



भारत सरकार

GOVT. OF INDIA

श्रम एवं रोजगार मंत्रालय

MINISTRY OF LABOUR & EMPLOYMENT

कार्यालय उप मुख्य श्रम आयुक्त (केन्द्रीय)

OFFICE OF THE DY. CHIEF LABOUR COMMISSIONER (CENTRAL)

डी-6, आदर्श सोसायटी, सेक्टर-1, अवन्ति विहार, रायपुर (छ.ग.)

D/6, ADARSH SOCIETY, SECTOR-1, AVANTI VIHAR, RAIPUR (CG)

Tele fax (दूरभाष)-0771-2442181, 2444200, Email- dyclcraipur.cg@gov.in

RP-8(01)/2016-B1

Date 22-01-2016

To,

The Director Plant,
ACC Limited,
Jamul Cements Works,
Distt - Durg (CG).

Sub:- Memorandum of Settlement arrived at in between the management of ACC Cement Jamul and the Pragatisheel Cement Shramik Sangh(PCSS) over service conditions and misc. allowances admissible to contract laboureres.

Dear Sir,

Enclosed, please find here with a copy of settlement (in original) arrived at in between the management of ACC Cement Jamul and the Pragatisheel Cement Shramik Sangh(PCSS) over the service conditions and other misc. benefits/allowances admissible to the aforesaid contact labourers engaged in ACC Cement Ltd. Jamul.

Kindly ensure that the terms of settlement as arrived at agreed and signed by you are fully complied from time to time so as to avoid any legal implications thereof in future.

"Thanking You"

Encl: As above.

(P.K. Nayak)

Dy. Chief Labour Commissioner(C) &
Conciliation Officer Raipur

Copy (in Original) to the President, Pragatisheel Cement Shramik Sangh(PCSS) Labour Camp, Jamul, Distt - Durg (CG) for information and necessary action.

Dy. Chief Labour Commissioner(C) &
Conciliation Officer Raipur

उप मुख्य श्रम आयुक्त (केन्द्रीय)
DY. CHIEF LABOUR COMMISSIONER



(File No. RP-8 (01)/2016-B-1)

Form – H
(See Rule 58)

Memorandum of settlement arrived at by ACC Limited, Jamul Cement Works and the Contract Labour represented by Pragatisheel Cement Shramik Sangh (PCSS), Regn. No: 4060 under Section 2 (P) read with Section 18(1) of the Industrial Disputes Act, 1947 & the Rules framed there under on 22.01.2016 and signed before the Dy. Chief Labour Commissioner (Central), Raipur at Jamul.

Parties present:

a) Management of ACC Limited, Jamul Cement Works, PO - Jamul, Dist. Durg, Chhattisgarh

And

b) Contract Labour represented BY Pragatisheel Cement Sharmik Sangh (PCSS), Regn.No: 4060, Labour Camp Jamul, Dist. – Durg, Chhattisgarh

Representing Employer:

Mr.B.Sherdiwala – Chief People Officer
Mr.Sunil Gupta – Cluster Head – Project
Mr.T.Nageswara Rao – General Manager - HR
Mr.Devashish Biswas – Chief Manager – HR
Mr.ArunenduBasu – Manager-HR
Mr.Mani Kumar Pandey – Manager – HR

Representing PCSS :

Ms.Sudha Bhardwaj - Advisor
Mr.Ashim Roy - Advisor
Mr Bansi lal Sahu – President
Mr.Rajkumar- Vice President
Mr.Ramakant Banjare—General Secretary
Mr.Lakhan Sahu—Organisation Secretary



Short recital of the case

The Pragatisheel Cement Shramik Sangh (herein after called as the PCSS) raised demands on ACC Jamul and ACL Bhatapara plants of the then Holcim Ltd. (now Lafarge – Holcim) under OECD Guidelines before the Switzerland National Contact Point(NCP) with respect to enforcement of human rights and other legal rights of employees etc. On the recommendations, of NCP, ACC Management (herein after called as the Management) started mutual dialogue process with PCSS with regard to the demands raised by PCSS against the Management of ACC Ltd. with a view to resolve the subject-matter. Initial meetings were held in Switzerland and thereafter the dialogue process was shifted to India from January 2014.

