

COMMITTEE ON PETITIONS

(FOURTEENTH LOK SABHA)

THIRTY FOURTH REPORT

**MINISTRY OF HEAVY INDUSTRIES AND
PUBLIC ENTERPRISES
(DEPARTMENT OF HEAVY INDUSTRY)**



**LOK SABHA SECRETARIAT
NEW DELHI**

November, 2007/Agrahayana, 1929 (Saka)

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MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES

(DEPARTMENT OF HEAVY INDUSTRY)

(Presented to Lok Sabha on 30.11.2007)



LOK SABHA SECRETARIAT
NEW DELHI

November, 2007/Agrahayana, 1929 (Saka)

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COMPOSITION OF THE COMMITTEE ON PETITIONS

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6. Shri V.P. Gupta — *Under Secretary*

THIRTY FOURTH REPORT OF THE COMMITTEE ON PETITIONS
(FOURTEENTH LOK SABHA)

INTRODUCTION

I, the Chairman, Committee on Petitions, having been authorized by the Committee to present the Report on their behalf, present this Thirty Fourth Report of the Committee to the House on the Petition requesting for payment of pay revision arrears for the Period from 1.1.1992 to 31.12.1998 to VRS employees of Instrumentation Limited, Kota, Rajasthan.

2. The Committee considered and adopted the draft Thirty Fourth Report at their sitting held on 27th November, 2007.

3. The observations/recommendations of the Committee on the above matters have been included in the Report.

NEW DELHI;
27 November, 2007
6 Agrahayana, 1929 (*Saka*)

PRABHUNATH SINGH,
Chairman,
Committee on Petitions.

REPORT

PETITION REQUESTING FOR PAYMENT OF PAY REVISION ARREARS FOR THE PERIOD FROM 01-01-1992 TO 31-12-1998 TO V.R.S. EMPLOYEES OF INSTRUMENTATION LIMITED, KOTA, RAJASTHAN

1. Shri Basudeb Acharia, M.P. presented to Lok Sabha on 21st December, 2005 a petition signed by Shri Umesh Purohit, General Secretary, Instrumentation Seva Nivriti Karamchari Sangathan Kota, 2/39, Ganesh Talab, Basant Bir, Kota, Rajasthan requesting for payment of pay revision arrears for the period from 01-01-1992 to 31-12-1998 to V.R.S. Employees of Instrumentation Limited, Kota, Rajasthan. (Annexure -I)

2. In his petition, the petitioner stated that 2100 voluntarily retired employees of Instrumentation Limited have not yet been paid the pay revision arrears *w.e.f.* 01-01- 1992 to 31-12-1998 whereas the Government had declared pay revision for 01-01-1992 in February, 2000. However, even after elapse of 13 years from the date the pay revision was effected, the Government of India as well as the management concerned had not made any payment to them as yet. The Government of India have provided financial assistance of crores of rupees to the company several times. However, the company always stated that this money for the assistance of the company and they have kept Rs. 16 crores for the revival plan, which has been sent to the Government of India for approval. Till date, Rs. 60,000 has been paid as pay revision arrears of 01-01-1992 to the employees working in the company, whereas the company has made no payment to the employees who have voluntarily retired from the company. The Government of India recognized them as Senior Citizens. The petitioner stated that a peaceful *dharna* has been organized for the last 1411 days at the main gate of the company against non-payment of pay revision arrears of 01-01-1992.

The Petitioner, therefore, requested to grant release of money from the special fund of revival plan sent by the company for voluntarily retired employees so that the amount can be paid to the said employees.

3. The Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry (MOHI&PE) were requested to furnish their comments on the issues raised in the petition. In response, the MOHI &PE *vide* their communication dated 13th September, 2005, furnished their comments as under:—

"Instrumentation Limited (IL), Kota, a wholly owned Government of India Company, was incorporated in March, 1964 to cater to the control and Instrumentation needs of core sector process industries. Instrumentation Limited was profit making and dividend paying Company till 1988-89. The company started making losses from 1991-92. It was declared as sick Company by BIFR in October, 1993. To revive the company, a rehabilitation scheme was approved by BIFR in March, 1999. Subsequently, it was also envisaged in the Cabinet decision of 1998 that the wages would be frozen at 1992 level of wage structure and

payment of arrears will only be made when the company makes profit and will be through internal generation. As such, the payment of pay revision arrears, was wholly and solely the concern of the company, as the payments to this effect were to be made through internal generation by the company itself.

