR “Uniform Allowance” in lieu thereof, in order to adequately compensate them on this account.
- b) The Employees concerned should be provided with or paid for suitable type of cloth and stitching charges, so as to enable them to get the Uniforms stitched properly. The previous Pay Commissions had also recommended the grant of this facility, but it had not been properly implemented.

*Supply of uniforms or grant of “Uniform Allowance”*

## 5.10 ADVANCES

The amount and limits of admissibility of various types of advances require substantial revision, in view of unprecedented inflationary trends. It is thus requested that all Employees (irrespective of Pay or Scale of Pay) be allowed House Building Advance, Vehicle Advance, Festival Advance, Furniture & Household effects Advance etc., and the quantum for the Advances should be adequate to meet the actual expenditure for the purpose and revised from time to time – as per Market Price.

*Limits of Advances be raised and linked to market price for periodical revision*

### 5.10.1 HOUSE BUILDING ADVANCE

Limit of House Building Advance should be increased to 100 Months of Pay + DA or Rs. 50

*Enhancement of HBA*

**Lakhs whichever is less.**

#### **5.10.2 CAR OR SCOOTER ADVANCE**

It is requested that **Limit for Vehicle Advance should be increased to Rs. 50000/- for Motor Cycle / Scooter; Rs. 4 Lakhs for Motor Car, and Rs. 2000/- for purchase of a Bicycle.**

*Enhancement of  
Conveyance advance*

**The rate of Interest on the aforesaid vehicle advances should not be higher than 5% - as charged by L.I.C. and Nationalized Banks on the advances given to their Employees.**

#### **5.11 WORKING CONDITIONS**

Working conditions in the Railway Workshops, Sheds and Open Line Depots, are extremely bad on account of various factors like bad layout, congestion, poor lighting and ventilation, lack of basic amenities like proper furniture etc., in addition to the normal working hazards normally associated with such Establishments. These conditions require to be improved radically, so as to create healthy and congenial environments, and improved working conditions and efficiency.

*Improvement in  
working conditions  
essentially required*

#### **5.12 GROUP INSURANCE SCHEME (GIS)**

The Group Insurance Scheme for Central Government Employees, introduced in early 80s' requires one major modification in respect of out-dated Classification of various Groups. The Scheme provides that the Employees in grades which start from Rs. 7500 – 12000 and above shall be in Group 'B' and insured for Rs. 80,000/-. But the Senior Supervisors, in the pay scale of Rs. 6500 – 10500 and Rs. 7450 – 11500 have not been covered in this Group 'B' because of the existing concept of Groups according to **which only**

*Group Insurance  
Scheme outdated*

**Group 'B' Officers** are considered in Group 'B' even for Insurance under the GIS. It is requested that the **Scheme may be modified to cover all JEs, SEs and SSEs on the Railways, in Group 'B'; and the pay-slabs prescribed in the Scheme be revised accordingly.**

*Classification of  
JEs, SEs & SSEs  
in Group 'B' for G.I.S.*

It is further requested that the **Pay Commission should also adequately enhance the amount of insurance cover to atleast Rs. 5 lakhs in view of heavy inflation as per New Scales of Pay proposed.**

*Amount of Insurance  
Cover be enhanced at  
least Rs.5lakhs*

#### **5.13 FAMILY PLANNING INCENTIVE**

It is requested that the **incentive Increment for Family Planning for promoting Small Family Norms should be paid as per New Scales of Pay both to those who had adopted Family Planning Norms prior to 2006 as well as to those who adopt later on.**

*Qualifying date for  
Family Planning  
Incentives be abolished*

#### **5.14 ENTITLEMENT FOR TRAVELLING ON TOUR ETC.**

It is extremely regretful that the Railway Board completely ignored the recommendations of Fourth and Fifth Pay Commissions and badly discriminated against the new entrants by allowing them to travel on only Second Class Sleeper while on tour for Pay up to Rs. 7200 or grade below Rs. 6500-10500 whereas the Fifth Pay Commission in Para 107.3 of its report had recommended for grant of AC Second Class / First Class Travelling facility on tour for Supervisory Staff and Supporting Staff. Even the Department of Personnel extended the First Class / 3 AC facility to all Central Government Employees getting pay above Rs. 4100. But Railways had kept the range of entitlement much higher – especially for new entrants. This discrimination is extremely humiliating especially

*Entitlement for  
traveling on tours*

for the Technically Supervisors (*JEs*) who have to travel in a lower class than their Sub-ordinates while accompanying them on tour, as the latter get a higher pay due to overlapping Pay Scales.

As such, the Pay Commission is requested that **All those in the Supervisory Grade (*which is at present Rs. 5000 – 8000*) and above be allowed to travel in First Class / 2nd AC, while on Tour, irrespective of date of entry into Railways.**

#### **5.15 (a) GRANT OF 1<sup>ST</sup> CLASS PASS TO ALL JEs**

Fifth Pay Commission observed in their report that, while on leave, Government Employees may be allowed to travel in Railways in the class to which they are entitled to travel, while on tour (*refer Para 108.3 of the Report*). As such, the Pay Commission is requested that **All those in the Supervisory Grade (*which is at present Rs. 5000 – 8000*) and above should be given First Class / Second AC Pass irrespective of date of entry into Railways.**

*Grant of 1<sup>st</sup> Class Pass to all JEs, while on Tour or on Travel, irrespective of date of joining in Railways*

#### **5.15 (b) INCLUSION OF DEPENDANTS ON PRIVILEGE PASS**

**Removal of restriction on maximum number of dependents on Privilege passes (*on inclusion of Parents*)**

- (i) It is requested that the Railways, be advised to remove the unrealistic ceiling limit on the maximum limit of Four number of Dependents on a Privilege (Railway) Pass specially if the Railway Employee has 2 children and his Parents and / or Widow Sisters etc. are also dependent on him / her and are included in the Pass.
- (ii) It is further requested that the Railways be advised to remove the **age limit** of 25 years for entitlement of

*Removal of Ceiling Limit of Income of dependants allowed in Privilege Pass*

*Age Limit for dependant son be removed*

*Both the Parents be*

Pass for **dependent son** in case the son continues to be dependent / unemployed beyond that age also.

(iii) **It is requested that both dependent parents (Father and Mother) should be allowed on the Privilege Pass in case they are dependent on the Employee as per income ceiling.**

(iv) Income ceiling for dependents for entitlement of Pass should be suitably raised at least to the level of “ Minimum Wage “ instead of “ Minimum Pension “ at present, and it should be automatically revised periodically.

# Chapter 6

## **ALLOWANCES, BONUS & OTHER FACILITIES**

*in all branches of Technical Department  
on Railways*

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## Chapter 6

### ALLOWANCES, BONUS & OTHER FACILITIES

#### 6.1 DEARNESS ALLOWANCE ( DA )

6.1.1 Dearness Allowance is an important area of “Pay Administration” paid as compensation for price rise.

The **first two Pay Commissions** were not able to evolve any suitable formula for the purpose, while even the formula prescribed by the **Third Pay Commission** was also inadequate to provide requisite compensation specially to the middle income group whose wages continued to erode substantially over the years, as it provided for a neutralization of 75% for pay between Rs. 300 to Rs. 1000 and even lower at the higher levels of pay for every 8 point rise in 12 monthly Consumer Price Index.

*No suitable formula adopted by first three Pay Commissions.*

6.1.2 **Fourth Pay Commission** provided for 100% neutralization for pay up to Rs. 3500, 75% to those getting between Rs. 3501 to Rs. 6000 and 65% to those getting basic pay above Rs. 6000, subject to marginal adjustments and bi-annual rise over the base index of 608 of All India Average Consumer Price Index number for Industrial Workers (*General*) (*Base 1960 = 100*).

*100% neutralization was not provide to all by IV pay commission*

6.1.3 **Fourth Pay Commission** however, did not compensate for the erosion of wages due to defective Dearness Formula of the past especially on account of erratic weightage to various items for compiling the Price Index. Secondly the

*Erosion of Wages not compensated*

compensation granted above Rs. 3500 and Rs. 6000 were quite inadequate and unjustified, keeping in view their basic needs and impact of Price rise on the same.

**6.1.4 Fifth Pay Commission** did provide 100% neutralization of Price Rise. However, the flaw in the compilation of Consumer Price Index was not removed due to which the real wages have continued to be eroded year after year and decade after decade.

*Flaws in the Consumer Price Index not corrected*

**6.1.5 Fourth Pay Commission** had however recommended for continuance of 1960 C.P.I. series only till the Government of India approved the new Index. The All India Average Consumer Price Index for Industrial Workers (General) (Base 1982 = 100) was **evolved** and finalized in October 1988. But the Government did not approve its application to the Central Government Employees for the purpose of payment of D.A, till the final implementation of **Fifth Pay Commission changing of base year for Consumer Price Index to 1982 series.**

*Adoption of New Price Index with shift in Base Year inordinately delayed*

6.1.6 Above mentioned aspects may please be looked into by the Pay Commission and it is requested that suitable recommendations be made

**(i) Link D.A. to the New base series of average Consumer Price Index for Middle Class Consumers.**

*New Price Index should be adopted*

**(ii) Change in the mode of compilation of Consumer Price Index so as to make it more realistic and in accordance with the actual Market rates prevailing all over the Country for all the Consumer items.**

**(iii) Weightage given to various items included for compilation of Consumer Price Index be made more realistic and according to the changed pattern of consumption by the**

*Change in weightage criteria needed in view of the changed economic scenario*

**working class due to changed economic and social requirements and living standards of the society at large specially in respect of Housing, Education and Other requirements / necessities.**

**(iv) Dearness Allowance may please be treated as Pay whenever the Cost of Living Index exceeds 25% over the Index at which the Pay Scales have been prescribed and may please be counted for all purposes – including for calculation of all Allowances and Retirement Benefits etc.**

*DA may be counted as Pay whenever it reaches 25%*

The percentage of weightage given to various items in compilation of Consumer Price Index for Industrial Workers is not justified and not keeping in line with the present day requirements of the salaried class and, as such, it requires a revision. It is, therefore, requested that the **Urban Consumer Price Index with Base Year = 2001 should be adopted.**

**Proposed Weightage for Various Items of Consumption by the Salaried Class**

SI No	Groups	Weighting Diagram for CPI-IW ( Percent )		Projected Weighted Diagram ( Percent )
		Base 1982	Base 2001	
1	Food	57.00	46.19	30.00
2	<b>Pan, Supari, tobacco and intoxicants</b>	3.15	2.27	<b>NIL</b>
3	Fuel and light	6.28	6.43	7.00
4	Housing	8.67	15.27	25.00
5	Clothing, bedding and foot wear	8.54	6.58	8.00
6	Miscellaneous ( Medical care, Education, Transport & communication, recreation & amusement, Personal care and effects, laundry, domestic services, etc.)	16.36	23.26	30.00
<b>Grand Total</b>		<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Amount of DA is based on 100 points in the present method. This value has to be modified as equating to our proposed **146 points** which will only be commensurate with the requirement on real terms. Hence it is required that Sixth CPC may suggest a change in DA calculation criteria, keeping the money

*DA calculation criteria, needs to be changed*

value of DA of 100 points at present which may be equated to 146 money value.

Even though CPI –IW has been revised, it does not reflect the real price rise due to inflation for the following reasons,

1. Food has been given more weightage than its actual contribution in the changed economic scenario.
2. Pan, Supari, tobacco and intoxicants which are being banned one by one in public consumption should not be considered for inflation calculation.
3. Indices of high inflation like Education, Medical care and Transport are not given adequate weight.

**Second National Commission on Labour** recommended having a component of DA to be declared six monthly linked to Consumer Price Index and Wages may be revised once in five years. Hence it may be appropriate to revise the pay once in five years and merge DA with Pay once it crosses 25% over the Base Level of Index.

*Revision of DA and its merger with Pay whenever it crosses 25%*

## **6.2 HOUSE RENT ALLOWANCE ( HRA )**

**6.2.1 Population criteria:-** The population criteria as well as the Present HRA formula adopted for grant of the House Rent Allowance is defective particularly on the following accounts:-

*Population criteria for calculation of HRA needs modification*

(i) Level of population considered for classification in each group of Cities is much higher than the level prescribed by the various states.

(ii) HRA granted is extremely low to even partially meet the prevailing rents in all class of Cities. Rents have increased many folds.

Amount of HRA for Central Government Employees is also lower than that adopted by many States.

**COMPARATIVE POPULATION FOR CLASSIFICATION OF CITIES  
IN CENTRE AND IN PSUs**

Class of City	Existing population for Classification in Centre	In State Services	Amount of HRA	
			In Centre	In PSUs
A – 1	Over 50 Lakhs	Over 4 Lakhs	30% of pay	30 to 40% of Pay
A	20 to 50 Lakhs	Over 4 Lakhs	15% of pay	25 to 30% of Pay
B1	10 to 20 Lakhs	1 to 4 Lakhs	15% of pay	} 15 to 20% of Pay
B2	5 to 10 Lakhs	-----		
C	50000 to 5 Lakhs	25000 to 1 Lakh	7.5% of pay	
D	Not applicable	Below 25000	-----	} 10% of Pay
Unclassified	Below 50000	-----	5% of pay	

(iii) While **Fifth Central Pay Commission** recommended the above % of HRA on maximum of the pay scales recommended by them, the Government linked it to the actual pay at each level. The very concept of taking population as criteria for payment of HRA is unjustified as actual Rents even in lower class cities are many times higher than the rate of HRA.

*Population as criteria  
for payment of HRA  
not justified*

Pay Commission is therefore requested to recommend for -

**(i) Suitable lowering down of the population limit for Classification of cities and**

**(ii) To adequately enhance the amount of HRA, so as to be compensated adequately for prevailing Rents in various Class of Cities.**

**(iii) Periodical revision of H.R.A. to compensate for rise of Rents.**

**(iv) Counting of D.A. for grant of H.R.A to compensate for escalation of Rents.**

**(v) Exemption of H.R.A. ( and CCA etc. ) from income tax, as these are not emoluments but compensatory Allowance, as had been aptly recommended by the Fifth Central Pay Commission in its recommendations vide ( Chapter No.167 of its report ).**

**(vi) HRA be linked to the Consumer Price Index or D.A. should be treated as D.P. after every rise of 25%.**

**(vii) Proposed Rates of H.R.A:-**

The Pay Commission is requested to recommend the following Rates of House Rent Allowance (HRA) - Keeping in view the prevailing Rents ( and ever rising cost of Land and Construction ):-

**PROPOSED RATES & CRITERION FOR CLASSIFICATION OF HRA**

Sl. No.	Class of City	Proposed population for Classification	Proposed Rates of H.R.A.
1.	'A1' Class	Over 20 Lakhs	40% of Pay + DP + D.A.
2.	'A' Class	10 to 20 Lakhs	30% of Pay + DP + D.A.
3.	'B1' Class	5 to 10 Lakhs	25% of Pay + DP + D.A.
4.	'B2' Class	1 to 5 Lakhs	20% of Pay + DP + D.A.
5.	'C' Class	50000 to 1 Lakh	15% of Pay + DP + D.A.
6.	'D' Class or unclassified	Below 50000	12.5% of Pay + DP + D.A.

**6.3 HBA & HOUSING FACILITIES**

6.3.1 Fifth Pay Commission has dealt with the issue of Housing at length, but the employees did not get any relief. The phenomenal rise in cost of land and construction has put the house building out of reach of the Government employees.

6.3.2 Pay Commission is therefore, requested to recommend for the following changes regarding Housing :-

(i) Rate of Interest on House Building Advance (HBA) should be reduced to maximum of 4% to 5% as in the Financial Institutions and Public Undertakings like Banks and LIC etc.

*Rate of Interest on House Building Advance ( HBA ) should be reduced to maximum of 4% to 5%*

(ii) Amount of HBA should be suitably enhanced periodically to keep pace with rise of cost of land and construction.

(iii) Surplus land with the Railways be leased out at reasonable rates for construction of Co-operative Housing colonies of the employees.

(iv) Government should take houses on long term

lease for letting out to Employees (*even in Group 'C' and 'D'*) at suitable rent – as recommended by Third, Fourth and Fifth Pay Commissions. Powers to take houses on lease should be De-centralised and limits substantially increased to realistic levels.

(v) Rents for Government accommodation have been substantially increased over the years, putting the employees in great hardship. This should be stopped specially for the over 20 to 30 years old houses for which the Government has already recovered the cost many times over.

(vi) Housing satisfaction level should be increased to atleast 50% in case of Non-Technical Staff and 100% in case of Technical Staff and Engineers – keeping in view exigencies of their service.

#### **6.4 CITY COMPENSATORY ALLOWANCE (CCA)**

6.4.1 At present the criteria for payment of C.C.A. is linked to the Classification of cities / towns as per population norms recommended by the Fifth Pay Commission. These criteria as well as the rates are neither just nor rational. Besides, the Rates of C.C.A. in the Public Undertakings are higher and are on percentage basis.

*Population as criteria for Classification of Cities for C.C.A not justified.*

6.4.2 As such it is requested that:-

**(i) Costliness of Cities may please be made the criteria for Classification of Cities for payment of C.C.A.**

*Costliness of city should be the criteria for payment of C.C.A.*

**(ii) Limits for population for classification of cities for CCA be adequately reduced - as requested in foregoing para for HRA.**

**(iii) CCA should be periodically enhanced and D.A. be treated as D.P. for all purposes including CCA to compensate for heavy inflationary trends.**

*CCA should be periodically enhanced*

**(iv) Amount of CCA may please be enhanced as under to make it more realistic and just.**

## PROPOSED RATES OF C.C.A.

Sl. No.	Class of City	Proposed Population for Classification	Proposed Rates of C.C.A.
1.	'A1'	Over 20 Lakhs	15% of Pay + D.A + D.P
2.	'A'	10 to 20 Lakhs	10% of Pay + D.A + D.P
3.	'B1'	5 to 10 Lakhs	8% of Pay + D.A + D.P
4.	'B2'	1 to 5 Lakhs	6% of Pay + D.A + D.P
5.	'C' or Unclassified	Upto 1 Lakh	5% of Pay + D.A + D.P

6.4.3 CCA is Granted to Central Government employees to enable them to meet the high cost of living in certain especially costly cities.

CCA is very essential compensation factor to neutralize high cost of services like education, medical & health, housing, transport, fuel & electricity, etc in metro and other big cities. The other two allowances HRA and DA are calculated on one uniform formula, they will not provide compensation for costliness of the cities.