After initial dialogue with the PCSS at Berne, Switzerland, the scope of the agenda for discussion and negotiation was confined to the following :

1. Applicability of the Indian Cement Wage Board Award of 1983.
2. Regularization of contract workers, more particularly the workers covered by Court order of 2011 of the learned Single Judge of the Chhattisgarh High Court.
3. Compliance of the provisions of the Industrial Disputes Act and the Contract Labor (Regulation and Abolition) Act by ACC and ACL.
4. Criminal cases filed by and against PCSS members to be reviewed.

In the course of several rounds of discussions from 2014, the Management and the PCSS acquired the mutual confidence and trust and keeping in view of the fact that the new plant at Jamul was under construction; decided to resolve the issues mentioned against Sl. No1, 2 & 3 within the comprehensive framework of old and the new plants. As Jamul works is undergoing expansion of new capacity and required new skills sets and trained manpower to operate the new expanded capacity and some operations of existing plant were to be closed, the Management gave the option to PCSS that aforesaid issues can be resolved along with transition of manpower from old plant to the new plant to meet the new manpower requirement. Accordingly, both the PCSS and the Management have undertaken before the Hon'ble High Court of Chhattisgarh in the pending proceedings to resolve this issue as 'out of court settlement'. With regard to Sl no.4, ACC management has already withdrawn a few criminal cases which were filed against PCSS and similar request has been made to PCSS to withdraw cases which have been filed against the officers and employees pertains to only Jamul Cement Works.

Whereas, in the meeting held on 26th November 2015, the Management proposed the manning pattern for Jamul new and old plants and the PCSS proposed utmost manpower and regularization of all new manning and best severance package to those contract labours who would be surplus to the requirement and their regularization.

Accordingly after considerable and protracted discussions between the Management and the PCSS, the parties have arrived at the following settlement.



A handwritten signature in black ink, appearing to be "Rajendra Kumar", written over a horizontal line.

TERMS OF SETTLEMENT

The Management being the 'Principal Employer' under the provisions of the Contract Labour Act, has entered into this settlement with PCSS on behalf of the contractors with a view to maintain industrial peace and harmony so as to amicably resolve the subject-matter, more particularly which is pending before the Hon'ble Division Bench of the Chhatisgarh High Court in Writ Appeal No.191 of 2011.

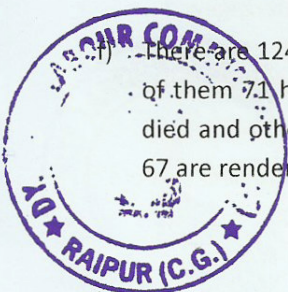
(1) Manning pattern for New and Old plants –

The Management proposed the following manning pattern of new and old plants which has been arrived at after proper assessment of skills of TP employees carried out during the preceding 3-4 months and in view of the changes in operations and technology at the new and old plants. This was accepted by the PCSS under the conditions laid down in this settlement.

Out of 935 contract labour (herein after referred to as Third Party {TP} employees), who are presently on the rolls of different contractors; (excluding those who are engaged in watch and ward function) 832 are members of PCSS.

- a) 259 TP employees as per "Annexure A" shall be employed at the new Jamul plant.
- b) 277 TP employees as per "Annexure B" shall be employed at the old Jamul plant.
- c) The TP employees as stated in points (a) & (b) above are categorised into four categories viz. TP1, TP2, TP3 and TP4.
- d) 458 TP employees who are rendered surplus will be offered severance package as per this settlement and all such employees shall be paid severance amount and would be provided support for rehabilitation.
- e) Such of the TP employees who are rendered surplus and are unwilling to accept the separation package, the Contractors shall take such steps in respect of these employees by following the due process of law.

f) There are 124 TP employees covered under the order dated 22nd March 2011 of the Hon'ble High Court. Out of them 71 have been working with various contractors 38 are paid last drawn wages and 15 are retired, died and others. Based on the skill assessment exercise, 57 are mapped to work in new and old plants and 67 are rendered surplus, retired, died etc.



(2) Wage pattern for selected TP employees upon starting of the new plant -

With reference to wage rates to be offered to selected TP employees, the Management and the PCSS hereby agree:-

(TP1) All TP Employees designated as TP1 numbering 60 & 117 mapped in new and old plant respectively shall be paid initially 50% of wage board wage (hereby in the settlement meaning wage as is applicable to employees under CMA settlement dated 29/7/2015) and progressively enhanced to full wage as they reach to expected level of skill and performance in the next 2 years. It is agreed that there will be an objective and transparent method of evaluation and that assessment shall be made after every 6 months and communicated to the employees and the PCSS.

