



ALL INDIA ASSOCIATION OF COAL EXECUTIVES (AIACE)

(Regd. Under the Trade Union Act, 1926; Regd. No. 546 / 2016)

302, Block No. 4, Ram Krishna Enclave, Nutan Chowk, Sarkanda; Bilaspur (CG)

E-mail : centralaiace@gmail.com ; Ph. 9907434051

AIACE/CENTRAL/2021 / 049

Dated 25.7.2023

To

The Secretary
Department of Public Enterprises,
160, Udyog Bhavan,
New Delhi-110011.
Email: secy-dpe@nic.in

Sub: Violation of DPE guideline resulting into Pay-Conflict between executives and that of staffs and workers after Wage Revision under NCWA XI in coal sector (CIL/SCCL) and request for direction to Coal ministry, Coal India and SCCL to resolve the issue

Dear Sir,

Anticipating apprehension of pay conflict between that of executives and employees of Coal India and Singreni Collieries after implementation of negotiated wage as agreed by management and trade unions, AIACE has been highlighting the issue from time to time to management, Ministry of Coal and DPE vide our letter nos. AIACE/CENTRAL/2023/ 012 dt 3-3-2023, AIACE/CENTRAL/2023/ 032 dt 21-6-2023 and AIACE/CENTRAL/2023/ 036 dt 27-6-2023.

The salary of executives working in CIL and SCCL was revised as per recommendations of 3rd PRC and approved by the central govt. It was done for a period of 10 years wef 1/1/2017. But the wages of staffs and workers are fixed by JBCCI as per agreement between mgt and trade union which is called NCWA for 5 years.

For the coal sector, NCWA-XI has been implemented for 5 years w.e.f. 1/7/21 to 30/6/26. Vide letter No. 55011/3/2015-PRIW-I/Vol.IV dt. 22-6-2023, Ministry of Coal has confirmed about successfully concluding MoA for NCWA-XI and implementing wef June 23 for workmen in Coal India Ltd, SCCL and some private players (Copy enclosed in Annexure-I).

This implementation has created a huge pay conflict between that of executives and workers.

There exist DPE guidelines issued by DPE circular no. W-02/0015/2016-DPE (WC)-GL-XXIV/17 dt. 24-11-2017 which says that **"To avoid conflict of pay scales of executives/non-unionised supervisors with that of workmen, CPSEs may consider adoption of graded DA neutralisation and/or graded fitment during the wage negotiations."** (Copy enclosed in Annexure-II).

However, it is regretted that this wage negotiation has created a Pay-conflict with the pay scales of executives which can be addressed by providing PP (Personal Pay) component as suggested by DPE. (vide Annexure – III).

Some of the glaring examples of pay difference are given in Annexure-IV, in which 2 case studies are presented as below:

- i) first case is Comparison Of Salary And Wage Of Subordinate Enginner & Foreman I/C,
- ii) and second case is Comparison Of Salary And Wage Of Cost Accountant And Sr Officer (Finance)

From the above, it is clear that a non-executive staff is getting more wage than and executive. There are many other cases where daily rated workers are also getting more wage than executives. This has created an alarming situation and executives are very much demotivated and demoralized.

It is submitted that PF, leave encashment and other benefits are based on basic salary/wage and in case of more basic wage, these will also be affected.

So, firstly the salary of E1 grade executive be so upgraded that it becomes more than that of highest wage of non-executive staff/worker. When the salary of E1 level executive is increased, it will cross the salary of E2 level executive and so on.

So, the pay conflict needs to be resolved from E1 to E9 level starting from E1 grade.

In view of these facts, DPE is requested to intervene in the matter and issue necessary guidelines to coal companies for introducing pay protection of executives by way of allowing a PP (Personal Pay) component to executives.

We at AIACE hope that, our above request will be duly considered by DPE and it will issue appropriate direction to Coal Ministry, Coal India and Singareni Collieries Company to ensure that basic salary of Executives is made higher than the negotiated wages for non-executives.

