

Indian Oil Retired Officers Welfare Association

(Registration no. S-17225/1986 Under Societies Act)

Registered Office:- A2/67, Ground Floor, Safdarjung Enclave, New Delhi 110029
HO:- S-352, Greater Kailash 1, New Delhi-110048. Ph:- 40503707 Website:- irowaapex.com
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Vishnu Agrawal
President
Phone: 9868282096

R K Gupta
Gen. Secretary
Phone: 9811305203

Ref: IROWA/PRMBF/1

Dated: Feb 11, 2023

Respected Chairman,
Indian Oil Corporation Ltd
Sadiq Nagar, New Delhi

Sub: Revision in entitled monetary ceiling and Improvements in PRMBF facilities to the Retired Officers

Dear Sir,

We convey our profound gratitude for the support and succour provided by the Management to Indian Oil Retired Officers Welfare Association (IROWA) for its sustained working since 1985 for the cause of retired officers of IOC. We, however, with deep agony and heavy heart wish to apprise you that for the last about 10 years we find ourselves completely engulfed in distress and miseries. We seek to put forth our pitiable plight before your good self as under.

1. It may be submitted that the Management has been revising the entitled monetary ceiling for various grades of officers under PRMBF every four years since its inception.
2. Many amendments have been effected in the scheme from time to time by the Management in keeping with the need for the medical benefits to be relevant with time and in order to meet the genuine needs of the retired officers.
3. For the past 10 years, however, there has been no revision in monetary ceilings. Nor has there been modification in medical provisions, though such changes have been glaringly warranted.
4. The required two revisions due in 2016 and 2020 have been glossed over and conveniently escaped by the Corporation regardless of the imperative need for doing it in the best interest of the retired officers.
5. The worth of the monetary ceiling fixed in 2012, as it stands today, is hardly capable of meeting OPD treatment expenditure, perhaps optimistically, one year's expenditure as against the total monetary entitlement for a block of 2 years.
6. The above callous treatment to the retired officers has resulted into their pitiable state economically with cascading effect of loss of their dignity and self esteem in the society. Believe it, all this period, in a nut shell, Corporation's retired officers have been living in great agony.
7. Sir, we also must appreciate the fact that PRMS and SABF are eminent conditions of service and, thus contract of employment between Indian Oil Corporation and its Officers. There are obligations on the part of both the parties which cannot be eschewed by the either party unilaterally. The retired

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officers have fulfilled their obligation and have honourably retired from the company. It is now the turn of the Corporation to meet its obligation. Medical benefit after retirement is the earned benefit which cannot be over sighted or ignored.

We being the disciplined, loyal and committed officers of the Corporation, have been enduring the painful situation patiently since long, in the genuine hope that our benign Management will revise the monetary ceiling under PRMBF sooner or soonest.

The very posture of extending the same medical facilities to us retirees as to the serving officers would not only mitigate retirees' old age health care issues but would also elevate your goodness, as head of the closely knit IOC family, for ever to be remembered for your compassion for the welfare of its past and present employees alike.

We had detailed discussions with Dir (HR) and his team on 11th Nov'22 and raised all the pain points of the retired officers. Copy of the gist of discussions with Dir (HR) is enclosed for your kind perusal.

While we once again thank you for all you have been doing, we earnestly request you to take serious view of the deteriorating condition of the retired officers and effect revision in the monetary ceilings under PRMBF forth with.

We now look forward to your favourable response, Sir.

Thank you and with deepest regards, we remain

Sincerely yours,



(R K Gupta)
(General Secretary)

CC: Director (HR)

Enclosure 1

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Enclosure 1

Gist of Discussions during IROWA's meeting With Dir (HR) on 11th Nov'22

Officers present from CO HR:

Sh R K Mohapatra Dir (HR)
Sh S Bhagwat ED I/C (HR)
Sh Manish Patil ED (HR&CSR)
Sh Awadhesh Mishra GM (HR) and
Sh Sanjay Kumar Ch Mgr (HR)

IROWA Participants:

Sh A K Rauniar Vice President
Sh R K Gupta General Secretary and
Sh Suresh Arora Executive member

1. IROWA's Issues presented:

- PRMS, as was known then, was introduced in 1985. The Fund under the scheme was totally contributed / replenished by the Corporation. Only at the time of retirement, the retiring officer had to, by way of contribution; pay a lump sum as per his grade and this practice is still followed. In return the Medical Benefit will be extended to the employee after the employee retires and hence a 'Deferred Benefit', and hence, a "Condition of service" and a "Contract of employment" between the Employees and the Corporation.
- Funding of PRMBF "out of 30% retiral benefit" as a concept is applicable only to officers joining IOC on or after 1.1.2007. IOC cannot unilaterally change service conditions after the officer had retired.
- Since the year 2012, there has been considerable rise in the prices of medicines (especially in respect of chronic ailments), Consultation fees of Doctors and charges for various Pathological Tests. With falling real value of the already meagre pension, steep fall in interest income from FDs, which is the primary source of sustenance for most of the retirees, rising living costs, and rising healthcare costs, the hardships of retired employees, particularly those who retired before 31.12.2006, are increasing day by day.
- A formula can be devised based on the Prevailing Rates and Fees structure of the Top 5 hospitals of 5 metros for fixing the present medical reimbursement limit on self certification basis by considering possibilities of requirements of medication (OPD) of the retirees and their dependants. Ex gratia is given without filling any form and is automatically increased in April every year based on cost of Index. Our Domiciliary and Miscellaneous payments as fixed in the year 2012 should be increased applying the CPI Index urgently.
- The option from domiciliary (self certification) to actual medication based on vouchers can be changed after every 2 years block. The change instead of allowing after a block of two years should be allowed every year in April. It will save the hardship of the retirees to wait till completion of 2 years block.

