



GOVERNMENT OF INDIA (BHARAT SARKAR)  
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)  
(RAILWAY BOARD)

\*\*\*

No. 2018/M(W)/814/59

New Delhi, dated:05.02.2019

✓ The General Secretary,  
AIRF,  
4, State Entry Road,  
New Delhi -110055.

The General Secretary,  
NFIR,  
3, Chelmsford Road,  
New Delhi-110055.

Dear Sirs,

**Sub.: Revision of Hourly Rates of Incentive Bonus.**

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The undersigned is directed to forward herewith views of official side of the Committee constituted on the above subject.

D.A.: As above

Yours faithfully,

for Secretary, Railway Board.



## Sub: Revision of hourly incentive bonus and bonus factor

### 1. Background

1.1. A Committee was constituted vide Board's order no. ERB-I/ 2017/ 23/ 39 dated 06.07.2017 with 3 members and later vide order of even no. dated 18.05.2018 4 more members were added and its terms of reference were also modified.

1.2. The composition of the Committee is as follows:

#### Official Side

1. PED ME (W) – Convenor

2. ED PC – II

3. EDF (C)

#### Staff side

##### AIRF representatives

1. Shri S.G. Mishra, GS/ AIRF

2. Shri L.N. Pathak, Zonal Secretary/ MCF

##### NFIR representatives

3. Shri M. Raghavaiah, GS/ NFIR

4. Shri Gopinath, SSE/ICF

1.3. The terms of reference of the Committee were:

*"Revision of hourly rates of incentive bonus in CLW pattern incentive scheme and revision of bonus factors in Group Incentive Scheme"*

1.4. The Committee has met multiple times over the last few months.

1.5. Based on discussions held in the last meeting on 26.09.2018 different options and repercussions for revising rate of incentive bonus/ bonus factor were considered and a methodology was developed to revise incentive/ hourly rates.

2. The official side of committee has finalised their views as given under:

2.1 The revised hourly rate of JEs, Sr Tech, Tech I, II, III and Semi Skilled.

2.1.1. Report of 7th CPC provides as under:

*"For most of the allowances that have been retained, we have sought to provide a raise that is commensurate with the rise in DA. Accordingly, allowances that are in the nature of fixed amount but not DA indexed have generally been raised by a factor of 2.25. Allowances that are in the nature of a fixed amount but are partially indexed to DA have generally been raised by a factor of 1.5. Allowances that are in the nature of a fixed amount but fully indexed to DA have not been given any rise. Regarding percentage based allowances, having regard to the increase in*

*[Handwritten signatures and date 30/1]*



the pay structure (and consequently the Basic Pay) as result of the recommendations of this Commission, and keeping in mind the raise granted to slab-based allowances, the quantum of percentage based allowances has been rationalized by a factor of 0.8."

2.1.2. The above guidance of the Pay Commission was proposed to be used for raising incentive hourly rates though these were not strictly in the nature of allowances.

2.1.3. An hourly rate is not DA linked. Thus, the Committee held that it be treated like fixed allowance that is different for various categories of staff and thereafter apply the rationalization factor of 0.8 as envisaged in the 7<sup>th</sup> CPC recommendations as shown above. Thus, the Revision Factor would come to  $2.25 \times 0.8 = 1.8$ . Thus, the Committee proposes that the hourly rates to be fixed at revised 1.8 times the earlier rate.

2.1.4. In the case SSEs supervising the work of staff working on the shop floor the rates were arrived at in the following manner:

2.1.4.1. For SSEs, incentive was linked to the basic pay. As stated above, the Revision factor in case of incentive staff and JEs was proposed to be 1.8.

2.1.4.2. In order to bring parity with increase in incentive for incentive staff and JEs, it would be appropriate to moderate the rationalization factor for SSEs from 0.8 to 0.7 for the purpose of incentive calculation. This will provide same order of increase to SSEs as incentive staff and JEs.

2.1.5. Therefore, in case of SSEs, the Revision Factor is calculated as under:

2.1.5.1. New Basic = Old Basic  $\times$  2.57

2.1.5.2. Moderated rationalization factor for SSEs = 0.7 (Against 0.8 used for direct incentive staff and JEs)

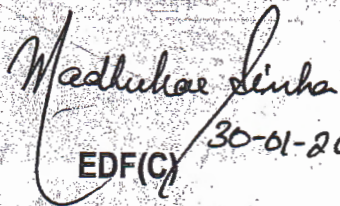
2.1.5.3. Incentive for SSEs = 15 % of (new Basic)  $\times$  Moderated Rationalization Factor (0.7)

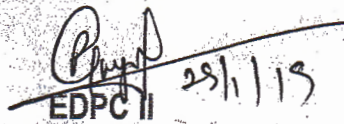
2.2. Further, in order to build efficiency into the system the following process and timing improvements are proposed to be introduced along with this revision in hourly rates/incentive bonus to build a win-win situation for the Organisation and hardworking employees:

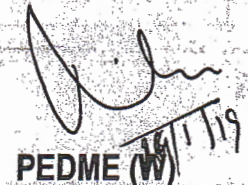
2.2.1. Biometric based attendance and job card printing to be introduced 100% in all incentive workshops/PUs.



- 2.2.2. Third party job inspection to be introduced inside workshops to bring professionalism in quality inspections and bring a quantum improvement in quality of output of Railway workshops/PUs.
- 2.2.3. A 5% cut in allowed time to rake in benefits of improvements in machines, material and process technologies.
- 2.3 Other recommendations:
- 2.3.1 Eligible SSEs/JEs be paid incentive at the substantive basic pay of the regular post held by them and not the basic pay granted to them on financial up-gradation under MACP.
- 2.3.2 The revised rates as proposed be effective with prospective effect.
- 2.3.3 Other guidelines not covered above for payment of incentive to staff under CRJ/GIS pattern, guidelines in incentive schemes may continue to be in force.
- 2.3.4 It was decided that the views of the staff side may be invited giving a 10 day time for finalizing the committee report. A final meeting may be held if considered necessary.

  
EDF(C) 30-01-2019

  
EDPC II 29/1/19

  
PEDME (W) 29/1/19



**Annexure 1**

Sr.	Designation	5 <sup>th</sup> CPC Incentive Bonus		6 <sup>th</sup> CPC Incentive Bonus		Proposed Scheme 7 <sup>th</sup> CPC Incentive Bonus Factor (1.8)	
		Hly Rate under CRJ pattern (₹)	Incentive Bonus under GIS (₹)	Hly Rate under CRJ pattern (Rs)	Incentive Bonus under GIS pattern at 100% earning (₹)	Hly Rate under CRJ pattern (₹)	Bonus factor under GIS pattern at 100% (₹)
1.	JE Gr I	26.45	7150	49.65	13440	89.37	24192
2.	JE Gr II	24.00	6500	49.65	13440	89.37	24192
3.	Sr Tech	24.00	6500	49.65	13440	89.37	24192
4.	Supervisor	21.65	5850	43.30	11700	77.94	21060
5.	Tech Gr I	21.65	5850	43.30	11700	77.94	21060
6.	Tech Gr II	19.25	5200	38.50	10400	69.30	18720
7.	Tech Gr III	17.55	3965	32.20	7930	57.96	14274
8.	Tech Gr III	14.65	3965				
9.	Semi Skilled	13.20	3575	25.45	6760	45.81	12168
10.	Unskilled	12.25	3315	24.50			

*Madhukar Sunka*  
EDF(C) 30-01-2019

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EDPC II

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PEDME (W) 11/11