

GM India signs 3-year wage pact with Talegaon plant workers

PTI | Mar 25, 2017, 10.57 PM IST



NEW DELHI: General Motors India on Saturday signed a three-year wage agreement with workers of its Talegaon plant in Maharashtra, with average salaries set to go up by Rs 22,000 at the end of the period.

The new wage pact would be effective from April 1, 2017 and will come to an end on March 31, 2020.

The Talegaon plant has over 2,500 workers.

"As per the new agreement, the workers will receive 80 per cent of the increased component in the first year followed by 10 per cent each in the remaining two years, respectively," General Motors India said in a

statement.

Commenting on the development, GM India Vice President, Human Resources, Pritpal S Kular said, "It is an important step in our plan to consolidate GM India's manufacturing at the Talegaon plant in Maharashtra."

It is a reflection of "the trust and commitment between the parties" and how "the company works collaboratively to resolve all issues in an amicable manner", he added.

General Motors Employee Union President, Talegaon, Tushar Kamthe said that the timely settlement will help drive quality and enhanced productivity which is beneficial for all employees.

General Motors has decided to consolidate manufacturing in India at the Talegaon plant and stop production at its first plant at Halol in Gujarat from April 28.

In January this year, SAIC Motor HK, part of China's SAIC Motor Corp, had received the Competition Commission's approval to acquire certain assets of the Halol plant.

Struggling to make a turnaround in India, General Motors has put on hold its investments on new models for the country as the US auto major undertakes a full review of its future product portfolio.

The company, which in 2015 had announced plans to invest \$1 billion to enhance manufacturing operations and roll out 10 locally produced models, has not put any timeline for lifting the freeze on investments on the new products.