

# INDIAN RAILWAYS TECHNICAL SUPERVISORS' ASSOCIATION

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



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No:IRTSA/Memo-14

Date:11.06.2025

## Director General (HR) Railway Board.

Respected Sir,

**Sub: Payment of Incentive Bonus & PCO allowance to SSEs upgraded to level-8 in their functional basic pay in level-8.**


**Ref:** 1) Railway Board letter No.2018/M(W)/814/59 (RBE No.131/2019), dated 09.08.2019.  
2) Railway Board letter No.E(P&A)I-2017/SP-1/WS-1 (RBE No.112/2017), dated 30.08.2017.  
3) Railway Board's letter No. PC-VII/2019/RSRP/3 (RBE No.155/2022) dated 17.11.2022.

- 1) IRTSA would like to bring to your kind notice on payment of Incentive Bonus & PCO allowance to SSEs upgraded to level-8 in their functional basic pay in level-8.
- 2) Railway Board vide its letter RBE No.155/2022 dated 17.11.2022 upgraded pay level of 50% of SSEs from level-7 to level-8 w.e.f. 01.12.2022. The order said that ***"There will be no change in nomenclature/designation, duties and responsibilities and classification of the posts after upgradation and they will remain classified as Group-C"***.
- 3) Railway Board while revising the rates of Incentive Bonus vide RBE No.131/2019, dated 09.08.2019 said that, ***"Incentive to the SSEs is linked to the basic pay. The applicable percentage for calculation of incentive for SSEs directly supervising the work of staff working in the shop floor will be 15% of the new basic under 7th CPC. i.e. Incentive payable to SSEs = New Basic pay x 15%"***.
- 4) While implementing 7<sup>th</sup> CPC recommendations relating to PCO allowance to staff working in Production Control Organisation SSEs in level-7 were granted PCO Allowance at the rate of 6% of Basic Pay vide RBE No.112/20217 dated 30.08.2017.
- 5) It is highlighted that, Railway Board vide its letters No. E(NG)59/SR6/22 dated 22.04.1963 and No. E(NG)I-78SR6/44, dated 09.06.1978 framed procedure and principle for Special Pay (now PCO allowance) says, ***However, If the staff from shop floor are posted to Production Control Organisation on (Progress, Inspection, Rate Fixing, Planning & Jig & Tool) in their existing scale of pay they will receive a special pay of 10% (ten percent) of the pay admissible to them in their post in the shop floor.***
- 6) Railway Board through its clarification No.P/3rdPC/55/Pt.5 dated 28.08.1987 (attached as Annexure-1), clarified that **special pay of 15% (PCO Allowance) should be paid in lieu of incentive bonus for Technical Supervisors working in Production Control Organisation.**
- 7) From above mentioned points it is clearly evident that, Incentive bonus to SSEs, PCO allowance to JE & SSE are being paid as percentage of functional basic pay, i.e 15%, 12% and 6% basic pay respectively.
- 8) Zonal Railways and PUs were asked for clarification on payment of incentive bonus and PCO allowance for SSEs upgraded to level-8 in their functional pay in level-8. (Copy of letter asking for clarification and reminders sent by BLW is given in the annexure-1)

- 9) **It is therefore requested that Railway Board may issue necessary clarifications at the earliest on payment of incentive bonus and PCO allowance for SSEs upgraded to level-8 in their functional pay in level-8.**

Thank you for considering our request.

Copy for kind information & necessary action  
Secretary, Railway Board, Rail Bhavan, New Delhi.  
AM/PU, Railway Board, Rail Bhavan, New Delhi.  
AM/Mech, Railway Board, Rail Bhavan, New Delhi.

**Yours' truly**  
  
**K.V.RAMESH**  
**General Secretary, IRTSA**  
**9003149578**

**SER Estt. Srl No. 245/87.**

No.P/3rdPC/55/Pt.V.

Dt. 28.08.1987.

A copy of the Railway Board's letter No. E (P&A)I-85/SP-1/TP-2 dated 14.08.1987, is published for information, guidance and necessary action. Board's letters dated 01.05.1984, 31.08.1984 and 12.02.1986, as referred to therein, were published under Estt. Srl Nos. 81/84, 178/84 and 37/86 respectively.

Copy of Board's letter No. E(P&A)I-85/SP-1/TP-2 dated 14.08.1987 addressed to the GMs, All Indian Railways and others.

**Subject:- Treatment of special pay of 15% in the Production Control Organisations in lieu of incentive bonus in the context of restructuring of technical supervisors' cadre w.e.f. 01.01.1984.**

Reference have been received from Railways/Production Units regarding the manner in which special pay in lieu of incentive bonus, admissible to staff posted in PCO is to be regulated consequent to the retrospective restructuring of the cadre of PCO in terms of Board's letter No. PCIII-83/UPG-3 dated 01.05.1984 and 31.08.1984.

