

WESTERN COALFIELDS LIMITED

Voluntary Retirement Scheme (VRS) – 2018

1) Short Title

- (i) This scheme is named as WCL Voluntary Retirement Scheme (WVRS) - 2018.
- (ii) This scheme shall come into force from the date of its notification.

2) Objective

To improve overall organizational efficiency and competitive ability of the company through optimum utilization of human resources.

3) Scope

The Scheme shall apply to permanent non-executive employees of WCL except following categories of employees :-

- a) Mining Statutory Personnel (SPA / Mining Sirdar & Overman)
- b) Overseer & Engg. Asst. (Civil Engineering)
- c) Survey Personnel
- d) Foreman (Elect./Mech.) / Electrical Supervisor.
- e) Paramedical
- f) Other Category of employees as notified by the management from time to time.

However, granting Voluntary Retirement to an employee shall be at the sole discretion of management.

4) Operation of the Scheme

The Scheme shall remain in operation for a period of 6 (six) months from the date of issuance of notification to this effect. However, WCL management may extend it from time to time, if required.

5) Eligibility

- a) Employees who have attained the age of 55 years or more and have completed a minimum of 10 years of service in WCL or in any subsidiary of CIL prior to the date of application for Voluntary Retirement, may seek Voluntary Retirement under the Scheme.
- b) Employees who are due to superannuate within next 6 months from the date of application for Voluntary Retirement, shall not be considered for Voluntary Retirement under the Scheme.
- c) Minimum qualifying attendance for an employee to seek Voluntary Retirement under the Scheme shall be 150 days (excluding any kind of authorised leave or absence from duty) during 12 months preceding the month in which application for Voluntary Retirement is made.

6) Benefits under the Scheme

An employee whose application of Voluntary Retirement is accepted by the Competent Authority, will be entitled for the following benefits :-

a) **VR Compensation :**

It will consist of an amount equivalent to Salary of 45 days at the prevailing level for every completed year of service **or** the salary that the employee would draw at the prevailing level for the number of months service left until superannuation, whichever is less subject to the maximum compensation equivalent to the salary of 36 months.

Note : i) Salary means Basic pay, Variable Dearness Allowance (VDA), Special Dearness Allowance (SDA) and Special Piece Rated Allowance (SPRA) as applicable being drawn on the date of struck-off from the roll on account of WVRS – 2018.

ii) Salary for VR Compensation shall be calculated on the basis of 26 days in a Month.

iii) Calculation of VR Compensation would be on the basis of completed years of service or part thereof. The part of the year served shall be entitled for VR Compensation on pro-rata basis.

Illustration 1 : A monthly rated employee has put in 32 years of service and has got 4 years of service left. His monthly salary (consisting of Basic pay, VDA & SDA for 26 days) on the date of voluntary retirement is Rs. 74,000/-. His VR compensation will be calculated as follow :-

1. Salary of 45 days for every completed year of service, i.e 32 years = Salary of (45 x 32) days = Salary of 1440 days.

(or)

2. Salary of the number of months of service left = Salary of (4 x 12) months = Salary of 48 months = Salary of (48 x 26) days = Salary of 1248 days.

(or)

3. Salary of the maximum ceiling of 36 months = Salary of (36 x 26) days = Salary of 936 days.

whichever is less

Hence, VR Compensation will be equivalent to the salary of 936 days on the date of voluntary retirement. One day salary is Rs. 2846.15 (74,000 / 26) in the present case. So, VR Compensation payable is Rs. 26,63,996/-.

Illustration 2 : A daily rated employee has put in 30 years of service and has got 2 years of service left. His per day salary (consisting of Basic pay, VDA & SDA) on the date of voluntary retirement is Rs. 2,200/- His VR compensation will be calculated as follow :-

1. Salary of 45 days for every completed year of service. i.e 30 years = Salary of (45 x 30) days = Salary of 1350 days.

(or)

2. Salary of the number of months service left = Salary of (2 x 12) months = Salary of 24 months = Salary of (24 x 26) days = Salary of 624 days.

(or)

3. Salary of the maximum ceiling of 36 months = Salary of (36 x 26) days = Salary of 936 days.

whichever is less

Hence, VR Compensation will be equivalent to the salary of 624 days on the date of voluntary retirement. One day salary is Rs. 2,200/- in the present case. So, VR Compensation payable is Rs. 13,72,800/-.

- b) **Provident Fund & Pension** : As admissible under the Rules.
- c) **Gratuity** : As admissible under the Rules.
- d) **Encashment of Earned Leave** : As admissible under the Rules.
- e) **Settling Allowance** : Same as admissible on normal superannuation.
- f) **Medical Facilities for self & spouse** : Same as admissible under CPRMS-NE on normal superannuation.