<b>Pay Commissions</b>	<b>Recommendations for CCA</b>																				
<i>First CPC</i>	<i>Uniform rates of CCA and restricted the payments only to non-gazetted staff serving in costly cities.</i>																				
<b>Second CPC</b>	<b><i>Abolished the distinction between gazetted and non-gazetted and adopted level of salary and the class of city as the criteria for determining the quantum of CCA. ( 10% in A cities and 5% in B-2 cities)</i></b>																				
<i>Third CPC</i>	<i>Revised the rates of CCA which continued to be a percentage of basic pay varying between 6.5% and 3%.</i>																				
<i>Fourth CPC</i>	<p><i>Recommended that CCA be paid to Central Government employees in the various pay ranges at fixed rates</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Pay Range</th> <th style="text-align: center;">A</th> <th style="text-align: center;">B-1</th> <th style="text-align: center;">B-2</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">750-950</td> <td style="text-align: center;">30</td> <td style="text-align: center;">25</td> <td style="text-align: center;">20</td> </tr> <tr> <td style="text-align: center;">650-1500</td> <td style="text-align: center;">45</td> <td style="text-align: center;">35</td> <td style="text-align: center;">20</td> </tr> <tr> <td style="text-align: center;">1500-2000</td> <td style="text-align: center;">75</td> <td style="text-align: center;">50</td> <td style="text-align: center;">20</td> </tr> <tr> <td style="text-align: center;">2000 and above</td> <td style="text-align: center;">100</td> <td style="text-align: center;">75</td> <td style="text-align: center;">20</td> </tr> </tbody> </table>	Pay Range	A	B-1	B-2	750-950	30	25	20	650-1500	45	35	20	1500-2000	75	50	20	2000 and above	100	75	20
Pay Range	A	B-1	B-2																		
750-950	30	25	20																		
650-1500	45	35	20																		
1500-2000	75	50	20																		
2000 and above	100	75	20																		

<i>Fifth CPC</i>	<i>Recommended that CCA be made payable as a lump sum in the following manner</i>				
	<i>Basic Pay (Pre revised)</i>	<i>A-1</i>	<i>A</i>	<i>B-1</i>	<i>B-2</i>
	<i>750-950</i>	<i>90</i>	<i>65</i>	<i>45</i>	<i>25</i>
	<i>650-1500</i>	<i>125</i>	<i>95</i>	<i>65</i>	<i>35</i>
	<i>1500-2000</i>	<i>200</i>	<i>150</i>	<i>100</i>	<i>65</i>
	<i>2000 and above</i>	<i>300</i>	<i>240</i>	<i>180</i>	<i>120</i>

6.4.4 It is therefore, requested that CCA paid in lump sum on pay ranges at fixed rates, has no meaning in compensation for high price in cities, because of the fact that CCA is not revised since the implementation of Recommendations of Fifth Pay Commission. Cost of living in cities is sky rocketing day by day and the meager amount of CCA as recommended by fifth Pay Commission has no meaning. Hence, CCA should be paid in terms of percentage of basic pay, so that an employee can have real compensation on price rise in big cities.

**CCA should be paid in terms of percentage of basic pay**

**6.4.5 CCA should be city specific.** Even in Consumer Price Index for Urban Non – Manual Employees released by CSO, different weight age has been given to different cities, some of them are given below,

<b>CITY</b>	<b>WEIGHT</b>	<b>CITY</b>	<b>WEIGHT</b>
Hyderabad	1.99	Ahmedbad	1.68
Patna	1.28	Shimla	0.40
Jammu	0.34	Bangalore	2.75
Trivandrum	1.36	Bhopal	1.64
Mumbai	8.40	Pune	2.77
Imphal	0.22	Kohima	0.13
Amristar	3.25	Jaipur	1.39
Chennai	3.86	Lucknow	1.53
Chandigarh	0.78	Delhi	6.56

6.4.6 Even though weight is primarily given to the items calculated in the CPI-IW, due weightage should be given for the price rise in cities for the grant of CCA.

*Due weightage should be given for the price rise in cities for CCA*

6.4.7 59 cities are being taken in to consideration for calculating Consumer Price Index for Urban Non – Manual Employees. Average % contribution per city is 1.7%, while arriving at the CCA for Mumbai additional weightage equivalent to 6.7% should be given.

6.4.8 Tourist attraction centres & Hill stations: Even though the population is less, Cost of living is very high in tourist attraction places & hill stations. Hence there should be a suitable method to neutralize the cost of living in tourist centres and hill stations.

## **6.5 SPECIAL COMPENSATORY ALLOWANCES**

### **6.5.1 Rural Area and Sub-Mountainous Area Compensatory Allowance**

*Special Compensatory Allowances for affected areas*

It is requested that suitable amount of Rural Area and Sub-Mountainous Area Compensatory Allowances be paid as available in some of the States to the Employees posted in such areas respectively.

### **6.5.2 Disturbed Area Allowance**

It is requested that the Disturbed Area Compensatory Allowance be paid to Employees posted in areas which are disturbed due to unstable Law and Order situation, terrorist activities or intensive Army / Police action to maintain the Law and Order etc.

**SCA** is *Granted to central Government employees for the exceptionally difficult local conditions in various places.*

6.5.3 It is requested that **Special Compensatory Allowance (including Hill Compensatory Allowance, Winter Allowance, Border Area**

**Allowance, Remote Locality Allowance, Bad Climate Allowance, Project Allowance etc. ) be suitably and periodically revised and linked with Price Index.**

*Special Compensatory Allowances for affected areas*

**6.6 ARDUOUS DUTY ALLOWANCE TO OPEN LINE STAFF**

*Arduous Duty Allowances to Open Line Staff*

6.6.1 The duties of Open Line staff are arduous in nature. They are working in Open to Sky environment s. Once there was a thought that the quantum of work done by these staff are not measurable and hence incentive cannot be worked out.

6.6.2 However a bench marking for open line activities was issued by Railway board in the year 2001. The man power required for various maintenance activities as spelt out in the bench marking. Today in most of the areas in open line, The staff strength is lesser than the bench mark. When ever new trains were introduced a proportionate addition of manpower was not done adequately. This results in more productivity as more work is done with staff strength.

6.6.3 Moreover the sole contributors for traffic unit are Open line staff only. The traffic unit is on an ever increasing trend, which proves the productivity of Open line staff.

These staffs are exposed to adverse weather conditions. However the safety, punctuality of trains and its maintenance cannot be overlooked.

Based on the above facts, we request the Sixth CPC to provide an Open Line Allowance as 30% of Pay , paid to all Open line staff and supervisors

**6.7 NON-PRACTICING ALLOWANCE (NPA) TO TECHNICAL SUPERVISORS**

*NPA to Technical Supervisors*

It is highly discriminatory that the NPA is granted only to the Medical Staff and not to other professional staff

merely because the latter have not resorted to a mass agitation and strike etc. like the Doctors. In fact, the Service Conduct Rules debar all Government Servants to do any private or part time work.

***As such, either the Service and Conduct Rules should be amended to remove this bar, or else the professionals like Engineers / Technical Supervisors ( i.e. JEs, SEs, and SSEs ) for whom the Diploma or Degree in Engineering is an essential qualification, should be paid a suitable Non-Practicing Allowance of 10% of Pay.***

## **6.8 RISK ALLOWANCE**

*Risk Allowance*

The Recommendations made by various Pay Commissions in this regard are as follows.

- |                                    |                                                                                                                                                                                                                                                                                |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Second CPC</b>                  | Recommended Rs.3 to unskilled staff worked in Defense and Railways whose work was exceptionally heavy or whose normal duty involved special risks such as those of chemical process or those who handled explosives. Also extended to sweepers working in under ground sewers. |
| <b>Third CPC</b>                   | Recommended Rs.10. Included semi skilled workers worked in boiler plants and cold storage plants.                                                                                                                                                                              |
| <b>Committee on Risk allowance</b> | Classified the beneficiaries in to four categories, namely, Semi-skilled, skilled, supervisors and Certain gazetted and non-gazetted officers. The rate ranged from Rs.15 to Rs.100 per month.                                                                                 |
| <b>Fourth CPC</b>                  | Recommended 100% increase in the existing rates.                                                                                                                                                                                                                               |

## **Fifth CPC**

1. **Contingent Risk** Relate to one time events where the event is uncertain.
2. **Continuous Risk** Situation where the risk is inherent and continuous in the occupational itself with adverse effects on health.
3. Fifth CPC recommended Risk allowance for those categories fall under sl.no.2.
4. It also de notified number of categories.
5. Recommended Risk allowance ranged from Rs.40 to Rs.300.

*Continuous Risk  
Situation has  
adverse effects on  
health*

There are many areas which were not covered under risk allowance where the working condition is in line with recommendation made by **Fifth CPC**.

*Many areas not  
covered by Fifth CPC.*

➤ **In Paint shops, Forge & Smith shop, Electroplating shops** in Work shops and Production Units of Indian Railways have adverse effects of health.

➤ **In open line depots and yards**, exposure to hot sun, heavy rain, cold climate and unhygienic open to sky work areas particularly, presence of human excreta are having inherent health risks.

➤ **In Diesel Shed** exposure to high noise to the decibel level of 180, working temperature around 50 degree centigrade and air pollution beyond permissible levels.

➤ **In Track maintenance** exposure to hot sun, heavy rain, cold climate and unhygienic open to sky working, presence of human excreta and other non bio-degradable wastes are having inherent health risks.

**Risk Allowance should be paid at the rate of 30% of Pay. Risk allowance should be extended to Semi-skilled, skilled, supervisors and officers working in above mentioned areas.**

*Risk Allowance  
@ 30% of Pay  
to all  
Technical staff  
& Supervisors*

## 6.9 TRANSFER & PACKING ALLOWANCE

It is requested that the rates of Transfer & Packing Allowance be periodically revised and linked with Price Index.

*Periodic revision for inflationary effects*

## 6.10 TRAVELING ALLOWANCE / ROAD MILEAGE ALLOWANCE

The existing rates of Traveling Allowance / Daily Allowance ( TA / DA ) and Mileage / Conveyance Allowance are very low and unrealistic and are just not enough to meet with the expenses while on tour. There is no regular system for its periodic revision to allow for inflationary effects.

It is, therefore, requested that:- ***Rates of TA / DA and Mileage / Conveyance Allowance be adequately enhanced and the same be linked with Price Index to allow for periodic revision thereof. Alternatively, Dearness Allowance should be counted for determining the rates of TA / DA admissible to the Employees on tour.***

## 6.11 INCENTIVE FOR HIGHER / ADDITIONAL QUALIFICATIONS

### Restoration of system of advance increments

Earlier, (2+4=6) Advance increments were given for acquiring Higher Educational Qualifications like AMIE / BE etc. However, they were replaced by lump sum payment of Rs.10000. (For part time Engineering Graduate course, Anna University in Chennai, one of the Government institution is charging admission fee of Rs.25000 and tuition fee & lab fee of Rs.15500 per semester). This is neither adequate nor justified as motivation to the employee needs to be continuous and so is the benefit to the employer due to higher professional qualifications. It

*Restoration of Advance Increments*

is therefore requested **that the system of 2+4=6 advance increments respectively after Section 'A' and Section 'B' of AMIE etc be restored.**

**6.12 RECOGNITION OF NEW AND MODERN QUALIFICATIONS FOR GRANT OF INCENTIVE ON ACQUIRING HIGHER QUALIFICATIONS (TECHNICAL / MANAGEMENT/ ACCOUNTS ETC.).**

Sound and profitable operation of Industrial and Commercial Enterprises like Indian Railways depend on the efficient utilization of the Organizations' own human resources and their developments also. By means of higher qualifications, specialized knowledge and experience a qualified Railway Employee aids in stabilizing budgets and standards, increases effectiveness of production and service managements and thus renders valuable assistance to the professional managements for profitable stewardship of the commercial and business affair. Hence, we propose the Railway Employees on acquiring any of the higher qualifications i.e. Master of Engineering / M.Tech / Master of Business Administration / Intermediate and Final Examinations of the Institute of Cost & Works Accountants (ICWA)/ Diploma in Rail Transport Management or any other Post Graduate Diploma in Management etc. should be given incentive to promote their outputs and stewardship which ultimately leads the Railways to achieve better Efficiency, Productivity and Management or Resources / Services.

*Grant of incentives for acquiring higher modern qualifications in management*

### 6.13 GRANT OF SPECIAL PAY

#### *Grant of Special Pay*

To get the maximum advantage from the latest Information Technology the Railways had to induct talented staff who are in possession of not only the domain knowledge of the functioning of the day to day working of the workshop; but also additionally the skill and aptitude for and possessing I.T Skills for manning and administering the Computer Centres started in different Workshops and Divisions.

The different Zonal Railway Administrations have inducted good number of JEs, SEs, SSEs and other Technical Personnel ( *in addition to staff from other categories* ) from the Workshops / Divisions - ( *preferably* ) possessing higher qualifications like B.E. / AMIE / etc. Computer Aptitude Test and gave them specialized training in various computer aspects for efficient maintenance of EDP Centres as well as different M.I.S Application Packages.

These inducted Engineers (Junior *Engineers*, *Section Engineers and Senior Section Engineers*) have been performing the sophisticated jobs without any Special Pay which is in vogue for other categories of staff for performing special types of jobs like imparting training in the Training Organisation on Railways.

It is therefore requested ***that 25% of Pay be granted as Special Pay to JEs, SEs and SSEs working as Console Operators, Sr. Console Operators, Console Superintendents, Assistant Programmers, Data Processing Superintendents***

*25% of Pay be granted as Special Pay to Staff inducted in EDP Centres*

***etc. to attract and retain talented personnel in this new horizon of Information Technology.***

#### **6.14 TRAINING ALLOWANCE**

Given to all non permanent faculty members joining training institutions on deputation. In 1986 when this allowance was introduced 30% of total emoluments were granted. Fourth CPC reduced it to 30% of basic pay. In the year 1991-92 due to the resource crunch, the allowance was reduced to 15 % of basic pay.

*Restoration of 30% Training allowance*

Training allowance is granted to non-faculty members, to attract more intelligent and knowledgeable persons to the training institutes. Due the availability of incentive schemes and other benefits the present rate of Training allowance does not motivate intelligent and knowledgeable persons to join Training institutions. Only the resource crunch was quoted as reason to reduce the training allowance from 30% to 15% in the year 1991-92. In the present booming economic scenario to attract intelligent and knowledgeable persons to the training institutions, the Training allowance should be restored to pre 1991- 92 position ie. 30 % of basic pay.

#### **6.15 CHILDREN EDUCATION ALLOWANCE**

*Children Education Allowance*

1. Actual expense incurred towards tuition fee, Lab fee, Hostel fee are to be reimbursed to the employees for two children.
2. Special assistance to the Girl children of Group "D" employees may also be recommended.

#### **6.16 COMMUNICATION ALLOWANCE**

In the era of Information and telecommunication technology basic telephones, cell phones and inter net were become essential part of private and public life.

*Communication Allowance*

Hence all the employees of Central Government should be paid with communication allowance to catch up with the fast moving world and to update their knowledge in their relevant fields.

Our Demand

Communication allowance may be recommended in the following rates,

1. Asst. Technicians	Rs 500 (or) BSNL special land line package
2. Technicians	Rs 900 (or) BSNL special land line package and plan 325 mobile connections.
3. Supervisors and Officers	Rs 1500 (or) BSNL special land line package, plan 325 mobile connections and Home 500 brand band connections.

#### 6.17 DESIGN ALLOWANCE

Fifth Pay Commission ( vide Para 50.19 ) had recommended for grant of Design Allowance of Rs.300 for Junior Engineers and Rs.600 for Assistant Engineers and the Recommendation was accepted by the Government and implemented in the CPWD ( vide their letter No. 15/4/98-DW(S&D)547-1000 dated 9.6.2000), but the same was not implemented by the Railways although the JEs, SEs & SSEs in the Drawing & Design Offices on the Railways do a lot of designing work as mentioned in details in Chapter 4 Part 1 ( Page 83 & Page 107 ). This is very unjust and discriminatory. The Pay Commission is therefore requested to kindly recommend for grant of Design Allowance to the JEs, SEs & SSEs in the Drawing & Design Office on the Railways – at par with their counterparts in the CPWD.

*Design Allowance*

## **6.18 CEILING LIMIT OF PRODUCTIVITY LINKED BONUS ( P.L.B. ):-**

*Productivity Limit  
Bonus*

6.18.1 The ceiling limit of Rs. 2500 per month for Payment of PLB is very low, unrealistic and unjustified and illogical as the Emoluments of even the lowest paid Central Government Employee are well above this limit. As such it is requested that the ceiling limit may please be removed totally so that the Employees will get the real PLB declared to them in number of days proportionate to their wages as per detailed justification given below:-

### **6.18.2 JUSTIFICATION FOR REMOVAL OF PAYMENT CEILING - BONUS / P.L.B.**

A share in the profit which employees may claim as a right, this can be generally accepted term, but, if the Bonus is to be based on prosperity of industrial concern it is possible for the owners to manipulate the accounts in such a way as to show the profit making concern as loss making concern.

6.18.3 Deferred wages payable to the employees, Bonus as deferred wage irrespective of the fact whether the firm is running on profit or loss.

*Bonus is deferred  
wages*

### **6.18.4 RECOMMENDATIONS OF BONUS COMMISSION UNDER THE CHAIRMANSHIP OF M.R. MAHER**

- i. 60 percent of the allocable surplus was to be earmarked for payment of bonus.
- ii. The surplus was to be calculated after provision was made for depreciation, income tax, super tax, return on capital (7 percent) and reserves (4 percent).
- iii. Minimum bonus was to be 4 percent of annual earnings or Rs 40 whichever was higher. Minimum bonus would be paid to an employee who had worked throughout the year. For an employee whose period of work was less, Bonus would be

*Payment of PLB*

paid on pro rata basis.

