

Certified True Extracts of the Minutes of Meeting of Board of Directors of Indraprastha Power Generation Company Limited held on 15<sup>th</sup> February, 2011, in respect of the matters referred by your Department are reproduced as under:-

#### 54.2.7 Re-Organization of IPGCL & PPCL

The Board considered and discussed the proposal for re-organization of IPGCL and PPCL. A presentation was made by Director (HR) highlighting the major features of the proposal in respect of redeployment of human resources in IPGCL/ PPCL. It was informed that a Committee was formed to give recommendations on the constructive utilization of existing manpower of RPH and GTPS considering the different aspects of HR and the Committee has submitted its recommendations. Director (HR) informed that an Action Plan has been framed accordingly. He further proposed for introducing Special Voluntary Retirement Scheme (SVRS) to streamline the surplus manpower in IPGCL. He further informed that as per the proposal, option shall be extended again to IPGCL employees to opt for transfer in PPCL. It was suggested to defer the cut off date to join PPCL to 30.6.2011 instead of 31.3.2011 as the closure date of Rajghat Power House has been extended till the COD of first module of 750MW Pragati - III at Bawana. The Board agreed to the suggestion. The Board noted that 634 employees of the Company shall be surplus after considering the adjustment of 129 employees in the renewable energy projects. It was further pointed out that SBI Caps has been engaged for preparing the financial feasibility of Renewable Energy projects and the deployment of manpower for the Projects shall be finally worked out accordingly. The Board noted and expressed its concern on the likely financial implications of the surplus manpower in the Company. The Board deliberated on the issue of surplus manpower. The Board advised to work out a strategy to deal with the matter and if required, to take up the issue with the Govt. of NCT of Delhi. Thereafter, the following resolution was passed:-

**“Resolved that** the approval of the Board of Directors of the Company be and is hereby accorded to the following:-

- i) Proposed Action plan of re-organization of IPGCL and PPCL as placed before the Board;
- ii) Introducing a suitable Special Voluntary Retirement scheme in the Company; and
- iii) Floating the Transfer Scheme for seeking option from the employees of IPGCL to join PPCL w.e.f. the cut off date i.e. 30.6.2011.”

*[Signature]*  
**Puneet Jain**  
Asst. Company Secretary

GM(HR)

SSC  
25/2/2011

GM(HR) 30/26  
25/2

INDRAPRASTHA POWER GENERATION COMPANY LTD.  
&  
PRAGATI POWER CORPORATION LIMITED

Item No. 50.2.2

No. GM(HR)/

Dated.

AGENDA NOTE FOR THE BOARD OF DIRECTORS

Sub:- Re-Organisation of IPGCL-PPCL.

**BACKGROUND**

**INDRAPRASTHA POWER GENERATION COMPANY LIMITED**

After unbundling of D.V.B., IPGCL came into being as a corporate entity w.e.f. 01.7.2002. The employees of D.V.B. on the notion of "as is where basis is" were transferred to corporate entities with a few administrative reshufflings. IPGCL (GENCO) has been in the business of electricity generation through its power plants i.e. I.P. Station, R.P.H., G.T.P.S. At the time of unbundling, Pragati Power Project was in inception and the same has also been managed and operated by the manpower of IPGCL. The manpower anatomy of IPGCL consists of two sets of employees. The one of D.V.B. origin and the other one recruited by IPGCL since 2002. Though these employees of IPGCL till date are broadly governed by a common set of rules, policies, decisions adopted/taken by the management of IPGCL, these employees are distinctively categorized in two segments i.e. Pensionable Establishments and Non Pensionable Establishments. The employees of D.V.B. origin, their service conditions has been governed and regulated by C.C.S. rules, F.R./S.R. but applicability of the same is not warranted in the case of those employees who have been recruited by the company.

