



Finance (BPE) Department.
Fort St. George, Secretariat,
Chennai-600 009.

Govt.Lr.No.52962/Fin(BPE)/2012 dt.27.09.2012

From
Thiru S.Krishnan, I.A.S.,
Secretary to Government (Expenditure)

To
The Chief Executive Officers of State Public Sector
Undertakings / Statutory Boards.

Sir / Madam,

Sub : State Public Sector Undertakings/ Statutory Boards-
Re-employment of retired employees- certain
instructions- reiterated-regarding

Ref : 1)Govt Lr.No.1281/BPE/94-2 dt.2.5.94
2)Govt Lr.No.2381/BPE/96-1 dt.6.1.97
3)Govt Lr.No.1048/BPE/2001-1 dt.30.8.2001

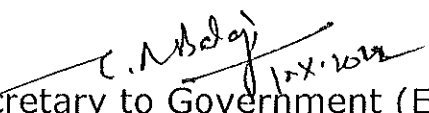
I am directed to invite your attention to the Government letters cited (copies enclosed), wherein directions for not entertaining extension/re-employment of Officers beyond their age of superannuation have been issued.

2) In spite of these instructions, of late, a few Organizations continue to seek approval of Government for re-employment of retired employees in a routine manner for carrying out routine functions. Re-employment of retired employees will, not only deprive the benefit of promotion to persons awaiting in the feeder post but, will also choke the employment opportunity at the entry level. The Management of the Organization which is aware of the retirement date of the persons holding the key position must devise succession plan to ensure smooth flow of work by the successors so as to keep the work moving in an Organization. Moreover, the persons on re-employment for a tenure of 6 months may not be in a position to train the successor within the short span of time. Further, the principle, spelt out in the earlier Government instructions that re-employment of retired persons should be considered to accomplish a job of special nature and should be only in the cases of top level managerial/professional cadre, also gets defeated by way of seeking re-employment for routine work by certain State Public Sector Undertakings/ Statutory Boards.


3) While reiterating the earlier instructions cited above, I am directed to request you to (a) desist from forwarding proposals to Government for re-employment of the retired persons to carry out the routine functions in a regular fashion excepting for specialized/ top managerial positions in a really exceptional circumstances, purely in the public interest (b) evolve a strategy /succession plan to train the available man power periodically duly taking into account the retirement date of the Officers holding the key positions to ensure smooth flow of work by the successors in carrying out the routine functions of the Organization.

4) This letter may be placed before the Board of Directors in the next meeting.

Yours faithfully,


for Secretary to Government (Expenditure)

Encl: As above


01.X.2012

GOVERNMENT OF TAMIL NADU

FINANCE (BPE) DEPARTMENT

Letter No.1281/BPE/94-2, Dated 2.5.1994

From

Thiru M.Kuttralingam, I.A.S.,
Joint Secretary to Government.

To

* The Chief Executive Officers of all
State Public Sector Undertakings/Board

Sir,

Sub: Service Rules - Deletion of Clause empowering
Board for re-employment of retired Corporation
Employees - Regarding

It has come to the notice of the Government that certain Public Sector Undertakings provide (an empowering Clause in the Service Regulation whereby the Board of Directors are empowered for providing re-employment to retired Corporation Employees. This matter has to be considered in the light of various orders issued in G.O.Ms. No.1401, Finance (CFC), dated 17.10.79, G.O.Ms. No.816, Finance (BPE), dated 26.10.92 and G.O.Ms. No.157, Finance (BPE), dated 16.2.94 and other relevant instructions issued by Government from time to time).

2. I am therefore directed to request you that if there is a provision in the Service regulations of the employees of your Corporation/Board empowering the Board of Directors/Member of the Board and provide re-employment to retired Corporation/Board employees, then such a provision be deleted from the service regulations by suitable amendments to service regulations immediately. The receipt of this letter may be acknowledged.

Yours faithfully,


(S.HARIDASAN THAMPY)

for Joint Secretary to Government

Copy to

All Departments of Secretariat, Madras 9.
All Finance Directors.

Letter No. 2381/BPE/96-1, Dated, 6.01.97.

From

Thiru.K. Gnanadesikan, IAS,
Additional Secretary to Government.

To

The Chief Executive Officers of all State Public Sector
Undertakings/Boards.

Sir,

Sub: SPSUS/Boards - Reemployment of retired
employees - Principle to be followed
regarding payment of salary - Regarding.

- Ref:- 1. G.O.Ms.No.752/Finance (CFC) Department,
dated. 28.7.78.
2. Government Letter No.820/CFC/81-1,
dated. 10.12.81.
3. Letter No.1281/BPE/94-2, dated.2.5.94.

