

J&K STAE FOREST CORPORATION.

CIRCULAR

Subject: Implementation of -61st of BOD decision regarding Golden Handshake (GHS)/Voluntary Retirement Scheme (VRS) in J&K State Forest Corporation-request for Voluntary option.

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Whereas, the Government vide Order No: 218-F of 2007 Dated 16.07.2007 issued by the Finance Department J&K Government under endorsement No: A/1 (2006)-522 Dated 16.07.2007, accorded sanction to the implementation of Golden Handshake (GHS)/Voluntary Retirement Scheme (VRS) for the employees of the State Public Sector Undertakings (PSUs) . The case was placed before the 61st Board of Director's meeting which approved adoption of Golden Handshake (GHS)/Voluntary Retirement Scheme (VRS) in J&K State Forest Corporation as well.

This issue was again discussed in the Management Meeting held on 05.04.2013 and the minutes of meeting is enclosed as **Annexure I**.

As per this scheme, a regular employee who has 3 years or more service and volunteers to take GHS/VRS shall be entitled for the following benefits:-

- 1- Ex-Gratia shall consist of 35 days salary (Basic pay +Cola/DA), if any, last drawn for every completed year of service rendered and 25 days salary for balance of service left till superannuation under PSU Rules, subject to the condition that it shall not exceed, in any case, salary defined above for the number of months left at the credit of each employee at the time of implementation of the scheme.

Besides, following benefits will also be available to such employee:-

- 1- The balance under Provident Fund Account payable as per rules.
- 2- Cash equivalent of accumulated earned leave as per Rules of the company concerned.
- 3- Gratuity as per gratuity Act.

Whereas, the Government has now issued Government Order No: 103-F of 2013 dated 10.04.2013 issued under Director (Codes) Finance Department No: A/1 (2006)-B-253 dated 10.04.2013 wherein, besides making amendments to the Government Order No: 218-F of 2007 dated 16.07.2007, the following provision have also been made:-

- ...1- *"The exercise of Golden Handshake/VRS shall be completed in all respects latest by 30.06.2013 beyond which Golden Handshake Scheme shall cease to exist;*
- ...2- *Unpaid Salary and pending arrears of 5th Pay Commission and 6th Pay Commission, if any;*
- ...3- *The unreleased installments of COLA by corporations shall also be deemed to have been released in respect of employees opting for VRS/GHS and defrayment of the same will form part of VRS/GHS package. This would not entail any claim in respect of in-service employees. In respect of in-service employees, payment of COLA/DA shall be entirely dependent on the resource position of the corporation whereas in respect of those opting for VRS/GHS and who have already been brought under VRS/GHS, the financial support will flow from the Government in order to make corporation viable and sustainable".*

This will be in the interest of SFC working and overall improvement of its financial position, all the controlling officers/DDOs are impressed upon to inform the staff falling under their administrative control regarding benefits of this scheme in J&K State Forest Corporation to seek applications from the eligible officers/officials within **one month** and forwarded the case with their recommendations to this office for taking up with the Government for approval. As per aforementioned Government Order this scheme ceases to exist **after 30th June 2013**.

Category-wise financial implications as worked out for payment of terminal benefits on this account are annexed herewith as **Annexure II** for distribution among the employees.

Sd/-
Managing Director

No: 524-68/Bix/SR Dated: 26-04-2013

Copy for information and necessary action to the:-

- 1- Director Finance J&K State Forest Corporation.
- 2 All General Managers J&K State Forest Corporation.
- 3- All Dy. General Managers J&K State Forest Corporation.
- 4- Dy. Financial Advisors (HQ)/Audit J&K State Forest Corporation.
- 5- Personnel Office J&K State Forest Corporation.
- 6- All Divisional Managers J&K State Forest Corporation.
- 7- Law Officers Kashmir/Jammu J&K State Forest Corporation.

Encl: (13) Leaves


26/4/2013
Managing Director

Annexure - Ist

THE J&K STATE FOREST CORPORATION

**Minutes of the SFC Management meeting held under the
Chairmanship of Managing Director on 5th April, 2013 at SFC
office Complex Gladni, Jammu.**

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Management Decision No: 04 of 2013

D a t e d : 05-04-2013

Present:

S/Shri

1. S. Senthil Kumar, IFS General Manager P&P/Admn. SFC
2. Ashok Sharma, General Manager East Circle Doda.
3. Wajahat Javed Koul, General Manager (South) Circle.
4. Mir Shakeel Ahmad, Dy. Financial Advisor (Hqtr.) SFC
5. A. K. Koul, Dy. General Manager (P&P) Circle
6. A.U. Shah, Personnel Officer SFC

Director Finance SFC could not attend the management meeting as he had to attend some meeting of the Finance Department in the Civil Secretariat.

