

INDIAN RAILWAYS TECHNICAL SUPERVISORS' ASSOCIATION

(Estd. 1965, Regd. No.1329, Website <http://www.irtsa.net>)



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9003149578, 9444100842

No:IRTSA/Memo-33

Date:16.09.2024

Smt. Nirmala Sitaraman
Hon'ble Minister for Finance

Shri. Ashwini Vaishnaw
Hon'ble Minister for Railways

Respected Madam/Sir,

Sub: Productivity Linked Bonus (PLB) for non gazetted Railway employees for the financial year 2023-24.

- 1) We would like to bring to your kind notice regarding ceiling of monthly emolument of Rs.7000 for the purpose of calculating Productivity Linked Bonus (PLB) for non-gazetted Railway Employees which is far less than entry pay for level-1 posts which is Rs.18,000 + DA and other important lacunas in payment of PLB to Railway employees.
- 2) **Issues with Productivity Linked Bonus (PLB)**
 - i) **Outdated Wage Ceiling:** Monthly wages ceiling for PLB was not revised from Rs.7000 to Rs.18000 after implementation of 7th CPC recommendations w.e.f. 01.01.2016. Ceiling of Rs.7000 remains same for nine years.
 - ii) **Stagnant PLB Amount:** The PLB amount of ₹17,951 has not increased in nine years, ignoring even inflation.
 - iii) **PLB is not in proportion to number of equivalent days announced:** Last year PLB equivalent for 78 days wages was announced. But, Rs.17,951 paid as PLB was not in proportion to 78 days wages.
 - iv) **No weightage for employees working in Pay Level- 2 to 8:** PLB calculation gives no weightage for employees in Pay Level 2 to 8, shouldering higher responsibilities for improving productivity.
 - v) **PLB paid not in proportion to improved Railway performance:** Improvements in the productivity of goods and passenger traffic not reflected in the PLB paid to employees.
- 3) **It is requested that**
 - i) **Revision of Ceiling Limit for Pay Level-1:** The ceiling limit for Pay Level-1 employees for the purpose of PLB should be revised to ₹18,000 plus Dearness Allowance (DA).
 - ii) **Removal of Ceiling Limit for Pay Levels 2 to 8:** The ceiling limit of PLB should be removed for employees working in level-2 to level-8 and the calculation of PLB should be linked to Pay level the employees are working.

Thanking you

Copy for kind information & necessary action
CRB & CEO Railway Board, New Delhi.
DG (HR) Railway Board, New Delhi.
Additional Member (Staff), Railway Board, New Delhi.
Additional Member (HR), Railway Board, New Delhi.

K.V.RAMESH
General Secretary, IRTSA
9003149578

Enclosure: One detailed Memorandum

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Hon'ble Finance Minister

Respected Madam,

Sub: Productivity Linked Bonus (PLB) for non gazetted Railway employees for the financial year 2023-24.

- 1) We would like to bring to your kind notice regarding ceiling of monthly emolument of Rs.7000 for the purpose of calculating Productivity Linked Bonus (PLB) for non-gazetted Railway Employees which is far less than entry pay for level-1 posts which is Rs.18,000 + DA and other important lacunas in payment of PLB to Railway employees.
- 2) The Payment of Bonus Act, 1965 provides for a minimum bonus of 8.33 percent of wages. The PLB scheme for Railway employees came in to force from the year 1979. From the year 1995-96, all the Group 'C' and Group 'D' employees have been paid PLB without any ceiling on wages for eligibility. The scheme envisaged measurement of productivity of Railways by the net tonne KM for goods revenue traffic and passenger KM equated to goods traffic relating to average staff strength.
- 3) Ceiling of monthly emoluments for the purpose of payment of PLB was fixed as Rs.7000 (Basic Pay + DA) from the financial year 2014-15 vide Railway Board letter No. RBE No.109/2016 dated 15.09.2016. It remains same till date with same PLB amount of Rs.17,951 for continuous nine years.
- 4) PLB equivalent to 78-day wages sounds irrational with the maximum admissible PLB of Rs.17,951.
- 5) Year wise equivalent days, monthly wage ceiling and maximum PLB admissible is given in the table below.

	Year	Days	Monthly wage ceiling	Maximum PLB
			Amount in Rs.	
1	2001-02	59	2500	4849
2	2002-03	59	2500	4836
3	2003-04	59	2500	4836
4	2004-05	59	2500	4849
5	2005-06	65	2500	5342
6	2006-07	70	2500	5753
7	2007-08	73	3500	8399
8	2008-09	75	3500	8630
9	2009-10	77	3500	8860
10	2010-11	78	3500	8975

11	2011-12	78	3500	8975
12	2012-13	78	3500	8975
13	2013-14	78	3500	8975
14	2014-15	78	7000	17951
16	2015-16	78	7000	17951
17	2016-17	78	7000	17951
18	2017-18	78	7000	17951
19	2018-19	78	7000	17951
20	2019-20	78	7000	17951
21	2020-21	78	7000	17951
22	2021-22	78	7000	17951
23	2022-23	78	7000	17951

- 6) Entry pay for lowest grade of Pay Level-1 in Railways is increased to Rs.18,000 w.e.f. 01.01.2016 from monthly wage ceiling of Rs.7000 which was fixed in 6th CPC period.
- 7) Gross traffic receipt of IR has increased by 6.4% from Rs.2,39,983 crore in 2022-23 to Rs. 2,55,273 crore in 2023-24. IR recorded its highest-ever freight loading of 1591 MT in 2023-24 from 1512 MT in 2022-23 an increase of 5.2%. In the same period passenger traffic increased by 8.7% to 648 crore from 596 crore.

8) **Issues with Productivity Linked Bonus (PLB)**

- i) **Outdated Wage Ceiling:** Monthly wages ceiling for PLB was not revised from Rs.7000 to Rs.18000 after implementation of 7th CPC recommendations w.e.f. 01.01.2016. Ceiling of Rs.7000 remains same for nine years.
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- v) **PLB paid not in proportion to improved Railway performance:** Improvements in the productivity of goods and passenger traffic not reflected in the PLB paid to employees.

4) **It is requested that**

i) **Revision of Ceiling Limit for Pay Level-1:**

The ceiling limit for Pay Level-1 employees for the purpose of PLB should be revised to ₹18,000 plus Dearness Allowance (DA).

ii) **Removal of Ceiling Limit for Pay Levels 2 to 8:**

The ceiling limit of PLB should be removed for employees working in level-2 to level-8 and the calculation of PLB should linked to Pay level the employees are working.

Thanking you



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