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DEPARTMENTAL LETTER.

From Chairman-cum-Managing Director

To As below :

Dated, Sept. 4, '95 199

No. CMD/GL-6/41

[Handwritten signatures]

ORDER

Provision IK(a) of the Revised Leave Rules for CTC employees prescribed that reengagement shall not be allowed for an employee after two cases of discharge /retirement, be it on medical ground or unauthorised long absence or both. As a matter of practice, reengagement with continuity of service was being allowed in cases of discharge for the first occasion, and without continuity of service in cases of discharge for the second occasion. As cases of reengagement became frequent, and many employees indulged in using this as an instrument to withdraw their settlement dues ~~in~~ (provident fund contribution and gratuity) relating to their service prior to discharge, restrictions on such withdrawals had to be imposed from time to time. This, however, led to complications in maintaining accounts of such employees because their Provident Fund deposits accumulated prior to reengagement without continuity had to be kept in suspense account on which no interest accrued. This matter was under consideration of the management for some time.

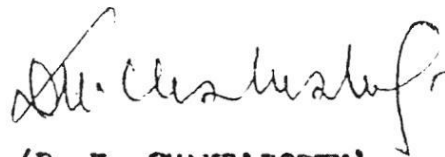
After careful consideration, it has now been decided that all employees who have been reengaged without continuity and who have also applied for withdrawal of their settlement dues for their service prior to discharge/ till the issue of this order, will be allowed to withdraw their settlement dues relating to the period prior to such reengagement. However, henceforth even in case of reengagement without continuity, including those where an employ was reengaged without continuity of service prior to issue of this order but who did not apply for withdrawal of their settlement due till the date of issue of this order, the Provident Fund contribution of such employees standing at their credit till the date of such reengagement will be carried forward to their new accounts after reengagement and the gratuity for the same period due will be paid to them only after final termination of their service either on

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normal retirement or otherwise, after taking into account their entire period of service excluding the periods of break.

Therefore, no withdrawal of settlement dues for the period prior to discharge of any employee reengaged without continuity will be allowed. Withdrawal of their own contribution to provident fund after reengagement will, however, be governed by the normal rules in this regard. In case, an employee seeks withdrawal of his settlement dues after discharge from service he will have to explicitly declare that no reengagement will be sought by him after such withdrawal. In the event of such withdrawal being allowed, the employee concerned will not be allowed reengagement subsequently. Provident Fund Trustees may consider the aforesaid and amend the existing P.F. Rules accordingly.



(D. K. CHAKRABORTY)
CHAIRMAN-cum-MANAGING DIRECTOR

DKC/DO-

To: CAQ/Co.Secy/
COH
PPO
c.c./GM (Admn)
CE (Bus)