

**FORTY-SIXTH REPORT
COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

MINISTRY OF STEEL

(Presented to Lok Sabha on 24.3.2023)



**LOK SABHA SECRETARIAT
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COMPOSITION OF THE COMMITTEE ON PETITIONS

Shri Harish Dwivedi - *Chairperson*

MEMBERS

2. Shri Anto Antony
3. Shri Hanuman Beniwal
4. Prof. Sanjay Sadashivrao Mandlik
5. Shri P. Ravindhranath
6. Dr. Jayanta Kumar Roy
7. Shri Brijendra Singh
8. Shri Sunil Kumar Singh
9. Shri Sushil Kumar Singh
10. Shri Manoj Kumar Tiwari
11. Shri Prabhubhai Nagarbhai Vasava
12. Shri Rajan Baburao Vichare
13. Vacant
14. Vacant
15. Vacant

SECRETARIAT

1. Shri T.G. Chandrasekhar - Additional Secretary
2. Shri Raju Srivastava - Director
3. Shri Anand Kumar Hansda - Assistant Executive Officer

**FORTY-SIXTH REPORT OF THE COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

INTRODUCTION

I, the Chairperson, Committee on Petitions, having been authorised by the Committee to present on their behalf, this Forty-Sixth Report (Seventeenth Lok Sabha) of the Committee to the House on the representation of Shri B. S. Narasimhan regarding revision of SAIL Pension Scheme and other issues related therewith.

2. The Committee considered and adopted the draft Forty-Sixth Report at their sitting held on 23 March, 2023.

3. The observations/recommendations of the Committee on the above matters have been included in the Report.

NEW DELHI;

**HARISH DWIVEDI
Chairperson,
Committee on Petitions**

23 March, 2023

02 Chaitra, 1945 (Saka)

REPORT

REPRESENTATION OF SHRI B. S. NARASIMHAN REGARDING REVISION OF SAIL PENSION SCHEME AND OTHER ISSUES RELATED THEREWITH.

Shri B. S. Narasimhan had submitted a representation regarding revision of SAIL Pension Scheme and other issues related therewith.

2. In his representation, Shri B. S. Narasimhan *inter alia* submitted that he had joined Bhilai Steel Plant -Steel Authority of India Limited (SAIL) on 1st November, 1957 and took voluntary retirement from service on 31st March, 1991. He further submitted that during the fag end of his services, although he was offered to opt for a Pension Scheme linked to Provident Fund (PF), for which he had to return the differential amount accruing as 3.66% of the employer's contribution to the PF accumulation; he could not do so because of his previous commitments like house building, children's education and marriage of his daughter, etc. However, after retirement, he got a meager amount of money accumulated in the Provident Fund and Gratuity which were restricted at that time. Subsequently, he came to know about a Pension Scheme known as '*Agrani Samman*', which was introduced by the Oil and Natural Gas Company (ONGC) under the Ministry of Petroleum & Natural Gas for its retirees. He has also submitted that the affected SAIL retirees had approached the SAIL Authorities in 2008, 2010 and 2011 with request for grant of pension/ex-gratia benefits but no positive outcome is there so far. In this connection, he has further submitted that, SAIL had introduced a Pension Scheme in the year 2019, which covered all the executives on rolls of the Company on or after 1.1.2007 and non-executives on rolls of the Company on or after 1.1.2012. However, the said Pension Scheme ignored the employees who got retirement before 2007/2012. The representationist, Shri B. S. Narasimhan, has therefore, requested for looking into the plight of affected retired employees and accordingly, revise the SAIL Pension Scheme so as to include pre-2007/2012 retirees and they could get justice.

3. The Committee on Petitions took up the representation of Shri B. S. Narasimhan for examination under Direction 95 of the Directions by the Speaker, Lok

Sabha. Accordingly, the representation was referred to the Ministry of Steel for furnishing their comments on the issues raised therein.

4. In response thereto the Ministry of Steel (SAIL Division) vide their Office Memorandum No. 2(4)/2020-SAIL, dated 9 March, 2020, furnished the following comments in the matter:-

"SAIL is implementing the Pension Scheme for its ex-employees in accordance with DPE guidelines and approval accorded by Ministry of Steel as conveyed.

The said SAIL Pension Scheme provides coverage for all eligible Executives (including Management trainees) on rolls of the Company on or after 1.1.2007 (including those appointed at the Board level) and eligible Non-executives (including trainees recruited for eventual employment) on rolls of the Company on or after 01/01/2012. New entrants joining the Company after 01/01/2007, as executives (including those appointed at the Board level) and after 01/01/2012, as non- executives, are also covered under SAIL Pension Scheme from the date of their joining SAIL as per the terms and conditions of the SAIL Pension scheme.

