

National Confederation of Officers Associations

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Dated—24-02-2013

To

Shri O.P. Rawat

Secretary

Department of Public Enterprises

Govt of India, New Delhi

Subject: Request for meeting to discuss some important issues related to the Executives of CPSEs.

Sir,

NCOA represents more than one lakh and fifty thousand executives of CPSEs of different sectors. On behalf of NCOA, we wish to see you and discuss some important issues, which are creating heart burning amongst executives of CPSEs. As you know that public sectors of India have been playing a vital role in socio-economic development of the country and the executives are driving forces in CPSEs, so we hope your good self will look into the concern of executives and spare some time to give us an opportunity to brief you on the following issues.

Performance Related Pay(PRP):

- i) The existing PRP scheme is linked to the grade as well as the basic pay. Consider DA element also as a part of the basic pay since it reflects the inflationary effect on the basic pay..
- ii) Mandatory grading of 10% of the executives as below par (with no payment of PRP) under the bell curved approach of the PMS be removed.
- iii) Remuneration Committees of the concerned organizations be empowered to determine the quantum of PRP payable among the

executives including for those rated below par under bell curve system of PMS.

- iv) 100% of PRP which is linked to the profits be straight away allowed i.e. without linking it with incremental profits..

B) Superannuation Benefits :

- i) Considering the alarming rate of inflation year after year, a minimum guaranteed family pension of around 35% of basic +DA may be ensured under any suitable scheme to all the retired executives irrespective of their date of retirement (i.e. against 50% being drawn by the government employees).
- ii) The Administrative Ministries should stipulate to the banks/insurance companies which are covering the pension schemes of the major CPSEs, the need to extend uniform rates of premium to all the CPSEs working under their control
- iii) A tripartite committee be set up to explore feasibility of insurance linked post retirement medical benefits to cover the entire public sector enterprises irrespective of their profitability
- iv) The existing ceiling of Rs 10 lakhs on the gratuity amount be removed so that the employees could get higher amounts if eligible.
- v) The Administrative Ministries/Departments should take steps for creating a common corpus for the retired employees of the CPSEs (i.e. prior to 1/1/2007) under their Administrative control

C) Pay Revision from 1/1/2012:

Take appropriate actions for constituting the third PRC soon, as otherwise very serious anomalies will emerge on following two different wage/pay revision periods to the employees of various groups Viz Workmen Vs executives”

Consider immediate sanction for the following issues, pending the constitution of the 3rd PRC :

- 100% neutralization of DA as on 1/1/2012
- To obviate the anomalous situations, allow drawl of annual increments by those executives who are stagnating at the higher end of the scales of pay, as in the case of workmen who draw their annual increments without any limits in open ended pay scale system.
- .In principal approval by DPE for constitution of an empowered bipartite committee headed by an independent director in each CPSE (i.e., other than remuneration committee) to resolve anomalies arising out of different systems of pay, increments and incentives between different categories of employees within the enterprise

With kind regards

Yours sincerely



(V.K.Tomar)

Dy Secretary General
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