Regards,



P. K. Singh Rathor
Principal General Secretary, AIACE

CC

1. Coal Secretary, Ministry of Coal, Govt of India, New Delhi.
2. Secretary, DOPT, Govt of India, New Delhi.
3. Secretary, Ministry of Finance, Govt of India, New Delhi.
4. Director General, SCOPE, New Delhi.
5. Chairman, CIL, Kolkata.
6. CMD, Singareni collieries Company Ltd, Kothagudem.
7. DT/DP/DF/DM, CIL, Kolkata.

No.55011/3/2015-PRIW-I/Vol.IV
Government of India
Ministry of Coal

Shastri Bhavan, New Delhi,
the 22nd June, 2023

To

The Chairman,
Coal India Limited,
Newtown, Rajarhat,
Kolkata – 700 156.

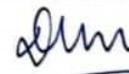
Sub: Memorandum of Agreement for National Coal Wage Agreement (NCWA-XI)
by Joint Bipartite Committee for Coal Industry (JBCCI) - reg.

Sir,

In continuation of Ministry of Coal communication of even number, dated 20th June, 2023, the undersigned is directed to refer to your letter No. CIL/CH:3883, dated 26th May, 2023 to the Coal Secretary, with a Memorandum of Agreement (MoA) for NCWA-XI, signed by parties concerned, enclosed to it.

2. Reference is also invited to the Ministry of Coal letter of even number, dated 6th May, 2021 conveying to CIL to constitute JBCCI-XI for finalisation of NCWA-XI and furnishing a copy of the wage settlement to MoC for confirmation before implementing.
3. The MoA for NCWA-XI as signed by Coal India Limited, Singareni Collieries Company Limited and Trade Union representatives, has been confirmed by Ministry of Coal.
4. It is further advised that the guidelines of DPE, in this regard, issued from time to time, may be followed.
5. This is for further necessary action.

Yours faithfully,



(Darshan Kumar Solanki)

Deputy Secretary to the Government of India
Email: dk.solanki@nic.in

Copy for information to:

1. Department of Public Enterprises,
[kind attention: Director (WC)],
Room No. 308, Block No. 14, CGO Complex, Lodi Road,
New Delhi - 110003
2. CMD, Singareni Collieries Company Limited,
Kothagudem -507101

W-02/0015/2016-DPE (WC)-GL-XXIV/17
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan,
Block No.14, CGO Complex,
Lodhi Road, New Delhi-110003.
Dated, the 24th November, 2017

Office Memorandum

Subject: Wage Policy for the 8th round of wage negotiations for workmen in Central Public Sector Enterprises (CPSEs).

The undersigned is directed to convey the decision of the Government that the next round of wage negotiations (which falls due on a general basis from 01.01.2017) with the workers of Central Public Sector Enterprises (CPSEs) may be undertaken by the Managements of the Enterprises with the Trade Unions/Associations.

2. The wage negotiations and finalization will be subject to the following conditions:

i) Management of the CPSEs would be free to negotiate wage revision for workmen where the periodicity of wage settlement of five years or ten years has expired generally on 31.12.2016 keeping in view the affordability and financial sustainability of such wage revision for the CPSEs concerned.

ii) No budgetary support for any wage increase shall be provided by the Government. The entire financial implication would be borne by the respective CPSEs from their internal resources.

iii) In those CPSEs for which the Government has approved a restructuring/revival plan, the wage revision will be done as per the provisions of the approved restructuring / revival plan only.

iv) The management of the concerned CPSEs have to ensure that negotiated scales of pay do not exceed the existing scales of pay of executives/officers and non-unionized supervisors of respective CPSEs.

v) The Management of CPSEs where the five year periodicity is followed have to ensure that negotiated scales of pay for two successive wages negotiations do not exceed the existing scales of pay of executives /officers and non-unionized supervisors of respective CPSEs for whom ten years periodicity is being followed.

vi) To avoid conflict of pay scales of executives/non-unionised supervisors with that of their workmen, CPSEs may consider adoption of graded DA neutralization and/or graded fitment during the wage negotiations.

