

INDIAN RAILWAYS TECHNICAL SUPERVISORS' ASSOCIATION

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No:IRTSA/Memo-41

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Chairman & CEO Railway Board

Respected Sir,

- Sub:** 1) Unjust cessation of PCO allowance for SSEs upgraded to level-8.
2) Unjust cessation of NDA, NHA and PCO allowance for personnel receiving non-functional upgradation to level-9 after 4 years of service in level-8.

Ref: Payment of allowances supervisors upgraded through RBE No.155/2022-Clarification reg. (Railway Board letter No. PC-VII/2023/I/7/5/8, dated 06.11.2025).

- 1) We would like to convey severe heartburning created among SSEs and other senior supervisors due to unjust Railway Board decision through their letter dated 06.11.2025 on cessation of PCO allowance for SSEs upgraded to level-8 through RBE No.155/2022 and unjust cessation of NDA, NHA and PCO allowance for personnel receiving non-functional upgradation to level-9 after 4 years of service in level-8.
- 2) This Railway Board letter dated 06.11.2025 actually reduced take home pay of SSEs who receive upgradation/promotion to level-8 and receiving non-functional upgradation to level-9.
- a) Take home pay forced to be forgone per month when promoted to level-8 and NFU to level-9 after 4 years of service, when compared to SSE working in level-7 in same basic pay is illustrated in tables below:

Table-1

	Level-7	Upgraded pay to level-8	NFU to level-9 after 4 years
	In Rs.		
Basic Pay	76500	76500	76500
DA @ 58%	44370	44370	44370
PCO allowance @ 6%	4590	Denied	Denied
NDA 12 days/month	5511	5511	Denied
NHA 1 day/month	788	788	Denied
BP+DA+PCO Allowance +NDA+NHA	131759	127169	120870
Take home pay forced to be forgone per month by SSEs working in level-8 & 9 when compared to SSE in level-7 in same basic pay. (Take home pay reduced for level-8 due to denial of PCO allowance and denial of PCO allowance, NDA and NHA for level-9)		4590	10899

Take home pay forced to be forgone will be much higher for SSEs who were already placed in level-9 through MACPS.

b) Value of promotional / upgradation pay fixation benefit will be nullified because of denial of PCO allowance for level-8 and PCO allowance, NDA and NAH for level-9.

- i. After receiving upgradation / promotion from level-7 to level-8, pay fixation benefit and its corresponding increase in DA will be around Rs.3500 per month. But for SSEs working in PCO organisation their take home pay will be reduced approximately by Rs.5000 per month due to unjust cessation of PCO allowance. **Hence net loss even after getting one promotional increment to level-8 will be around Rs.1500 per month.**
- ii. SSEs receiving non-functional upgradation (NFU) to level-9 after completion of 4 years of service in level-8, will get pay fixation benefit and corresponding increase in DA of around Rs.3800 per month. But their take home pay will be reduced approximately by Rs.10000 per month due to unjust cessation of PCO allowance, NDA and NHA. **Hence net loss even after one promotional increment to level-9 (NFU) will be around Rs.6,200 per month.**

3) **Cessation of PCO allowance for SSEs upgraded to level-8 through RBE No.155/2022:**

- a) Upgradation to pay level-8 from pay level-7, appears to be progressive in terms of one promotional increment. Now it turned into punishment like situation for SSEs working in PCO organisation since their net take home pay will get reduced because of cessation of PCO Allowance.
- b) Railway Board letter No.E(NG) I-78SR6/44 dated **09.06.1978** stated following two principles for staff working in PCO organisation,
 - i. Staff in Production Control Organisation (PCO) where holding the post in that organisation ex.cadre or otherwise, will not be entitled to incentive bonus in any form.
 - ii. However, if staff from the shop floor are posted to the Production Control Organisation (Progress, Inspection, Rate fixing and planning, Jig & Tool) in their existing scale of pay they will receive a special pay of 10% of the pay admissible to them in their posts in shop floor.
- c) **Special Allowance for SSE & SE:** Railway Board through their letter No. PC-V No.205 (RBE No. 193/1999, dated **10.08.1999** on the subject, Recommendation of **Fifth Central Pay Commission** – “Decision relating to grant of PCO Allowance (known as special pay prior to IV CPC recommendations) to staff of Production Control Organisation” said that Senior Section Engineers and Section Engineers posted to Production Control Organisation on tenure basis will be eligible for a Special Allowance calculated at 7.5% of their basic pay w.e.f 01.09.1999.
- d) Through Railway Board letter No. E(P&A)I-2008/SP-1/WS-4, Dated **06.02.2009**, pursuant to the **recommendations of the Sixth CPC**, Section Engineers and Senior Section Engineers drawing grade pay of Rs.4600 were granted PCO Allowance of 7.5%.
- e) **7th CPC in para 8.17.102**, without studying details on the principles of Incentive system followed in PUs and workshops of Indian Railways, in line with its general approach of rationalizing the percentage based allowances by a factor of 0.8, 7th CPC revised the rates of PCO allowance for SSE in level-7 to 6% of basic pay.
- f) **Incentive system having specific nature and purpose is self financing, hence other general allowance principles should not be applied;**

It is pertinent to mention that during the time of introduction of incentive system (including special allowance/PCO allowance) and during subsequent every revision of incentive rates and revision of PCO allowance in line with incentive revisions, reduction in allowed time had been done across all production and maintenance operations for improving productivity. Man power reduction happened to the value much higher than value of incentive revision in all PUs and workshops following incentive system. Thus, incentive system is made self-financing within Railways. Hence denial of PCO allowance for SSEs in level-8 &9 who are discharging same duties and responsibilities is unjustified.