Explanation:-If employees do not reach to the desired level of skill & performance, they will continue to get same salary.

(TP2) – All TP employees designated as TP2 numbering 70 & 144 mapped in new and old plant respectively shall be employed in Cement Loading and Packing and shall be paid wage board salary subject to meeting daily loading target as specified for the new & old plant.

Explanation:-Based on the capacity of packing plant and types of Rakes, Trucks and other machinery, the Management will fix reasonable and safe cement packing and loading workloads for new and old plants. This number is inclusive of those who are not members of the PCSS.

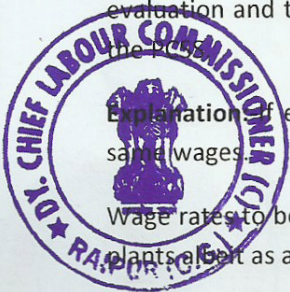
(TP3) – All TP employees designated as TP3 numbering 110 & 16 mapped in new and old plant respectively shall be paid initially 25% more than minimum wages. And on basis of their overall performance in the first year, additional 5% increase will be given. Thus there will be a total increase of 30%. This decision has been taken as one time increase in wages as package deal. They shall be engaged on job such as – Medical (Sanitation, Hospital {Plant & Colony} etc), Horticulture (Plant, Colony & Mines), Camp Services, Housekeeping (Plant & Mines) etc.

Explanation:-Employees will continue to draw the same wages in case they do not meet the expected level of overall performance.

(TP4) – All TP employees designated as TP4 numbering 19 & nil mapped in new and old plant respectively shall be employed for maintenance and other defined jobs and shall be paid 50% of wage board salary. The same shall be progressively enhanced to full wage board salary as they reach to expected level of skill and performance in the next 2 years. It is agreed that there will be an objective and transparent method of evaluation and that assessment shall be made after every 6 months and communicated to the employees and

Explanation:-If employees do not reach to the desired level of skill & performance, they will continue to get same wages.

Wage rates to be offered to TP employees will be the same for those who will be working in Jamul new and old plants as applicable to their respective categories.



(3) Payment of yearly bonus

It has been decided by the Management and the PCSS that in view of the existing practice, Ex gratia of payment will be made in addition to the statutory bonus at the rate of 8.33% to all TP employees. In addition, the Contractors shall pay an additional bonus by way of Ex Gratia. The bonus & Ex Gratia together shall not exceed 15%. The percentage of bonus and ex gratia together shall be payable at 15% subject to the condition that the permanent workmen of the Management are paid 20% bonus. If in future, permanent workers are paid less than 20% bonus, the percentage of bonus and ex gratia shall be paid on pro rata basis.

(4) Severance package for unmapped TP employees

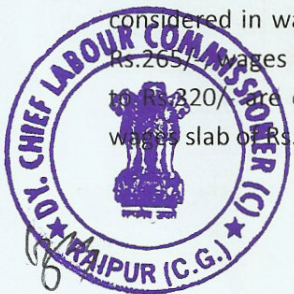
It has been agreed by the Management and the PCSS to offer following severance package to surplus TP employees to support them and their families upon cessation of their service so as to mitigate hardship and for secured future.

While arriving at the severance packages, the parties hereby agree to offer lump sum payment to those unmapped TP employees who are below the age of 50 years (Scheme-1) and those who are above the age of 50 years will have an option of pension scheme (Scheme-2). These schemes are applicable to all those surplus TP employees regardless of their coverage under the order of the Hon'ble High Court of Chhattisgarh.

a) Scheme-1- Lump sum payment

Three months wages for every completed yr of service or one month wages for every residual month of service whichever is minimum subject to a ceiling of 48 months wages.