The implementation of the earlier rehabilitation scheme sanctioned by BIFR to a certain extent has allowed to right size its manpower requirement, liquidation of principal outstanding of secured creditors, principal outstanding of public Deposit Scheme and Army, Airforce Welfare Organization besides improving market credentials, but the company has not been able to come out of the red.

In this respect Department of Public Enterprises guidelines dated 25.06.1999 also stipulated that in respect of sick enterprises referred to the 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 additional expenditure on account of pay revision in these packages.

At present, a BIFR circulated revised Modified Draft Rehabilitation Scheme of the company is under active consideration for being placed before BRPSE. This modified revival plan of the company, includes *inter-alia* a provision of Rs. 50 crores for manpower rationalization including Rs. 16 crores towards payment of arrears of ex-employees VRS optees. Payments on account of arrears, as proposed in the revised plan, can be made only if and when the proposal is recommended by the BRPSE and is approved by the Government.

In view of the position stated above, it is amply clear that the issue of payments to its employees on account of arrears accruing due to pay revision is to be borne by the company. As also mentioned above, infusion of funds by Government of India is also not possible until approval as indicated in the foregoing para. The Government of India does not have any committed liability on the issue."

4. Further, the MOHI & PE *vide* their communication dated 13th January, 2006 furnished the latest position in the matter as under :

"As already intimated earlier, payments to the employees of ILK on account of arrears accruing due to pay revision is to be borne by the company and as such the Government of India (GoI) does not have any committed liability on the issue. However, at present, a BIFR circulated revised Modified Draft Rehabilitation Scheme (MDRS) of the company which includes *inter-alia* a provision of Rs. 50 crores for manpower rationalization including Rs. 16 crores towards payment of arrears of ex-employees VRS optees, is in the final stage of consideration for being placed before the Board for Reconstruction of Public Sector Enterprises (BRPSE).

In view of this, any infusion of funds by GoI for meeting the above requirement will be possible after the proposal is recommended by BRPSE and is approved by the Government/BIFR."

5. The MOHI & PE *vide* their communication dated 11th December, 2006, further furnished the latest position in the matter as under:—

"As already intimated earlier, payments to the employee of ILK on account of arrears accruing due to pay revision is to be borne by the company and as such the Government of India (GoI) does not have any committed liability on the issues. However, at present, a BIFR circulated revised Modified Draft Rehabilitation Scheme (MDRS), and recommended by the Board for Reconstruction of Public Sector Enterprises (BRPSE), which includes *inter-alia* a provision of Rs. 16.00 crore towards payment of arrears of ex-employees VRS optees, is under the consideration of the Government.

In view of this, any infusion of funds by GoI for meeting the above requirement will be possible after the BRPSE recommended proposal is approved by the Government and BIFR."

6. The Committee, thereafter, took oral evidence of the representatives of the Ministry of Heavy Industries and Public Enterprises (Department of Heavy Industry) on 12th April, 2007.

7. During the course of evidence, the Additional Secretary in the Ministry of Heavy Industries and Public Enterprises, explained the details of the case as under:—

".....The issue raised in the petition is in regard to payment of arrears consequent on the revision of scales of pay. The relevant period is 01-01-1992 to 31-12-1998. What is stated in the petition is correct except for the fact that there is a mention that for the existing employees a sum of Rs. 60,000 has been paid towards what is stated as arrears consequently on in the revision of pay scales. That is factually not correct. Except for that the rest of the behind is factually correct.

The Government in its letter dated 28-02-2000 has permitted this company to revise the scales of pay for its employees but it has been made very clear in the Government's order that the arrears of pay and allowance from 01-01-1992 to 31-12-1998 will be made later when the company makes profit and will be met through internal generation only. That is the observation that really needs to be looked into.