The meeting was convened to discuss implementation of 61st SFC Board of Director's decision regarding Golden Handshake/Voluntary Retirement Scheme for surplus staff of PSU's/ J&K State Forest Corporation- viz-a-viz reducing the establishment cost of SFC.

The necessity of reducing the establishment cost of SFC has been brought to the notice of the Hon'ble Forest Minister/Chairman SFC and the Government at various occasions. Necessary proposal has also been submitted to the Government which includes adjustment of surplus SFC staff in other Wings of the Forest Department, Budgetary support by the Government to SFC, payment of cost of the timber supplied to the Forest Department.

Now to reduce the establishment cost which has swollen to more than Rs.8.00 crores per month it has become necessary to explore other possible options as well for sustainability of the Corporation especially in light of the demand of the SFC Employees Associations to arrange resources to meet DA and other demands of all the working employees.

Various suggestions came forward. It was also reported that there was already a Board decision regarding Golden Handshake/ Voluntary Retirement Scheme for the surplus staff of of PSU's/SFC . In 61st meeting the decision of the Board is as follows:-

"The Board approved adoption of the Golden Hand Shake/Voluntary Retirement Scheme for surplus staff of PSU's in SFC as well. However, the amount on this account shall be paid by the Government."

Subsequently the issue came under discussion at various occasions. The SFC Employees Welfare Association/Union Kashmir and other group of SFC Union of Jammu region pressed for implementation of the Scheme so that the salary component could be reduced in order to make the SFC financially able to disburse regular salary with all other admissible dues and benefits to its employees.

Dy. Financial Advisor (Hqtr.) has made an exercise in calculating the VRS benefits to some categories of employees. However, he was asked to make full exercise for all categories of employees having service of 3 years or more so that the benefit of scheme is circulated for information of all.

It was also reported that some employees have already attained the retirement age but are still continuing in SFC because of vague Date of Birth. It was proposed that such employees are required to be referred to the Medical Board for verification on the same pattern Public Health Engineering Department (PHED) has done. The suggestion was appreciated.

In order to reduce the establishment cost by initiating required measures including implementation of the Golden Handshake/Voluntary Retirement Scheme in SFC on transparent manner, the SFC management arrived at the following conclusions:

- 1. In the first instance a Circular shall be issued to notify the benefits of the Voluntary Retirement Scheme (VRS) in terms of the Board Decision and offers to this effect shall voluntarily be obtained/received from the employees;**
- 2. All the General Managers in consultation with the Divisional Managers concerned will work out cadre-wise surplus staff within a period of one month and submit to Head Office.**
- 3. Modality for identifying physical standards of the employees shall be worked out and specific order be issued in this regard.**

~~Following committees were constituted to identify the surplus staff:~~

- a) At Circle Level:
i) General Manager of the Circle
ii) Divisional Managers concerned
- b) At Provincial Level:
i) General Manager (Adm.)
ii) Dy. Financial Advisor
alongwith GM's concerned.
- c) At State Level:
i) Managing Director
ii) Director Finance
iii) General Manager (Adm.)
alongwith GM's concerned.

Final committee shall be constituted with the approval of Hon'ble Chairman SFC in which representative of the Administrative Department shall be also a member.

The meeting ended with a vote of thanks to the chair.

Sd/-
Personnel Officer

Sd/-
DGM(P&P)

Sd/-
DFA(Hqtr.)

Sd/-
GM(South)

Sd/
GM East

Sd/-
GM (P&P)/Adm.

Sd/-
Managing Director

No.14-18/M/SFC/J

Dated: 23.04.2013

Copy for information and n/action to the:-

1. Director Finance, J&K SFC
2. General Manager (P&P), J&K SFC.
3. General Manager (East) Circle, SFC Doda.
4. General Manager (South) Circle, SFC Bijbehara.
5. Management Decision File.

Personnel Officer
J&K State Forest Corporation

JG
23/04.

23.4.2013

Annexure - II

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Dy. General Manager		Assumption service tenure of 30 years	Pay Rs. 28,680/- G.Pay Rs.6,600/- D.A Rs.15,876/- Total Rs.51,156/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total
1	10 years	20 years	5,96,820+8,52,600	14,49,420	2,55,780	225 days = Rs.3,83,670	20,88,870
2	15 Years	15 Years	8,95,230+6,39,450	15,34,680	3,50,000	280 days = Rs.4,77,456	23,62,136
3	20 Years	10 Years	11,93,640+4,26,300	16,19,940	3,50,000	280 days = Rs.4,77,456	24,47,396
4	25 Years	5 Years	14,92,050+2,13,150	17,05,200	3,50,000	280 days = Rs.4,77,456	25,32,656
5	27 years	03 Years	16,11,414+1,27,890	17,39,304	3,50,000	280 days = Rs.4,77,456	25,66,760
TOTAL				80,48,544	16,55,780	22,93,494	1,19,97,818
Average benefit				16,09,710	3,31,155	4,58,700	23,99,565