6.18.5 Recommendations of Bonus commission under the chairmanship of M.R. MAHER implemented by Government with suitable modification as **Payment of Bonus Act, 1965.**

- i. The Act applies to every factory and every other establishment employing 20 or more persons as well as to those public sector undertakings which are not run departmentally and which compete with enterprises in the private sector.
- ii. The Act does not apply to Reserve Bank of India, Unit Trust of India, LIC, Universities and educational institutions, hospital social welfare institutions, enterprises run departmentally by Central and State Governments or local authority.
- iii. The Act defines an employee as a person drawing a salary or wages up to Rs 1600 per month. But the amount of bonus payable to the employees drawing above Rs. 750 per month would be calculated as their salary was only Rs.750 per month.
- iv. The minimum Bonus is 4 percent of the salary or wages during an accounting year or Rs 40 whichever is higher irrespective of availability of profits. The maximum amount of Bonus in any year out of the surplus available for allocation has been fixed as 20 percent of the basic wages and Dearness Allowance.
- v. Only those who worked for all the working days will be entitled to Bonus and a proportionate reduction will be made for those who work for lesser period of time, but one should at least have worked for a period of 30 days in a year to be entitled for Bonus.
- vi. The Surplus in any accounting year will be computed by deducting prior charges from the

gross profits. These prior charges include remuneration for partners or proprietors, depreciation and development rebate admissible under the Income Tax Act, all direct taxes, actual dividend payable on preference share capital and a return of 8.5 percent on equity capital and 6 percent on reserves.

- vii. Sixty percent of the allocable surplus determined above, will be allocable for payment of Bonus to the employees in every accounting year. In case of foreign companies, 67 percent of allocable surplus should be devoted for payment of Bonus.

#### **6.18.6 THE MADAN COMMITTEE ON BONUS REVIEW**

submitted its report on September, 1974, in which it recommended 8.33 percent as minimum Bonus and 20 percent as maximum Bonus. The benefit of Bonus was extended to those drawing up to Rs 2500 per month as against Rs 1600 per month hitherto. However, the Bonus in respect of employees drawing salaries between Rs1600 and 2500 per month would be calculated as if their salaries or wages were Rs.1600 per month. Government implemented the Committee's recommendations.

*Madan Committee  
recommended 8.33  
percent as minimum  
and 20 % as maximum  
bonus*

In June 1975 Government amended the Payment of Bonus Act and reversed the earlier amendment which had raised the minimum bonus from 4 percent to 8.33 percent. Under the new amendment the units making losses were exempted from the obligation of paying the minimum Bonus.

In March, 1977 the Government again raised

the minimum Bonus to 8.33 percent and appointed Boothalingam study group to study the Bonus questions as part of wages and income policy.

**6.18.7 THE BOOTHALINGAM STUDY GROUP** came to the conclusion that Bonus related to profits as prevalent in India for a long time is suitable in industries producing for markets in reasonable competitive conditions. It is not suitable in case of organized industrial or other activities, where profit motive does not operate at all. Bonus is therefore, unsuitable in Government services and similar activities including the **Railways, Posts and Telegraphs, and public utilities, financial and other institutions. It considered the productivity linked Bonus more logical and satisfactory.**

*Boothalingam Study Group recommended PLB to Railway to P & T Staff*

Government in 1995 raised the eligibility limit for bonus for employees working factories to Rs 3500 per month and in other establishments to Rs 2500 per month with effect from first April 1993.

*Ceiling limit of Rs.2500 in vogue since 1993*

**6.18.8 PRODUCTIVITY LINKED BONUS FOR RAILWAYMEN**

Indian Railways one of the key infrastructures fully owned by Government of India is aiming at service maximization rather than profit maximization.

*Indian Railways is concentrating only on maximization of service, not on maximization of profit.*

**6.18.9 INDICES OF GROWTH OF TRAFFIC OUT PUT & INPUTS (1950-51=100)**

Year	Freight NTKm	Passenger KMs	Wagon Capacity	Passenger coaches	Route KM	Tractive efforts of Locos
1950-51	100	100	100	100	100	100
1960-61	199	110	152	154	105	144
1970-71	289	159	226	188	112	178
1980-81	359	279	269	210	114	201
1990-91	550	394	278	219	116	192
2000-01	715	614	246	254	118	233

*6.87 times increase in passenger KM  
Freight 8.32 times increase in NTKM during last 53 years*

2001-02	763	664	244	262	118	240
2002-03	807	708	241	266	118	239
2003-04	871	728	257	272	118	252
2004-05	932	787	256	283	118	267

#### **6.18.10 INCREASE IN BONUS NOT REFLECTED IN REAL MONEY VALUE**

The PLB scheme for Railway employees came in to force from the year 1979.

The scheme envisaged measurement of productivity of Railways by the net tonne KM for goods revenue traffic. The passenger KM (non suburban traffic only) was added by a conversion factor of 0.071 to arrive total equated net tonne KM (ENTKMs). The performance for year 1977-78 was taken as the base year. The increase of every additional 3250 million ENTKMs was to result in one day gain in PLB. Decrease of 2250 million ENTKMs was to result in one day drop. No PLB was to be paid if the performance in a particular year fell below 90% of the performance of base year.

In 1983-84 a modification was effected in the base year representing the ENTKMs. The base was taken from average ENTKMs of preceding three years. It was further modified to increase of every additional 3575 million ENTKMs was to result in one day gain in PLB and decrease of 2475 million ENTKMs was to result in one day drop.

Formula based on ENTKMs as output and Open Line staff strength as input was introduced from the year 1986-87.

From the year 1995-96, all the Group 'C' and Group 'D' employees have been paid PLB without any ceiling on wages for eligibility.

*P.L.B. not reflected in actual monetary terms due to unjust payment ceiling of Rs.2500*

**6.18.11 Formula for calculation of PLB**

$$PLB = \frac{P1}{B1} \times B$$

Where P1 = Productivity Index for Current year ENTkMs =  $\frac{\text{ENTkMs Current year}}{\text{Open Line staff strength (For the preceding three years)}}$

B1 =  $\frac{\text{Average ENTkMs}}{\text{Average Open Line staff strength}}$

B = Average of PLB days in the preceding three years.

PLB payable for the year 1994-95 = 50 days.

*PLB for 1994-95 was for 50 days*

**6.18.12 WHAT WOULD HAVE BEEN THE BONUS AMOUNT IF THE PRICE RISE IS COMPENSATED IN BONUS?**

	1996	2006	% increase
<b>Pay As On</b>	2550	4743	<b>86</b>
<b>Bonus days</b>	50	63	<b>26</b>
<b>Amount paid</b>	4356	5342	<b>22.6</b>
<b>#</b>		<b>10208</b>	

# If bonus is paid in real terms of increase in basic pay and DA along with increase in bonus days, the minimum bonus amount would have been Rs.10208. Increase of basic pay and DA from 1996 to 2006 was 86%, hence the minimum bonus for 50 days should be Rs.8102 (4356+4356x0.86). Increase in number of Bonus days was 26%, hence the minimum bonus for 63 days should be Rs 10208 (8102+8102x0.26)

*Rs.10208 should have been the minimum bonus, if bonus is calculated for present minimum pay ie.Rs.4356.*

**6.18.13 WHAT WOULD HAVE BEEN THE BONUS IF IT WAS PAID IN REAL MONEY VALUE IN ACCORDANCE TO THE INCREASE IN WAGON KM PER EMPLOYEE?**

	1996	2006	% increase
Pay As On	2550	4743	86
Bonus days	50	63	26
Amount paid	4356	5342	22.6
Wagon KM per employee	13733	22056.96	60.6
<b>##</b>		<b>13012</b>	

## If bonus is paid in real terms of increase in basic pay and DA along with increase in bonus days, the minimum bonus amount would have been Rs.10208. Increase of basic pay and DA from 1996 to 2006 was 86%, hence the minimum bonus for 50 days should be Rs.8102 (4356+4356x0.86). Increase in wagon KM per employee was 60.6%, hence the minimum bonus for increase in wagon KM should be Rs.13012 (8102+8102x0.606).

*Minimum Bonus should have been Rs.13012 if the benefit of real increase in wagon KM has been taken fully in to consideration.*

**6.18.14 WHAT WOULD HAVE BEEN THE BONUS AMOUNT FOR 63 DAYS' WAGES IF IT IS PAID BY CALCULATING MINIMUM PAY OF EACH SCALE UP TO S-13 SCALE**

SCALE	MIN	MAX	BONUS in Rs
S1	2550	3200	5342
S2	2610	3540	5468
S3	2650	4000	5551
S4	2750	4400	5761
S5	3050	4590	6389
S6	3200	4900	6704
S7	4000	6000	8380
S8	4500	7000	9427
S9	5000	8000	10475
S10	5500	9000	11522
S11	6000	9800	12569
S12	6500	10500	13617
S13	7450	11500	15607

*Bonus for minimum scale of pay in S-13 scale should have been Rs.15607.*

**6.18.15 WHAT WOULD HAVE BEEN THE BONUS AMOUNT FOR 63 DAYS' WAGES IF IT IS PAID BY CALCULATING MEAN OF EACH SCALE UP TO S-13 SCALE (WITHOUT PAYMENT CEILING OF RS. 2500 PM).**

SCALE	MIN	MAX	MEAN	BONUS in Rs
S1	2550	3200	2875	6023
S2	2610	3540	3075	6458
S3	2650	4000	3325	6983
S4	2750	4400	3575	7508
S5	3050	4590	3820	8022
S6	3200	4900	4050	8505
S7	4000	6000	5000	10500
S8	4500	7000	5750	12075
S9	5000	8000	6500	13650
S10	5500	9000	7250	15225
S11	6000	9800	7900	16590
S12	6500	10500	8500	17850
S13	7450	11500	9475	19898

*Bonus for 63 days without ceiling of Rs.2500 in S-13 scale would have been Rs.15607*

Since every employee is contributing for the productivity at level of duties and responsibilities attached to their grade, bonus should be calculated on the mean value of the scale of pay given to the particular grade.

The bonus which is Rs.5342 for the minimum pay should be increased in proportion with the mean value of every scale.

**6.18.16 The Pay Commission is requested to recommend**

- (a) **The Ceiling Limit of Rs. 2500 pm for Payment of Bonus / PLB should be removed forthwith and the Bonus / PLB should be paid on the basis of actual Wages drawn by each employee during the year.**
- (b) **All Employees in Group A, B, C & D should be the Bonus / PLB irrespective of Pay & Classification.**

*Ceiling Limit of Rs. 2500 pm for Payment of Bonus / PLB should be removed*

*All Employees in Group A, B, C & D should be paid Bonus / PLB*

**6.19 NATIONAL HOLIDAY ALLOWANCE (NHA)**

It is requested that **the limits of admissibility for National Holiday Allowance may please be removed, and all the Technical Supervisors on the Railways (upto and including Section Engineers and Senior Section Engineers in existing grades or Rs. 6500 – 10500 and Rs. 7450-11500) be allowed the N.H.A as they are essentially required to attend to the work many a times on National Holidays, due to the exigencies of work and to keep the trains and systems running.**

*National Holiday Allowance*

<b>NH Pay – The Present Scenario</b>						
<b>Designation</b>	<b>Pay</b>	<b>DP</b>	<b>DA @ 29%</b>	<b>Wage Per Day</b>	<b>NHA Per Day</b>	<b>% of NHA to 1 days Wage</b>
Helper	2550	1275	1109.25	164.50	85	51.7
Helper Gr.I	2650	1325	1152.75	170.90	85	49.7
Technician-III	3050	1525	1326.75	196.70	85	43.2
Technician-II	4000	2000	1740.00	258.00	106	41.1
Technician-I	4500	2250	1957.50	290.30	140	48.2
Sr. Technician	5000	2500	2175.00	322.50	140	43.4
JE-II	5000	2500	2175.00	322.50	140	43.4
JE-I	5500	2750	2392.50	354.80	140	39.5
SE	6500	3250	2827.50	419.30	140	33.4
SSE	7450	3725	3240.75	480.50	140	29.1

It can be seen that the NH Allowance is not even equal to one day's wage, which is irrational and unjustified. It is a statutory requirement that working on a Holiday be considered at par with Over Time and Paid accordingly at Double the rate of Wages per Day.

It is, therefore, requested that the **rates of National Holiday Allowance ( NHA ) may be suitably revised to Double the rate of Pay + DA + DP.**

## 6.20 CONVEYANCE/ TRANSPORT ALLOWANCE

Employees in almost all Public Undertakings are paid a Conveyance Allowance or Transport Re-imbursement Allowance irrespective of Pay or Rank but not so in case of Central Government employees where Transport Allowance was sanctioned only after the Fifth CPC, but at very nominal rates as stated here under. These rates were linked to Pay Scales instead of Pay Range. This was greatly discriminatory. It is therefore requested that **Transport Allowance may please be revised as under – i.e. 10% of Pay for ‘A-1’ and ‘A’ Class Cities and 7.5% of Pay for other locations:-**

*Transport Allowance*

Sl.No	Existing Scale of Pay Rs.	Existing Transport Allowance Per Month		Proposed Transport Allowance Per Month	
		‘A-1’ & ‘A’ Class City (Rs.)	Other places	‘A-1’ & ‘A’ Class City	Other places
1.	8000-13500 or above	800	400	10% of Pay	7.5% of Pay
2.	6500-6900 but below 8000-13500	400	200		
3.	Below 6500 to 6900	100	75		

# Chapter 7

## **PENSION & OTHER PENSIONARY BENEFITS TO GOVERNMENT EMPLOYEES RELIEF TO EXISTING PENSIONERS & CONCESSIONS TO SENIOR CITIZENS**

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# Chapter 7 Part I

## PENSION AND OTHER RETIREMENT BENEFITS

### 7.0 INTRODUCTION

**Honorable Supreme Court** of India in its historical Judgement in Nakras' case had held as under (*Refer Petition No.5939-41/1980*).

**“ Pension is not a bounty nor a matter of grace depending upon the sweet will of the employer. It is not an Ex-Gratia payment, but a payment for past services rendered. It is a Social Welfare measure, rendering Socio-Economic Justice to those who in the hey days of their life, ceaselessly toiled for their employers on an assurance that, in their old age they would not be left in the lurch”**

*Pension is not an Ex-Gratia payment, but a payment for past services rendered*

### 7.1 REVISION OF RATES OF PENSION

Formula for calculation of pension was revised in 1979 and the quantum of the pension was raised to 50% of average pay drawn in the last 10 months prior to superannuation after 33 years of qualifying service. However, this formula has certain major drawbacks and requires modifications / liberalization, as mentioned in the following paras.

- (a) The quantum of pension is very much inadequate to meet even the basic requirements of the pensioners.
- (b) An employee who served the organisation for decades together when he retires, the government treats him only as half man by paying 50% of average of last (10 months) pay drawn as pension. In many developed countries like Japan, the last pay drawn is granted to them as Pension.
- (c) A country like India aspiring to become developed country should improve the living conditions of the Pensioners and revise the rate of Pension for Retired / Retiring employees. Sixth Pay Commission is, therefore, requested to recommend that **rate of Pension be revised from 50% to 100%**.

*Pension should be equal to 100% of last pay drawn*

### 7.2 ADDITIONAL PENSION FOR ADDITIONAL YEARS OF SERVICE

If any one puts in more than 33 years of service (say 40 years), the additional service of 7 years is not counted for

Pensionary benefits. It is unrealistic and unjust.

Sixth CPC may therefore recommend for **counting of entire service put up by the employees and Pensionary benefit extended to him / her for the actual service years.**"

*Pensionary benefits be given for actual years of Service put in*

### **7.3 REDUCTION OF QUALIFYING SERVICE FOR FULL PENSION**

In the present environment a person is required to spend more number of years in acquiring higher degree of education and the government has also increased the age limit for recruitment age - specially in case of SC/ST employees. This is up to 35 years of age. After joining the service, in most cases, they cannot fulfill the mandatory requirement of 33 years Qualifying Service to become eligible for full Pensionary benefits.

*Qualifying service for full Pensionary benefits be reduced*

Sixth CPC may therefore please recommend that the **criteria of 33 years of qualifying service be reduced to 25 years for full Pensionary benefit.**

### **7.4 PENSION ON LAST PAY DRAWN**

Present formula for calculating the Pension is on the basis of average pay of last 10 months. If an employee is promoted within the stipulated 10 months time, he shoulders responsibility of higher post with higher salary. So the service put up in the higher grade and pay is not taken into account. Sixth CPC may please recommend **taking the last pay drawn + DA as the basis for calculating Pensionary Benefits.** The Supreme Court rightly mentioned that *Pension should not be treated as gratis. It is an honor for an employee who served the institution for more than 3 decades and hence it becomes a matter of gratitude.*

*Pension be calculated on last pay drawn + DA*

### **7.5 DEATH-CUM-RETIREMENT GRATUITY**

Rates of Death-Cum-Retirement Gratuity/ Special Contribution to Provident Fund (*in case of Railways*) are very

inadequate, and the rules regulating the same require modification / liberalization in order to provide adequate monetary compensation for the services rendered by the Employees so as to enable them to meet their old-age liabilities and contingencies. It is therefore, requested that, the following changes may be made in the rules on the subject.

*Adequate monetary compensation to meet old age requirements*

**One month's pay plus D.A. last drawn should be paid for each year of qualifying service, as Death-Cum-Retirement Gratuity / Special Contribution to Provident Fund, instead of half month's pay for each year of qualifying service as at present.**

The maximum limit for Death-Cum-Retirement Gratuity may be raised to Rs. 15 Lakhs.

#### **7.6 FAMILY PENSION**

Rates of Family Pension available to the families of the deceased Employees are extremely low and require to be revised both in respect of the minimum level as also the overall quantum at higher levels. The level of Family Pensions is at present so low that it is extremely difficult for the families to meet even a fraction of their basic needs. Besides, neutralization provided for price rise is absolutely negligible, causing drastic erosion of the meager pensions being received by the families.

*Maximum limit of Gratuity should be raised to Rs.15 lakhs*

*Rate of Family Pension needs immediate revision*

It is, therefore, requested that the **rates of Family Pension may be revised as under:-**

<b>Proposed Amount of Family Pension Per Month</b>		
<b><i>On death in Harness</i></b>	<b><i>On death between 60 to 65 years of age</i></b>	<b><i>After limits indicated in columns 2 and 3</i></b>
80% of last pay drawn <i>(not less than Minimum Wage less 20%)</i>	85 % of Normal Pension <i>(if the Employee had survived) with not less than Minimum wage less 20%)</i>	80% of Normal Pension <i>(with not less than Minimum Wage less 20%)</i>

## 7.7 VOLUNTARY RETIREMENT

This scheme was first introduced in 1977. According to this - one who has completed not less than 20 years of qualifying service may seek voluntary retirement by giving a notice of not less than 3 months to the appointing authority. A weightage of 5 years in Qualifying service is admissible in cases of voluntary retirement under Rule 48 A.