7) Competent Authority

Director (Personnel) or any Functional Director of WCL nominated by WCL management will be the Competent Authority to accept/ approve the Voluntary Retirement applications under WVRS – 2018.

8) Tax Payment

The Voluntary Retirement benefits payable under the scheme shall be subject to deduction of tax at source as per Income Tax Act 1961 wherever applicable.

9) Re-employment

An employee availing of Voluntary Retirement under this scheme will not be eligible for reemployment in WCL or any of the Subsidiaries of CIL.

Once an employee avails of Voluntary Retirement from WCL, he / she shall not be allowed to take up employment in other PSU. If he / she desires to take up employment, he / she shall have to return the VRS Compensation received by him/ her to WCL.

10) Mode of Operation

- a) An eligible employee may apply for Voluntary retirement under this scheme to the Competent Authority through proper channel in the prescribed application proforma, which shall be available in each unit of WCL and also on WCL's website www.westerncoal.gov.in
- b) On receipt of the application, the Controlling Officer will forward the application to the Mine / Unit Personnel Head. Personnel Manager and Mine Manager of the concerned Mine / Unit will in turn forward the application along with duly filled, scrutinized & signed prescribed "Proforma for processing VRS application" to the Area Screening Committee through Sub Area Manager.
- c) The Area Screening Committee consisting of one executive each from Mining, Personnel, Finance and Systems discipline will recommend the application to the General Manager / HOD (Personnel & IR), WCL HQ through Area Personnel Manager and Area General Manager if the concerned employee is found fit for Voluntary Retirement under WVRS – 2018. Otherwise, his / her application will be rejected at the Area level itself with reasons to be recorded in writing for rejection which shall be communicated to the applicant.
- d) All applications under this Scheme will finally be scrutinized centrally in Headquarters at the level of General Manager / HOD (Personnel & IR). For the purpose of the scrutiny, all applications together with "Proforma for processing VRS application" and other required documents, duly checked, certified and recommended by the Area Personnel Manager & the Area General Manager, should be sent to General Manager / HOD (Personnel & IR), HQ for submission of further recommendation to the Competent Authority for approval.
- e) On receipt of the approval from competent authority, the approval / rejection shall be communicated to the concerned employee. The approval will be also uploaded on WCL's website.

11) General Conditions

- a) For the purpose of determining the age and length of service of retiring employee, the records as per the service records available in the company will be final.
- b) If date of birth of the employee is not available in the service records or if there is any dispute pending with the company regarding age / Date of Birth, the case for Voluntary Retirement under the Scheme would not be considered.
- c) Invariably the attendance of last 12 months preceding the month in which application is made, should be certified and submitted along with the VR application proposal. This should contain an attested photocopy of the first page of service sheet, the actual physical attendance, leave, sick, unauthorised absence etc. during the preceding 12 months.

- d) The cases of the employees against whom departmental proceedings may be pending for any reason, shall not be considered for Voluntary Retirement.
- e) The VR Compensation shall be calculated on the basis of last salary drawn by an employee.
- f) No employee shall be allowed to withdraw the request made for voluntary retirement under the WVRS- 2018 after it has been accepted by the Competent Authority.
- g) All payments under the scheme and any other benefit payable to an employee shall be subject to the prior settlement / re-payment of loans or advances in full, handing over WCL's property and submission of "No Dues Certificate".
- h) In the event of the death of an employee, whose request for voluntary retirement under WVRS - 2018 has been accepted, the compensation, which would have become due and payable to the deceased employee, shall be paid to the person nominated to receive such dues as per records.
- i) The benefits payable under this scheme shall be in full and final settlement of all claims of whatsoever nature, whether arising under the scheme or otherwise to the employee (or his nominee in case of death). An employee who voluntarily retires under this scheme will not have any claim against WCL of whatsoever nature and no demand or dispute or difference will be raised by him /her or on his / her behalf, whether for re-employment or compensation or back wages including employment of any of his/her dependant on compassionate grounds in the service of WCL or for any other benefits whatsoever.
- j) In implementing the VRS Scheme, management shall ensure that it is extended primarily to such employees whose services can be dispensed without detriment to the company. Under no circumstances shall grant of VRS be construed as a right.
- k) There shall be no recruitment against vacancies arising out of VRS.

12) Right of Management

- a) The management reserves the right to accept or reject any application for voluntary retirement under this scheme without assigning any reason there of and extend the period of scheme or close / terminate the scheme at any time, as it may think fit and reasonable keeping in view the interest and requirement of the Company.
- b) Any interpretation or modification of the Clauses under the Scheme shall be subject to the decision of Competent Authority.