I am directed to invite a reference to the Government Order and letters cited above. In the letter second cited it was informed that in respect of recruitment of personnel to Public Sector Undertakings/Boards in general where separate service rules have not been framed for the appointment and service conditions of the employees of the Corporations/Boards, they will have to follow the rules applicable to State Government servants. In the Govt. order first cited Government directed that the Public Sector Undertakings should obtain the prior permission of the Government in all cases of reemployment of retired Government servants in Public Sector Undertakings regardless of whether the powers of appointments to the post in question have been delegated to them or not. While granting such permission, the administrative departments of Secretariat should follow the same criteria as applicable to re-employment of retired Government servants in Government. It was also ordered in the above Government Order that the pay of such re-employed Government pensioners should be regulated as per ruling 4 under Article 521 of Civil Service Regulations, according to which the pay of a re-employed Government Pensioner in the same or similar post under Government is to allow his pension in full and in addition such pay as will bring his total emoluments as drawn by him on the date of his retirement. In the letter third cited the Chief Executive Officers of State Public Sector Undertakings/Boards were informed that if there is a provision in the Service Regulations of the Corporation/Board empowering the Board of Directors/ Members of the Board to provide re-employment to retired Corporation/Board employees, then such a provision be deleted from the Service Regulations by suitable amendments to the Service Regulation.

2/- In spite of the orders issued in the letter third cited, it has come to notice of the Govt that in certain instances, wherein due to administrative reasons, the Public Sector Undertakings/Boards have sought permission for reemployment of its retired employees for specific purposes for a certain period. It is considered that re-employment of retired Corporation/Board employees should not be proposed in a routine manner. In extraordinary cases, if it is necessary, it should be for period of maximum of six months to accomplish a job of special nature which the retiring person started and has to finish in the next couple of months. This should be in the case of top level managerial/professional cadre only. I am directed to request you to obtain prior approval of Government invariably in all such cases of re-employment of retired Corporations/Board employees after placing the matter before the Board of Directors. In case where a pension scheme is in vague, the procedure of fixing pay in such a way that Pay plus pension should not exceed last pay drawn be adopted for regulation of pay and when pension scheme is not in vague, the pay of the re-employed persons shall be restricted to 50% of the emoluments (Pay + DA) last drawn. A suitable amendment to the above effect may be made in the Service regulations of your Public Sector Undertaking/Board.

3/- I am directed to request you to place this letter before the Board at the next Board meeting.

Yours faithfully,

[Signature]
13/11/82
for Additional Secretary to Government.

Copy to

All Departments of Secretariat.
All Finance Directors.
Finance (Pensions) Department.

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GOVERNMENT OF TAMIL NADU

FINANCE (BPE) DEPT.,
SECRETARIAT,
CHENNAI-600009.

Letter No. 1048/BPE/2001-1, dated 30.8.2001

From

Thiru R. Santhanam, I. A. S.,
Secretary to Government.

To

The Chief Executive Officers of all
State Public Sector Undertakings/
Boards

Sir,

Sub: State Public Sector Undertakings/
Boards - Appointment of retired
employees of Government/Corporations/
Boards - Certain instructions -
reiterated

Ref: 1. Letter No. 2384/BPE/96-1 dt. 6.1.97
2. G.O. Ms. No. 382, Fin(BPE), dt. 30.7.98

I am directed to invite a attention to the G.O. second cited, wherein it was ordered that consultants may be appointed by the State Public Sector Undertakings (SPSUs)/ Boards without referring the matter to Government and for reappointment of retired Government Servants/ Public Sector Undertaking employees as consultants it was ordered that the orders in force will have to be followed.

2. Government in G.O. Ms. No. 752, Fin. (CFC) Dept. dt. 28.7.78 have ordered that the Public Sector Undertakings should obtain the prior permission of Government in all cases of re-employment of retired Government Servants regardless of whether the power of appointments to the post in question have been delegated to them or not.

3. Government in G.O. Ms. No. 608, Fin. (BPE), dt. 31.5.90 ordered that consultants may be appointed only for

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- i. Conducting of Market Survey for product and services in Public Sector Undertakings
- ii. Preparation of Feasibility Report and detailed project reports.
- iii. Preparation of Accounts and Audit Manuals
- iv. Excise and Sales Tax Consultancies, Insurance Claims and on similar issues

4. Government in Letter No.1281/BPE/94-2 dt.2.5.94 instructed that if there is a provision in the service regulations of the employees of Public Sector Undertakings/ Boards empowering the Board of Directors/Members of the Board to provide re-employment to retired Corporation/ Board employees, then such a provision be deleted from the service regulations by suitable amendments to service regulations. In the reference first cited the Chief Executive Officers of SPSUs/Boards were requested to obtain prior approval of Government in variably in all cases of re-employment of retired Corporation/ Board employees after placing the matter before the Board of Directors.

5. It has come to the notice of the Government that some PSUs/ Boards engage retired Government Servants or Corporation employees as consultants or reemploy them in an existing vacancy on contract or tenure basis for the routine nature work connected with the ongoing schemes which does not fall within the scope of consultancy outlined in G.O.Ms.No.608, Fin.(BPE) Dept., dated 31.5.90. I am therefore directed to inform you that consultant can be employed only for the purpose stipulated in G.O.Ms.No.608, Fin.(BPE) Dept., dated 31.5.90 and in the amendments issued thereon. I am therefore directed to request you to obtain prior approval of Government for re-employment of retired Government/ Public Sector Undertakings/ Board employees on tenure or contract basis or as a consultant invariably in all cases in future.

6. This letter may be placed before the Board of Directors in the next meeting.

Yours faithfully,
[Signature]
 018/2001

Copy to:

For Secretary to Government.