Sixth CPC is requested to recommend for **reduction of Qualifying Service for Voluntary Retirement purpose from existing 20 years to 10 years duly giving 5 years weightage for Pensionary benefits.**

*Qualifying Service for Voluntary Retirement with full Pensionary benefits be reduced*

## 7.8 DATE OF SUPERANNUATION

In government service, if employees attain the age of 60 years in the middle of a month, he is allowed to continue in service up to the last day of the month only. It is advisable that they may be allowed to work till the last month of the Financial or Calendar Year so that they can continue their service and fulfill the targets pertaining to the financial year. When compared to the benefit to the administration the expense will be meager. Hence it is requested that the **date of Superannuation of Government Employees may be extended up to the end of Financial or Calendar Year, so that the administration can reduce waste of a lot of time and paper work and it will also help the Government for arranging the disposal of settlement dues and piling up of vacancies through promotions and recruitments etc. Alternatively, employees should be Retired only on 30th June or 31st December every year – depending upon the period in which they reach the retirement age.**

*Date of Superannuation may be extended up to the end of Financial Year*

## 7.9 PREMATURE RETIREMENT

Power to retire the Employees before attaining the age of Superannuation is a very dangerous weapon, and is likely to be misused more often than not. The worst thing in this respect is that there is no provision for an appeal or representation against such an order, and no reason is communicated to the Employee concerned. He cannot defend himself as no enquiry is held. This violates all norms of Natural Justice and exposes the Employees – at the height of their career – to the whims and fancies of the Officers concerned. No safeguards against the misuse of these powers exist. As such, it is requested that the **powers for Compulsory or Premature Retirement should be withdrawn in its entirety. If at all such an action is considered inescapable, in Public Interest, as generally alleged, - then such an action should be taken only after a regular enquiry, and the Employee should be given the right to defend and appeal against the action as in the case of normal disciplinary proceedings.**

*Premature Retirement is against Laws of Natural Justice and should be stopped*

*Regular Enquiry with hearing be made mandatory for Premature retirement*

## 7.10 AGE OF SUPERANNUATION

Government has increased the retirement age from 55 to 58 years and thereafter to 60 years because the life expectancy had improved and as retaining the employees with experience and expertise for a few more years benefits government also. There are many cadres where aged and experienced intellectuals with sound health are in a position that making use of their vast experience in government functions will help. It is, therefore, proposed that the **retirement age for Government employees may be raised from 60 to 65 years.**

*Age of Superannuation be increased from 60 to 65 years*

## **7.11 REDEPLOYMENT OF SUITABLE TALENTED RETIRED / RETIRING PERSONNEL**

It is proposed and requested that in the overall National and Administrative interest – valuable expertise of suitable and Talented Technical, Professional and Specialised Personnel may be Re-employed in appropriate fields– against Supernumerary posts–through a suitable mechanism of selection – as required – without any favour or bias.

*Experienced and intellectual persons with sound health will be of an asset to the Government*

## **Chapter 7 Part II**

### **7.12 RELIEF TO EXISTING PENSIONERS: GRANT OF INTERIM RELIEF TO PENSIONERS**

The present lot of Pensioners is miserable, and they are unable to make both ends meet. Their pension has been continuously eroding due to extreme inflation and low level of wages on which they retired. It is, therefore, requested that -

- (i) All existing Pensioners be granted an ex-gratia Interim Relief of 30% Pension + DP + DR with minimum of Rs. 1000 at least, for the large-scale erosion of the real value of their pensions and gratuity etc. over the years (as per detailed submission made in our Memorandum for Interim Relief, copy placed at Annexure I).**
- (ii) Point-to-Point Fixation in the Revised Scales of Pay (of Sixth CPC) may please be allowed on notional basis to the existing Pensioners for Revision of their Pension w.e.f. 01.01.2006.**
- (iii) System of “SAME RANK SAME PENSION” as introduced in the Army, may also please be extended to all Central Government Employees.**

*Ex-gratia Interim Relief for existing Pensioners*

*Point-to-Point fixation of Pension on Revised Scale*

*“Same Rank Same Pension” for all Central Government Employees*

### **7.13 RESTORATION OF COMMUTED VALUE OF PENSION:-**

The Pensioners in many States get Restoration of the Commuted Value of their Pension after 12 years of Retirement or on attaining the age of 70 years. But the Central Government Pensioners get the Restoration of the Commuted Value of the Pension after 15 years of retirement, which is disproportionate to the lump sum

*Reduction in Qualifying Service for Full Pension*

amount paid to a Pensioner on this account, and it tantamounts to exploitation of needy and hard-pressed Pensioners. It is requested, ***that the Central Government Employees be allowed the restoration of Commuted Value of their Pension on completion of 10 years after retirement in view of the rate of erosion of money value and prevailing rates of bank interests.***

*Reduction in Time  
Period for Restoration  
of Commuted Value*

#### **7.14 FREE MEDICAL FACILITIES TO PENSIONERS:-**

Old-age creates many health problems which require frequent medical aid. As a Welfare State, the Nation at large and the Government in particular owes a responsibility to its Senior Citizens.

Government (*as a "Model Employer"*) must look after the health of its Retired Employees and their dependants and provide quality & adequate free medical facilities to them.

*Free Medical Facilities  
for Pensioners and their  
dependants*

#### **7.15 REVISION OF MEDICAL ALLOWANCE – TO PENSIONERS & FAMILY PENSIONERS**

Medical Allowance of only Rs.100 per month was allowed, after the Fifth Pay Commission. This was too meager – keeping in view very high cost of Consultation and Cost of Medicines, which are required on a regular basis, especially in the old age, amounting to over Rs. 500 to Rs. 1000 per month on an average (*and even more for Chronic ailments*).

It is therefore, requested that the **Medical Allowance to Pensioners and Family Pensioners be increased to at least Rs. 500 per month for outdoor treatment – where no such facility is available.**

*Medical Allowance  
needs to be revised*

#### **7.16 HOUSE RENT ALLOWANCE AND CITY COMPENSATORY ALLOWANCE TO PENSIONERS**

The reasons for grant of House Rent Allowance and City Compensatory Allowance to existing Employees are equally

*HRA & CCA be granted  
at the same rates as  
serving Employees*

applicable in case of Pensioners as well. It is, therefore, requested that the Pensioners should also be granted the House Rent Allowance and City Compensatory Allowance at the same rates as applicable in the case of serving Employees – in the slab equal to the pension.

*Grant of “Companion”  
in place of “Attendant”  
on Privilege Pass*

#### **7.17 COMPANION INSTEAD OF ATTENDANT – ON PRIVILEGE PASSES TO SENIOR CITIZENS**

Keeping in view the health & physical conditions in old age, it is requested that the Retired Employees, instead of an Attendant in lower Class, be allowed a close relative as a Companion in the same class on Complimentary Pass (*without any additional charges*) – as admissible to Freedom Fighters.

#### **7.18 MODIFICATION OF RELHS & CGHS FOR RETIRED EMPLOYEES / PENSIONERS**

Under the Railway Employees Liberalised Health Scheme (RELHS) and Central Government Health Scheme (CGHS) the Retiring Employees and Pensioners have to contribute one months Pay or two months Pension as applicable, for joining these schemes. This is quite penalising and taxing on the meager resources of the Pensioner. It is, therefore, requested that ***either the contribution by the Pensioners / Retiring Employees be waived off or may be suitably reduced with adequate contribution by the Government / Railways*** – keeping in view the true spirit of Social Responsibility towards the Pensioners – as defined by the Apex Court in Nakras’ Case ( cited at the beginning of this chapter ).

*Modification of RELHS  
& CGHS for Retired  
Employees / Pensioners*

### **7.19 EXEMPTION OF PENSION FROM INCOME TAX - GRANT OF SENIOR CITIZEN STATUS AFTER 60 YEARS OF AGE – FOR INCOME TAX EXEMPTION**

*Exemption of Pension from Income Tax*

Age of Retirement has been fixed at 60 years in India. Level of Income goes down substantially after Retirement. But, Responsibilities and Social / Family obligations still need to be met after Retirement – specially the need for Higher Education of Children, their marriages and above all provision of a roof or a house – after Retirement. Medical expenses also grow which have to be met within the available limited means.

*OR*

*Grant of Senior Citizenship after 60 years of age*

It is, therefore, requested to please recommend that either **(a) Pension may be exempted from Income Tax (under Section 195A of Income Tax Act) OR**

**(b) Age for consideration as Senior Citizen be reduced from 65 years to 60 years for availing Tax Exemptions under the Income Tax Act.**

## **Chapter 7 Part III**

### **7.20 CONCESSIONS TO SENIOR CITIZENS IN GENERAL & UTILIZATION OF THEIR SERVICES**

7.20.1 Among 8 crore population of (Senior Citizens) around 60 to 70% are fit to work. But all Senior Citizens are grouped into the category of Non-productive elements in this country.

**7.20.2 Government should use physically fit Senior Citizens in appropriate areas, which will produce excellent results in Human resource index.**

*Government may use physically fit Senior Citizens for achieving excellent results in Human resource index*

Senior Citizens may be engaged on part time work (say 4 hrs daily) employing them in exclusive departments or to the existing departments, or in Research or Study Work, Advisory Bodies, in Development & Reclamation Work in

Industry or Consultancy Area or Social Sector like Health Education, Adult Education Schemes or Statistical Analysis Wings, Primary Education field, in Agriculture Development areas, or in Departments like Railways – in Public Relation area and Technical Development Advisory Boards etc. Their input will add value in improvement of GDP growth and reduce the unproductive overheads to a great extent. Retired Senior Citizens are getting only a limited pension. They may be allowed to supplement their income through quality Social Service. Results of their services shall be much higher because of the experience & expertise gathered while in service. They may be brought under suitable package of remuneration as motivation, with additional free travel facilities and suitable Allowance (s).

### 7.20.3 OTHER CONCESSIONS FOR SENIOR CITIZENS

- **Rail Travel Concession for Senior Citizens** should be increased to 50% instead to 30% as they are allowed 50% concession in air travel.
- **System of “Apex Fares”** – (for non-refundable Advance Booking in Airlines) be also extended to Senior Citizens with 50% concession thereof.
- Senior Citizens be treated as honored elements of society. The importance given to child / youth care by separate Ministry may be extended to Senior Citizens with **Separate Ministry and Separate Department for Welfare of Senior Citizens** – in Central & State Governments.
- State Governments may issue **50% concession in bus travel on all routes for all Senior Citizens** and
- Tourism Department should give a **concession of 75% on Pilgrimage Package Tours.**
- Senior Citizens may be allowed to take one Companion

*Increase in Rail Travel  
Concession*

*System of Apex Fares*

*Separate Departments in  
Centre & State for  
Welfare of Senior  
Citizens*

*Concession in State  
Buses*

*Concession on  
Pilgrimage Tours*

*Companion for Rail  
Travel*

along with them in Rail travel in the same class they travel with the same concession, keeping in view their health and physical requirements.

- Geriatric Wards (*for Senior Citizens*) may be expanded to all Districts / Taluk Headquarters with exclusive Medical Officer and other Paramedical and Nursing Staff.
- A specialty hospital one for each District Headquarters may be planned exclusively for care of Senior Citizens.
- Diabetic & Cardiac branches for Senior Citizens may be provided in every Primary Health Centers.

*Geriatric Wards in  
District / Taluk  
Headquarters  
Specialty Hospitals in  
District Headquarters*

*Special Hospitals*

*Diabetic & Cardiac  
branches in Primary  
Health Centres*

**CHAPTER - 8**  
**MISCELLANEOUS ISSUES**  
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- 6. CONTINUED MACHINERY FOR PAY REVISION**
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PAY**
- 8. REQUEST FOR FINAL HEARING**

## CHAPTER – 8

### MISCELLANEOUS ISSUES

#### 8.1 INCOME TAX ON PAY & ALLOWANCES

(a) Fifth Pay Commission ( vide Chapter 167 & Para 95 of Summary of Recommendations ) had recommended as under:-

*Fifth Pay Commission's recommendation*

**“Para 95:- The Commission has felt that the Salaries and Pensions Recommended by it are not really adequate if they are to be fully taxed. Accordingly, it has recommended that all Allowances and Pensions should be paid Net of Taxes”.**

(b) Fifth CPC (in Para 167.7) had observed as under:-

**“ If such Allowances are taxed, then either the Basic Salary gets eroded in its real value from Year to Year or the partial Reimbursement of Expenditure incurred on certain items becomes less and less with the passage of time. In both the cases, the objective of giving Allowances is partially nullified”.**

(c) Fifth CPC further observed in Para 167.8 that

**“We have observed that Ministry of External Affairs pays ‘Net of Tax’ Salaries to its Employees on Foreign Posting. Provision for paying Net of Tax Salary already exists under Sec.195A of the Income Tax Act. Under the Section Employees do not have to pay Income Tax on the Salaries received by them and it is the liability of the Employer to Pay the same to the Income Tax Department”.**

*Provision for paying Net of Tax Salary already exists under Sec. 195A of the Income Tax Act*

(d) **“The solution to the problem of Central Government Employees in General lies in the application of this legal provision” ( FCPC –167.9 ).**

Unfortunately, the Government had not accepted this recommendation and, as such, Government Employees continue to suffer serious erosion of their real income.

It is, therefore, requested ***that all the Allowances including DA/ DR i.e. Dearness Allowance / Dearness Relief, HRA i.e. House Rent Allowance, CCA i.e. City Compensatory Allowance and other Compensatory Allowances may be Exempted from the Income Tax to avoid erosion of Real Wages. The Tax thereon be paid by the respective Departments to the Income Tax Department – under Section 195A of the Income Tax Act – as Recommended by the Fifth Pay Commission.***

## **8.2. DATE OF EFFECT OF THE PAY COMMISSION REPORT**

The Central Government Employees have already suffered too long a period as submitted in details in the foregoing Chapters of this Memorandum. It is, therefore, requested ***that the recommendations of the Pay Commission in respect of Pay Scales, Service Conditions, and Retirement Benefits etc, may be made effective from 01.01.2006 to mitigate the sufferings of the Employees concerned as well as to give some relief to the Retired / Retiring Employees.***

*Recommendations  
should be made  
effective from  
01.01.2006*

## **8.3. FIXATION BENEFITS:-**

There is a wide gap ranging between Rs. 2500 to Rs. 15000 or more in the pay of the Central Government Employees and those of the Employees of Public Sector Undertakings. The difference of total emoluments is much higher on account of high Ex-Gratia Payment and higher Perks and Allowances to the employees of PSUs.

*Fixation benefit to a  
tune of 50% of Pay +  
DA + DP as Minimum  
fixation benefit*

In order to bring about an immediate parity between them, it is requested ***that a ‘ fixation benefit ‘ to the tune of 50% of Pay + DA + DP be granted the Minimum being at least Rs. 2500 per month to all Employees in Class IV ( Group ‘D’ ) and Rs. 5000 to Rs. 15000 in case of those in Group ‘C’.***

**8.4. “Stage-to-Stage” or “Point-to-Point” FIXATION OF PAY IN NEW SCALES:-**

- i. A “Stage-to-Stage” or “Point-to-Point” fixation may please be recommended - giving due weightage for the length of service in the existing cadre.
- ii. Similarly as Stage-to-Stage or Point-to-Point notional fixation of New Scales may also please be recommended for revision of Pension of existing Pensioners.
- iii. Fixation benefits may please be added to the existing emoluments (Basic Pay + D.A. + D.P. + Proposed Interim Relief) and the pay be fixed at the appropriate stage in the “New Scales “(to be recommended by the Pay Commission); and if no equivalent stage is available (in the new scale) “, then the Pay may please be fixed at the next higher stage in the New Scales.

*“Stage-to-Stage” or  
“Point-to-Point”  
fixation allowing  
weightage for the length  
of service*

**8.5. NEED FOR INTERIM RELIEF:-**

As already submitted in our Memorandum for Interim Relief Dated 6.11.2006 (copy attached and placed as Annexure), we humbly reiterate that the Sixth Pay Commission was due long back with effect from 01.01.2003. Due to inordinate delay in revision of wages of Central Government Employees, they have been living a life of financial penury in comparison to their brethren of Public Sector Undertakings besides those in Private and Corporate Sectors. As a result, the purchasing power of the Central Government Employees

*Interim Relief of  
at least 30% of  
Pay + D.P + D.A  
w.e.f 01.01.2006*

has undergone irreparable erosion. Comparative Social, Financial and Economic standing of these Employees has gone down considerably without any fault on their part.

As such, it is once again strongly stressed and requested ***that, pending finalization of its recommendations, Pay Commission may please recommend an Interim Relief of at least 30% of the Pay + D.P + D.A of Central Government Employees w.e.f 01.01.2006, subject to a minimum of Rs. 1500 per month.***

***This will at least partially neutralize the negative effects of abnormal delay in constituting the VI Central Pay Commission and the resultant un-easiness and un-rest, which has gradually crept in the Central Government Employees.***

It is further requested that, ***in the interest of equity and justice, proportionate Interim Relief may also please be recommended for the existing Pensioners and 30% of Basic Pension + DP / DR + DA with a minimum of Rs.750 per month, may please be recommended to mitigate the sufferings of the existing Pensioners*** - to compensate them, at least partially, for the large-scale erosion of their meager Pensions due to heavy inflation – as already requested in our Memorandum for Interim Relief.

#### **8.6. CONTINUING MACHINERY FOR PAY REVISION**

Fifth Pay Commission (vide *Chapter 171 of its Report*) had strongly recommended for a Continuing Machinery for Pay Revision. Its recommendations are even more vital and relevant today, than ever before, due to the fast changing economic scenario – when the fruits of Globalisation have already started having its impacts on the National Economy as a whole, creating further stresses for Government

*Continuous Machinery  
for pay revision*

employees.

We, reproduce the **Summary of Recommendations of Fifth CPC ( Para 99 )** for the kind consideration of Sixth CPC

**Need for continuing machinery for pay revision:** The Commission has recommended that pay revision should, in future, be entrusted to a permanent Pay Commission drawing its authority from a Constitutional provision, whose recommendations should have a binding character. Pay should be revised annually as in other countries. As an alternative, it has been suggested that dearness Allowance should be converted into dearness pay every time the cost of living rises by 50% over the base level. This would imply a revision of pay every 4 to 5 years. The final option is to have a decennial exercise as at present, but with fixed dates

It is unfortunate that none of the above said recommendations of the Fifth CPC had been accepted by the Government and even setting up of the Sixth Pay Commission was unduly delayed keeping in view of the fact that even decennial Revision of Wages was due with effect from 01.01.2006.