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Divisional Manager		Assumption service tenure of 30 years	Pay Rs. 24,280/- G.Pay Rs.4,200/- D.A Rs.12,816/- Total Rs.41,296/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total
1	10 years	20 years	4,81,786+6,88,266	1,170,052	2,06,480	225 days = Rs.3,09,720	1,686,252
2	15 Years	15 Years	7,22,680+5,16,200	1,238,880	3,09,720	280 days = Rs.3,85,429	1,934,029
3	20 Years	10 Years	9,63,573+3,44,133	1,307,706	3,50,000	280 days = Rs.3,85,429	2,043,135
4	25 Years	5 Years	12,04,466+1,72,066	1,376,532	3,50,000	280 days = Rs.3,85,429	2,111,961
5	27 years	03 Years	13,00,824+1,03,240	1,404,064	3,50,000	280 days = Rs.3,85,429	2,139,493
TOTAL				6,497,234	1,566,200	1,851,436	9,914,870
Average benefit				1,299,450	313,240	370,290	1,982,980

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Range Manager		Assumption service tenure of 30 years		Pay Rs. 18,410/- G.Pay Rs.2,800/- D.A Rs.9,545/- Total Rs.30,755/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total	
1	10 years	20 years	3,58,808+5,12,583	8,71,391	1,53,775	225 days = Rs.2,30,662	12,55,828	
2	15 Years	15 Years	5,38,212+3,84,437	9,22,649	2,30,662	280 days = Rs.2,87,046	14,40,357	
3	20 Years	10 Years	5,57,223+1,99,008	7,56,231	3,07,550	280 days = Rs.2,87,046	13,50,827	
4	25 Years	5 Years	6,96,529+99,504	7,96,033	3,50,000	280 days = Rs.2,87,046	14,33,079	
5	27 years	03 Years	7,52,251+59,702	8,11,953	3,50,000	280 days = Rs.2,87,046	14,48,999	
TOTAL				4,158,257	1,391,987	1,378,846	6,929,090	
Average benefit				831,650	278,400	275,770	1,385,820	

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Block Manager		Assumption service tenure of 30 years					Pay Rs. 14,070/- G.Pay Rs.2400/- D.A Rs.7411/- Total Rs.23,881/-			
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total			
1	10 years	20 years	2,78,611+3,98,016	6,76,627	1,19,405	225 days = Rs.1,79,107	9,75,139			
2	15 Years	15 Years	4,17,917+2,98,512	7,16,429	1,79,107	280 days = Rs.2,22,889	11,18,425			
3	20 Years	10 Years	5,57,223+1,99,008	7,56,231	2,38,810	280 days = Rs.2,22,889	12,17,930			
4	25 Years	5 Years	6,96,529+99,504	7,96,033	2,98,512	280 days = Rs.2,22,889	13,17,434			
5	27 years	03 Years	7,52,251+59,702	8,11,953	3,22,393	280 days = Rs.2,22,889	13,57,235			
TOTAL				3,757,273	1,158,227	1,070,663	5,986,163			
Average benefit				751,455	231,645	214,130	1,197,230			

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Field Supervisor		Assumption service tenure of 30 years	Pay Rs. 9170/- G.Pay Rs.1800/- D.A Rs.4936/- Total Rs.15,906/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total
1	10 years	20 years	1,85,570+2,65,100	4,50,670	79,530	225 days = Rs.1,19,295	6,49,495
2	15 Years	15 Years	2,78,355+1,98,825	4,77,180	1,19,295	280 days = Rs.1,48,456	7,44,931
3	20 Years	10 Years	3,71,140+1,32,550	5,03,690	1,59,060	280 days = Rs.1,48,456	8,11,206
4	25 Years	5 Years	4,63,925+66,275	5,30,200	1,98,825	280 days = Rs.1,48,456	8,77,481
5	27 years	03 Years	5,01,039+39,765	5,40,804	2,14,731	280 days = Rs.1,48,456	9,03,991
TOTAL				2,502,544	771,441	713,119	3,987,104
Average benefit				500,510	154,290	142,620	797,420

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Field Workers		Assumption service tenure of 30 years	Assumed Pay: Pay Rs. 8,570/- G.Pay Rs.1,400/- D.A Rs.4,486/-				Total Rs.14,456/-
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total
1	10 years	20 years	168653+240933	4,09,586	72,280	225 days = Rs. 1,08,420	5,90,286
2	15 Years	15 Years	252980+180700	4,33,680	1,08,420	280 days = Rs.1,34,922	6,77,022
3	20 Years	10 Years	337306+120466	4,57,772	1,44,560	280 days = Rs.1,34,922	7,37,254
4	25 Years	5 Years	421633+60,233	4,81,866	1,80,700	280 days = Rs.1,34,922	7,97,488
5	27 years	03 Years	455364+36,140	4,91,504	1,95,156	280 days = Rs.1,34,922	8,21,582
TOTAL				22,74,408	7,01,116	6,48,108	36,23,632
Average benefit				4,54,880	1,40,225	1,29,620	7,24,725

