



# Indian Railways Promotee Officers' Federation

(Recognised by Govt. of India - Ministry of Railways)

**RAMAN KUMAR SHARMA**  
Secretary General

268, RAIL BHAVAN,  
NEW DELHI - 110001  
Phone : 23389923 (DoT)  
23303396  
43396 (Rly.)  
E-mail : sgirpof@gmail.com

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Ms. Meena Agarwal,  
Secretary,  
Seventh Central Pay Commission,  
**NEW DELHI**

Respected Madam,

Sub : Reply to the Questionnaire issued by VII CPC – reg.

With reference to the Questionnaire, it is to submit that Indian Railways Promotee Officers' Federation (IRPOF) is one of the Recognised Federation of the Ministry of Railways, Government of India.

A copy of the reply is enclosed herewith for your consideration.

DA : As above.

Yours sincerely,

*Raman Kumar Sharma*  
(RAMAN KUMAR SHARMA)

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Resi.: 248/4-B, Railway Officers' Enclave, Punchkuian Road, New Delhi-110 001  
Phone : 9717647612 (DoT), 26254 (Rly.)

**REPLY TO VII CPC QUESTIONNAIRE BY INDIAN RAILWAYS PROMOTEE OFFICERS FEDERATION**

**Salaries:**

- 1.1. The considerations on which the minimum salary in case of the lowest Group-C functionary and the maximum salary in case of a Secretary level Officer may be determined and what should be the reasonable ratio between the two.**

The criteria for fixing minimum wage salary should be based on the minimum need based wages required for respectable living. Besides fulfilling basic needs it should be framed in such a fashion that the liability of education, health and social activities are also taken care off. The structure of family while calculating the minimum wages should be taken as 5 members in a family.

Federation is of the view that the ratio between the lowest and highest salary should be 1 : 9.

- 1.2. What should be the consideration for determining salary for various levels of functions falling between the highest level and the lowest level functionaries?**

It is mentioned that the multiplication factor for determining wages in 7 CPC should be same for all levels and the gap between different levels should be more or less uniform.

The entire staff of Central Government should be categorised in two groups, **Gazetted and Non gazetted**. The methodology adopted should take care of both professional qualification for direct recruits and experience of existing staff.

Posts of Group 'B' officers on Indian Railways are presently placed in GP 4600 (Asstt. Library Information Officer); GP 4800 to all organised services and officers of Misc Cadre and GP 5400 to Accounts Group 'B' officers. This differential GP to Group 'B' officers in Railways has created problems. Further the duties and responsibilities of Group 'B' officers and JTS/Group 'A' are same and posts are interchangeable hence, the GP of all Group 'B' officers should be similar to GP of JTS/Group 'A'. The induction process to Group 'A' also needs to be

streamlined and revised which will be dealt in detail while submitting memorandum.

Prospects of promotion and career progression should be such that it has motivational factor linked with capability to perform and able to stop rate of attrition to public/private sector.

## **2. Comparison:**

**2.1 Should there be any comparison/parity between pay scales and perquisites between Government and the private sector? If so, why? If not, why not?**

No comparison between Pay Scales and Perquisites between Govt. And Private sector should be done. The objectives and work culture are altogether different.

Government sector has also to take care of social responsibilities and also perform in remote areas to keep the nation well knit within its fold. Whereas private sector has a leverage to ignore non-profitable sectors and do not work within the tight parameters and framework of rules. Hence, comparison between two is not desirable.

**2.2 Should there at all be any comparison/parity between pay scales and perquisites between Government and the public sector? If so, why? If not, why not?**

Yes. Public Sector employees and Officers and the Government employees and Officers more or less perform the same functions and are required to have similar perception and objective.

**2.3 The concept of variable pay has been introduced in Central Public Sector Enterprises by the Second Pay Revision Committee. In the case of the Government is there merit in introducing a variable component of pay? Can such variable pay be linked to performance?**

The concept of variable Pay linked to performance is not possible in Central Govt. Ministries because the work of each and individual employee/officer cannot be quantified and measured with respect to targets fixed. The team work concept is prevailing in all the departments and specially on Indian Railways, all the departments work separately and give result unitedly. Hence, no such variable component of pay can be thought of in the present system. If introduced, will

give rise to favouritism, harassment and will be detrimental to the functioning of the concerned Ministry.

### **3. Attracting Talent:**

#### **3.1. Does the present compensation package attract suitable talent in the All India Services & Group A Services? What are your observation and suggestions in this regard?**

The existing pay package is sufficient for All India Services and Group 'A' services. The number of aspirants/candidates for Civil Services is increasing day by day and even IITians, IIM candidates are applying for IAS cadre which is not directly related to their professional qualification. This is only due to respect, job satisfaction, security of job and sufficient pay package considered with perks and perquisites related to the post.