It is, therefore, earnestly requested ***that the Sixth Pay Commission may please recommend for a continual Revision of Wages, if not annually, then at least – whenever the Dearness Allowance rises above 25%.***

#### **8.7. FINANCIAL IMPLICATIONS AND CAPACITY TO PAY:-**

As already submitted by us, in our Memorandum for Interim Relief, as well as in Chapter 1 of this Memorandum, the capacity of the Central Government to pay has substantially increased over the last 10 years – especially in the recent past few years – as would be apparent from the following few facts:-

*Financial Implications  
& capacity to pay*

**(i) Total Revenue Receipts increased by 218.7%**

*(i.e. from Rs. 110191 Crores in 1995-96 to Rs. 351200 Crores in 2004-05)*

**(ii) Revenue Expenditure has increased by 211.1%**

*(i.e. from Rs. 143522 Crores in 1995-96 to Rs. 446512 Crores in 2004-05)*

**(iii) NNP has increased by 52% on Constant Prices and 138.55% on Current Prices.**

**(iv) Expenditure on Pay and Allowances as %age of Total Expenditure had decreased by 37.4%.**

**(v) Expenditure on Pay and Allowances as %age of Revenue Receipts had decreased by 30.4%.**

In view of the above facts, a mere restoration of share of resources to the level of the percentage of Revenue Receipts or that of Revenue Expenditure to be spent on the Pay will itself provide adequate resources for meeting on the fair and genuine demands of Central Government Employees at large – including those made out by this Memorandum for the kind consideration of the Honourable Sixth Pay Commission.

**8.8. REQUEST FOR (PERSONAL) HEARING:-**

We have tried to put forth our views and demands on various subjects along with reasonable justification and data (*which could be collected in this short period*), and we hope that the same will receive the fair & kind consideration of the Pay Commission.

We are sure that due justice would be done to the category of Engineers / Technical Supervisors ( *JEs, SEs & SSEs* )and employees at large working on the Indian Railways, who have been receiving a “*STEP MOTHERLY*” treatment from all the earlier Pay Commissions.

We request the Pay Commission to kindly grant a hearing to our Association so that we may further elucidate our point of view and submit necessary justification / data on the same, as required.

*Request for  
hearing*

Central head Qtrs.  
32, Phase 6, Mohali  
Chandigarh 160055  
Dated: 28<sup>th</sup> December 2006

  
**Harchandan Singh,**  
**General Secretary, IRTSA**  
*on behalf of Indian Railway Technical  
Supervisors Association*  
**Email: gsirtsa@yahoo.com**

**Copy by mail to sixth.cpc@nic.in**

# **ANNEXURES**

## **LIST OF ANNEXURES**

1. Memorandum for Interim Relief - IR
2. Key Statistics About Indian Railways
3. Financial Status Of Indian Railways
4. Letter regarding Orders of Ministry of Defence on Reclassification Of Foreman (T), (Pay Scale Rs.2375-3500) Group-C To Group-B (Gazetted) ( in Defence Department)
5. Letter regarding Orders of Ministry of Defence on Reclassification Of Foreman, Senior Scientific Asst. & Chief "Q" Man (Pay Scale Rs.2375-3500) As Group-B Gazetted ( in Defence Department )
6. Judgement Of CAT/NDLS –  
( Holding Classification of Posts on Railways as Anomalous )
7. Orders of DOP regarding Classification of Posts
8. Orders of Ministry of Railways  
Reg. Incentive For Acquiring Higher Professional Qualifications
9. Orders of Ministry of Railways regarding Incentive To Group-B Officers For Acquiring Higher Qualification
10. Orders of Ministry of Railways  
Reg. Advance Increments In Favour AWM/LLH
11. Extracts of Orders of Ministry of Finance  
Reg. Entitlement for Journey by Railways
12. Orders of Ministry of Railways  
Reg. *Entitlement for Travel ( by Railways ) on Passes*
13. Orders of Ministry of Railways  
Reg. Entitlement for Travel ( *by Railways* ) on Passes
14. Proposed Promotion Policy for Technical Staff on Railways and GOI in General
15. Summary of Demands –  
Submitted for consideration of Pay Commission

**INDIAN RAILWAYS TECHNICAL SUPERVISORS ASSOCIATION**

(Estd. 1965, Regd. No. 1329 – at Delhi – under Indian Trade Union Act, 1926)

(PH- 0172-2228306 & 9316131598) e-mail : [gsirtsa@yahoo.com](mailto:gsirtsa@yahoo.com)

Harchandan Singh,  
General Secretary/IRTSA

32, PHASE 6, MOHALI  
CHANDIGARH – 160055,

No. IRTSA/CHq./SCPC

Dt: 06/11/2006

**CHAIRMAN,  
SIXTH CENTRAL PAY COMMISSION,  
NEW DELHI.**

*(Through – Member Secretary, Sixth CPC)*

Sir,

**Sub:- GRANT OF INTERIM RELIEF TO CENTRAL GOVERNMENT EMPLOYEES -  
REQUEST TO RECOMMEND FOR**

**Ref.:- Terms of Reference Item “(G)” of the Pay Commission -  
Notification of Government of India (M.O.F. - DOE) Dated October 5, 2006.**

***Introduction:-** IRTSA (Indian Railways Technical Supervisors Association) represents nearly 50,000 Engineers / Technical Supervisors on the Indian Railways and was established over 40 years back (in 1965). IRTSA has represented and appeared before last 3 Pay Commissions (beside other Fora) – not only regarding the issues relating to the Engineers (J.Es, SEs & SSEs) on the Indian Railways but also other vital issues of common interests concerning the Railway-men and Central Government employees, at large and provided important inputs on major related issues.*

*We earnestly hope and pray that our submissions made in this Memorandum (as well as in our Final Memorandum to be submitted early) may very kindly be given favourable consideration by the Pay Commission, and we may very kindly be given an opportunity to be heard in person about the same.*

We very humbly make the following submissions for the kind consideration of the Sixth Central Pay Commission, regarding item ‘G’- of Terms of Reference of the Sixth Pay Commission announced vide Government of India Notification dated 5<sup>th</sup> October, 2006 - in respect of **“Desirability & the Need to Sanction Interim Relief till the time the Recommendations of the Commission are made and accepted by the Government”**: which is fully justified keeping in view the following facts:-

## 1.0 VAST CHANGES IN ECONOMIC SCENARIO SINCE FIFTH CPC:-

Major changes have taken place in the economic scenario especially in India, during the last 10 years – after the Fifth Central Pay Commission gave its Report in January, 1997 – which was made effective from 01.01.1996.

1.1 **Net National Product had grown by (a) 52%** (from 8237 as on 01.01.1996 to 12525 on 01.01.2006) as per Constant Prices in 1993-94 and (b) by **138.55%** (from 9825 as on 01.01.1996 to 23438 on 01.01.2006) as per **current prices**.

1.2a) **Major increase in Revenue Receipts:-** Total Revenue Receipts of Central Government have increased from Rs. 110191 crores in 1995-96 to Rs. 351200 crores in 2004-05 i.e. by **(+) 218.7%**.

b) **Revenue Expenditure has also grown (by 211.1%) G.D.P. (Gross Domestic Product) has also grown sharply.**

## 1.3 Decline in Percentage of Expenditure on Pay & Allowances:-

a) Expenditure on Pay & Allowances – as percentage of Total Expenditure has gone down by 37.4%.

b) Expenditure on Pay & Allowances as %age of Revenue Receipts had also gone down from 17.1% in 1995-96 to 11.9% in 2004-05 i.e. a fall by 30.4%.

c) Expenditure on Pay & Allowances of employees – as percentage of GDP has also gone down.

1.4.1 **Some Vital Statistics** are submitted here below for the kind perusal and consideration in respect of some of the changes since Fifth Pay Commission (*i.e. between 1995-96 and 2005-06*):-

Sl.No.	Description	1995-96	2005-06	%age Variation
1.	<b>Net National Product (N.N.P.)</b> a) On 1993-94 Prices b) On Current Prices	As on 1.1.96 8237 9825	As on 1.1.06 12525 23438	(+) 52% (+) 138.5%
2.	Total Revenue Receipts	Rs. 110191Cr	Rs. 351200 Cr. (2004-05)	(+) 218.7%
3.	Total Revenue Expenditure	Rs. 143522Cr	Rs. 446512 Cr. (2004-05)	(+) 211.1%
4. a)	Total Pay & Allowances (Incl. Traveling All.)	Rs.18090 Cr.	Rs. 35339 Cr. (2004-05)	+ 95.3%
b)	Pay & Allowances as percentage of Total Expenditure	11.6%	7.26% (2004-05)	(-) 37.4%
c)	Pay & Allowances as % age of Revenue Receipts (Net to	17.1%	11.9% (2004-05)	(-) 30.4%

	Centre)			
d)	Pay & Allowances as % age of Tax Revenue (Net to Centre)	22.9%	15.8% (2004-05)	(-) 31.0%
5.	Total Strength of Employees	37,95,745	3345678 (2004-05)	(-) 11.85%

**Note:- Detailed statistics in this regard are placed at Annexure-I to IV .**

1.4.2 It is apparent from the above cited data that while Net National Product (N.N.P.) and the Gross Domestic Product (GDP) had substantially increased during the last 10 years, the Pay and Allowances had not kept pace either with N.N.P. or the G.D.P., nor had these been increased in proportion to the Revenue Receipts or Revenue Expenditure, at large. All this had caused a great hardship to the employees – who feel greatly let down and frustrated.

#### 1.5 INCREASE IN COST OF LIVING:

Cost of living had increased in “back-breaking” proportions. Higher education, Housing and other basic needs have become out of reach of the Government employees – especially at the Lower and Middle levels. Growing consumerism has made them feel out of place in the society. Inflation had touched new heights – without being adequately reflected in the Government statistics – due to erroneous and out-dated weightage to food and other items in the compilation of Consumer Price Index etc.

#### 1.6 PHENOMENAL INCREASE OF WAGES ELSEWHERE IN THE COUNTRY:-

1.6.1 There has been a phenomenal increase of wages elsewhere in the country. In Corporate Sector, Wages have **increased at the rate of nearly 30% per annum** (as per recent surveys) and the over all increase of wages in this Sector had been 300 to 400% during the last 10 years – which is the highest in the world without any relief to the Government Employees. This had a crushing impact on the Government employees – both in the shape of demoralization and deprivation. Heightened disparities have added to their woes and frustration, especially due to their low purchasing power-which has further eroded, over the years.

1.6.2 **Wages in Public Sector:-** a) Wages in the Public Sector Undertaking (P.S.U.s.) have been revised twice (since Fifth CPC) once w.e.f. 1997 and again from 2000 / 2002. These are due for another revision from 2007 – thus further increasing the wage disparities with Government employees, which is over Rs.3500 to Rs.4000

P.M. at the lowest level and about Rs.40,000 to Rs.50,000 PM or even more at higher levels.

b) Disparity of wages with Public Sector Undertaking is not only on account of higher Pay Scales but also on account of other benefits – including much higher HRA, C.C.A. and other allowances. It becomes even more enormous on account of Ex-gratia payment in lieu of Bonus – ranging from Rs.15,000 to Rs.20,000 or even more P.A. In comparison Railway-men are paid about Rs.5000 P.A. as P.L.B. Thus the gap or disparity of wages is actually much higher (*than that cited in para 1.6.2 (a) above*).

### **1.6.3 Dearth of talent in Govt. Service due to brain drain to Private & Corporate Sectors:-**

Talented and meritorious personnel are no more attracted to Government jobs due to low wages. They are all seeking employment in Private and Corporate Sectors – both in the initial and intermediate levels – for greener pastures. There is an urgent need to check this trend by improving the wages and motivation package in the Government jobs at all levels – from top to bottom.

### **1.7 Impact of Globalization:-**

1.7.1 Entire economic scenario in the country, has vastly changed after globalization. There is a glut of jobs – specially at middle and higher levels. Multinationals, Corporate Sector and Private Companies – have come up in a big way –in existing and entirely new sectors, thereby offering numerous job opportunities with attractive salaries and wage packages etc.

### **1.7.2 Urgent need for “Fair Comparison” of Wages – to compete and survive:-**

a) All the previous Pay Commissions had taken note of the principle of “*Fair Comparison*” of wages but did not finally implement the same. But the ***need for Fair Comparison of wages was never before more strong and urgent as at present***, on account of the reasons mentioned in the foregoing paras as well as to ensure proper efficiency, survival and competitiveness of the Government Sector with the Corporate and Private Sectors etc. as essentially required in the present liberalized system of economy.

b) While the Sixth Pay Commission shall, of course, look into these entire aspects in due course, and we shall also make our detailed submissions in this regard

in our final memorandum to the Pay Commission, it would be very reasonable and essential that an appropriate amount of Interim Relief may kindly be recommended and granted pending the submission and implementation of the final report of the Pay Commission, in order to at-least partially bridge the existing gap at the earliest.

**2. INORDINATE DELAY IN SETTING UP OF SIXTH PAY COMMISSION:-**

Delay of over 3 years in setting-up of the Sixth Pay Commission, had very adversely affected the Government employees – whose wages were due for revision w.e.f. 01.01.2006 even on account of the “**Decennial Revision**”. This inordinate delay in setting-up of 6<sup>th</sup> CPC, is itself a strong enough justification for immediate grant of Interim Relief to the Central Government employees, pending final report of the Sixth Pay Commission – which is bound to take its time in finalizing its report(s).

**3. Recommendations of Fifth CPC ignored:-**

3.1 The Fifth Pay Commission had recommended as under in its report vide Chapter 171 of its report (*as per Para 99 of Summary of Recommendations*):-

**99. Need for continuing machinery for pay revision:** *The Commission has recommended that pay revision should, in future, be entrusted to a permanent Pay Commission drawing its authority from a Constitutional provision, whose recommendations should have a binding character. Pay should be revised annually as in other countries. As an alternative, it has been suggested that dearness allowance should be converted into dearness pay every time the cost of living rises by 50% over the base level. This would imply a revision of pay every 4 to 5 years. The final option is to have a decennial exercise as at present, but with fixed dates. The Commission has suggested that the date of constitution of the next Pay Commission should not be later than 01.01.2003, and the date of implementation of its recommendations should be 01.01.2006, irrespective of when its report is submitted.*

3.2 None of these recommendations of the Fifth Pay Commission had been accepted by the Government or adhered to even after acceptance thereof by Government - at the first instance – as is apparent from the following facts:-

- a) No Permanent body of Pay Commission for continuous review of wages was setup, nor was any wage review done during the last 10 years although V CPC recommended an annual review.

- b) No revision of wages was done since 5<sup>th</sup> CPC which had recommended a revision in 4 to 5 years or after DA touches 50%.
- c) Merger of 50% of D.A. as D.P., was delayed by nearly 2 years and was done w.e.f. 01.04.2004 instead of July, 02 when the D.A. reached 50% level.
- d) The Sixth Pay Commission had been set-up in October, 06 instead of 01.01.2003 – as recommended by Fifth C.P.C., thus further delaying the review of pay scales and relief to the employee.
- e) Government had not granted any Interim Relief in spite of precedent and repeated representations by all concerned.

**4. NEED FOR GRANT OF INTERIM RELIEF:-**

4.1 All the forgoing facts fully justify the need and desirability for grant of Interim Relief to the Central Government employees, forthwith, pending final recommendations of the Sixth Pay Commission.

4.2 Quantum of Interim Relief may therefore please be based on following method adopted by the 5<sup>th</sup> CPC for working out the Minimum Wage – (as per details submitted in Annexure-I):-

Sl. No.	Description	At current prices	At 1993-94 prices
a)	<b>Existing Minimum Pay+DP+DA</b> (as on 01.01.2006) (Rs. 2550+1275=3825)+24% DA	Rs.4743	Rs.4743
b)	<b>Net National Product (NNP)</b> On 1.1.1996 On 1.1.2006 %age variation 1996 to 2006	Rs. 9825 Rs.23438 (+) 138.55%	Rs. 8237 Rs.12525 (+) 52%
c)	<b>Proposed Minimum Pay</b> (Based on %age rise of NNP) from 01.01.1996 to 01.01.2006 (BP+DP+DA) + %age rise of NNP (2550+1275+1109)+138.5%	Rs.11300	Rs. 7200
d)	<b>Difference of Existing &amp; Proposed Minimum Wages</b> (as on 01.01.2006) (c-a)	Rs. 6557	Rs. 2457
e)	<b>Interim Relief Proposed</b>	<b>50% of difference of wages based on rise of NNP on current prices or at-least 30% of Pay+DP+DA</b>	

5. There is difference of opinion in the methodology adopted by the Fifth CPC for arriving at the Minimum and Maximum wages, since they did not reflect the real situation of the living standard of the Government servants, because of the creation of wider inequality and disparity in the share of every individual on the total growth of the Nation. While the **Sixth CPC** may go into the details in due course -

regarding the correctness of the above methodology, in the mean time, it may please arrive at the basis for the grant of Interim Relief as per increase in the per capita NNP of 138.55 percent at Current Prices. Based on this, the increase at the minimum of the lowest scale works out to be Rs.6557 or say Rs. 6500 – as submitted in Annexure-I.

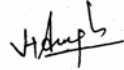
6. **Appeal:-** It is, therefore, requested that:-

i) 50 percent of difference of wages based on the % age rise of NNP on Current Prices (i.e. 50% of 138.5%) may please be granted as Interim Relief or else at-least 30% of emoluments (Pay+DP+DA) as on 1.1.06, may please be granted as Interim Relief w.e.f. 1.1.06, to all serving employees.

ii) At-least 30% of Total Pension (including DP & DR) may please be granted as Interim Relief to all Pensioners w.e.f. 1.1.06, to maintain the equity accepted by the Fifth CPC in this regard.

