



ASSOCIATION OF SCIENTIFIC & TECHNICAL OFFICERS
OIL AND NATURAL GAS CORPORATION LIMITED, DEHRADUN

Registered with the Registrar of Societies, Uttarakhand, Dehradun. Regd. No. 172 (1967 -1968)



Amit Kumar
President - CWC

No. ASTO/CWC/Pres/2008-10/CMD-76
To
Chairman and Managing Director
ONGC, 6th Floor Jeevan Bharti Tower-II
New Delhi

Date 19.04.2010

Sub: Discrepancies in Implementation of White Goods Scheme
Ref: 1. Office Order No. ONGC/ER/CP/WEL/FPS/01 Dated 2.11.2008
2. Office Order No. ONGC/ER/CP/WEL/FHGPS/01 Dated 17.08.2009

Sir,

We would like to bring to your notice a major discrepancy in the implementation of the Furniture and House goods scheme keeping in view the office orders issued by ONGC and referred above. It is unfortunate that the welfare initiative which had attracted majority of the employees of ONGC, the implementation of the same has resulted in the scheme turning into a loan scheme.

We would like to draw your attention to the following issues:

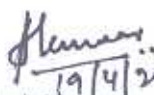
1. ONGC is deducting three things for the same items – written down value (WDV) of the items, rent and on top of it deducting white goods value adjustment which work out to nearly 10% of the entitled amount/utilized amount per annum.
2. Non reimbursement of the maintenance charges which were 10% of the entitled amount/utilized amount.

On top of all this we are sure that ONGC shall be planning to levy perquisite tax also on the already burdened and confused employee. Further to all this ONGC shall also be claiming depreciation benefits on these items in the annual books of accounts as per the generally acceptable accounting methodology, as the items are intrinsically property of ONGC. This amounts to extracting double benefit by leasing out ONGC's household goods and furniture as well as claiming depreciation benefits which is in the teeth of the law of the land.

It is probably not a correct policy implementation if the maintenance charges of the goods are made part of 47% allowances and then deducted without any rhyme or reason from the monthly salary of the employee. Hence the employees have a very genuine feeling that somewhere there has been a breach of trust and breach of bipartite understanding on this issue. It would be appropriate in mentioning that all the employees are feeling that one sided changes that have been brought about in the scheme without bringing about any transparency in the way the deductions are being made has resulted in the failure of the objectives of the scheme.

In view of the above it is again being requested that the scheme be implemented as per the office orders issued in this regard and the unnecessary deductions related to this scheme may please be put on hold immediately and the deducted amount be returned to the employees immediately.

With regards,


19/4/2010
(Amit Kumar)
Camp - Nazira

Copy to:

1. Director (HR), ONGC, New Delhi.
2. To all ASTO Units.