#### **3.2. To what extent should government compensation be structured to attract special talent?**

Professionals such as Super Specialist Doctors, Technocrats, Scientists and Principals of educational institutes should be given special package to retain them in the organisation so that they are not allured by higher packages outside. The posts for absorption of such staff/officers should be clearly identified and the pool of officers provided with special retention package should not be utilised on any other post besides the identified one.

A Special cadre of Management Services should be created over Indian Railways to cater the need of filling up posts such as DRM, GM and they should only proceed further for Addl. Member, Member and Chairman, Railway Board. The Selection should be transparent so that highly talented officers having administrative capability should lead the organisation. This will serve as motivational factor for highly talented officers who could not get this opportunity because of present system, seniority etc which recedes their promotional prospects.

#### **4. Pay Scales:**

- 4.1. The 6<sup>th</sup> Central Pay Commission introduced the system of Pay Bands and Grade Pay as against the system of specific pay scales attached to various posts. What has been the impact of running pay bands post implementation of 6<sup>th</sup> CPC recommendations?**

The introduction of Pay Band and Grade Pay structure by 6<sup>th</sup> CPC has been a disastrous experiment and did not serve any purpose. The minimum Pay on promotion has not been provided at par with direct recruits working on the same post. This is a cause of resentment amongst the employees/Group 'B' officers.

- 4.2. Is there any need to bring about any change?**

Yes.

- 4.3. Did the pay bands recommended by the 6<sup>th</sup> CPC help in arresting exodus and attract talent towards the Government?**

No., Central Government offices have become training institution from where newly recruited staff/officers learn, gain experience and move to Private Sector. Private Sector saves on cost of training, Man Power development and utilise Central Government staff/officers for their betterment.

- 4.4. Successive Pay Commissions have reduced the number of pay scales by merging one or two pay scales together. Is there a case for the number of pay scales/pay bank to be rationalized and if so in what manner?**

As already mentioned there should be only two categories i.e. Gazetted and Non Gazetted. Each of the categories should have 7 distinct Pay scales thus total pay scales should not be more than 14 besides these, fixed pay for Secretary and Cabinet Secretary may be considered.

The gap between 7 scales in each group should be uniform and the ratio of Pay should be 1 : 9 for minimum and maximum.

- 4.5. Is the "grade pay" concept working? If not, what are your alternative suggestions?**

The system of Grade Pay is not workable at all. In the lowest level difference in GP is of Rs.100/- for eg

GP 1800, 1900, 2000 whereas in Group 'A' the difference in GP is 1000 to 2000 which is not realistic.

The detail alternative suggestions will be provided in our Memorandum.

**5. Increment:**

**5.1 Whether the present system of annual increment on 1st July of every year uniformly in case of all employees has served its purpose or not? Whether any changes are required?**

No. The single date of increment 1<sup>st</sup> July of each year has created problems for the staff/officers promoted between 2<sup>nd</sup> January to 30 June. Further the staff retiring on 30<sup>th</sup> June do not get any increment even after rendering services of complete 12 months from 1<sup>st</sup> July (last date of increment). Hence, keeping this in view the increment should be fixed on 1<sup>st</sup> Jan. and 1<sup>st</sup> July i.e. twice in a year.

**5.2. What should be the reasonable quantum of annual increment?**

The increment should be 5% of Pay.

**5.3 Whether there should be a provision of variable increments at a rate higher than the normal annual increment in case of high achievers? If so, what should be transparent and objective parameters to assess high achievement, which could be uniformly applied across Central Government?**

The concept of variable increments at rate higher than the normal increment is not desirable. This system will lead to favouritism and instead of achieving higher targets, the workforce will devote time in pleasing bosses thus decline in work culture is apprehended.

**5.4 Under the MACP scheme, three financial up-gradation are allowed on completion of 10, 20, 30 years of regular service, counted from the direct entry grade. What are the strengths and weakness of the scheme? If there a perception that a scheme of this nature, in some Departments, actually incentivizes people who do not wish to take the more arduous route of qualifying departmental examination/ or those obtaining professional degrees?**

The concept of ACP granting two upgradations after completion of 12 and 24 years service was replaced by MACP granting 3 upgradation after completion of 10, 20 & 30 years service. The upgradation under ACP were given as per promotional hierarchy whereas in MACP it was changed to next Grade Pay which proved to be inadequate.

The concept of MACP should be scrapped and grant of financial upgradation after completion of 5/6 years residency period in one Grade pay should be considered. Minimum 6 promotions/financial upgradation should be assured to all employees/officers during the service career. It will help in combating exodus of staff to Public/Private Sector.