Thanking you. With kind regards,

Yours faithfully,



**(Harchandan Singh)**  
General Secretary, IRTSA

Encl. Annexure -1 to IV

*Copy by e-mail to: sixth.cpc@nic.in*

## IRTSA

## DETERMINATION OF MINIMUM SALARY BY V CPC

## Percentage increase in Per Capita Net National Product (at factor cost) 1986-87 to 1994-96

S.No.	Year	Per Capita Net National Product (NNP) (at factor cost) at Constant Price
1	1986-87	1871
2	1987-88	1901
3	1988-89	2059
4	1989-90	2157
5	1990-91	2222
6	1991-92	2175
7	1992-93	2239
8	1993-94	2292
9	1994-95	2449
Percent increase in 1994-95 over 1986-87 or Compensation Factor		30.9%

<b>Compensation factor</b>
<ul style="list-style-type: none"> <li>Factor of 30.9% (PI. see Table) - being increase in the Per Capital Net National Product during the period 1986-1995.</li> <li>30.9% of (Existing minimum basic pay Rs.750+DA Rs.1110) =574.74</li> </ul>
<b>Minimum Salary</b>
Existing minimum basic pay Rs.750 +DA Rs.1110+Rs.574.74 = 2434.75 Rounded to 2440
<b>Number of times increase</b> (Given by V CPC) = 2440 ÷ 750 = <b>3.25 times</b>

DETERMINATION OF MINIMUM SALARY BASED ON  
% RISE OF NNP ON CURRENT PRICES

PER CAPITA NET NATIONAL PRODUCT		
Period	On Current Prices	@
1994-95	8856.9	
1995-96	10149.4	14.59
01.01.96*	9825.0	
1996-97	11564.1	13.94
1997-98	12706.9	9.88
1998-99	14395.7	13.29
1999-00	15624.9	8.54
2000-01	16555.4	5.96
2001-02	17822.8	7.66
2002-03	19040.5	6.83
2003-04	20988.5	10.23
2004-05*	22388.5	6.67
2005-06*	23788.5	6.25
01.01.06*	23438.0	
<b>% Increase of NNP at Current Prices</b>	<b>1.1.96 to 1.1.06</b>	<b>138.55%</b>
@ % increase over previous year		
* Assumed figures as per average increase		

CONTINUED...

<b>Proposed Minimum Salary w.e.f. 1.1.96 On %age increase of NNP between 1.1.96 to 1.1.06 (at Current Price)</b>	
Minimum Basic Pay+DP+DA 24%+ Compensation factor 138.51% of BP+DP+DA	
Min. Revised Basic pay after V CPC	Rs. 2550
DP	Rs. 1275
BP+DP	Rs. 3825
DA at 24% (on 1.1.06)	Rs. 918
BP+DP+DA	Rs. 4743
Compensation factor (138.55%)	Rs. 6571
Proposed Minimum Pay (at Current Prices)	Rs.11314 or Rs.11300
<b>Proposed Number of times increase of BP or Compensation Factor</b>	Rs. 4.43

#### **DETERMINATION OF MAXIMUM SALARY**

V CPC retained the pre tax disparity ratio between the Minimum and Maximum salary  
At IV CPC level of 10.7. By adopting the same strategy following will be the maximum salary  
on 01.01.2006

<b>Description</b>	<b>On %age Rise of NNP (BP+DP+DA)+138.5%</b>	<b>On Compensation Factor @ 4.43 times rise of B.P</b>	<b>On Max : Min Ratio of 10.7:1</b>
<b>Proposed Maximum Salary</b> on %age <b>increase of NNP at Current Price</b> between 1995-96 and 2005-06 on compensatory Factor of 138.5%	Rs.(26000+13000+9360) + 67000=Rs.1,15,360	<b>Rs.1,15,180</b>	Rs. 1,20,910 or <b>Rs. 1,21,000</b>

CONTINUED...

**KEY STATISTICS ABOUT INDIAN RAILWAYS**

1. Route kms - 63140 kms (71% BG)
2. Bridges - 119984
3. Level Crossings - 38341
4. Route classification

Route	Speed potential kmph	Length as % of running track km
A	Upto 160	22.6
B	Upto 130	24.8
C	Suburban	2.1
D	Upto 100	24.0
E	Upto 75	26.6

5. Electrified route - 25%
- Rolling Stock
  1. Electric loco - 2871
  2. Diesel loco - 4815
  3. Steam loco - 53

**Total 7739**

  - Passenger Coach 34600
  - EMU Coach 4636
  - Freight Wagons 216717
7. Number of Stations 6856
  - A Grade Stations 160
  - B Grade Stations 430
8. Trains run per day – 14400 (8700 passenger train + 5700 load train)
9. Passenger per day – 14 million (58% sub-urban)
10. Freight lifted per day – 1.4 million tonne
11. Number of passengers, passenger kms and revenue (2001-02)

Segment	No. of passenger (%)	Passenger kms (%)	Revenue (%)
Upper class	0.8	5.64	21.53
Second class Mail / Express / SL	9.73	47.86	50.50
Second class Ordinary	30.58	27.68	17.61
Sub-urban	58.89	18.82	10.36
Total	100	100	100

12. Total Staff – 15.1 lakhs
  - Staff in frontline operating and maintenance 6 lakhs
    - Medical 55,000
    - Security 60,000
    - Production utility 50,000

With an average family size at 5, one out of every 133 in India is a railwayman or his family member.

When compared to Chinese Railways, IR has employed only 15.1 lac against 33 lac in China.

- |     |                                      |   |              |
|-----|--------------------------------------|---|--------------|
| 13. | Capital at charge                    | - | Rs.47,000 cr |
| 14. | Total Investment                     | - | Rs.70,000 cr |
| 15. | Gross Traffic receipt (GTR) per year | - | Rs.40,000 cr |
| 16. | Operating Ratio                      | - | 96%          |
| 17. | Share purchase per year              | - | Rs.10,000    |
| 18. | Golden Quadrilateral route           |   |              |

Only 16% of total track but carry 65% of freight public and 55% package public.

#### 19. Input vs output

	1950-51	2001-02	Increase
<b>Input indices</b>			
Wagon capacity	100	244	144%
Passenger Coach	100	262	162%
Running Track kms	100	139	39%
Route kms	100	118	18%
<b>Output indices</b>			
Freight traffic – NT km	100	703	663%
Passenger traffic	100	668	568%

#### 20. Public sector undertaking / societies under IR.

rites, IRCON, CONCOR, KRC, CRTS, MRVC, IRCTC, RAILTEL

##### 1. Production units

ICF, RCF, CLW, DLW, RWF, DCW

##### 2. Total Maintenance Units

- |                           |   |     |
|---------------------------|---|-----|
| Loco Sheds                | - | 97  |
| Carriage & Wagon Sheds    | - | 318 |
| Carriage Repair Workshops | - | 59  |

##### 3. Central organization for Modernization of Workshops

###### COFMOW

- |    |                                                                           |                          |
|----|---------------------------------------------------------------------------|--------------------------|
| 4. | Total Budgetary support for IR by GOI (2001-02) – Rs.4377 cr (11% of GTR) |                          |
|    | Dividend paid                                                             | - Rs.2337 cr (6% of GTR) |
|    | Net available support                                                     | - 5% of GTR              |

**FINANCIAL STATUS OF INDIAN RAILWAYS**

Though the railway finance is also part of Central Government finance, it was separated from central finance in 1924-25 so that greater intensified attention could be thrown on this vital department. On the contrary, it is going against the very principle behind this action. Central government's attention on this department were not even to the level of attention shown to small scale industries of this country.

**FINANCE OF IR Rs. IN CRORES**

<b>Year</b>	<b>Total earnings</b>	<b>Total working expenditure</b>	<b>Net earnings</b>	<b>Dividend to revenue</b>	<b>Surplus &amp; Deficit</b>
1950-51	291	229	62	33	+29
1955-56	316	258	58	36	+22
1960-61	457	369	88	56	+32
1965-66	746	583	163	116	+47
1970-71	1009	847	162	165	-3
1974-75	1401	1340	61	189	-128
1980-81	2620	2500	120	320	-200
1996-97	24625	21000	3625	1507	+2, 118
2003-04	43490	39960	3530	2930	+600

Source: Railway budget

**Total Working Expenditure**

1950 – 51	-	229 cr
1970 – 71	-	847 cr
1991 – 97	-	21000 cr
2003 – 04	-	39960 cr

It is to be noted that the fortunes and finances of IR have been always linked up with the performance of the Indian economy, particularly agricultural and industrial production.

## Causes for Persistent Deficits in Railway Finance

1. Government and people want IR to play a dual role, one as public utility service and other as commercial service.
2. Railways pay 11% of GTR for social obligation of country from its own resources.
3. Rail fares are not allowed to be raised atleast to meet its operating expense (*lowest in the world*).
4. In violence and agitations the first target becomes Railways, resulting in heavy losses to its assets.
5. Investment of IR by GOI is collected through dividends.
6. Railways are the first sector which is affected by inflation of economy.
7. The prices of inputs for Railways are determined by market forces but at the same time, Railways could not increase the price of its services to adjust the same as done in other sectors due to political pressure. Thus railway fares and freights have been lagging behind the increased cost of operation. Thus Railway finances have been caught between increased cost and depressed price.
8. Railways loss heavily on sub-urban passenger services.
9. Heavy losses are met in moving certain essential commodities like food grains, coal, fodder, fruits, vegetable, salt, ores etc., with reduced freight fares.
10. It is estimated that Railways have lost Rs.5000 cr in 2001–02 on Sub-Urban Service and on Coaching Service and the loss on Low Rated Freight Cargo during the same year has gone upto Rs.309 cr. Many do not know that the operating expenses of passenger trains are larger than the operating expense of fast non-stop express trains.
11. It is also true that increasing inefficiency and malpractices in certain areas is a cause for the depletion of revenues.
12. The budgetary support to IR by GOI is of the order of mere 3% only. Plan outlays of Railways which was 75% during Fifth plan reduced to 42% in Seventh plan and reduced to 23% during the Eighth plan.

*Rail fares are not allowed to be raised at least to meet its operating expense (lowest in the world)*

## BENEFICIAL EFFECTS OF RAILWAYS

1. Industrial development of India today depends largely on the material distribution through Railways only. It helps industry by cheap and bulk means of transport for carrying raw material and coal and helps to move finished products to different parts of country and also helped to mobility of labour.
2. Railways help to India's biggest field of Agriculture is no small measure. Cultivators are linked to world market and this transformed subsistence agriculture into a commercial one. Cotton, jute, oilseeds and food grains are extensively grown and exported for the world market and Railways are of

*Budgetary support to IR by GOI is of the order of mere 3% only. Plan outlays of Railways which was 75% during V plan*

immense help to them. For internal movements and distribution of the products to different parts of the country by bulk and fast movement is possible because of rail service. Horrors of famine, relief work at natural calamities, movement of Defence requirement, and assistance in war time and warlike activities 24 hrs 365 days in a year make Railways as rightly called "The Lifeline of the Nation".

*reduced to 42% in  
seventh plan and  
reduced to 23% during  
the VIII plan*

3. Railways' help in expansion and sustaining trade activities is also commendable. The enormity and variety of commodities including perishable, traded in the internal and external markets of India are due to the network of IR.
4. Socially they have completely broken the geographical and economic isolation in the country creating a sense of National unity discarding time-honoured caste and communal prejudices and narrow outlook.
5. Political and administration advantages have resulted due to Railway system in our country. Quick movement of army, police, ammunitions and materials has helped in maintaining peace and security in the country.

**REF:**

*Indian Economy by F. Sankaran  
and IR, the future ahead by V.K. Aggarwal*

GOVERNMENT OF INDIA  
MINISTRY OF DEFENCE  
DEPARTMENT OF DEFENCE PRODUCTION & SUPPLIES  
NEW DELHI-110 004.

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Letter no:7(2)/92/D(FY) dated 16-04-95.

Sub: Reclassification of Foreman(T), (Pay scale Rs.2375-3500) from Group-C to  
Group-B (Gazetted).

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I am directed to convey the sanction of President to the reclassification of the post of Foreman (Technical) Group-C in the Pay scale of Rs.2375-3500 in the Ordinance Factories as Junior works Manager Group-B (Gazetted). There will however be no change in the functions of the erstwhile Foreman(T) now reclassified as Junior Works Manager in respect of Shop floor level management, working hours, shift duties etc..

Ordinance Factory Boards will take necessary action to modify the recruitment rules for the post of Foreman(Technical) now classified as Junior Works Manager, in consultation with the Union Public Service Commission.

It is also brought to the notice of NGOS for information that action has already been initiated by DFS for amendment of SRO and other formalities.

Sd/-  
(R.K.Ojha)

Under Secretary to the Govt. of India.

No:A/98034/DCCA/ADM-10/1221/D(OA)  
Government of India  
Ministry of Defence  
Department of Defence Production Supplies  
New Delhi-110 011  
4<sup>th</sup> May 1994.

To

The Director General Quality Assurance  
Department of defence Production & Supplies,  
New Delhi-110 011.

Re-classification of Foreman, Senior Scientific Asst, (Higher scale)  
and  
Chief “Q”Man (higher scale) (Pay scale Rs.2375-3500) as Group-B  
Gazetted.

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Sir,

I am directed to convey the sanction of the President to the re-classification of Foreman, Senior Scientific Asst. (Higher scale) and Chief Draughtman (Higher scale) (Pay scale Rs.2375-3500) employed in Directorate General Quality Assurance as Group-B Gazetted, as approved by Department of Personnel & Training vide their U.O.No:3141/93 Estt(D) dt 30-12-1993.

Yours faithfully,

-Sd/-

(R.K.Ojha),

Under Secretary to the Govt. of India.

EXTRACTS FROM THE JUDGEMENT OF CAT/NEW DELHI  
IN THE CENTRAL ADMINISTRATIVE TRIBUNAL  
NEW DELHI  
O.A. NO: 835 OF 1989  
T.A. NO: 199

**Indian Railways Technical Supervisors' Association - Petitioner**  
*Versus*  
**Union of India – Respondent**

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Para 11 & 12.....

11..... We are clearly of the view that there exists no justification for the exception made as there appears to be no rationale behind it nor there appears any nexus with the objects sought to be achieved. It is significant that the 4th Pay Commission report has been accepted by the Govt. of India as per Department of Personnel & Training Notification dated 30th June, 1987 (even No. dated 7th July 1987); Ministry of Personnel, Public Grievances & Pension by O.M. dated 1.3.88 has placed stenographers in non-secretariat organisations by which they have been classified as Group B Gazetted. In Railway Board's letter dated 21.5.76 it has been it accepted that "a post carrying a Pay Scale that of the applicants will be classified as Group 'B' subject to exceptions as may be made by the Railway Ministry".

12 In view of the above, we direct the respondents to consider the question of classification so as to do away with the anomaly of the type indicated above. Consequently it is directed that the respondents reconsider the matter of placing the members of the Association in the Grade of Rs.2000-3200 and Rs.2375-3500 in Group-B as has been done in the case of other Government servants like Accounts Officers (Rs.2375-3500) on Railway and Stenographers Grade Rs.2000-3200 in the Central Secretariat in the same scales within a period of four months from the date of receipt of a copy of this judgement. With these observations the O.A. stands disposed of finally. There shall be no order as to costs.

Sd/-  
(P.S.HABEEB MOHAMED)  
MEMBER(A)

Sd/-  
(RAM PAL SINGH)  
VICE CHARIMAN (J)

**MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS****(Department of Personnel and Training)****ORDER****New Delhi, the 20<sup>th</sup> April, 1998**

S.O.332 (E) – In exercise of the powers conferred by the proviso to article 309 and clause (5) of article 148 of the Constitution read with rule 6 of the Central Civil Services (Classification, Control and Appeal) Rules, 1963 and in supersession of paragraph 2 of the notification of the Government of India in the Department of Personnel and Administrative Reforms number S.O.5041 dated the 11<sup>th</sup> November, 1975, as amended by the notification of Ministry of Personnel Public Grievances and Pensions (Department of Personnel and Training) number S.O.1752 dated the 30<sup>th</sup> June, 1987 and after consultation with the Comptroller and Auditor General of India in relation to persons serving in the Indian Audit and Accounts Department, the President hereby Directs that with effect from the date of publication of this order in the Official Gazette, all Civil Posts under the Union shall be classified as follows:-

<b>Sl.No</b>	<b>Description of Posts</b>	<b>Classification of Posts</b>
1	A Central Civil post carrying a Pay or a Scale of Pay with a Maximum of not less than Rs.13,500	Group A
2	A Central Civil post carrying a Pay or a Scale of Pay with a Maximum of not less than Rs.9000 but less than Rs.13,500	Group B
3	A Central Civil post carrying a Pay or a Scale of Pay with a Maximum of over Rs.4000 but less than Rs.9000	Group C
4	A Central Civil post carrying a Pay or Scale of Pay the Maximum of which is Rs.4000 or less	Group D

Explanation - For the purpose of this order:-

- (i) 'Pay' has the same meaning as assigned to it in F.R.9(21)(a)(I);
- (ii) 'Pay or Scale of Pay', in relation to a post, means the Pay or the Scale of Pay of the post prescribed under the Central Civil Services (Revised Pay) Rules, 1997.

[F.No.13012/1/98-Estt.(D)]

HARINDER SINGH, Jt. Secy.

## ANNEXURE - 8

Copy of Railway Board's letter No:S(NG)I/97/102/1 dated 29-05-89 addressed to GMs, All Indian Railways and others.

Sub: Incentive for requiring higher Scientific/accounts/technical qualification

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Reference, this Ministry's letter No:E(NS)64/RCI/25 dated 14-05-1966 laying down an incentive scheme for Group-C Railway employees who acquire additional scientific/technical/accounts qualifications. The currency of this scheme has been extended from time to time, the last extension being upto 30-06-1983 vide this Ministry's letter of even number dated 24-03-1986.

1. Pursuant to the recommendations of the IV Pay Commission the Ministry of Railways have reviewed the existing incentive scheme as aforesaid and have decided that the existing scheme as contained in their letter No:E(NG)64/RCI/25 dated 14-05-1966 read with their letter No:E(NG)II/72/IC2/1 dated 10-03-72 should continue to be in force until further orders except that para (d) of the Board's letter dated 14-05-66 would be substituted by the following:

“On passing the relevant examinations, the following awards shall be given to the railway employee/apprentices:

- i) for passing part (i) or “A” or Intermediate or pre-final examinations – two advance increments  
ii) for passing part (ii) or “B” or final examination – four advance increments:.
2. This issues with the concurrence of the Finance Directorate of the Ministry of Railways.

Please acknowledge.

(Note: This order is discussed by Chief Personnel Officer/E.Rly. vide serial no:110/89 letter no: E505/C dated Calcutta, the 19<sup>th</sup> June/89)

**ANNEXURE - 9**

Copy of Board's letter No:E(Trg) 89(28)29 dated 12-10-90 addressed to General Managers, All Indian Railways and others.