The question here is in regard to the payment of arrears to VRS optees. As far as VRS optees are concerned, how the payment to the employees who have ceased to be in service after 01-01-1992 are to be regulated is also mentioned in this Presidential directive."

I would like to read out the part of this directive which read like this:—

"All executives who were on the rolls of PSE as on 01-01-1992 and subsequently ceased to be in service on account of superannuation, resignation, voluntary retirement, termination of employment, death, etc. would be eligible for the benefits of revised scales of pay for the period they were in employment of the PSE as per condition incorporated in Para 1."

"Para 1 is essentially in regard to internal resources for settlement of these dues. The present status is that the company is sick. It has been incurring losses for the last ten years. So, they are not able to generate surplus to ensure that the arrears of the serving employees as well as those who have taken voluntary retirement is settled. There is a rehabilitation package which has been prepared by the Company. It has been sent to the Government. In that there is a request to provide Rs. 16 crore towards settlement of the VRS arrears of the employees who have taken VRS benefit. In addition to this, the existing employees are also to be covered with the same facility and the Company would need about Rs. 15 crore. So, both put together it, will come to Rs. 31 crore. The rehabilitation package of this Company has been under the examination of the government for quite some time now. Very recently the proposal went before the Cabinet Committee on Economic Affairs. A decision could not be taken. It was referred to the Committee of Secretaries. The Committee of Secretaries met in the beginning of this week but the issue is not yet resolved. It would take some time to work out as to how the amounts which are payable to those who have taken voluntary retirement and those in service could be paid. Some decision would be taken and we would be guided by the decision."

8. The Committee asked about the details of number of employees who retired in 1992, the number who opted for VRS and the amount due to them. At this, the witness stated as under:—

"Sir, as I mentioned for all those employees who have taken voluntary retirement during this period, the total amount required comes to Rs. 16 crore and for those who are currently in service it comes to Rs. 15 crore. So both put together comes to Rs. 31 crore. 1750 employees have left and 1680 are currently on the rolls of the company."

9. When the Committee desired to know since when this issue has been under consideration of the Government and what steps have been taken to make payment of rupees 16 crores to the employees, the witness stated as under:—

"Sir this request of the Company for providing Rs. 16 crore is before the Government. A view has to be taken at the highest level by the Cabinet or by the Cabinet Committee on Economic Affairs. The implication would be that in one company if you take a decision of this kind, it would have far reaching ramifications because it will be applied to other companies as well. Therefore, the individual companies should be looked at. As of now, I am unable to give any assurance as to what would be the Government's stand on this."

10. When asked about any assurance given to the employees at the time of VRS about settlement of the arrears, the witness stated as under:—

"Sir, I read out the relevant portion of the presidential order which said as far as payment of arrears from 01-01-1992 to 31-03-1998 is concerned, it will be made later when the Company makes profits. It will be done through internal generation. That is the part of the directive that was given to the company."

11. The Committee wanted to know whether any assurance was given at the time of VRS to revise their pay scales and to pay the arrears. At this the representative of the MOHI & PE stated as under:—

"I am not aware of any such assurance. But the fact of the matter is that in the Presidential Directive it has been made clear that as far as this was concerned, consequent on the pay revision, the arrears would be paid out of their own internal generation."

12. On being enquired about the control of the Ministry on the closed Company and whether any Liquidator was appointed for that by the Ministry, the witness responded as under:—

"Sir, this company is working. It is not that it is closed and it is before a liquidator. That is not the issue here. In fact, this company has been sick for the last ten years. Since 1998 it has been losing and at that time there was an effort made to rehabilitate this company. A revival package was thought of and was put into practice, but the losses did not come down. In 2006-07 the losses are close to about Rs. 29 crore. They continue to lose even now. It is in this context that there is a proposal before the Government for the rehabilitation of this company. That proposal has now come to the Committee of Secretaries. They are looking at the possibility of Government assisting this company."

13. The Committee asked about the efforts being made by the Government for payment of the arrears to the employees. The witness replied as under:—

"According to the Presidential Directive this cannot be given by the Government. They are not entitled to get it by way of assistance from the Government. It has to be from within the generation of their own resources. It is not a Government liability if you go by the Presidential Directive that has gone to the Company from the Government."