The Company though an Undertaking of Govt. of NCT of Delhi but admittedly the same is not a Govt./Department of Govt. of NCT of Delhi and comes within the purview of various Labour Legislations like Employees Provident Funds & Misc. Provisions Act-1952, The

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PPCL for its operating plants i.e., PPS-I, PPS-III, Common services, Corporate Office with GTPS and upcoming plant at Bamnauli and additional manpower required for HR and Finance Department has been worked out and enclosed as **Annexure -I**

- 2 The proposed manpower strength have to be worked out for IPGCL which may cater to its present need as well as its human resource requirement in next 5 years considering the yardsticks followed by Organisations having similar nature of scope of work (Organisations like IREDA). However, a detailed study / DPR in this regard shall be done by the Consultant engaged for this purpose.
- 3 Employees who may opt for absorption in PPCL / Transfer to PPCL may also look after the activities of IPGCL as a new entity in diverted capacity till regular incumbents are placed.
- 4 After re-structuring, both the companies can prepare their own set of rules and HR policies suited best to their business requirement.
- 5 167 numbers of employees who are presently on the roll of IPGCL shall be retiring in the next 4 years. The list of retirement in each category yearwise is enclosed as **Annexure-II**
- 6 It is proposed that only those employees who are meeting the minimum R&P rules criteria of PPCL may be transferred to PPCL and the balance employees may continue to work in IPGCL.
- 7 The age limit for absorption / transfer to PPCL may be kept at 58 years.

(ii) **Proposed Action Plan**

- 1 It is proposed to fill up the vacant posts in PPCL from the available employees in IPGCL through the transfer/absorption scheme on the lines of the scheme operating in the year 2009.

2 If required, suitable amendment / relaxation in R&P rules of PPCL may be allowed to be made so as to encourage absorption of maximum number of IPGCL employees. While operating the transfer/absorption scheme, employees who have already opted for transfer in PPCL shall be taken into account and Inter-Se-Seniority of the employees, who have already joined PPCL under the transfer scheme and employees who shall be joining PPCL after re-introduction of the scheme, shall be maintained.

3 The absorption/transfer of the employees of IPGCL to PPCL may be broadly divided into two stages which will be as under:-

- a) The employees of IPGCL meeting the minimum educational qualification criteria, however, may not be meeting the exact experience criteria, may be considered for absorption in PPCL.
- b) The employees of IPGCL left out the above stage no. 1 may be considered to be transferred to PPCL on Secondment basis after imparting of suitable training to them through NPTI/other institutes.

The detailed exercise are annexed as Anneure-III

4 Employees who cannot be absorbed as per R&P Rules of PPCL may continue to extend their services in PPCL on "Secondment /As is where is basis", if required, till a regular incumbent is placed as per the Recruitment Rules of PPCL.

5 In the initial year, after restructuring, IPGCL may discourage the outsourcing of activities deploying maximum number of their existing employees on infrastructural/services so that their gainful utilization is made.

6 Educational / Experience criteria for affecting this transfer scheme may be kept at par with the first Transfer exercise operated in the year 2009-10 so as to maintain parity. However, once the re-structuring of IPGCL/PPCL is complete, future recruitment may only take place as per the approved Recruitment rules of PPCL.

- 7 It is proposed to keep cut-off date after seeking absorption/transfer at 31-3-2011 or an approved suitable date and the condition of Inter-Se-Seniority shall not be applicable thereafter.
- 8 It is also proposed to withhold the DPC in both the Companies for the present as it has got direct bearing on the Inter-Se Seniority of the employees and may effect the smooth operation of Transfer / Absorption Scheme. Also the eligible employees may be given the promotional benefit , if found Fit, from retrospective date on completion of Restructuring process by the proposed Cut-Off Date.
- 9 Contractual employees engaged directly or through any agency in IPGCL may be weeded out before completion of the restructuring process, so as to avoid extra financial burden.
- 10 Employees in A, B, C & D Category from DVB Origin who opt for absorption scheme may be allowed Time Bound promotional scale as one time relaxation if they are not promoted in PPCL. However, employees who will be promoted in PPCL after absorption shall not get this facility . The same is recommended so as to encourage absorption of employees in all categories particularly in B& C Categories..
- 11 Once the above modus operandi is approved , meetings may be held with Unions / Association so as to clear doubts about Re-structuring.
- 12 After exhausting the aforesaid procedure/method, a special SVRS may be introduced to further rationalize the surplus manpower of IPGCL. If IPGCL comes up with SVRS for 100 employees in various categories i.e., A, B, C & D then the financial implication in the tune of 30 Crores annexed as Annexure -IV. The implication has been done on various assumptions which may vary as per the realistic scenario.