Sub: Incentive to Group-B Officers for acquiring higher qualification.

Reference Board's letter of even number dated 04-05-90 and on the above subject.

“..... Officers who were earlier working in Group-C and had drawn 2 advance increments/cash award of Rs.200/- after passing final/Intermediate of CIWA at that time, may be given balance four increments even though they may now be working as Group-B Officers in the scale and stage at which they were drawing their pay/scale on 04-05-90.

-Sd/-  
(Amar Nath)  
Director (Trg)/Railway Board

(Note: This order is circulated by Chief Personnel Officer/E.Rly. vide Serial No.40/91 & letter No.E 505/0 dated Calcutta, the 29-04-91.

Copy of one IMPLEMENTATION ORDER  
EASTERN RAILWAY  
Office Order  
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Sanction of the Competent authority is hereby communicated to the grant of 4 advance increments in favour of Sri.K.B.Mukherjee, AWM/LLH towards incentive to Group-B Officer for acquiring higher qualification w.e.f. 04-05-90 at the Scale/stage as drawn by him on the stipulated date, in terms of CPO's Sl. Circular No:158/90 & 40/91.

-Sd/-  
for Chief Personnel Officer  
-----  
Calcutta, dated 27/04/93

No:C.III/M&E/Incentive

**Extracts of Annexure of Ministry of Fin. (DOE) O.M.No.19030/2/97E IV dt.17.4.98****B. Mileage Allowance of Journeys by Rail.**

In supersession of S.R.34 and orders issued there under, the pay ranges and the travel entitlements for journeys by rail on tour will be as follows with effect from 1.10.97:-

**Pay Range**

<b>Pay Range (1)</b>		<b>Entitlement (2)</b>
Rs.16400 and above	:	AC First Class
Rs.8000 and above but less than Rs.16400	:	II AC 2-Tier Sleeper
Rs.6500 and above but less than Rs.8000	:	First Class / II AC III-Tier Sleeper/AC Chair Car
Rs.4100 and above but less than Rs.6500	:	First Class / II AC III-Tier Sleeper /AC Chair Car
Below Rs.4100	:	Second Sleeper

- All Government Servants who are entitled to travel on Tour / Transfer by First Class / II AC III-Tier Sleeper / AC Chair Car may, at their discretion, travel by II AC 2-Tier Sleeper where any of the trains connecting the originating and destination stations concerned by the direct shortest route do not provided these three classes of accommodation.

**Travel by Rajdhani Express Trains**

<b>Pay Range (1)</b>		<b>Entitlement (2)</b>
Rs.16400 and above	:	AC First Class
Rs.8000 and above but less than Rs.16400	:	II AC 2-Tier Sleeper
All other drawing pay below Rs.8000	:	AC Chair Car *

- Travel by AC III-Tier Sleeper will be permissible in Trains in which AC Chair Car accommodation is not provided.

**Travel by Shatabdi Express Trains**

<b>Pay Range (1)</b>		<b>Entitlement (2)</b>
Rs.16400 and above	:	Executive Class
All other drawing pay below Rs.16400	:	AC Chair Car *

**Copy of Railway Board's letter No.E (W)97/PS-5-1/62, Dt. 1.2.1999 to all GMs.****Sub: Revised Pay Limit for Entitlement of Passes**

1. Consequent to the revision of Pay Scales, on the basis of recommendations of 5<sup>th</sup> Pay Commission, the question of revision of existing entitlement of passes has been under consideration of the Ministry of Railway ( *Railway Board* ).
2. It has been decided, with the sanction of the President, that the entitlements in the Revised Scales of Pay ( *RS* ) ( *RP* ) Rules, 1997, will be under:-

Category	Class of Privilege Passes & Privilege Ticket orders.
<b>1. Group 'A' &amp; Group 'B' ( Gazetted )</b>	1 Class 'A'
<b>2. Non-Gazetted Group 'B' &amp; Group 'C' employees</b>	
<b>a). Appointed prior to 1.8.1969</b>	
i). Drawing Pay of Rs.5000/- or above provided the employees are in a Scale the Maximum of which is Rs.6000/- or above	1 Class
ii). Employees other than those covered under item (i) above	II Sleeper Class
<b>b). Appointed during the period from 1.8.69 to 31.3.87</b>	
i). Drawing Pay of Rs.5375/- or above, provided the employees are in a Scale the maximum of which is Rs.7000/- or above.	1 Class
ii). Employees other than those covered under item (i) above	II Sleeper Class
<b>c). Appointed during the period from 1.4.87 to 1.2.99</b>	
i). Drawing Pay of Rs.7250/- or above. or those in scale in minimum of which is Rs.6500/- or above.	1 Class
ii). Employees other than those covered under item (i) above	II Sleeper Class
<b>d). Employees Appointed after 1.2.99</b>	
i). Employees in the Pay Scale minimum of which is Rs.6500/- or above	1 Class
ii). Employees drawing pay of Rs.7600/- or above	1 Class
iii). Employees in the pay scale of Rs.5000-8000 and Rs.5500-9000 or above but less than Rs.7600/-	II Class 'A'
iv). Employees other than those covered under item (i), (ii) & (iii) above	II Sleeper Class
<b>3. Group 'D'</b>	II Sleeper Class

3. The holder of New IInd Class 'A' Pass shall be entitled to travel by AC-3 Tier. IInd Class 'A' Pass shall be of Yellow Colour.
4. In all other respects, the provision of Railway Servants ( *Pass* ) Rules, 1986 will apply.
5. The Railway Employees who are already entitled to 1<sup>st</sup> Class Passes shall continue to draw 1<sup>st</sup> Class Passes irrespective of their eligibility of these orders.

**Copy of Railway Board's letter No.E (W)97/PS5-1/30, Dt. 14.1.2000****Sub: Revised Pay Limit for Entitlement of Passes**

Ref: Board's Letter No.E(W)87 OS 5-1/3 dt.10.11.1987

In modification of instructions contained in Board's Letter No.E(W)87 OS 5-1/3 dt.10.11.1987 it has been decided by Board that the date of effect of issue of the said letter shall be 10.11.1987 instead of retrospective effect from 1.4.87. Accordingly, the employees who joined Railway Service during the period from 1.4.87 to 10.11.87 will be governed by the I Class Pass. Eligibility conditions specified for employees who were appointed between 1.4.87 and 10.11.87 shall be entitled to I Class Pass on reaching pay of Rs.5375 or above, provided they are in scale, the maximum of which is Rs.7000/- or above, as envisaged in Board's letter no.E(W)97PS5-1/62 dt.1.2.99.

**( Copy of Railway Board's letter No.E (W)97/PS5-1/62, Dated. 30.5.2003 )**

**Issue of 2<sup>nd</sup> Class 'A' Pass to eligible Railway employees.**

**Ref: Board's letter of even No. dated 1.2.1999.**

1. While prescribing Pay Limit for Grant of First Class to Railway Employees consequent upon Revision of Pay Scale under Fifth Central Pay Commission it was indicated in Board's letter dated 01.02.1999 that Employees who are in Pay Scales Rs.5000-8000 and 5500-9000 and drawing pay of Rs.7250/- or above but less than Rs.7600/- shall be eligible for 2<sup>nd</sup> Class 'A' Passes which shall be entitled to travel by AC 3-Tier. It was also specified that 2<sup>nd</sup> Class 'A' Pass shall be of Yellow Colour.
2. It is clarified that Railway Employees who have become eligible for issue of 2<sup>nd</sup> Class 'A' Passes are actually entitled to Second Class Pass only. Therefore, all the attributes of Second Class Passes shall also be applicable to 2<sup>nd</sup> Class 'A' Passes, with the additional facility that Second Class Pass holders are eligible to travel in 3-AC, in trains other than Rajdhani / Shatabdi Expresses. Their entitlement in Jan Shatabdi Trains, shall be the same as that of Second Class Pass-holders. In Second Class 50 kg luggage for each adult and half that quantity for each child has been allowed. The same free luggage may be allowed in case of 2<sup>nd</sup> Class 'A' Passes also.
3. It is requested that necessary action to get the 2<sup>nd</sup> Class 'A' Passes in Yellow Colour printed may be taken early for issue to the eligible Railway Employees.
4. This issues with the concurrence of Finance Directorate of Board's Office.

**PROPOSED PROMOTION POLICY FOR TECHNICAL STAFF ON RAILWAYS  
AND GOVERNMENT OF INDIA IN GENERAL**

Keeping in view the challenges before the Government Sector to keep pace with requirements of the changed economic scenario after globalization, it is very essential that the Government employees at all levels be provided with adequate motivation not only to provide the requisite dignity and status but also to ensure the optimum level of efficiency. It is, therefore, requested that the Pay Commission may very kindly consider the following suggestions for a Modified Promotional Policy with a futuristic approach. **Assured Career Progression (ACP), with a financial upgrading first after 4 years of service and subsequently after every 5 years of service during the career to provide adequate motivation and ensure optimum efficiency.**

**Proposed Upgradation of Technical Staff on Railways**

1. Keeping in view the distinct and onerous nature of duties and the technical advancements in the Technical Departments on the Railways, Scales S-1 (Rs.2550-3200), S-2 (Rs.2610-3540) and S-3 (Rs.2650-4000) may be merged as one and the present Group-D staff may be brought to present technical slot as Asstt. Technician in Group-C as the concept of Group-D is no more relevant to the modernized set of work and working conditions. The minimum qualification criteria for a direct recruit in Railways for the Technical Departments be prescribed as ITI certificate with two years field experience or on-job Training.
2. As one time measure the present Group-D staff may be upgraded as Asstt. Technicians in Group 'C' with on-Job Training to update their knowledge and skill.
3. Similarly present Senior Technicians (Master Crafts Men) may be upgraded as JE-II and may be imparted on-job training to improve their level of proficiency to undertake supervisory responsibilities.
4. Junior Engineers be promoted to Group 'B' Gazetted after 4 to 5 years experience. Senior Technical Supervisors (Section Engineers, Section Engineers) and Scientific Staff (CMS) may be upgraded to present Group 'B' Gazetted cadre.
5. Similarly Group 'B' Officers may be upgraded to the present Group 'A' Gazetted cadre and may be trained / provided refresher course to improve their level of proficiency to fit into the promoted cadre.

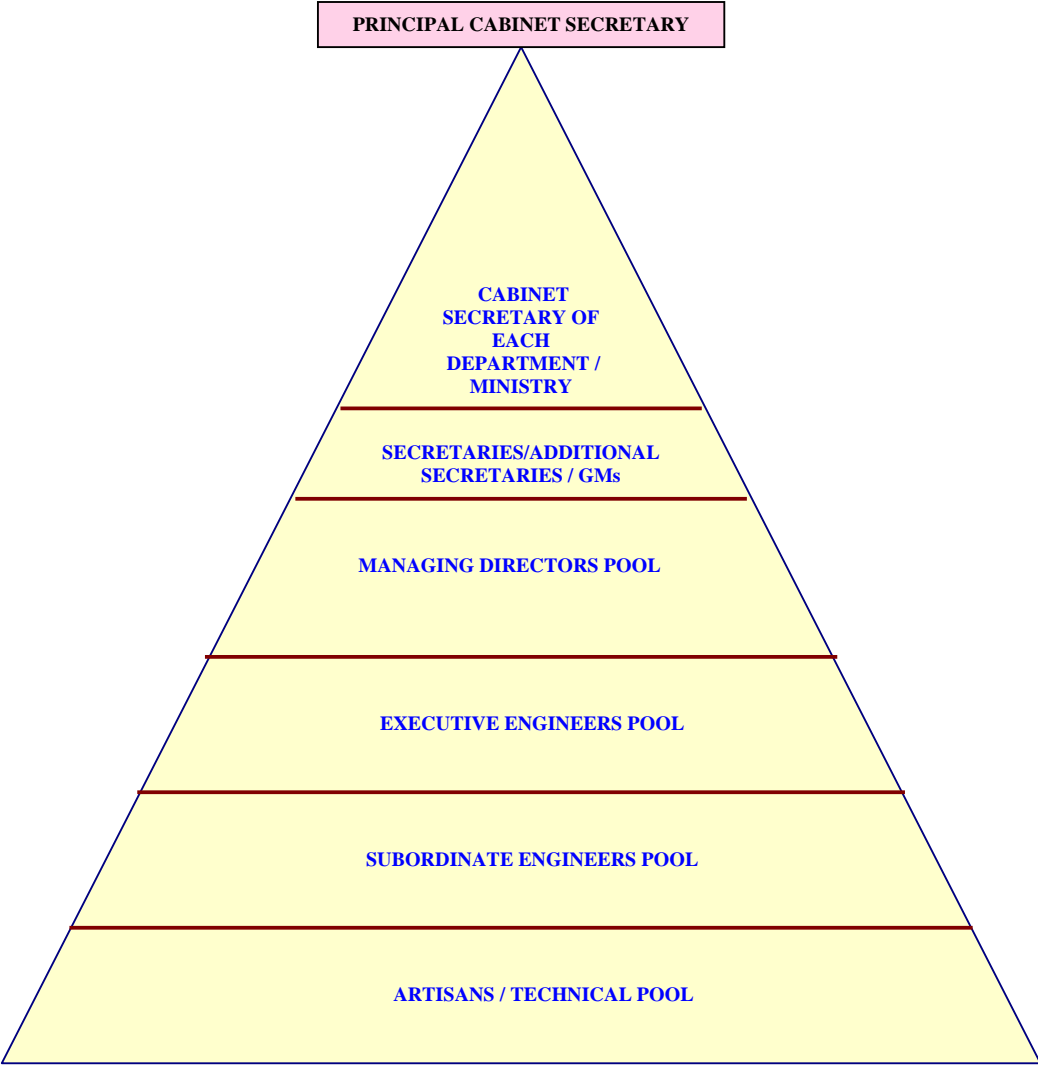
**Proposed Upgrading for Senior Officers:**

6. At least 20% of the SA Grade officers may be upgraded to the post of Secretaries / Additional Secretaries and General Managers by upgrading the posts to the level of top management, which will help in decentralization of powers and ensure effective monitoring & planning.
7. There should be a Cabinet Secretary in each Department / Ministry under the over all control of Principal Cabinet Secretary.

**ADVANTAGES OF PROPOSED MOTIVATION PACKAGE  
PROMOTION POLICY**

- **Motivated Work Force, Executives & Officers**
- **Better Industrial Peace & Harmony**
- **Higher Production & Productivity**
- **Greater Profits**
- **Faster rate of Growth & GDP**
- **Better Public Satisfaction**
- **Better All-round Development of the Nation**

**PROPOSED ORGANIZATIONAL PYRAMID OF GOVERNMENT**



**SUMMARY OF DEMANDS**

**IN THE MEMORANDUM TO SIXTH CENTRAL PAY COMMISSION BY IRTSA**

1. The minimum wages of the Central Government Employees should be raised to a level at par with the other Government Undertakings as well as organizations in the Private Sector and they may be granted the **minimum wage of at least Rs. 11000 per month to Non-Technical Staff and Rs.13000 to Technical Staff** – keeping in view the higher job requirements of the later.
2. The number of grades should be reduced to in conformity with the recommendations of A.R.C and all Employees should be fitted in. This can be done by merging some of the grades within each cadre and also by clubbing the grades in different cadre on the basis of horizontal parity.
3. Longer Pay scales with lesser over-lapping in order to reduce stagnation.
4. **Modified policy regarding Assured Career Progression (ACP), with a financial upgrading first after 4 years of service and subsequently after every 5 years of service** during the career to provide adequate motivation and to ensure optimum efficiency.
5. **Master Scale of Rs.11000-500-13500-700-17000-900-21500-1100-27000-1400-34000-1700-42500-2100-53000-2600-66000-3300-82500-4000-102500-5100-128000-6400-160000.**
6. Removal of Anomalies in the Pay Scales of Technical Supervisors on the Railways.
7. Proposed Pay Scales for Engineers / Technical Supervisors (J.Es., S.Es.,S.S.Es. and C.M.As, and C.M.Ss., etc. of all Departments on Railways (Including Mechanical, Electrical, Civil Engineering, S & T, Drawing / Design, Stores and Lab, etc.)

Sl. No	Designation	Existing Pay Scale	Pre-Revised Scale Recommended by 5th CPC (Para 54.38)	Projected scales which should have been given on rise of NNP (in 10 yrs at 38.6 % instead of 30.9 %)*	Proposed Equated Scale of Fifth CPC	Proposed Pay Scale for Sixth CPC on Multiple Factor of 4.31 (i.e. ratio of Proposed Min. & Existing Min. Pay)**
1	Jr. Engineer -II / CMA- II Jr. Engineer - I CMA - I	5000-8000 5500-9000	1600-2660 1640-2900	6400-10640 6560-11600	6500-10500	28400-1400-34000-1700-42500-2100-44600
2	Section Engineer / CMS - II	6500-10500	2000-3200	8000-14000	8000-13500	35700-1700-42500-2100-53000-2600-55600
3	Sr. Section Engineer / CMS - I	7450-11500	2375-3750	9500-15000	10000-15200	44600-2100-53000-2600-66000-3300-69300

**Note-**

- i. Fifth CPC had wrongly applied the multiple factor of 3.25 (on Fourth CPC Pay Scales) based on rise of NNP by 30.9%for 9 years, instead of 38.6 % for 10 years, and wrongly calculated the multiple factor as 3.25 instead of 4.05. (As mentioned by us in para 4.10.2 (i) of our Memorandum);
- ii. **Multiple Factor of 4.31 as the ratio between Proposed & Existing Minimum Pay.**
- iii. (As mentioned by us in para 3.11 of our Memorandum);
- iv. Higher duties, responsibilities and job requirements of Technical Staff, especially on the Railways;
- v. Comparative Pay Scales and emoluments of the counterparts in P.S.U.s. with similar duties, responsibilities and job requirements.
- vi. Additional training after recruitment of Diploma Holders as JEs and) Additional training After recruitment of BEs - Degree Holders as SEs.
- vii. Direct recruitment of B.Es. and MScs. Should be in the scale of C.M.S.-II instead of CMA-I in view of higher qualifications and job requirements;
- viii. Existing staff with B.E. or M.Sc. qualification, should be promoted as CMS-II forthwith.
- ix. Qualification of BE (Metallurgy & or Chemical Engineering should not be essential for serving ACMT for promotion as CMT as no such qualification is provided for in any other cadre.