14. The Committee pointed out that the Government is going to rehabilitate the sick Company and this is the responsibility of the Government to rehabilitate the employees but the Government is trying to shift their liability/responsibility to the company. The Committee asked as to what steps the Government is going to take to help the employees of the company. Responding to this, the witness stated as under:—

"The Company is a legal entity. It is managed by its Board of Directors in which there are Government Directors. But then the assets and liabilities are to be managed by them. The Government is stepping in because of Government policy directive, or a policy of the Government to ensure that the sick industries are rehabilitated and it is in this context that the Government is entering in to this picture."

The witness further added:—

"The company is not in a position to pay this money. This is certain. The question is, where do we get the money? If Government is stepping in, then Government

is looking at the possibility of revival. There is no policy decision that all arrears of employees, in companies of Government where wage revision has taken place, would be paid to the employees. There is no such policy decision taken by the Government. On a case to case basis this is being examined. A view would have to be taken."

15. The Committee wanted to know the reasons for keeping the matter pending so far. The witness responded as under:—

"The proposal before the Government is a comprehensive proposal for the rehabilitation of the company and it is not just about payment of salaries and allowances. This is none of the elements in the proposal that has come from the company."

The witness further added:—

"The company does not have the money to pay. The Government has not taken a decision whether the money should be paid for the purpose. It is before the Committee of Secretaries. It met this week but they have not taken a decision. Still they want some more information and then a view will be taken and then it will go before the Cabinet Committee on Economic Affairs. I can only explain the position. But I am unable to say what decision will come out of it."

16. When asked about names of the Departments whose Secretaries are the members of the Committee of Secretaries, the witness stated as under:—

"The Committee of Secretaries consists of the Cabinet Secretary, the Secretary of Heavy Industries, the Secretary (Expenditure), Secretary (Banking), Secretary (Disinvestment) and Labour Secretary."

17. The MOHI & PE *vide* their communication dated 29th May, 2007 have furnished the detailed facts on the matter as under:—

"Instrumentation Limited (IL), Kota, a wholly owned Government of India Company was incorporated in March, 1964 to cater to the control and instrumentation needs of Core Sector Process Industries. It was a profit making and dividend paying Company till 1988-89. The Company started making losses from 1991-92 and was declared as sick company by Board for Industrial and Financial Reconstruction (BIFR) in October, 1993. To revive the company, a Rehabilitation Scheme was approved by BIFR in March, 1999 based on the Cabinet approval of turn around plan of the Company along with financial assistance and reliefs. It was envisaged in the Turn around Plan that the wages would be frozen at the 1992 level of wage structure (as per DPE guidelines) and payment of arrears will only be when the Company makes profits and will be through internal generation. The Company will be signing an agreement with the Employees Union regarding the freezing of wages as above. The BIFR sanctioned schemes of 1999 also envisaged revision of pay scales *w.e.f.* 01.01.1992.

The guidelines for 1992 pay revision were issued by the Department of Public Enterprises on 19.07.1995, which stipulated that for Sick Public Sector Enterprises registered to BIFR pay revision and grant of other benefits will be allowed only if it is decided to revive the Unit. The revival package should include the enhanced liability on this account. The conditions also prescribed that there shall be no increase in all about cost per physical unit of output. The Government shall not provide any budgetary support to the PSE for meeting the enhanced liability. Requisite resources for the pay increases must be found from within own internal general.

In the light of the DPE guidelines as well as the above position, the case of pay revision from 01.01.1992 in respect of below Board level non-unionized Executives was examined and approval of the same was given on 28.01.2000 subject to the following condition:—

- (a) Payment of revised salary and allowance and fringe benefits will be made effective from 01.01.1992. The arrears of Pay and Allowance from 01.01.1992 to 31.12.1998 will be made later when the Company make profit and will be through internal generation only.
- (b) In case of fringe benefits no arrears shall be paid.
- (c) IL should ensure reduction of 560 employees through VRR as envisaged in sanctioned turn around scheme of the Company.
- (d) No budgetary support will be provided to the Company by Government to meet the additional liability in any case.

