

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

Officers present from CO HR:

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 NR 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.
- 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.

4. **The Honorable 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.