Further, SAIL provides medical & health care to all employees and their eligible dependents as well as to all eligible ex-employees and their spouse in its hospitals at Plants/Mines location. In addition, medical needs of eligible ex-employees and their spouse are also taken care of through a contributory Mediclaim Insurance Scheme. The major share of the premium is contributed by the Company.

B. S. Narasimhan took voluntary retirement on 31.03.1991 and the pension scheme covers only those executives who are on the rolls of SAIL on or after 01.01.2007 and non-executives who are on the rolls of SAIL on or after 01.01.2012. In view of this SAIL has expressed its inability to cover his case.

SAIL have also already replied the earlier representations of Shri B.S. Narasimhan viz., PMOPG/D/2019/0200631 dated 20.6.2019 and PMOPG/D/2019/0363032 dated 26.9.2019 received at CPGRAM."

5. On being asked by the Committee to provide the details of various establishment of Steel Authority of India Limited located at different regions of the country, the Ministry of Steel in a written reply, submitted as under:-

"SAIL - An Integrated Steel Company

'The Public Sector Iron and Steel Companies (Restructuring) and Miscellaneous Provisions Act, 1978' was enacted and came into force with effect from 1st May, 1978 with the objective to provide for restructuring of iron and steel companies in the Public Sector so as to secure better management and greater efficiency in their working. The aim was to bring all the Public Sector Plants under the overall control of an integrated company (i.e., SAIL) which should function to the maximum extent possible as an integral steel complex and all activities which are not directly related to steel production are kept outside its purview.

Present Plants/Units

At present, besides, Corporate Office, the following Steel Plants/Units are in SAIL:-

A) Plants/Units

Integrated Steel Plants

- (i) Bhilai Steel Plant
- (ii) Durgapur Steel Plant
- (iii) Rourkela Steel Plant
- (iv) Bokaro Steel Plant
- (v) IISCO Steel Plant

Special Steels Plant*

- (i) Alloy Steels Plant
- (ii) Salem Steel Plant
- (iii) Visvesvarya Iron and Steel Plant

*Under Strategic Disinvestment

Units

- (i) Central Marketing Organisation
- (ii) Research & Development Centre for Iron and Steel
- (iii) Centre for Engineering & Technology
- (iv) Management Training Institute
- (v) Growth Division & SAIL Growth Works, Kulti
- (vi) Central Coal Supply Organisation
- (vii) Environment Management Division
- (viii) SAIL Safety Organization
- (ix) SAIL Refractory Unit
- (x) Chandrapur Ferro Alloy Plant

6. On being asked by the Committee to provide the existing *plant-wise* strength of executives and non-executives cadre in SAIL, the Ministry of Steel in a written reply, submitted as under:-

"The Plant wise strength of Executives and Non executives cadre in SAIL as on 01.08.2021 is as under:-

Plant/Unit	Executive	Non Executive	Total
Bhilai Steel Plant	2686	15772	18458
Durgapur Steel Plant	1166	7127	8293
Rourkela Steel	1723	11907	13630
Bokaro Steel Plant	2064	10355	12419
IISCO Steel Plant	986	4528	5514
Alloy Steels Plant	151	504	655
Salem Steel Plant	174	670	844
Visveswaraya Iron & Steel Plant	57	222	279
Central Coal Supply Organisation	19	54	73
Central Marketing Organisation	591	419	1010
Research & Development Centre for Iron & Steel	171	49	220
Centre for Engineering & Technology	184	16	200
Management training Institute	22	28	50
Corporate Office	223	148	371
Growth Division SAIL Growth Works	11	2	13
Environment Management Division	11	11	22
SAIL Safety Organisation	12	3	15

SRU	107	423	530
Chandrapur Ferro Alloys Plant	67	146	213
Collieries	116	919	1035
Total:	10541	53303	63844

7. On being further asked to furnish by the Committee to provide the details of pay scale, perks, amenities etc., provided to the employees of the SAIL, the Ministry of Steel in a written reply, submitted as under:-