- Wages mean – Daily basic wage with all allowances namely – Special, Extra Wages, Anudan Rashi, Discipline & Special Discipline allowance.
- To maintain overall parity and to avoid large difference in lump sum payment; the different slabs have been created.
- Lump sum payment is calculated based on a sum of actual daily wages drawn up to and below a higher slab i.e. wages drawn up to Rs 250 /- fall in the wage slab of Rs 235 /-, wages drawn from Rs.250/- to Rs 265/- are considered in wages slab of Rs 250 /- , wages drawn Rs.265/- to Rs.280/- are considered in wages slab of Rs.265/-, wages drawn Rs.280/- to Rs.300/- are considered in wages slab of Rs.280/-, wages drawn Rs.300/- to Rs.320/- are considered in wages slab of Rs.300/-, wages drawn Rs.320/- and above are considered in wages slab of Rs.320/-.



Experience (Yrs.)	No of TP Employees	Total Average Lump Sum Compensation
1	5	20358
2	21	39409
3	52	58545
4	19	77589
5	46	101103
6	50	121025
7	61	144063
8	9	165707
9	12	190710
10	13	211500
11	4	246675
12	2	271440
13	5	278850
14	4	316680
15	6	329550
16	2	361920
17	2	361920
19	2	361920
20	1	361920
21	15	376224
22	3	380920
23	2	385725
24	8	427590



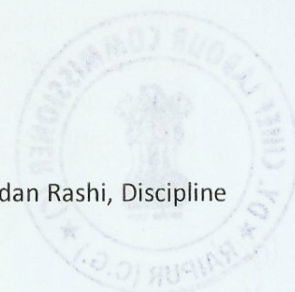
The above table is for representational purpose. Actual amount payable per TP employees is shown in "Annexure C-1".

The parties hereby agree as a special case to pay a lump sum compensation equivalent to 36 months wages to those TP employees who are 58 Yrs and above and those who are 59 Yrs and above shall be paid 18 Months wages.

b) **Scheme-2** – Monthly Pension

Basis of calculation -

- Wages mean – Daily basic wage with all allowances namely – Special, Extra Wages, Anudan Rashi, Discipline & Special Discipline allowance.



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- To maintain overall parity and to avoid large difference in pension payment; the above slabs have been derived.
- Pension is calculated based on a sum of actual wages drawn up to and below a higher slab i.e wages drawn up to Rs 250 /- fall in the wage slab of Rs 235 /-, wages drawn from Rs.250/- to Rs 265/- are considered in wages slab of Rs 250 /- , wages drawn Rs.265/- to Rs.280/- are considered in wages slab of Rs.265/-, wages drawn Rs.280/- to Rs.300/- are considered in wages slab of Rs.280/-, wages drawn Rs.300/- to Rs.320/- are considered in wages slab of Rs.300/-, wages drawn Rs.320/- and above are considered in wages slab of Rs.320/-.
- To offset impact of inflation to an extent over a period of time, an increase @ 2.5 % in the pension amount is added on year on year basis.
- Pension is payable for the period as agreed for or till actual date of retirement whichever is early. In case the employee dies before the stipulated number of months, the amount will be payable to his/her nominee for the remaining period only.

Experience	No of people	Average Monthly Wages (As per Slab)	% Payable 1st Yr	Payable Months/Till Retirement	Monthly Pension 1st Yr	Monthly Pension 2nd Yr	Monthly Pension 3rd Yr	Monthly Pension 4th Yr	Monthly Pension 5th Yr	Monthly Pension 6th Yr	Monthly Pension 7th Yr
6	3	7107	30	60/Till retirement	1997	2047	2098	2150	2204	2259	2316
7	8	6923	30	60/TR	1997	2047	2098	2150	2204	2259	2316
8	2	6500	30	60/TR	1997	2047	2098	2150	2204	2259	2316
9	1	6890	30	60/TR	1997	2047	2098	2150	2204	2259	2316
10	3	6760	30	60/TR	1997	2047	2098	2150	2204	2259	2316
11	4	6988	50	72/TR	3328	3411	3496	3584	3673	3765	3859
13	2	7085	50	72/TR	3328	3411	3496	3584	3673	3765	3859
14	5	7904	50	72/TR	3328	3411	3496	3584	3673	3765	3859
15	15	6405	50	72/TR	3328	3411	3496	3584	3673	3765	3859
16	5	6916	60	84/TR	3994	4093	4196	4301	4408	4518	4631
17	2	7280	60	84/TR	3994	4093	4196	4301	4408	4518	4631
18	3	7973	60	84/TR	3994	4093	4196	4301	4408	4518	4631
19	13	7630	60	84/TR	3994	4093	4196	4301	4408	4518	4631
20	1	6110	60	84/TR	4659	4776	4895	5017	5143	5271	5403
21	2	6110	70	84/TR	4659	4776	4895	5017	5143	5271	5403
22	1	8320	70	84/TR	4659	4776	4895	5017	5143	5271	5403
23	3	7280	70	84/TR	4659	4776	4895	5017	5143	5271	5403
24	19	7855	70	84/TR	4659	4776	4895	5017	5143	5271	5403
Grand Total	92	7113			3476	3563	3652	3743	3837	3933	4031

