

## **Employees can't claim VRS benefit as matter of right: Supreme Court**

"A voluntary retirement scheme introduced by a company, does not entitle an employee as a matter of right to the benefits of the scheme," a bench headed by Chief Justice Altamas Kabir said.

The bench, also comprising Anil R Dave and Ranjana P Desai, said it was "well settled" that only the employer can decide VRS pleas of its employees. No employee, as a matter of right, can seek the benefits of voluntary retirement scheme (VRS) and the decision-taking power lies only with the employer firm, the Supreme Court has held.

"Whether an employee should be allowed to retire in terms of the scheme (VRS) is a decision which can only be taken by the employer company, except in cases where the scheme itself provides for retirement to take effect when the notice period comes to an end," it said.

The observation came in a verdict by which the apex court rejected the plea of C V Francis, a Kerala resident, that his termination from the post of a manager of Steel Authority of India Ltd (SAIL) at Bokaro in Jharkhand on account of unauthorised absence in 1999 was illegal as he had already applied for the VRS.

"We are not...inclined to interfere with the orders impugned in the Special Leave Petition which is, accordingly, dismissed," the bench said.

Francis, who had taken up an employment in the USA after applying for the VRS, had contended that his plea for VRS came into effect on the expiry of the period of notice as the employer did not take any decision on his plea and hence, it should be construed as deemed acceptance.

Besides seeking VRS, Francis had left to the US after taking leave, but his subsequent leave applications were not accepted.

SAIL termed his subsequent absence as unauthorised and later, initiated disciplinary proceedings leading to his termination from the service.

The single and division bench of the Jharkhand High Court had rejected the plea of Francis on the issue.

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