

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1298
ANSWERED ON:30.11.2006
VRS IN PSUs
Barman Shri Hiten

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether Voluntary Retirement Scheme (VRS) offered for employees of Public Sector Undertakings (PSUs) has been losing its attraction;
- (b) if so, the details and the reasons therefor;
- (c) the number of employees in PSUs opted for VRS during each of the last three years; and
- (d) the steps being taken by the Government to make VRS more attractive?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) to (d): The Voluntary Retirement Scheme (VRS) for Central Public Sector Enterprises (CPSEs) is in operation since 1988. In order to make it more attractive, the guidelines on VRS have been modified in May, 2000 and November, 2001. Ex-gratia payment in respect of Industrial Dearness Allowance (IDA) pattern employees on pay scales at 1.1.87 and 1.1.92 levels, computed on their existing pay scales in accordance with the scheme of year 2000, shall be increased by 100 % and 50% respectively. This benefit was subsequently extended to Central Dearness Allowance (CDA) pattern employees who are on 1986 pay scales by enhancing 50% w.e.f. 26.10.2004.

As per available information, year wise number of VRS optees from 2002-03 to 2004-05 is given as under:

2002-2003	63741
2003-2004	45125
2004-2005	22698