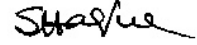
vii) CPSEs must ensure that any increase in wages after negotiations does not result in increase in administered prices of their goods and services.

viii) The wage revision shall be subject to the condition that there shall be no increase in labour cost per physical unit of output. In exceptional cases where CPSEs are already working at optimum capacity, the administrative Ministry / Department may consult DPE considering industry norms.

ix) The validity period of wage settlement would be for a minimum period of five years for those who opted for a five year periodicity and for a maximum period of ten years for those who have opted for a ten year periodicity of wage negotiation w.e.f. 01.01.2017.

x) The CPSEs would implement negotiated wages after confirming with their Administrative Ministry/Department that the wage settlement is in conformity with approved parameters.

3. All the administrative Ministries/Departments are requested to issue suitable instructions to the public sector enterprises under their administrative control in the light of the above decision of the Government under intimation to this Department.



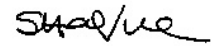
(Samsul Haque)
Under Secretary

To

All the administrative Ministries/Departments of the Govt. of India

Copy to-

1. Chief Executives of Central Public Sector Enterprises (CPSEs).
2. Financial Advisers in the Administrative Ministry/Department.
3. The Comptroller and Auditor General of India, 10, Bahadur Shah Zafar Marg, New Delhi.
4. Prime Minister's Office (Shri Tarun Bajaj, Addl. Secretary)
5. Cabinet Secretariat (Shri S.A.M. Rizvi, Joint Secretary)
6. PS to Minister (HI&PE)
7. PS to MoS (HI&PE)
8. PS to Secretary, PE
9. AS &FA (PE)
10. NIC Cell, DPE with a request to upload the OM on the DPE website.



(Samsul Haque)
Under Secretary

Annexure – III

CALCULATIONS SHOWING RESULTANT PP TO BE ALLOWED IN E-1 GRADE AND PROPORTIONATE PP IN OTHER GRADES													
NON-EXECUTIVE			EXECUTIVE GRADES										
		T&S Gr-A1		E1		E2		E3		E4			
				EXISTING	PP to neutralise Anomaly	EXISTING	Proportionate PP to neutralise Anomaly	EXISTING	Proportionate PP to neutralise Anomaly	EXISTING	Proportionate PP to neutralise Anomaly		
Basic @26 Days		71030.56	BASIC	40000	41343	50000	51678	60000	62014	70000	72350		
VDA	11.70%	8310.58	VDA@37.7%	15080	15586	18850	19483	22620	23379	26390	27276		
SDA	1.80%	1275	PERKS@35%	14000	14470	17500	18087	21000	21705	24500	25322		
ATTND. BONUS	10%	7103.06		0		0		0		0			
SPL. ALLOWANCE	5%	3551.53		0		0		0		0			
WASHING ALLOWANCE	187.5	187.5		0		0		0		0			
TRANSPORT SUB.	28.75	747.5		0		0		0		0			
ADDL. TRANS. SUB.	50	1300		0		0		0		0			
CONV. ALLOWANCE	62.5	1625		0		0		0		0			
LPG	1100	1100		0		0		0		0			
SUNDAY	SUNDAY	24412.66		0		0		0		0			
CHARGE ALLOWANCE	25%	19835.28		0		0		0		0			
GROSS PAY		140478.67		69080	71399		89248		107098		124948		
DIFFERENCE				71399	0								
			EXECUTIVE GRADES										
				E5		E6		E7		E8		E9	
				EXISTING	Proportionate PP to neutralise Anomaly	EXISTING	Proportionate PP to neutralise Anomaly	EXISTING	Proportionate PP to neutralise Anomaly	EXISTING	Proportionate PP to neutralise Anomaly	EXISTING	Proportionate PP to neutralise Anomaly
				80000	82685	90000	93021	100000	103356	120000	124028	150000	155035
				30160	31172	33930	35069	37700	38965	45240	46758	56550	58448
				28000	28940	31500	32557	35000	36175	42000	43410	52500	54262
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
				0		0		0		0		0	
					142797		160647		178497		214196		267745