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Sr. Assistant		Assumption	Pay Rs. 13,320/- G.Pay Rs.2,400/- D.A Rs.7,074/- Total Rs.22,794/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total
1	10 years	20 years	2,65,930+3,79,900	6,45,830	1,13,970	225 days = Rs.1,70,955	9,30,755
2	15 Years	15 Years	3,98,895+2,84,925	6,83,820	1,70,955	280 days = Rs.2,12,744	10,67,519
3	20 Years	10 Years	5,31,860+1,89,950	7,21,810	2,27,940	280 days = Rs.2,12,744	11,62,494
4	25 Years	5 Years	6,64,825+94,975	7,59,800	2,84,925	280 days = Rs.2,12,744	12,57,469
5	27 years	03 Years	7,18,011+56,985	7,74,996	3,07,719	280 days = Rs.2,12,744	12,95,459
TOTAL				3,586,256	1,105,509	1,021,930	5,713,700
Average benefit				717,250	221,100	204,390	1,142,740

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Jr. Assistant		Assumption service tenure of 30 years					Pay Rs. 12,490/- G.Pay Rs.2,400/- D.A Rs.6,701/- Total Rs.21,591/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total				
1	10 years	20 years	2,51,883+3,59,850	6,11,733	1,07,955	225 days = Rs.1,61,932	8,81,620				
2	15 Years	15 Years	3,77,842+2,69,887	6,47,729	1,61,932	280 days = Rs.2,01,516	10,11,177				
3	20 Years	10 Years	5,03,790+1,79,925	6,83,715	2,15,910	280 days = Rs.2,01,516	11,01,141				
4	25 Years	5 Years	6,29,737+89,962	7,19,699	2,69,887	280 days = Rs.2,01,516	11,91,102				
5	27 years	03 Years	6,80,116+53,977	7,34,093	2,91,478	280 days = Rs.2,01,516	12,27,087				
TOTAL				3,396,969	1,047,162	967,996	5,412,127				
Average benefit				679,395	209,430	193,600	1,082,425				

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Sr. Driver		Assumption service tenure of 30 years		Pay Rs. 15,420/- G.Pay Rs.2,800/- D.A Rs.8,199/- Total Rs.26,419/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total	
1	10 years	20 years	3,08,221+4,40,316	7,48,537	1,32,095	225 days = Rs.1,98,142	10,78,774	
2	15 Years	15 Years	4,62,332+3,30,237	7,92,569	1,98,142	280 days = Rs.2,46,577	12,37,288	
3	20 Years	10 Years	6,16,443+2,20,158	8,36,601	2,64,190	280 days = Rs.2,46,577	13,47,368	
4	25 Years	5 Years	7,70,554+1,10,079	8,80,633	3,30,237	280 days = Rs.2,46,577	14,57,447	
5	27 years	03 Years	8,32,198+66,047	8,98,245	3,50,000	280 days = Rs.2,46,577	14,94,822	
TOTAL				4,156,585	1,274,664	1,184,450	6,615,699	
Average benefit				831,320	254,930	236,890	1,323,140	

Financial Implication on payment of Terminal benefits on account of Golden Hand Shake/VRS

Jr. Driver		Assumption service tenure of 30 years	Pay Rs. 15,250/- G.Pay Rs.2,400/- D.A Rs.7,943/- Total Rs.25,593/-				
S.No	No. of years of service completed (a)	No. of years of service yet to be completed (b)	Ex-Gratia 35a+25B 12 months salary	Terminal Benefits	Gratuity	Leave salary	G. Total
1	10 years	20 years	2,98,585+4,26,550	7,25,135	1,27,965	225 days = Rs.1,91,947	10,45,047
2	15 Years	15 Years	4,47,877+3,19,912	7,67,789	1,91,947	280 days = Rs.2,38,868	11,98,604
3	20 Years	10 Years	5,97,170+2,13,275	8,36,601	2,55,930	280 days = Rs.2,38,868	13,31,399
4	25 Years	5 Years	7,46,462+1,06,637	8,80,633	3,19,912	280 days = Rs.2,38,868	14,39,413
5	27 years	03 Years	8,06,179+63,982	8,98,245	3,45,505	280 days = Rs.2,38,868	14,82,618
TOTAL				4,108,405	1,241,260	1,147,419	6,497,081
Average benefit				821,680	248,250	229,485	1,299,415