8. Classification of all posts of Section Engineers & CMS-II (Existing Scale Rs.6500-10500) and Senior Section Engineers & CMS-I (Existing Scale Rs.7450-11500) in Group 'B' (Gazetted) - as in other Departments like M.E.S. and C.P.W.D., etc., as per recommendations of 5<sup>th</sup> Pay Commission and orders of DOP thereon.
9. Time Bound promotions for Engineers / Supervisors ( JEs, SEs, and SSEs ) so that they are able to reach at least Group 'B' and Group 'A' Senior Scale level in about 15 to 20 years - as in other Departments like MES, CPWD, etc.).
10. Proper yardstick be provided for Engineers/ Technical Supervisors at all levels for effective supervision, quality control and safety.
11. Improvement in the Supervisor-to-Worker Ratio on the Railways, as proposed by R.R.C., (Railway Reforms Committee) with a view to improve the working conditions of the Engineers/Technical Supervisors; and for improving the intensity of Supervision for efficiency and safety on the Railways.
12. JEs, SEs, and SSEs on the Railways working in Drawing and Design offices be granted Design Allowance at par with their counterparts in CPWD etc. (as per recommendation of 5<sup>th</sup> CPC).
13. I.R.T.S.A. (Indian Railways Technical Supervisors' Association) be granted recognition in the interest of Industrial peace on Railways and to do justice to the long neglected category of the Technical Supervisors and also to restore a sense of confidence amongst them, as recommended by the RAIC and RRC etc. to discuss and negotiate on the problems of the Supervisors on the Railways.
14. Link D.A. to the latest New base series of average Consumer Price Index, preferably for Middle Class Consumers Price Index or for Urban Non-Manual Worker Index – instead of Industrial Workers Consumer Price Index.
15. Change in the mode of compilation of Consumer Price Index so as to make it more realistic and in accordance with the actual Market Rates prevailing all over the Country for all the Consumer Items.
16. Weightage given to various items included for compilation of Consumer Price Index be made more realistic and according to the changed pattern of consumption by the working class due to changed economic and social requirements and living standards of the society at large especially in respect of Housing, Education, Medical and Other requirements and necessities.
17. Dearness Allowance be treated as Pay every alternate year or atleast whenever the Cost of Living Index exceeds 25% over the Base Index at which the Pay Scales are prescribed and may please be counted for all purposes – including for calculation of all Allowances and Retirement Benefits etc.
18. Suitably lowering down of the population limit for Classification of cities and;
19. Adequately enhancing the amount of HRA, so as to be compensated fully for prevailing Rents in various Class of Cities.
20. Periodical revision of H.R.A. to compensate for rise of Rents.
21. Counting of D.A. for grant of H.R.A or D.A. be treated as D.P. after (every) rise of 25% of Price Index to compensate for escalation of Rents.
22. Exemption of H.R.A. and CCA etc. from Income Tax (as these are not emoluments but compensatory allowance) as had been aptly recommended by Fifth Central Pay Commission (vide Chapter 167 of its report).
23. PROPOSED RATES & CRITERION FOR CLASSIFICATION OF HRA

Sl. No	Class of City	Proposed population for Classification	Proposed Rates of H.R.A.
7.	'A1' Class	Over 20 Lakhs	40% of Pay + DP + D.A.
8.	'A' Class	10 to 20 Lakhs	30% of Pay + DP + D.A.
9.	'B1' Class	5 to 10 Lakhs	25% of Pay + DP + D.A.
10.	'B2' Class	1 to 5 Lakhs	20% of Pay + DP + D.A.
11.	'C' Class	50000 to 1 Lakh	15% of Pay + DP + D.A.
12.	'D' Class or unclassified	Below 50000	12.5% of Pay + DP + D.A.

24. Rate of Interest on House Building Advance ( HBA ) should be reduced to maximum of 4% to 5% as in the Financial Institutions and Public Undertakings like Banks and LIC etc.
25. Amount of HBA should be suitably enhanced periodically to keep pace with rise of cost of land and construction.
26. Surplus land with the Railways be leased out at reasonable rates for construction of Co-operative Housing colonies of the Railway employees.
27. Government should take houses on long term lease for letting out to Employees (even in Group 'C' and 'D') at suitable rent – as recommended by Third, Fourth and Fifth Pay Commissions.
28. Powers to take Houses on lease should be De-centralised and limits be substantially increased to realistic levels.
29. Rents for Government accommodation have been substantially increased over the years, putting the employees in great hardship. Raising Rent for Railway Quarters should be stopped specially for the over 20 to 30 years old houses for which the Government had already recovered the cost many times over.
30. Housing satisfaction level should be increased to atleast 50% in case of Non-Technical Staff and 100% in case of Technical Staff and Engineers – keeping in view exigencies of their service.
31. Costliness of Cities may please be made the criteria for Classification of Cities for payment of C.C.A.
32. Limits for population for classification of Cities for CCA be adequately reduced (as requested in foregoing para for HRA ).
33. CCA should be periodically enhanced and D.A. be treated as D.P. for all purposes including CCA to compensate for heavy inflationary trends or atleast DA be converted to D.P on reaching 25%.
34. Amount of CCA may please be enhanced as under to make it more realistic and just.

**PROPOSED RATES OF C.C.A.**

Sl. No.	Class of City	Proposed Population for Classification	Proposed Rates of C.C.A.
6.	'A1'	Over 20 Lakhs	15% of Pay + D.A + D.P
7.	'A'	10 to 20 Lakhs	10% of Pay + D.A + D.P
8.	'B1'	5 to 10 Lakhs	8% of Pay + D.A + D.P
9.	'B2'	1 to 5 Lakhs	6% of Pay + D.A + D.P
10.	'C' or Unclassified	Upto 1 Lakh	5% of Pay + D.A + D.P

35. Rate of Special Compensatory Allowance (including Hill Compensatory Allowance, Winter Allowance, Border Area Allowance, Remote Locality Allowance, Bad Climate Allowance, Project Allowance etc.) be suitably and periodically revised and linked with Price Index (On Pay+D.A.).
36. Rural Area and Sub-Mountainous Area Compensatory Allowance be paid as available in some of the States to the Employees posted in such areas respectively to compensate for higher cost of living in these areas on account of inadequate transportation and infrastructural facilities and increased dependency on urbanized areas due to change of Socio-Economic conditions.
37. Disturbed Area Allowance: Disturbed Area Compensatory Allowance be paid to Employees posted in areas which are disturbed due to unstable Law and Order situation, terrorist activities or intense Army / Police action to maintain the Law and Order etc.
38. Adequate Special / Additional Insurance Cover should be provided by the Government to the Employees posted in Disturbed / Border areas.
39. JEs, SEs and SSEs on the Railways be allowed Overtime Allowance (for actual number of extra-hours put in by them) at the same rate as admissible to those in the Defence Workshops, irrespective of the category or pay range – both under the Factories Act and the Hours of Employment Regulations etc.

40. Limits of admissibility for National Holiday Allowance may please be removed, and all the Technical Supervisors on the Railways (upto and including Section Engineers and Senior Section Engineers in existing grades or Rs. 6500 – 10500 and Rs. 7450 – 11500 ) be allowed the N.H.A as they are essentially required to attend to the work many a times on National Holidays, due to the exigencies of work and to keep the trains and systems running.
41. Transport Allowance may please be revised as under – i.e. 10% of Pay for ‘A-1’ and ‘A’ Class Cities and 7.5% of Pay for other locations:-

Sl.No	Existing Scale of Pay Rs.	Existing Transport Allowance Per Month		Proposed Transport Allowance Per Month	
		‘A-1’ & ‘A’ Class City (Rs.)	Other places	‘A-1’ & ‘A’ Class City	Other places
4.	8000-13500 or above	800	400	10% of Pay	7.5% of Pay
5.	6500-6900 but below 8000-13500	400	200		
6.	Below 6500 to 6900	100	75		

42. Either the Service Conduct Rules should be amended to remove bar (for Private Practice), or else the professionals like Engineers / Technical Supervisors ( i.e. JEs, SEs, and SSEs ) for whom Diploma or Degree in Engineering is an essential qualification, should be paid a suitable Non-Practicing Allowance of 10% of Pay.
43. Rates of Transfer & Packing Allowance be periodically revised adequately and linked with Price Index.
44. Engineers / Technical Supervisors ( JEs, SEs, & SSEs ) ( and other Technical Staff ) working in Workshops, Production Units, Running Sheds, Engineering, Electrical, Mechanical and S&T Depots, Power Houses, Printing Presses, Over Head Electrification, A.C. Plants etc. which involve hazards should be paid Risk Allowance at suitable rate of 10% of Pay.
45. Rates of TA / DA and Mileage / Conveyance Allowance be adequately enhanced and the same be linked with Price Index to allow for periodic revision thereof. Alternatively, Dearness Allowance should be counted for determining the rates of TA / DA admissible to the Employees on tour.
46. System of 2+4=6 advance increments respectively after passing Section ‘A’ and Section ‘B’ of AMIE etc be restored (instead of a lump sum amount).
47. 20% of Pay be granted as Special Pay to JEs, SEs and SSEs working as Console Operators, Sr. Console Operators, Console Superintendents, Assistant Programmers, Data Processing Superintendents etc. to attract talented personnel in this new horizon of Information Technology.
48. Ceiling limit may please be removed totally so that the Employees will get the real PLB declared to them in number of days proportionate to their wages (as per detailed justification given).
49. Working week of net 45 hours may be adopted for all Industrial Workers on the Railways.
50. Government should be asked to reduce the working hours for the Industrial Workers to 40 hours a week ( in about a period of say 10 years ) as recommended by the National Commission on Labour.
51. Lunch Break should be counted for computing maximum number of working hours in a week, under the Factories Act.
52. Engineers / Technical Staff be also granted atleast two Restricted Holidays to attend the Religious Functions / Festivals etc., – at par with the Secretarial Staff etc
53. “5 Days a Week” be implemented for the Industrial Workers / Technical Staff and Engineers / Technical Supervisors (i.e. JEs, SEs & SSEs) also.
54. SEs and SSEs may be allowed the Night Duty Allowance, irrespective of the pay scale or category, for attending to duty at night.
55. Weightage for Night Duty Allowance ( NDA ) be given for hours of Duty between Sun Set to Sun Rise ( i.e from 6 PM (18 Hrs) to 6 AM ).

56. Limit on maximum accumulation of leave may be abolished as had been done in the case of many of the State Government Employees
57. Limits on maximum accumulation be removed or raised to 12 months (365 days) atleast, in order to avoid hardship to the Staff, as well as to improve Attendance in the Offices and Industrial Establishments.
58. Encashment of Leave be allowed during service up to 60 days at a time, as admissible in many Undertakings.
59. Half a Day's L.A.P / Earned Leave be allowed to Technical Supervisors (*as already allowed to Artisan Staff in Workshops*) to enable them to attend to the exigencies without having to waste full day's leave when not required - particularly if there is no Casual Leave to the credit of an Employee.
60. Commutation of Half Pay Leave may be allowed to Technical Supervisors without the need to produce a Medical Certificate, in case of emergency.
61. Reduced quantum of 4 days of Casual Leave may please be restored.
62. Prefix or Suffix Casual Leave with other type of Leave, especially in cases of hardship where the employee does not have any leave to his / her credit.
63. Accumulation of Casual Leave may be allowed and the un-availed Casual Leave in a calendar year be credited to the Earned Leave Account, as permitted in many Public Undertakings (like L.I.C., etc.).
64. All Employees ( irrespective of Pay or Scale of Pay ) be allowed House Building Advance, Vehicle Advance, Festival Advance, Furniture & Household effects Advance etc., and the quantum for the Advances should be adequate to meet the actual expenditure for the purpose and adequately raised from time to time every year – as per Market Cost.
65. The Employees concerned should be provided with or paid for suitable type of cloth and stitching charges, so as to enable them to get the Uniforms stitched properly. The previous Pay Commissions had also recommended the grant of this facility, but it had not been properly implemented
66. Limit for Vehicle Advance should be increased to Rs. 50000/- for Motor Cycle / Scooter; Rs. 4 Lakhs for Motor Car, and Rs. 2000/- for purchase of a Bicycle. This limit should be revised from time to time in accordance to the variation of the rates of the vehicles in the market.
67. Group Insurance Scheme may be modified to cover all JEs. SEs and SSEs on the Railways, in Group 'B'; and the pay-slabs prescribed in the Scheme be revised accordingly.
68. Amount of Group Insurance cover should be enhanced to atleast Rs. 5 lakhs in view of heavy inflation as per New Scales of Pay proposed by the Pay Commission.
69. Incentive Increment for Family Planning for promoting Small Family Norms should be paid as per New Scales of Pay both to those who had adopted Family Planning Norms prior to 2006 as well as to those who adopt later on.
70. All those in the Supervisory Grade ( which is at present Rs.5000-8000 and above ) should be given First Class Pass / Second AC / Third AC (Rail Travelling Facility) irrespective of the date of entry into the Service in the Railways.
71. Railways be advised to remove the unrealistic sealing limit on the maximum limit of Four number of Dependents on a Privilege (Railway) Pass, specially if the Railway Employee has 2 children and his Parents and / or Widow Sisters etc. are also dependent on him / her and are included in the Pass.
72. Railways be advised to remove the age limit of 25 years for entitlement of Pass for dependent son in case the son continues to be dependent / unemployed beyond that age also.
73. Both dependent parents ( Father and Mother ) should be allowed on the Privilege Pass / LTC in case they are dependent on the Employee as per income ceiling.
74. All Central Government Employees, including Railways Employees, should be entitled for free Specialized Advice and Treatment from Super Speciality Hospitals like AIIMS / NIMS /

NIMHANS / JIPMER / CMC / PGI. Incidentally, since these Hospitals are run by the Union Government.

75. Pension should be granted on the basis of pay plus D.A. last drawn.
76. Pay and full D.A. last drawn should be counted for the purpose of grant of Death-Cum-Retirement Gratuity / Special Contribution to Provident Fund.
77. One month's pay plus D.A. last drawn should be paid for each year of qualifying service, as Death-Cum-Retirement Gratuity / Special Contribution to Provident Fund, instead of half month's pay for each year of qualifying service as at present.
78. Rates of Family Pension may be revised as suggested hereunder :-

Proposed Amount of Family Pension Per Month		
On death in Harness	On death between 58 to 65 years of age.	After limits indicated in columns 2 and 3
80% of last pay drawn ( with minimum of need based Minimum Wage less 20% )	85 % of Normal Pension (if the Employee had survived) with minimum of Minimum wage less 20%	80% of Normal Pension ( if the Employee had survived ) with Minimum Wage less 20%

79. Point-to-Point Fixation in the Revised Scales of Pay (of Sixty CPC ) may please be allowed on notional basis to existing Pensioners for Revision of their Pension w.e.f 01.01.2006.
80. System of " SAME RANK SAME PENSION " as introduced in the Army, may also please be extended to all Central Government Employees.
81. Qualifying service for Full Pension should be reduced from 33 years to 25 years of Service as the Maximum Age Limit for Recruitment has been increased to 35 years.
82. Medical Allowance to Pensioners and Family Pensioners be increased to atleast Rs.500 per month for outdoor treatment – where no such facility is available.
83. Pensioners should be granted the House Rent Allowance and City Compensatory Allowance at the same rates as applicable in the case of serving Employees – in the pay slab equal to the pension.
84. Retired Employees should be allowed accompaniment of any close relative as an Companion/ Attendant in the same class, as admissible to Freedom Fighters, in view of their old age etc.
85. In order to reduce administrative work, Employees be retired at the end of the year in December or at the most in two batches – one at the end of June and another at the end of December – each year, depending on the part of the year in which their date of Superannuation falls.
86. Powers for compulsory or premature retirement should be withdrawn in entirety. If at all such an action is considered inescapable, then the Employee should be given the right to defend and appeal against the action only after regular enquiry as in the case of normal disciplinary proceedings.
87. Valuable expertise of suitable and talented Technical, Professional and Specialised Personnel may be used through Re-employment in appropriate fields – against Super numery posts – through a suitable mechanism of selection – as required – without impact of any favour or bias.
88. Contributions by the Pensioners / Retiring Employees RELHS (Railway Employees Liberated Health Scheme) be waived off or may be suitably reduced with adequate contribution by the Government / Railways – keeping in view the true spirit of Social Responsibility towards the Pensioners – as defined by the Apex Court in Nakra's Case.
89. Government may please be urged to reduce the age for consideration as Senior Citizen to 60 years instead of 65 years for availing the Income Tax Exemptions limit under the Income Tax Act.
90. All the Allowances ( including DA / DR i.e Dearness Allowance / Dearness Relief, HRA i.e House Rent Allowance, CCA i.e. City Compensatory Allowance and other Compensatory Allowances ) may please be Recommended for Exemption from the Income Tax and the

Tax thereon be paid by the respective Departments to the Income Tax Department (under section 197 of I.T. Act).

91. Recommendations of the Pay Commission in respect of Pay Scales, Service Conditions, and Retirement Benefits etc, may be made effective from 01.01.2006.
92. Fixation benefit to a tune of 50% of Pay + DA + DP be granted with Minimum fixation benefit of atleast Rs. 2500 per month to all Employees in Class IV ( Group 'D' ) and Rs. 5000 to Rs. 15000 in case of those in Group 'C'.
93. Pending finalization of its recommendations, Pay Commission may please recommend an Interim Relief of at least 30% of the Pay + D.P + D.A of Central Government Employees w.e.f 01.01.2006, subject to a minimum of Rs. 1500 per month. *(This will at least partially neutralize the negative effects of abnormal delay in constituting the VI Central Pay Commission and the resultant un-easiness and un-rest which has gradually crept in the Central Government Employees).*
94. In the interest of equity and justice, proportionate Interim Relief may please be recommended for the existing Pensioners and 30% of Basic Pension + DP / DR + DA with a minimum of Rs.750 per month, may please be recommended to mitigate the sufferings of the existing Pensioners - to compensate them, at least partially, for the large-scale erosion of their meager Pensions due to heavy inflation – as already requested in our Memorandum for Interim Relief.
95. Sixth Pay Commission may please strongly recommend for a continual Revision of Wages, if not annually, then atleast whenever the Dearness Allowance rises above 25 per cent.
96. "**Stage-to-Stage**" or "**Point-to-Point**" fixation may please be allowed - giving due weightage for the length of service in the existing cadre.
97. Similarly as **Stage-to-Stage** or **Point-to-Point** notional fixation in the New Scales may also please be given for revision of Pension of existing Pensioners.