CASE- 1 COMPARISON OF SALARY AND WAGE OF SUBORDINATE ENGINEER & FOREMAN I/C

After implementation of NCWA-XI, as per pay slips of June, 2023 reproduced below this table,

SN	GRADE	DESIGNATION	BASIC WAGE/SALARY(RS)	GROSS PAY(RS)
1	A1(NON- EXECUTIVE)	FOREMAN I/C	146992/	270932/
2	E1(EXECUTIVE)	SUBORDINATE ENGINEER	82590/	142632/

Comparison between Non Excutive of Grade A-1 & Excutive of E1 at MCL OF MONTH JUNE 2023

Mahanadi Coalfields Ltd		PIS No : 190051307		Name : SUBORDINATE ENGINEER (E&M)		!Basic : 82590.00		Bank : UCO BANK		PAN : XXXXXX081K	
!Area : ORIENT		!Design : E&M		!Dept : E&M		!EmpTyp : Executives		Bank A/C : XXXXXXXXXX2617		AADHAR : XXXXXXXXX9137	
!Unit : RAMPUR SA		!Grade : E-1		VDA-CURR : 37.70		VDA-PREV : 37.70		CNPF A/C : BLP/14/92		Incr Dt : 01.04.2024	
!Py.Area : MCL Orient										Slip No : 3	
!OT Code :		!Non-Yr : 17		!ATTN : 0		!EL : 0		!CL : 0		!SL : 0	
!UGA Code : Non-UG		!Curr : 17		!Prev : 0		!HPL : 0		!SPL : 0		!LWP : 0	
!TS Rate :											
Current		Adjustment!		Current		Adjustment!		Current		Adjustment!	
GROSS :		82590.00		GROSS :		13647.00		GROSS :		500.00	
SDA :		31136.43		SDA :		7961.00		SDA :		50.00	
TRANS :		29906.50		TRANS :		470.00		TRANS :		21214.00	
						ELEC CHRG : 825.90				MISC DEDU : 10.00	
						BENF REC : 10.00					
						ITAX ADJHPK : 1343.00					
!Total Earn : 142632.93		!Total Dedn : 57191.90		!Net payment : 85441.03		!Tax Gross : 142632.93		!PF Gross : 113726.43		!FORM 16 :	
		MISC dedn includes (CIL relief, MCL relief, School bus, Farewell fund and GIC)								Gross Sal : 2413002.79	
										Ded U/S 10 : 3070.00	
										Ded U/S 16 : 50000.00	
										Other Inc : 0.00	
										Ded CH-VI : 0.00	
										Taxable Inc : 2359313.00	
										Total Tax : 42406.00	
										Relief : 0.00	
										Tax deductio : 254394	
										Balance tax : 169712.00	

Mahanadi Coalfields Ltd		PIS No :		Name :		!Basic : 146992.23		Bank : STATE BANK OF INDIA		PAN : XXXXXX632F	
!Area : IB VALLEY		!Design : FOREMAN IN-CHARGE (E&M)		!Dept : E&M		!EmpTyp : Monthly Rated		Bank A/C : XXXXXXXX184B		AADHAR : XXXXXXXXX9137	
!Unit : LAJKURA GC		!Grade : T&S GRADE A1		VDA-CURR : 11.80		VDA-PREV : 42.30		CNPF A/C : BLP/20/534		Incr Dt : 01.05.2024	
!Py.Area : MCL IB Valley										Slip No : 25	
!OT Code :		!Non-Yr : 20		!ATTN : 0		!EL : 0		!CL : 0		!SL : 0	
!UGA Code : Non-UG		!Curr : 20		!Prev : 0		!HPL : 0		!SPL : 0		!LWP : 0	
!TS Rate : 62.50 /25											
Current		Adjustment!		Current		Adjustment!		Current		Adjustment!	
BASIC :		146992.23		OVERTIME :		10801.19		CHPF :		25957.00	
VDA :		17345.08		SPL ALLU :		6725.94		VPF :		21631.00	
SDA :		2638.51		ATT BONUS :		34195.81		CMPS :		11504.00	
TRANS.SUB. :		1562.50		MEDNTAX ADJ :		9638.00		ELEC CHRG :		1469.92	
PRDD INCENT :		2500.00						BENF REC :		10.00	
WEEK OFF :		25688.60						CLUB DEDN :		40.00	
HOLIDAY :		12844.30						LIC PREMIUM :		162.00	
!Total Earn : 270932.16		!Total Dedn : 109566.92		!Net payment : 161365.24		!Tax Gross : 261294.16		!PF Gross : 216309.91		!FORM 16 :	
		MISC dedn includes (CIL relief, MCL relief, School bus, Farewell fund and GIC)								Gross Sal : 2412837.56	
										Ded U/S 10 : 0.00	
										Ded U/S 16 : 50000.00	
										Other Inc : 0.00	
										Ded CH-VI : 0.00	
										Taxable Inc : 2362840.00	
										Total Tax : 425207.00	
										Relief : 0.00	
										Tax deductio : 159720	
										Balance tax : 265487.00	