With a view to enabling the PSEs to right-size their manpower, the Department to Public Enterprises had announced a Voluntary Retirement Scheme on 05.10.1998, which was revised on 05.05.2000 to make it more efficacious having regard to both the interests of the employee and the need to enable Public Sector Enterprises (PSEs) to rationalize their surplus manpower. The Department of Public Enterprises had spelt out the parameters on the basis of which the VRS could be formulated by the PSEs for their employees which are contained in their O.M. dated 05.05.2000 and 06.11.2001.

In the light of these guidelines, the VRS had been implemented in ILK on regular intervals since 1992 to right-size the man power. It was however, indicated in the Department of Heavy Industry's letter dated 08.12.1994 addressed to CMD, Instrumentation Limited that employees who opt for VR would be eligible for arrears on account of wage/pay revision till the date they were in service of the Company including the enhancement in the *ex-gratia*. The Company had also clarified during January, 1995 that the employees who opt for Voluntary Retirement would be eligible for arrears on account of wage/pay revision as and when announced and if made effective from a retrospective date till the date they were in service of the Company

including the enhancement in the *ex-gratia*. The yearly break up of the number of employees who opted for VRS's as under:—

Year	No. of Employees	Year	No. of Employees
1991-92	29	2000-01	247
1992-93	125	2001-02	183
1993-94	506	2002-03	220
1994-95	67	2003-04	126
1995-96	53	2004-05	33
1996-97	68	2005-06	09
1997-98	106	2006-07	80
1999-2000	362	Total	2214

The Financial position of the Company not being sound being a BIFR referred Company, no payment has been made to any of the employees whether existing or ex-employees of the company towards 1992 pay revision arrears for the period from 01.01.1992 to 31.12.1998. However, no other arrears/dues are outstanding for the period from 01.01.1992 to 31.12.1998. The total financial liability on account of these arrears to VRS opted employees has been worked out to Rs. 16 crores. With a view to consider payment of these arrears/dues to these ex-employment, the provision has been included in the Draft Modified Revival Scheme (DMRS) circulated by BIFR in December, 2003. The revival scheme which has been recommended by the Board for Reconstruction of Public Sector Enterprises (BRPSF) is under process for being placed before the competent authority for its decision.

Since the financial position of the Company had not been sound and the Company being not in a position even to pay full salaries to its employees, the Department of Heavy Industry have been providing financial assistance to the Company from time to time towards payment of outstanding employees related due like part payment of salary and wages and related statutory due to the existing employees. However, the Government has not given any financial assistance for payment of arrears on account of 1992 pay revision for the period from 01.01.1992 to 31.12.1998. The year-wise financial assistance provided by the Department of Heavy Industry to ILK is as under:—

Year	Plan	Non-Plan	VRS	Total
1	2	3	4	5
1992-93	—	—	3.00	3.00
1993-94	1.00	—	5.50	6.50
1994-95	1.00	—	5.31	6.31
1995-96	1.40	3.00	3.28	7.68
1996-97	2.48	4.50	1.00	7.98
1997-98	2.85	4.00	4.15	11.00
1998-99	2.25	23.00 **	5.00	34.25
1999-2000	4.50	13.00 **	2100	38.50
2000-01	0.95	31.80	12.35	48.10

1	2	3	4	5
2001-02	3.50	4.00	22.56	30.06
2002-03	2.65	1.32	—	3.97
2003-04	2.45	17.74	—	20.19
2004-05	10.46	38.55	—	49.01*
2005-06	12.01	36.05	—	48.06
2006-07	—	32.38	—	32.38

*Also Rs. 2.55 crore as non-plan subsidy grant for payment of interest on Bonds raised through Government Guarantee.

**As per Sanctioned Scheme, infusion of funds made.

Observations/Recommendations

18. The Committee note from the submission of the petitioner that 2100 voluntarily retired employees of Instrumentation Limited, Kota, Rajasthan have not yet been paid the pay revision arrear *w.e.f* 01.01.1992 to 31.12.1998 whereas the Government had declared pay revision for 01.01.1992 in February, 2000. The Petitioner has further submitted that the Government of India have provided financial assistance of crores of rupees to the company several times. However, the company always stated that this money is for the assistance of the company and they have kept Rs. 16 crores for the revival plan, which has been sent to the Government of India for approval. Till date Rs. 60,000 has been paid as pay revision arrears of 01.01.1992 to the employees working in the company, whereas the company has made no payment to the employees who have voluntarily retired from the company. The petitioner, therefore, requested for release of Rs. 16 crores from out of the special fund proposed for the revival plan of the company so that the amount can be paid to the voluntarily retired.