2. In the light of clarifications already issued by the Board in regard to incentive bonus payments under letter No. PCIII-86/IB-1 dated 12.02.1986, it is stated that similar provisions may be extended to special pay mutatis -mutandis. Accordingly, it is clarified that-

(i) No arrears would be payable for special pay in PCO from 01.01.1984 till the actual date of promotion consequent to restructuring of the cadre of PCO.

(ii) No recoveries towards special pay should be made for such of the posts of Chargemen A in scale Rs. 550-750 which have been upgraded to scale Rs. 700-900 retrospectively from 01.01.1984.

3. It is reiterated that special pay in lieu of incentive bonus admissible in PCO should not be reckoned as pay for purpose of fixation of pay on promotion within the PCO or for protection of pay on reversion to the Shop Floor. In all such cases, pay should be fixed under the normal rules excluding the element of special pay. (This disposes of CPO/ICFs D.O.No. PBS2/M/PCO/Policy/VII dtd. 07.01.1987 and CPO/DLW's DO No. 27/237/66E Pt.III dtd. 29.01.1987).



Annexure - 2  
भारतीय रेल / Indian Railways  
बनारस रेल इंजन कारखाना  
Banaras Locomotive Works  
वाराणसी - 221004, भारत / Varanasi - 221004, India



सं.-WP/S/GM/P(W) /PCO/Incentive/Mech.sup.

Office :- GM(P)/W  
Date :- 21 /08/2023

Joint Director, Esst.(P&A)-I  
Ministry of Railway  
Railway Board  
New Delhi - 11 0001

( Kind attention to Shri Anil Kumar )

Subject :- Regarding Incentive Bonus and PCO Allowance to Upgraded  
Mechanical Senior Section Engineer on Level-8.

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As per Railway Board's Letter No.-08/M(W)814/38 dated 23-02-2010, incentive bonus is being paid to SSE's working in workshop in Level-7 @15% of their basic pay (6th CPC) and PCO allowance @6% of basic pay to those SSE's who are working in PCO area.

In the context of Railway Board Letter No.-PC-VII(2019) RSRP/3 RBE NO.155/ 2022 dated 17-11-2022, 50% of the posts of Senior Section Engineer/ Mechanical Level-7 have been upgraded to Level-08 after which the employees promoted to Level-08 are not getting shop incentives / PCO allowance in July 2023 salary.

Since the said letters of Railway Board provide for incentive bonus or PCO allowance to only SSE's working in Level-7 according to their basic salary and there is no mention of incentive bonus or PCO allowance being given to SSE's promoted to Level-8, due to which incentive bonus is not being paid to SSE's promoted from Level-7 to Level-8.

Therefore, the Railway Board is requested to take cognizance of the matter and kindly guide whether the employees upgraded/promoted from Level 7 to Level-8 are also entitled to get incentive bonus or PCO allowance or not.

( Rajesh Kumar )

Dy.Chief Personnel Officer/W

For General Manager (P)

Ph.No.(O)0542 2642712

उप मुख्य कार्मिक अधिकारी / कर्म०

Dy. Chief Personnel Officer/Works

ब०रे०का०, वाराणसी/B.L.W., Varanasi





भारतीय रेल / Indian Railways  
बनारस रेलइंजन कारखाना  
Banaras Locomotive Works  
वाराणसी - 221004, भारत / Varanasi - 221004, India



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No.-WP/S/GM/P(W)/PCO/Incentive/Mech.sup.

Office :- GM(P)/W

Date :- 17 /11/2023

Joint Director, Esst.(P&A)-I  
Ministry of Railway  
Railway Board  
New Delhi-110001

**Reminder - I**

( Kind attention to Shri Anil Kumar )

Subject :- Regarding Incentive Bonus and PCO Allowance to Upgraded  
Mechanical Senior Section Engineer on Level-8.

Ref.:- Even numbered letter No. of this Office Dated 21.08.2023 - S.10-28

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In reference to the above referenced letter, it is to bring to the kind notice that a clarification was sought regarding the payment of Incentive Bonus and PCO allowance to be paid to the upgraded Senior Section Engineer from Level-07 to Level-08.

But, no communication has yet been received regarding the above matter. Therefore again it is requested to take cognizance of the matter and kindly guide whether the employees upgraded/promoted from Level-07 to Level-08 are also entitled to get incentive bonus or PCO allowance or not, so that the grievances of the employees in this organization can be shorted out.

Enclosure: - Copy of the above referenced letter.

( Rajesh Kumar )  
Dy.Chief Personnel Officer/W  
For General Manager (P)  
Ph.No.(O)0542-2642712

o/c  
17/11/23  
17/11/23

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