Both joined on date 1990 as grade B & 1992 as grade A , And 2000 As grade A1, Date of joining As E1 IN Jan 2011.

CASE- 2 COMPARISON OF SALARY AND WAGE OF COST ACCOUNTANT AND SR OFFICER (FINANCE)

After implementation of NCWA-XI, as per pay slips of June, 2023 reproduced below this table,

SN	GRADE	DESIGNATION	BASIC WAGE/SALARY(RS)	GROSS PAY(RS)
1	A1(NON- EXECUTIVE)	COST ACCOUNTANT	82343/	129113/
2	E2(EXECUTIVE)	SR OFFICER	59680	104634/

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=====
!Eastern Coalfields Ltd      !PIS No :00191366  Name      :RAJU KUMAR SAH      !Basic      :82343.89      Bank       :PUNJAB NATIONAL BANKPAN      :*****011P
!                          !Gender :MALE      F/H's Name :UTTAM KUMAR SAH      !NCW Basic:77617.01      Last Leave Encashment Date : 01.05.2023
!Area : PANDAVESWAR        !Design.:COST ACCOUNTANT / ACCOUNT      !                          !                          Bank A/C:*****2804      AADHAR :*****2892
!Unit : PANDAVESWAR-AHQ    !Dept  :FINANCE & ACCOUNTS      !EmpTyp:Monthly Rated      CMPF A/C:RNJ/1/199      Incr Dt:01.05.2024
!Py.Area: ECL - PANDAVESWAR !Grade :T&S GRADE A1      VDA-CURR: 11.80      VDA-PREV:42.30      !Mon-Yr:JUN-2023      LTC Block: 31.05.2022 (LTC)      Slip No: 1
=====
!OT Code :                  !Mon-Yr ATTD EL CL SL HPL SPL ABS OTHERWO UG NS LV-ENCSH SUNS SUND HOLN HOLW OT.B OT.P OD CHOUR P.Days EL-BAL CL-BAL SL/HPL-BA
!UGA Code :Non-UG          !Curr  19      !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !
!TS Rate :28.75 /22      !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !
!                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !
!<-----E A R N I N G S----->|<-----D E D U C T I O N S----->|<-----F O R M 1 6----->
!BASIC : 82343.89      !GAS CYLINDE: 1112.36      !CMPF : 12520.00      !Ded U/S 10 : 0.00
!VDA : 9716.58      !CMPS : 6444.00      !ELEC CHRG : 823.44      !Ded U/S 16 : 50000.00
!SDA : 1478.07      !COOP DEDN : 12331.00      !PROF TAX : 200.00      !Other Inc : 0.00
!TRNS.SUB. : 632.50      !INC TAX : 10615.00      !MISC DEDU : 2.00      !Ded CH-VI : 0.00
!WEEK OFF : 10792.92      !                          !                          !Taxable Inc :1279223.00
!SPL ALLW : 3880.85      !                          !                          !Total Tax : 110079.00
!ATT BONUS : 19156.23      !                          !                          !Relief : 0.00
!                          !                          !                          !Tax deductio: 38629
!Total Earn:129113.40      Total Dedn:42935.44      Net payment:86177.96      Tax Gross:129113.40      PF Gross:104331.46      Balance tax : 71450.00
=====
MISC dedn includes ( Relief Fund, School bus, Farewell fund and GIC )
=====
Pay point: 03 - 03 #