19. The Committee were informed by the Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry that Instrumentation Limited (IL), Kota, a wholly owned Government of India company was incorporated in March, 1964 to cater to the control and instrumentation needs of Core Sector Process Industries. It was a profit making and dividend paying company till 1988-89. The Company started making losses from 1991-92 and was declared as sick company by Board for Industrial and Financial Reconstruction (BIFR) in October, 1993. To revive the Company, a Rehabilitation Scheme was approved by BIFR in March, 1999 involving financial assistance and reliefs. It was also envisaged that the wages would be frozen at 1992 level of wage structure (as per Department of Public Enterprises guidelines) and payment of arrears will only be made when the company makes profits and such payment would be through internal generation. The scheme sanctioned by BIFR in 1999 also envisaged revision of pay scales *w.e.f* 01.01.1992. The guidelines for 1992 pay revision were issued by the Department of Public Enterprises on 19.07.1995, which stipulated that for Sick Public Sector Enterprises registered in BIFR, pay revision and grant of other benefits would be allowed only if it is decided to revive the Unit. The revival package should include the enhanced liability on this account. The conditions also prescribed that there shall be no increase in labour cost per physical

unit of output. The Government shall not provide any budgetary support to the Public Sector Enterprises for meeting the enhanced liability. Requisite resources for the pay increases may be found from within the own internal generation by the undertaking concerned.

20. The Committee were also informed that with a view to enabling the Public Sector Enterprises (PSEs) to right-size their manpower, the Department of Public Enterprises had spelt out the parameters *vide* their O.M. dated 05.05.2000 and 06.11.2001 on the basis of which the VRS could be formulated by the PSEs for their employees. In the light of these guidelines, the VRS had been implemented in Instrumentation Limited, Kota on regular intervals since 1992 to right size the manpower. It was, however, indicated in the Department of Heavy Industry's letter dated 08.12.1994 addressed to CMD, Instrumentation Limited that employees who opt for VR would be eligible for arrears on account of wage/pay revision till the date they were in service of the Company including the enhancement in the *ex-gratia*. The Company had also clarified during January, 1995 that the employees who opt for Voluntary Retirement would be eligible for arrears on account of wage/pay revision as and when announced and if made effective from a retrospective date, such arrears would be till the date they were in service of the Company including the enhancement in the *ex-gratia*. The financial position of the Company has not been sound being a BIFR referred Company. As such no payment has been made to any of the employees whether existing or ex-employees of the Company towards 1992 pay revision arrears for the period from 01.01.1992 to 31.12.1998. No other arrears/dues are outstanding for payment to the ex-employees except the pay revision arrears for the period from 01.01.1992 to 31.12.1998. The total financial liability on account of these arrears to VRS opted employees has been worked out to be Rs. 16.00 crores. With a view to consider payment of these arrears/dues to these ex-employees, provision has been included in the Draft Modified Revival Scheme (DMRS) circulated by BIFR in December, 2003. The revival scheme which has been recommended by the Board for Reconstruction of Public Sector Enterprises (BRPSE) is under process for being placed before the competent authority for its decision. Since the financial position of the Company had not been sound and the Company being not in a position even to pay full salaries to its employees, the Department of Heavy Industry have been providing financial assistance to the Company from time to time towards payment of outstandings related to employees' dues like part payment of salary and wages and related statutory dues to the existing employees. However, the Government has not given any financial assistance for payment of arrears on account of 1992 pay revision for the period from 01.01.1992 to 31.12.1998.

