

Voluntary Retirement Scheme - State Public Sector Undertakings - Revised Guidelines - Issued - Dharmapuri District Development Corporation Ltd. - Relaxation of conditions.

Rural Development and Panchayat Raj (CGS.2) Department.

G.O. (Ms) No. 01

Dated. 07-01-2008

Read:

1. G.O.(Ms) No.14, Rural Development Department dated 21.1.2001
2. G.O. (Ms.) No. 158, Finance (BPE) Department dated 13-5-2002.
3. From the Project Officer and Member Secretary, Dharmapuri District Socio-Economic Development Society Letter No.532/04/A.1, dated 31-7-2007.

ORDER

The Dharmapuri District Development Corporation Limited had been ordered to be wound up in the orders first read above. The Project Officer & Member Secretary, Dharmapuri District Socio Economic Development Society in the letter 3rd read above has stated that the following employees had opted for Voluntary Retirement Scheme and they had been relieved on the Afternoon of 31-01-2005 and they had been paid a sum of Rs.1.50 lakhs each as the minimum exgratia amount:

1. Thiru V.T.Prakash, Junior Assistant
2. Thiru V.Mohan, Driver
3. Thiru M.Ramasamy, Record Clerk
4. Thiri U.P.Anjappa, Office Assistant

Now they are representing to sanction the balance of compensation/exgratia amount. Accordingly, She has requested the Government to issue orders for categorizing the Dharmapuri District Development Corporation Limited under para 4 (c) and to relax the condition (iii) of para 7 of G.O. (Ms.) No.158, Finance (BPE) Department, dated 13-5-02 for the purpose of Voluntary Retirement Scheme.

2. In G.O.(Ms.) No.158, Finance (BPE) Department, dated 13-5-02 the Government had issued revised guidelines for Voluntary Retirement Scheme in State Public Sector Undertakings (PSU). The said order classified the Public Sector Undertakings as below:

- a) State Public Sector Undertakings which are financially sound and can sustain a Voluntary Retirement Scheme from their own surplus resources.

b) State Public Sector Undertakings which are not financially sound but proposed to be kept as a going concern. A State Public Sector Undertaking is defined as 'financially not sound' if it satisfies either of the following two conditions: -

(i) Those State Public Sector Undertakings whose net worth has been eroded by 50%.

(or)

(ii) Those State Public Sector Undertakings which have incurred loss for the last 3 consecutive years.

(c) State Public Sector Undertakings which are not financially sound and which are proposed to be closed.

3 The Government have also prescribed the following conditions for payment of compensation, in respect of State Public Undertakings falling under category (c) of para 4 of the said Government Order: -

(i) the compensation will consist of 30 days salary (Pay + Dearness Allowance) for every completed year of service and 10 days for the balance of service left until Superannuation or Rs.2.50 lakhs whichever is less in respect of all levels of employees.

(ii) the age and service qualification shall be removed and the criteria of minimum period of service left shall be deleted.

(iii) Atleast 90% of the employees should opt for Voluntary Retirement Scheme within one month of the offer or else employees would be eligible only for retrenchment compensation. Those employees who do not opt for it would get only retrenchment compensation.

4 The Government also permitted a guaranteed minimum Voluntary Retirement Scheme amount of Rs.1.50 lakhs shall be given to the employees of State Public Sector Undertakings falling under all the above three categories viz (a), (b), (c) of para 4 if the Voluntary Retirement Scheme amount calculated by the above formula is less than Rs.1.50 lakhs.

5 The Government after careful examination have decided to accept the proposal of the Project Officer & Member Secretary, Dharmapuri District Socio Economic Development Society and order that the Dharmapuri District Development Corporation Limited be categorised under para 4 (c) and also relaxes the condition (iii) of para 7 of G.O. (Ms.) No.158, Finance (BPE) Department date 13-5-02 for the purpose of Voluntary Retirement Scheme.

6 This order issues with the concurrence of the Finance Department vide its U.O. No. 58393/BPE/07, dated 19-10-2007.

(By Order of the Governor)

K. ASHOK VARDHAN SHETTY
SECRETARY TO GOVERNMENT.