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!Eastern Coalfields Ltd      !PIS No :90347212  Name      :BRAJESH PRASAD      !Basic      :59680.00      Bank       :STATE BANK OF INDIA PAN      :*****691L
!                          !Gender :MALE      F/H's Name :RAM KISHOR PRASAD      !NCW Basic:      Last Leave Encashment Date : 29.05.2023
!Area : PANDAVESWAR        !Design.:SR. OFFICER (FINANCE)      !                          !                          Bank A/C:*****1442      AADHAR :*****0888
!Unit : PANDAVESWAR        !Dept  :FINANCE      !EmpTyp:Executives      CMPF A/C:RAN/08/577      Incr Dt:01.04.2024
!Py.Area: ECL - PANDAVESWAR !Grade :E-2      VDA-CURR: 37.70      VDA-PREV:37.70      !Mon-Yr:JUN-2023      LTC Block:      Slip No: 1
=====
!OT Code :                  !Mon-Yr ATTD EL CL SL HPL SPL ABS OTHERWO UG NS LV-ENCSH SUNS SUND HOLN HOLW OT.B OT.P OD CHOUR P.Days EL-BAL CL-BAL SL/HPL-BA
!UGA Code :Non-UG          !Curr  26      !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !
!TS Rate : /                !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !
!                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !                          !
!<-----E A R N I N G S----->|<-----D E D U C T I O N S----->|<-----F O R M 1 6----->
!BASIC : 59680.00      !CMPF : 9861.00      !CMOAI : 50.00      !Gross Sal :1615828.31
!IDA : 22499.36      !CMPS : 5753.00      !PROF TAX : 200.00      !Ded U/S 10 : 2242.00
!PERKS : 20888.00      !HRR : 470.00      !INC TAX : 6512.00      !Ded U/S 16 : 52400.00
!MEDICAL NTA: 1567.00      !ELEC CHRG : 596.80      !MISC DEDU : 2.00      !Other Inc :200000.00
!                          !BENV REC : 200.00      !Taxable Inc :1138190.00
!                          !ITAX ADJHPK: 835.00      !Total Tax : 160116.00
!                          !CLUB DEDN : 400.00      !Relief : 0.00
!                          !                          !Tax deductio: 108021
!Total Earn:104634.36      Total Dedn:23209.80      Net payment:81424.56      Tax Gross:103067.36      PF Gross:82179.36      Balance tax : 52095.00
=====
MISC dedn includes ( Relief Fund, School bus, Farewell fund and GIC )
=====
Pay point: 00 - 00 #

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An interesting situation emerges from above as follows.

Employee one (X) joined in 2012 as accountant Grade -A then he was promoted to E1 in the year 2016, now he is an officer in E2 grade and he is getting gross of Rs. 1.04 Lakhs.

And another employee (Y) who joined in 2013 in Accountant Grade -A, now he is Accountant Grade - A1, still Y is getting gross of Rs. 1.25 Lakhs.

And both are working in the same office. The situation in the future can be very much imagined.

From the above, it is clear that a non-executive staff is getting more wage than an executive.

There are many other cases where daily rated workers are also getting more wage than executives.

This has created an alarming situation and executives are very much demotivated and demoralized.

It is submitted that PF, leave encashment and other benefits are based on basic salary/wage and in case of more basic wage, these will also be affected.

So, firstly the salary of E1 grade executive be so upgraded that it becomes more than that of highest wage of non-executive staff/worker.

When the salary of E1 level executive is increased, it will cross the salary of E2 level executive and so on.

So, the pay conflict needs to be resolved from E1 to E level starting from E1 grade.