21. The Committee note from the submissions made by the Ministry of Heavy Industries, during the course of evidence that a Draft Modified Revival Scheme (DMRS), prepared by BIFR in December, 2003 which includes provision of an amount of Rs. 16 crores towards the payment of arrears/dues of VRS employees, is pending before the Committee of Secretaries after which it would go before the Cabinet Committee on Economic Affairs. The Committee strongly deprecate that it took nearly five Years for the Government to advise a Revival Scheme and that too without provision for prompt payment of pay revision arrears. The Committee also express their

displeasure over the fact that the scheme prepared in December, 2003 has not yet been approved by the Government even after an elapse of nearly four years thereby causing avoidable hardship to thousands of helpless employees and ex-employees of Instrumentation Limited, Kota and their family members for no fault of theirs. The Committee are of the view that Government cannot absolve themselves of their responsibilities for taking adequate steps for welfare of labour as well as making sincere efforts to revive a company established with public money in case it starts running into losses.

22. The Committee, therefore, recommend that the Ministry should pursue the matter vigorously for an early resolution of the issue relating to payment of arrears to VRS employees which has been pending for long. The Committee would like to be apprised of the action taken by the Government in the matter within a period of three months.

NEW DELHI;
27 November, 2007
6 Agrahayana, 1929 (Saka)

PRABHUNATH SINGH,
Chairman,
Committee on Petitions.

LOK SABHA

PETITION No. 9

(Presented to Lok Sabha on 21.12.2005)

To

Lok Sabha,
New Delhi.

The humble petition of Shri Umesh Purohit, General Secretary, Instrumentation Seva Nivrit Karamchari Sangathan Kota, 2/39, Ganesh Talab, Basant Bir, Kota (Rajasthan).

SHEWETH

We, the 2100 voluntarily retired employees of Instrumentation Ltd. request that the payment of the pay revision arrears *w.e.f.* 1.1.1992 to 31.12.1998 have not yet been made to us, whereas the Government had declared pay revision for 1.1.1992 in February, 2000. However, even after the lapse of 13 years, the Government of India as well as the management concerned had not made any payment to us as yet.

The Government of India have provided financial assistance of crores of rupees to the company several times. However, the company always stated that this money is for the assistance of the company and they have kept Rs. 16 crores for the revival plan, which has been sent to the Government of India for approval. Till date, Rs. 60,000 has been paid as pay revision arrears of 1.1.1992 to the employees working in the company, whereas no payment has been made by the company to the employees who have voluntarily retired from the company.

The Government of India recognizes us as Senior Citizens. A peaceful dharna have been organised for the last 1411 days at the main gate of the company against non-payment of pay revision arrears of 1.1.1992.

We, therefore, humbly request before you to kindly use your good office to grant release of Rs. 16 crores from the special fund of revival plan sent by the company for voluntarily retired employees so that the amount can be paid to the said employees.

And your petitioner as in duty bound shall ever pray.

Name	Address	Signature
Shri Umesh Purohit	General Secretary, Instrumentation Seva Nivrit Karamchari Sangathan Kota, 2/39, Ganesh Talab, Basant Bir, Kota (Rajasthan).	Sd/

Countersigned by Shri Basudeb Acharia, M.P.

ANNEXURE-II

MINUTES OF THE FIFTY SIXTH SITTING OF THE COMMITTEE ON PETITIONS
(FOURTEENTH LOK SABHA)

The Committee on Petitions sat on Thursday, the 12th April, 2007 from 1500 hours to 1600 hours in Committee Room No. C, Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri Anant Gangaram Geete
3. Shri Mohan Jena
4. Shri Wangyuh W. Konyak
5. Adv. Suresh Kurup
6. Shri Kishan Singh Sangwan

SECRETARIAT

1. Shri A. K. Singh — *Director*
2. Shri U.B.S. Negi — *Deputy Secretary I*
3. Shri H. R. Kamboj — *Deputy Secretary II*

WITNESSES

Ministry of Heavy Industries and Public Enterprises

1. Shri N. Kokulram — Additional Secretary and FA
2. Dr. Surajit Mitra — Joint Secretary
3. Shri D.R.S. Chaudhary — Joint Secretary
4. Shri Arun Singhal — Joint Secretary
5. Shri A.V. Kamat — CMD, HMT
6. Shri A. K. Puri — CMD, BHEL
7. Shri S. K. Mukherjee — CMD, HCL

At the outset, the Chairman welcomed the representatives of the Ministry of Heavy Industries and Public Enterprises to the sitting of the Committee. He then drew their attention to Direction 55(1) of the Directions by the Speaker regarding confidentiality of the proceedings. The Chairman also drew attention to Direction 95

which stipulates that the Committee shall also meet as often as necessary to consider representations, letters, telegrams from various individuals, associations etc., which are not covered by the rules relating to petitions and give directions for their disposal.