The above table is for representational purpose. Actual amount payable per TP employees is shown in "Annexure C-2"

c) **TP employees covered under the order of the High Court –**

- a. In order to give special consideration to Contract labour who are covered under the order of the Hon'ble High Court they shall be paid a lump sum compensation and pension as applicable and defined in sub clause (a) and (b) of Clause (4) above without following ceiling as described above.
- b. Those TP employees who have retired, resigned, died and others who are covered and not covered under the order of the Hon'ble High Court shall be paid compensation as per "Annexure C-3" as a special case.
- c. TP employees numbering 38 –drawing last drawn wages - will be paid severance compensation basing on the current wage rates offered to other TP employees having same length of service.

5. **Statutory Payment**

All the TP employees who accept the severance package will also be paid all the statutory legal entitlements as applicable and as per the entitlement, including gratuity along with the lump sum payment/Pension payment and will also be provided with the certificate of experience for their period of employment.

6. **Livelihood support to separated employees**

The Management in their various rounds of meeting with the PCSS has informed that Jamul CSR team has established a state of the art employment based skill training programs. The Management is committed to provide employment based training in an agreed defined time schedule to one member of the family of every separated employees who applies for training by 29th Feb'16. Trained employees or one of their family members will be provided support in seeking alternate employment within and outside the state of Chhattisgarh. Accordingly, the PCSS will enable to facilitate identification of beneficiaries, their training and alternate employment will be planned in the agreed defined time.

7. **New method of working and work culture in Jamul new and old plants**

The Management and the PCSS hereby agree that TP employees will follow appropriate work culture in Jamul new and old plants.

a) **Safety related requirement –**

- 1) Employees will be trained intensively on "on job safety".
- 2) Noncompliance to expected safety standards will be liable for actions under "Consequence Management Policy "of safety – as applicable to permanent employees.



b) Work culture –

1. No tea / snacks will be served inside the plant.
2. Lunch break of 30 minutes will be provided.
3. Extra hours worked by employees will be paid as per the rate of overtime wages.
4. Packing house employees will have to achieve the minimum defined workload
5. All departmental productivity needs to be achieved by employees including adoption of new initiatives, activities etc.
6. Employees will have to accept flexible jobs / departments as per the work requirements.

Employees should be open to do multi tasking depending upon the requirement, provided that adequate training is given and within the work norms of the department a reasonable time will be spent on the same. All departmental work related instructions will have to be followed by employees. This includes reporting at allocated department at designated shift timing.

8. Employees are open to undergo further skill enhancement training in the following manner:

- a) Ready to learn on the job.
- b) Ready to attend technical classes after work hours subject to a maximum of 8 classes a month.
- c) Annual skill assessment, the modalities of which will be discussed and agreed upon.

c) Governance Committee

A Governance committee will be formed to deal with issues of the TP employees with following objectives, constitution and way of functioning.

1. Objectives

- a) To create a positive environment to help TP employees and Management to work together.
- b) To settle concerns & issues and grievances related to TP employees in a proactive manner.
- c) To ensure appropriate service conditions for TP employees.
- d) To look into elimination of wasteful practices.
- e) To suggest ways and means to improve productivity.
- f) To periodically assess skill & performance level vis a vis the job requirements.
- g) To organise regular skill enhancement programs.

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2. Constitution & functioning

- a) Committee shall consist of equal representatives from Management and TP employees chosen by themselves / PCSS , headed by the Head HR.
- b) Committee shall meet once every two months or as and when necessary.