- g) Production Control Organisation (PCO) Allowance is part of Incentive system paid in lieu of Incentive Bonus to Technicians, JEs & SSEs whenever they are required to work in PCO organizations. They were already put to loss due to lower take home Pay than the Incentive on the Shop-Floor. SSEs after gaining good years of experience posted to PCO organization for administrative convenience. Most of them are working in pay level-8 and will be receiving NFU to level-9.
- h) **While implementing RBE No.155/2022 for upgradation of SSEs to level-8, it was stated that,**
 - i. There will be no change in the nomenclature/designation, duties and responsibilities and classification of the posts after upgradation and they will remain classified as Group 'C'.
 - ii. Entire scheme of upgradation was made financially neutral proposition.
- i) It is to be noted that, even though matching surrender for the purpose of financial neutrality was done for entire upgraded posts, only around 15% of SSEs upgraded to level-8 from level-7 got the benefit of pay fixation, since all other were already placed in level-8 and level-9 through MACPS.
- j) SSEs who were already placed in level-8 and level-9 through MACPS are the worst sufferer, since they receive no fixation benefit while implementing RBE No.155/2022.
- k) **As such, cessation of PCO allowance for SSEs working in PCO Organisation upgraded to level-8 and receiving non-functional financial upgradation to level-9 will be a great injustice. SSEs who received upgradation to level-8 through RBE No.155/2022 will have net loss, since PCO allowance of 6% of basic pay will be more than promotional increment of around 3% + DA.**

4) Night Duty Allowance (NDA)

- a) **NDA was introduced on Railways on the recommendation of 2nd CPC as a compensation of night working and is in nature of overtime allowance.** The scheme of NDA has undergone numerous changes now it is admissible to all categories of non-gazetted employees classified as intensive, continuous, excluded and essentially intermittent categories.
- b) NDA was studied extensively by Justice Mia Bhoy tribunal in 1969 and 7th CPC recorded that present NDA is based on the recommendations of the tribunal.
- c) Based on the recommendations of the Tribunal, Railway Board vide letter No.PC-72/RLT-69/1 dated 09.03.1973, accepted the demand of Federations that night duty allowance should be granted to all Railway employees irrespective of their classification or irrespective of pay limit.

- d) Indian Railways is operating 24X7 through out the year, in all weather conditions and seasons across the country. Railwaymen including Technical Supervisors irrespective of their pay level are bound to perform night duty between 22.00 hrs and 06.00 hrs for safe and punctual train operation. It is unjustified to withdraw NDA for SSEs receiving NFU to level-9 who are part and partial of train operation during night. It will be difficult to segregate and exempt SSEs receiving level-9 from night shift.
- e) 7th CPC recommended continuing present prescribed hourly rate of NDA equal to (BP+DA)/200 and **extended it to all employees across all ministries/departments who were already in receipt of Night Duty Allowance. Discontinuing NDA for SSEs on roster for night shift receiving NFU to level-9 is against the accepted recommendations of 7th CPC is totally unjustified.**

5) **National Holiday Allowance**

- a) The Open line staffs and Technical Supervisors are essentially required to work even on the National Holidays sacrificing their domestic and social obligations and duties etc. During national holidays train operations have to be managed with around 50% of staff.
- b) It therefore imperative that the existing rates of National Holiday Allowance should be substantially enhanced to meet with the exigencies of the services on the Railways to **at least equal to double the normal rate** for Over Time Allowance. But Board's letter dated 06.11.2025 unjustifiedly denied NHA to SSEs receiving NUF to level-9
- c) 7th CPC in para 8.6.9 said that, NHA allowance is paid to non-gazetted Railway employees who are on roster to work on a "National Holiday" and granted National Holiday Allowance for all twelve days in a year due to operational constraints in Railways. Hence HNA should be paid to SSEs in level-9 if they are on roster to work on National Holiday.
- 6) **It is therefore requested that,**
- a) **PCO allowance may please be continued to be paid for SSEs upgraded / promoted to level-8 and working in PCO organization.**
- b) **NDA, NHA and PCO allowance may be paid for personnel receiving non-functional upgradation to level-9 after 4 years of service in level-8.**

Thank you in anticipation.

Yours' truly



K.V.RAMESH
General Secretary, IRTSA
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Copy to

Member (Traction & Rolling Stock), Railway Board, New Delhi.
Member (Infrastructure), Railway Board, New Delhi.
Member (Operations & Business Development), Railway Board, New Delhi.
Director General (HR), Railway Board, New Delhi.
Additional Member (Staff), Railway Board, New Delhi.
Secretary, Railway Board, New Delhi.