Thereafter, the Committee took oral evidence of the representatives of the Ministry of Heavy Industries and Public Enterprises on the petition/representations. The important issues/points which emerged after discussion with the representatives of the Ministry on the petition/representations were as follows:—

(A) Petition presented by Shri Basudeb Acharia, MP of Shri Umesh Purohit, requesting for payment of pay revision arrears for the period from 1.1.1992 to 31.12.1998 to VRS employees of Instrumentation Limited, Kota, Rajasthan

- (i) Discussion on the Presidential directive regarding payment of revision of pay arrears to VRS optees. According to the directive, the pay revision arrears have to be paid by the company through generation of Internal resources.
- (ii) The Company was still working but has not been making profit for the last 10 years. Therefore, it was unable to pay the arrears to the VRS employees. However, the scheme for its revival is being worked out.
- (iii) Currently 1680 employees are on the rolls of the Company and 1750 employees have left it. The number of employees who expired after VRS being processed by the Ministry of Heavy Industries and Public Enterprises.
- (iv) The Company has approached the Government of India to provide financial assistance to the extent of Rs. 31 crores for settlement of arrears of serving and VRS optees. Out of 31 crores, Rs.16 crores is required for VRS optees and Rs. 15 crores for serving employees for payment of pay revision arrears.
- (v) The Cabinet Committee on Economic Affairs have constituted a Committee of Secretaries to consider the rehabilitation package. However, decision is yet to be taken.
- (vi) The Ministry of Heavy Industries and Public Enterprises was requested to expedite the proposal for early decision by the Committee of Secretaries. The Ministry was also requested to report about the progress in the matter to the Committee.

The Committee then adjourned.

ANNEXURE-III

MINUTES OF THE SIXTY NINTH SITTING OF THE COMMITTEE ON PETITIONS
(FOURTEENTH LOK SABHA)

The Committee on Petitions sat on Tuesday, 27th November, 2007 from 1500 hrs. to 1645 hrs in Chairman's Room No. 45 (II) Ground Floor, Parliament House, New Delhi.

PRESENT

Shri Prabhunath Singh — *Chairman*

MEMBERS

2. Shri Shingada Damodar Barku
3. Shri N.S.V. Chitthan
4. Shri Anant Gangaram Geete
5. Shri C. Kuppusami
6. Adv. Suresh Kurup
7. Kunwar Jitin Prasada
8. Shri Paras Nath Yadav

SECRETARIAT

1. Shri A.K. Singh — *Director*
2. Shri U.B.S. Negi — *Deputy Secretary-I*
3. Shri H.R. Kamboj — *Deputy Secretary-II*
4. Shri V.P. Gupta — *Under Secretary*

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At the outset, the Committee considered and adopted the following Reports without any modification :—

- (i) Thirty Second Report on Petition requesting for grant of temporary status to the daily wagers working in Central Mining Research Institute, Dhanbad to get the wages and other facilities at par with the other casual workers, presented to Lok Sabha by Shri Basudeb Acharia, M.P.;
- (ii) Thirty Third Report on Petition regarding non-implementation of Rehabilitation Policy, 1989 of Government of Orissa by Mahanadi Coalfields Limited (MCL), presented to Lok Sabha by Shri Dharmendra Pradhan, M.P.; and

- (iii) Thirty Fourth Report on Petition requesting for payment of pay revision arrears for the period from 01.01.1992 to 31.12.1998 to VRS employees of Instrumentation Limited, Kota, Rajasthan, presented to Lok Sabha by Shri Basudeb Acharia, M.P.

2. The Committee also authorised the Chairman to finalize and present the Reports to the House.

The Committee then adjourned.