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- Sometimes major treatments are done by hospitals without admitting the patient or a situation may arise where hospital beds are not available as happened at the time of outbreak of Covid 2nd wave in Apr/May'21. Why should IOC force a retiree/beneficiary for hospitalization for the purpose of claiming reimbursements from IOC? Such cases will be only few on all India basis and should not be a high burden on IOC versus the Goodwill IOC shall earn by admitting such genuine claims.
 - Additional Domiciliary entitlement for senior retired members of 25% increase and another 25% increase should be allowed on crossing the age of 75 years & 85 years of age respectively. This age limit needs to be revised to 70 years and 80 years respectively as some of the Scientific Medical Studies claim that 70 to 79 years period requires much greater attention from the health point of view.
 - World's best organizations take care of all Stakeholders i.e. serving employees, retired employees, casual workers and other business partners/ stake holder. Retired employees, most of whom have put in around 35 years of service and have helped in laying solid foundation of IOC and in turn achieving the status of one of the best organizations of not only India but of the world, need to be taken care of & nurtured for dignified retired life.
 - In the present system of hospitalization, Corpus of retiree officer is maintained as a ledger i.e. Entitlement credited in his account for every block of 2 year to the carry forward amount from previous block year and utilized amount debited. The unutilized funds beyond two blocks get lapsed.
 - In case the hospitalization expenses are more than available funds in the ledger, the officer has to bear this extra expenditure. Instead of officer paying this extra expenditure from his pocket, this extra expenditure should be adjusted against future accruals.
 - Once the ledger is being maintained why the carry forward should get lapsed; it should continue and the total carry forward should be useable in case of excessive hospitalization bills at any time in future.
2. **Issue of Plan/ Proposal of IOC Management for utilization of Corpus created by 1.5% of PBT since 1.1.2007.**
- We understand a huge amount is piled up with IOC under this scheme. IOC should utilize this money for the benefit of retirees as they are genuinely suffering due to interest rates on FDs having come down drastically.
 - We need to know and understand from IOC Management about their Plan/ Approach on this matter ie what is their plan to utilize this piled up corpus.
3. **IROWA** is planning a meeting of all its units' heads from all India in end November or early Dec'22. After having our own internal meeting on the first day, all the unit representatives along with IROWA Delhi office bearers shall have the meeting with IOC management the next day. IOC management may please advise their convenience so that we finalize our apex body meeting date. We shall be seventeen Apex body members max who shall meet the management. The agenda for that meeting shall be conveyed to the management well in advance.

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4. **The Honourable Supreme Court** in their verdict of 4th Nov'22 has ruled that any employee who has retired after 1st Sep 2014 (58 Years) is eligible to receive higher pension. For receiving higher pension, the Joint Application by the retired IOC officer with monthly data of his differential contribution as 8.33 % of Actual Monthly Salary minus what he had actually contributed earlier duly certified by the employer (IOC) is to be submitted to the PF authorities. IOC management needs to instruct all their units to help all the concerned retirees to complete this exercise in the tight timelines stipulated by SC.

Dir (HR) even though was extremely tight on his schedule especially in the current annual program of promotions and transfers, gave us a patient hearing and appreciated the IROWA's views. He then explained that the management is with us and are trying their best to find ways and means to help us under the laid down guidelines of the Government. He quoted the felicitation award scheme which was first introduced by IOC and later on copied by few others, is consistently being objected to by CAG. He stated that on two occasions, a huge sum of Rs 450 crores once and Rs 600 crores second time have been replenished in the employees' medical corpus by the Management themselves.

Dir (HR) also assured us to consider all our views and see how best they can take care of the retirees' issues. At one stage, he expressed his thoughts that, under the prevailing situation and in light of practices in other Companies/Govt, if we make our medical reimbursement voucher supported in place of self certification based; it might make things easier for Management to effect upward revision of ceilings for medical reimbursement. The Dir (HR) sounded extremely positive and helpful. He clarified that the 1.5% PBT scheme is on year to year basis and corpus if created in any year is not allowed to be carried forward to next year. In the past, the Management tried to utilize some of the funds from this corpus for Medical purposes but it was not allowed on the ground that our company does not qualify for this under the Govt's guidelines.

HR group also advised that pursuant to the verdict of the SC, they have already requested EPFO to give detailed guidelines so that they prepare the documents/data of each of the retiree concerned accordingly. This exercise shall avoid chances of EPFO office rejecting the details submitted by the retirees duly certified by IOC later on.

For the IROWA Apex Body meeting proposed by us in November end or early Dec'22, CO HR shall revert shortly.

Meeting concluded with the thanks to the chair.