7) General :

- a. It is agreed that all the TP employees at the plant will be covered by Model Standing Orders
- b. The Management agrees to have continuous dialogue with the PCSS in future in respect of covered TP Employees and in reciprocation the PCSS hereby assures and agrees to extend full and whole hearted co-operation to the Management in maintaining industrial peace and harmony at its Jamul new and old plants.
- c. It is further agreed that the PCSS and the Management abide by the principles of collective bargaining and discuss with good faith and in case of any difference or dispute with regard to this settlement or otherwise agree to exhaust the mutual process of discussion and negotiation.
- d. The Management and the PCSS hereby agree to send a joint report to Swiss NCP towards settlement of all the pending issues in ACC Jamul
- e. The PCSS hereby agrees to withdraw the case No.314 of 2006 filed against some of the officers and employees of ACC Jamul works in the past in the court of JM-I class.
- f. The parties agree that the terms and conditions as laid in this settlement are by way of a package deal and in full and final settlement of all the claims made by PCSS against the company in the Hon'ble High Court of Chhattisgarh at Bilaspur in Writ Appeal no.191 of 2011. The parties further agree that a joint purshis would be filed by both the parties before the Hon'ble High Court of Chhattisgarh for disposing of the said writ Appeal in terms of the present settlement.
- g. This settlement is signed on 22nd January"2016 and will come in to force from 1stFeb 2016. The points agreed in this settlement will be implemented by the contractors for their respective employees but ensured and guaranteed by the Management. Both parties will meet periodically after every six month to review progress of implementation of the settlement.

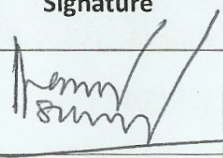
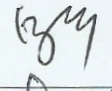
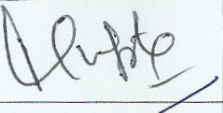
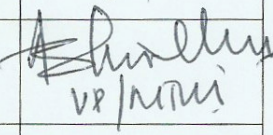
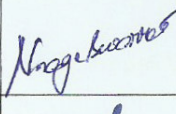
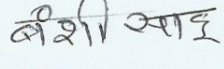
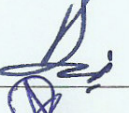
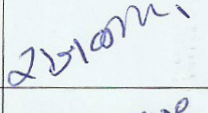
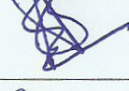
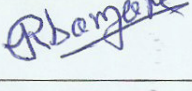
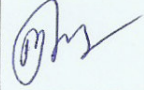
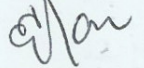


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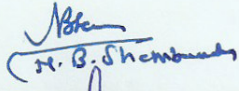
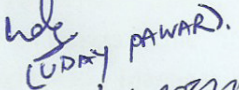
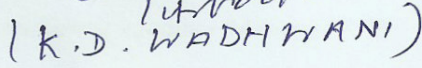
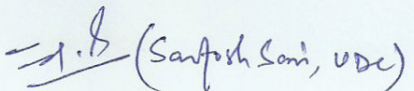
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- h. All mapped TP employees will be eligible for revised wages from the date the new plant is commissioned and becomes operational and they start performing their designated roles or from 1st Feb"2016 whichever is earlier.

On behalf of the Management On behalf of the PCSS

On behalf of the Management		On behalf of the PCSS	
Name	Signature	Name	Signature
Mr.B.Sherdiwala – Chief People Officer		Ms. Sudha Bhardwaj - Advisor	
Mr. Sunil Gupta – Cluster Head – Project		Mr.Ashim Roy - Advisor	
Mr. Nageswara Rao – General Manager – HR		Mr Bansi Lal Sahu - President	
Mr. Devashish Biswas – Chief Manager – HR		Mr.Rajkumar – Vice President	
Mr.Arunendu Basu – Manager- HR		Mr Ramakant Banjare – General Secretary	
Mr. Mani Pandey – Manager – HR		Mr.LakahnSahu – Organisation Secretary	

Witness:

- 
(H. B. Shembekar)
- 
(L. D. Pawar)
- 
(K. D. WADHWANI)
- 
(Sanjosh Soni, UDC)

Signed before me

(P.K. Nayak)

Conciliation Officer &

Dy. Chief Labour Commissioner (Central),

Raipur (C.G.)

उप मुख्य श्रमायुक्त (केन्द्रीय)
DY. CHIEF LABOUR COMMISSIONER (C)
रायपुर (उ.ग.) RAIPUR (C.G.)