#### **6. Performance:**

***What kind of incentives would you suggest to recognize and reward good performance?***

Incentives and awards do not serve any purpose and should not be induced in the system. The repercussions will not be conducive to competitive working but it will promote favouritism and policy of pick and choose policy on the whims and fancies of the bosses. Transparent system linked with quantifiable performance is not possible hence, it should be avoided.

#### **7 Impact on other organizations:**

***Salary structures in the Central and State Governments are broadly similar. The recommendations of the Pay Commission are likely to lead to similar demands from employees of State Governments, municipal bodies, panchayati raj institutions & autonomous institutions. To what extent should their paying capacity be considered in devising a reasonable remuneration package for Central Govt. Employees?***

This is a debatable issue. The impact of 7<sup>th</sup> CPC on other organisations cannot be taken to be a stumbling block in giving due revision of wages to Central Govt. Staff. In many State govt the career progression of Group 'B' officers is far better compared to Indian Railways. Similar career progression, Pay & Allowances in State Govt., Banking Sector, Autonomous institutions cannot be

brought at equal footing. There are many factors which play vital role in determining the pay revision besides impact on other organisations which can be one of them.

## **8 Defence Forces:**

**8.1 What should be the considerations for fixing salary in case of Defence personnel and in what manner does the parity with civil services need to be evolved, keeping in view their respective job profiles?**

No Comments.

**8.2 In what manner should be concessions and facilities, both in cash and kind, be taken into account for determining salary structure in case of a Defence Force personnel.**

No Comments.

**8.3 As per the November, 2008 orders of the Ministry of Defence, there are a total of 45 types of allowance for Personnel Below Officer Rank and 39 types of allowance for Officers. Does a case exit for rationalization/streamlining of the current variety of allowance?**

No Comments.

**8.4 What are the options available for addressing the increasing expenditure on defence pensioners?**

No Comments.

**8.5 As a measure of special recognition, is there a case to review the present benefits provided to war widows?**

No Comments.

**8.6 As a measure of special recognition, is there a case to review the present benefits provided to disabled soldiers, commensurate to the nature of their disability?**

No Comments.

## **9 Allowances:**

**9.1 Whether the existing allowances need to be retained or rationalized in such a manner as to ensure that salary structure takes care not only of the job profile but the situational factors as well, so that the number of allowances could be at a realistic level?**

The existing allowances need to be retained. They are at a realistic level having been evolved by successive Pay commission over detailed deliberations. The present Travelling Allowances and Daily allowance need to be enhanced to ensure



that the element of cost of accommodation, cost of food expenses and cost of local travelling expenses are realistic and do not put the government Servant to a loss. These in our opinion, should be treated as entitlements and not as 'reimbursement of expenses based on production of bills.

**9.2 What should be the principles to determine payment of House Rent Allowance?**

Proper study based on prevailing rent in the city should be done for broadly classified categories A-1, A etc.

Dearness Allowance should also be paid on HRA.

**10 Pension:**

**10.1. The retirement benefits of all Central Government employees appointed on or after 01.01.2004 are covered by the New Pension Scheme (NPS). What has been the experience of NPS in the last decade?**

New Pension Scheme do not guarantee minimum Pension admissible on retirement. Actual assessment of the scheme is not possible at this stage as recruits of 1.1.2004 and afterwards have yet not retired.

The NPS should be scrapped and existing scheme prior to 1.1.2004 to be re-introduced to inculcate sense of security in the minds of new recruits.

**10.2 As far as pre-01.01.2004 appointees are concerned, what should be the principles that govern the structure of pension and other retirement benefits?**

The Pension should be able to meet with the expenses of respectable living and also permit a pensioner to meet with social obligations.

The present system is allowing 50% pension; Further HRA, and transport allowance are stopped forthwith. The necessity of residence and conveyance do not end with retirement. Moreover free medical facility being availed is allowed on payment of one month salary under RELHS whereas during service no contribution is made towards medical expenses by the staff.

Provision of Pension with HRA, Transport, Fixed Medical Allowance and attendant allowance should be provided. Further increase in pension equivalent

to rate of increment (5%) every alternate year should also be considered.

Ceiling on limit of Gratuity of Rs.10 lakhs should be waived and actual 16.5 months Pay & DA should be paid as gratuity.

Restoration of commuted value of pension should be reduced to 12 years from 15 years.

Leave Encashment during service should be 30 days every alternate year and limit of accumulation of LAP to be removed and encashment limit of 300 days on superannuation be waived.

Health Insurance Scheme for pensioners should be introduced.

