

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:228
ANSWERED ON:24.11.2005
REVISION OF PAY SCALES IN CPSUS
Chakraborty Shri Swadesh

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether the Government had released funds from Public Exchequer to downsize the manpower strength of different Central Public Sector Undertakings (CPSUs) towards compensation by enhancement of additional payment of 50% and 100% extra where 1992 and 1997 Pay Revision has not been implemented;
- (b) if so, whether the serving employees of different sick CPSUs were denied to get the same benefit as an interim relief pending finalization of Wage Settlement;
- (c) if so, the reasons therefor;
- (d) whether the Government is contemplating to give effect of 1997 Pay Revision or in lieu of the same any interim relief has been granted to the existing employees of sick CPSUs pending for finalization of Board for Industrial and Financial Reconstruction (BIFR) scheme; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
(SHRI SONTOSH MOHAN DEV)

(a) to (c): The Central Public Sector Enterprises (CPSEs) are expected to pay the salary, wages, Voluntary Retirement Compensation, etc. of their employees from their own resources. The Government sometimes provides financial assistance to CPSEs which are financially weak to supplement their efforts in this regard. Compensation under Voluntary Retirement Scheme (VRS) in respect of employees of CPSEs following Industrial Dearness Allowance pattern of pay scales at 1.1.87 and 1.1.92 levels has been enhanced by 100% and 50% respectively with effect from 6.11.2001. This increase in ex-gratia has been made to encourage more employees to opt for voluntary retirement. This is, therefore, not applicable to salary/wages payable to serving employees of sick CPSEs.

(d)&(e) In respect of sick enterprises referred to Board for Industrial and Financial Reconstruction (BIFR), revision of pay scales would be strictly in accordance with rehabilitation packages approved or to be approved by the BIFR and after providing for the additional expenditure on account of pay revision in these packages.