

Date _____

To,
Shri.

Sub. - Termination of employment on account of closure.

Dear Sir,

You have been working with us as a 'worker'. The Management has decided to close the Factory w.e.f. The reasons of the Closure are mentioned in the letter, addressed to the Government of _____ and Annexure thereof. We are enclosing copy of the said letter and Annexure. The said letter and its Annexure are part and parcel of this order.

For the reasons stated in the Annexure, written to the Government of _____, the Management has decided to close the Factory w.e.f..... Since the management has decided to close the factory w.e.f....., your services are no longer required, and therefore you will be terminated from the services w.e.f..... You will be paid one months' notice pay in lieu of notice. Since the Management has decided to close the Factory, you will be entitled to compensation at the rate of 15 days' salary per completed year of service. The said amount along with other legal dues is offered by way of Demand Draft along with this order.

You are requested to contact the Accounts Department/Office for completion formalities of Provident Funds etc. immediately.

Thanking you,

For & on behalf of

()

DRAFT

Particulars of Compensation.

1. Compensation.

Date of Joining

Date of termination of
Employment on account of
Closure

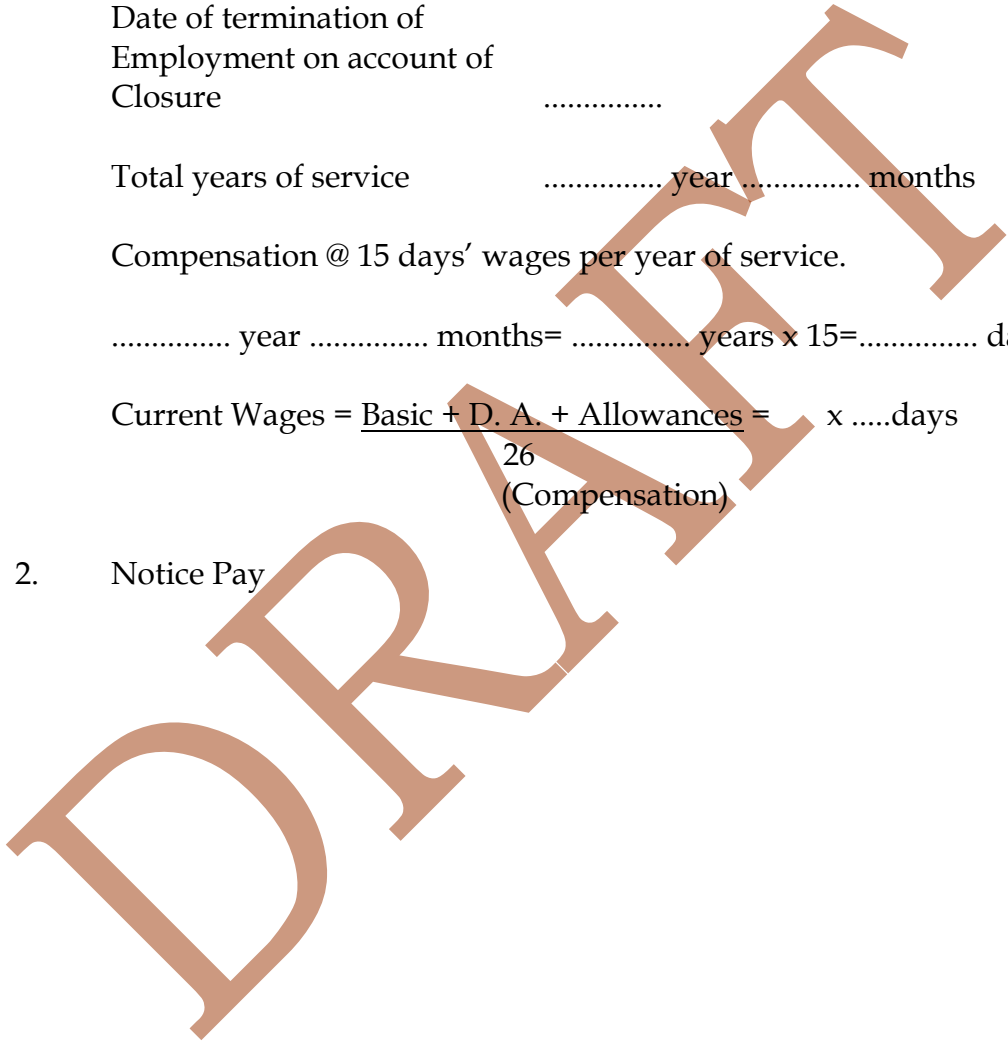
Total years of service year months

Compensation @ 15 days' wages per year of service.

..... year months = years x 15 = days

Current Wages = $\frac{\text{Basic} + \text{D. A.} + \text{Allowances}}{26}$ = x days
(Compensation)

2. Notice Pay



DRAFT

DRAFT

1. The Commissioner of Labour,
(Address)
2. The Secretary,
Government of _____,
(Address)

Sir

As per the Provisions of the Industrial Disputes Act, 1947, we are informing you that we are closing our Factory w.e.f. for the reasons stated in the Annexure.

The workers / staff have been paid one month's notice pay in lieu of notice.

We hereby declare that concerned workmen / staff have been paid compensation as per the provisions of the Industrial Disputes Act, 1947.

For and on behalf of

Thanking you,
Yours faithfully,

c. c. to:

- 1.
- 2.
- 3.

NOTICE OF CLOSURE

1. is a Company registered under Companies Act. The Company is engaged in the manufacturing of at
..... . The Company has employed around employees.
3. (Mention the reasons and problems faced by the Company)
4. In light of the above circumstances it is difficult to carry on the operations. The Company has incurred a cash loss of Rs..... in the year.....
The cash loss as on date for the current financial year is approximately Rs..... In such a situation, the Company is forced to take step of Closure.
5. Accordingly the Company has decided to close its operations w.e.f. All the workers will be paid Closure Compensation as provided under Section of Industrial Disputes Act, 1947. All the workmen will be paid one month's Notice Pay in lieu of notice. All other necessary legal compliance also will be made.

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