

# **KERALA STATE ROAD TRANSPORT CORPORATION**

## Abstract

Payment of Pay Revision Arrears consequent to pay Revision Agreement, 1997 to the employees and retired employees - Orders issued.

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### **LABOUR SECTION, CHIEF OFFICE**

No.LR.8/023330/97

Thiruvananthapuram, dated 17.09.2011

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- Read -
- (1). Memorandum of settlement dated 13.04.1999.
  - (2). This office order of even No. dated 24.05.2003.
  - (3). This office order of even No. dated 23.04.2004.
  - (4). Decision taken by the Board of Directors in its meeting held on 06.09.2011 vide Agenda item No 140/2011.

### O R D E R

As per the memorandum of settlement signed by KSRT Corporation with the recognized Trade Unions on 13.04.1999 for the revision of pay and other service matters of the employees of the Corporation, was implemented w.e.f. 01.11.1999. As per Clause XX VIII of the agreement, "the pay revision arrears with effect from 01.03.1997 or opted date, will be credited to Provident fund for a period of four years and in case of retiring employees the arrears will be released at the time of retirement". This could not be implemented as the financial position of the Corporation is precarious.

In view of the financial difficulties being experienced by the Corporation an order dt.24.05.2003 was issued making it clear that the arrears in respect of employees will be credited to their Provident Fund account for a period of six (6) years from 13.04.1999 and to the retired employees it will be released after five (5) years from 13.04.1999.

Since the financial position of the Corporation again worsened, the Corporation was compelled to issue another order on 23.04.2004 stating that the revision arrears of employees will be credited to PF for a period of 10 years from 13.04.1999 and the arrears to retired employees will be released after 8 years from 13.04.1999. As the Corporation failed to release the arrears even after that period so many pensioners approached Lok Ayukta and the High Court praying to release the arrear amount. In the circumstance, the issue has been taken up with the Government and requested financial assistance to settle the claims. In reply the Government, has informed that the proposal regarding payment of salary arrears deferred for the better times under section 34 of RTC Act.

The payment of Pay Revision Arrears to the employees was staggered due to financial stringency of the corporation. This had been accepted by the Hon'ble Supreme Court in SLP (C) No. 27713/08 and SLP (C) No. 4544/09 and allowed stay order. SLP (C) No. 27713/08 has been disposed of by the Supreme Court later. The operation and implementation of judgements in WA 1519/09 & 1535/09 of the Hon'ble High Court had been stayed by the Hon'ble Supreme Court vide orders dated 25.08.2009 & 09.10.2009 in SLP No.21070/09 & 23468/09.

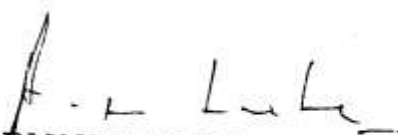
Meanwhile Hon'ble High Court vide order dated 06.01.2011 in WP(C) No.34325/10 & connected cases directed the corporation to disburse the 1997 Pay Revision Arrears as expeditiously at any rate within a period of 6 months. There fore IA No.11626/2011 was filed and obtained a further period of three months time for the compliance of the judgement. In order to avoid further court proceedings, the matter was again brought to the notice of Government and pleaded to provide urgent financial assistance to overcome the present situation.

The financial assistance requested for the payment of 1997 Pay Revision Arrears has not yet been sanctioned by the Government. Corporation is not in a position to spend more than 2 crores per month other wise it would adversely affect even the service operation of the corporation. Since the Court direction is specific the corporation is bound to comply with the judgement with in the time frame. Hence corporation has taken a decision to disburse the amount with in a time frame spending an amount of Rs. 2 crores per month to all retired employees. As such, a scheme for the payment of 1997 Pay Revision Arrears has been prepared and placed before the Board of Directors in its meeting held on 06.09.2011. The Board has approved it vide Agenda item No.140/2011.

Hence it is ordered to sanction 1997 Pay Revision Arrears to the retired employees as per the schedule shown below.

Sl No	Period of retirement		Period of sanction
	From	To	
1	01.03.97	31.03.98	11/2011
2	01.04.98	31.03.99	12/2011
3	01.04.99	31.03.00	01/2012
4	01.04.00	30.09.00	02/2012
5	01.10.00	31.03.01	03/2012
6	01.04.01	30.09.01	04/2012
7	01.10.01	31.03.02	05/2012
8	01.04.02	30.09.02	06/2012
9	01.10.02	31.03.03	07/2012
10	01.04.03	30.09.03	08/2012
11	01.10.03	31.03.04	09/2012
12	01.04.04	30.09.04	10/2012
13	01.10.04	31.03.05	11/2012
14	01.04.05	30.09.05	12/2012
15	01.10.05	31.03.06	01/2013
16	01.04.06	30.09.06	02/2013
17	01.10.06	31.03.07	03/2013
18	01.04.07	30.09.07	04/2013
19	01.10.07	31.03.08	05/2013
20	01.04.08	31.03.09	06/2013
21	01.04.09	31.03.10	07/2013
22	01.04.10	31.03.11	08/2013

1997 Pay Revision Arrears in respect of employees retiring after 31.03.2011 will be disbursed along with their retirement benefits.

  
CHAIRMAN & MANAGING DIRECTOR

To,

All Unit Officers.  
Chief Law Officer.  
All Officers and Sections in Chief Office.  
Recognized Trade Unions.  
SF / File.