### **11 Strengthening the public governance system:**

#### **11.1.1 The 6<sup>th</sup> CPC recommended upgrading the skills of Group D employees and placing them in Group-C over a period of time. What has been the experience in this regard?**

The level of satisfaction amongst the Group 'D' staff was achieved by abolition of Group 'D' and classifying them as Group 'C' staff and it has provided social acceptability in the society.

Multitasking and training can achieve more fruitful results if they are clubbed in two groups as technical and non-technical for further advancement in Group 'C' based on their working and duties.

#### **11.1.2 In what way can Central Government organizations functioning be improved to make them in Group-C over a period of time. What has been the experience in this regard?**

##### **a) Rationalisation of staff strength and more productive deployment of available staff.**

Rationalisation of staff should not be interpreted as reduction in work force. Re-deployment of staff along with posts in operational/productive working can be considered keeping in mind that the places from where they are being moved at these places work do not suffer. Use of technology IT/Gadgets in administrative offices by simplifying the procedures can make available staff for re-deployment.

##### **b) Rationalisation of processes and reduction of paper work, and**

The procedures in existence in office working are obsolete and system of working can be made more effective by adopting new concept of office working. Procedures of dealing with staff matters need to be augmented.

**c) Economy in expenditure.**

Optimum utilisation of available work force, effective use of computers in offices, modules/software on staff matters can be prepared for achieving desired economy in expenditure. Leakage of revenue can be plugged by discussing the matter with Federation and Associations as working differ from office to office.

**12 Training/building competence:**

Training modules catering to job profile need to be adopted and periodical training should be provided to ensure adaptability with changing technology.

The training modules on Railways are very exhaustive but its implementation in true spirit and as per schedule needs to be adhered.

Mandatory training provided in Group 'C', Group 'B' and Group 'A' is not provided in time thus promotional prospects are hampered and staff/officers are denied promotion due to administrative lapses which is not a healthy situation.

**12.1. How would you interpret the concept of "Competency based framework:?"**

No comments.

**12.2. One of the terms of reference suggests that the Commission recommended appropriate training and capacity building through a competency based framework.**

**a) Is the present level of training at various stages of a person's career considered adequate? Are there gaps that need to be filled, and if so, where?**

**b) Should it be made compulsory that each civil service officer should in his career span acquire professional qualifications? If so, can the nature of the study, time intervals and the Institution(s) whose qualification are acceptable, all be stipulated?**

***c) What other indicators can best measure training and capacity building for personnel in your organization? Please suggest ways through which capacity building can be further strengthened?***

Mandatory acquiring of professional qualification in service career is not appreciable. It can be made optional with incentive of additional increment.

In-service training and on job skill requirement is the best way for skill development. Proper facilities, good faculty etc to be provided along with enhancing the existing infrastructure facilities for imparting quality training to the staff/officers.

### **13 Outsourcing:**

***13.1. What has been the experience of outsourcing of various levels of Government and is there a case for streamlining it?***

Outsourcing is not required. It results in creating surplus staff and non utilisation of existing infrastructure. The exploitation of staff in the hands of contractors/business houses complicates the situation and problem of unemployment will further aggravate.

***13.2 Is there a clear identification of jobs that can be outsourced?***

No Comments. Federation is not in favour of outsourcing of the jobs.

### **14 Regulatory Bodies:**

***14.1 Kindly list out the Regulators set up under Acts of Parliament, related to your Ministry/Department. The total number of personnel on rolls (Chairman and Members + Support personnel) may be indicated.***

***14.2 Regulators that may not qualify in terms of being set up under Acts of Parliament but, perform regulatory functions may also be listed. The scale of pay for Chairperson/Members and other personnel of such bodies may be indicated.***

***14.3 Across the Government, there are a host of Regulatory bodies set up for various purposes. What are your suggestions regarding emoluments structure for Regulatory bodies?***

No Comment. It is for concerned Ministry to examine and give views keeping in view whether it

will help in smooth functioning or hamper the on going system.

**15 Payment Bonus:**

***One of the terms of reference of the 7<sup>th</sup> Pay Commission is to examine the existing schemes of payment of bonus. What are your suggestions and observations in this regard?***

Payment of Bonus should be on actual wages and equivalent to one month salary.

Federation feels that in Railways working, Officers are deeply involved in train operation and in field duties. Their working hours extend from 6 am to 10 pm at a stretch to run the Railways smoothly. All Railway Gazette Officers should be given bonus to make them feel that they have also contributed in increased output and productivity of the Railways.

All staff, officers upto Chairman, Railway Board should be paid Bonus as all of them are contributing in the achievement of targets.

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