EXECUTIVES			NON-EXECUTIVES		
S.No.	Grade	Scale of Pay w.e.f. 1.1.2007	Grade	Scale of Pay w.e.f. 1.1.2007	Scale of Pay w.e.f. 1.1.2012
1	E-0	12600-32500	S-1	8630-3%-12080	15830-3%-22150
2	E-1	20600-46500	S-2	8890-3%-12650	16300-3%-23200
3	E-2	24900-50500	S-3	9160-3%-43150	16800-3%-24110
4	E-3	32900-58000	S-4	9440-3%-13930	17100-3%-25540
5	E-4	36600-62000	S-5	9730-3%-15020	17300-3%-27540
6	E-5	43200-66000	S-6	10120-3%-16400	17500-3%-30070
7	E-6	51300-73000	S-7	10530-3%-17030	17600-3%-31230
8	E-7	51300-73000	S-8	10960-3%-17680	17700-3%-32420
9	E-8	51300-73000	S-9	11400-3%-19350	17800-3%-35480
10	E-9	62000-80000	S-10	11860-3%-22920	17900-3%-42030
			S-11	12460-3%-23970	18000-3%-43950
a. Variable Perks @ 46%/44% of Basic Pay were introduced in consonance with DPE guidelines from 2007.			a. 6% of Revised Basic Pay w.e.f. 1.1.2014.		
b. Rate of increment as percentage of basic @ 3% w.e.f. 1.1.2007 as per DPE guidelines.			b. Common allowance/benefits which changes with grade/revision- Night shift allowance, reimbursement of local travel expenses/Maintenance, Transport Subsidy Canteen allowance, Energy Allowance, LTC/LTA, CCA, (Mining Allowance, Difficult Area, Underground Allowance, Washing allowance)-selected category of employees.		

8. The Committee, thereafter, asked to provide the details of pension and medical schemes/benefits which were available to the employees of different Steel Plants. The Ministry of Steel, in a written reply, submitted as under:-

Government of India Pension Schemes:

Government of India made the provision of pension by way of benefit under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952.

I. Family Pension Scheme, 1971:

There was a provision of Employees' Family Pension Scheme, 1971 in the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. The Scheme has been replaced by EPS'95 in the Act.

II Employee Pension Scheme, 1995:

Employee's Pension Scheme (EPS 95) was rolled out in 1995 as a statutory scheme under EPF & MP Act, 1952. 8.33% of the employer's share of 12% towards PF Subject to wage ceiling prescribed by Govt under the Act, constitutes the corpus for EPS-95. Initially, the ceiling was Rs 5000/- which was raised to Rs 6500/- in 2011 and then to Rs 15000/- in 2014. It is a defined benefit scheme where the amount of pension depends upon the average Basic + DA drawn in last year of service and the pensionable service.

III. SAIL Pension Scheme:

(a) *SAIL Pension Scheme has been introduced in line with the guidelines issued by Department of Public Enterprises (DPE), Government of India vide its Office Memorandums (OMs) dated 26.11.2008, 02.04.2009, 21.05.2014 and 24.06.2015, which, inter-alia, provided for introduction of Pension Scheme for executives w.e.f. 1.1.2007 as part of the superannuation benefits.*

(b) *Subsequent to the aforesaid DPE Guidelines, Pension Scheme for the non-executives of SAIL has been introduced w.e.f*

1.1.2012 as per the MoU signed under National Joint Committee for the Steel Industry (NJCS), an Apex level bi-partite forum at SAIL which comprises of members from Central Trade Unions (viz., INTUC, CITU, AITUC, HMS and BMS), Recognised Trade Unions operating at Plants/Units and Management representatives.

- (c) SAIL Pension Scheme is being administered through duly constituted SAIL Pension Trust. So far, Scheme has been implemented for retired employees separated up to 31.3.2020.

IV. Medical & Health Care for employees and their dependents:

SAIL is running well equipped large Multi-specialty Hospitals at each of its Integrated Steel Plant and smaller hospitals at Special Steel Plant and Mine locations. Free of cost Medical and Health care facilities to employees and their eligible dependants is provided in these hospitals. Employees and their eligible dependents are also referred to empanelled reputed Hospitals of the Country, under its National Referral Panel, for the specialized treatment."

9. On being categorically enquired by the Committee as to whether the Ministry of Steel (SAIL Division) have received any representations from SAIL – Retired Employees Welfare Society, particularly in the year 2008, 2010 and 2011, requesting for considering their demands of pension and other benefits on the lines of the 'Agrani Samman' Ex-gratia Benefit Scheme which is a pension scheme launched by the ONGC on 1.3.2003 for its eligible pre-15.10.1959 employees as well as to those eligible post-14.10.1959 employees who superannuated/died while in service prior to 1.4.1991 (in case of executives) and 16.11.1995 (in case of non-executives) and those post-14.10.1959 employees who voluntarily retired prior to 1.4.1990 as executives, the Ministry of Steel, in a written reply, submitted as under:-

"As per available records, no previous representation from 'Retired Employees Welfare Society' of the year 2008, 2010 and 2011 could be traced in the Ministry. However, a petition from Shri B. S. Narasimhan under CPGRAMS was

received which was forwarded to SAIL on 29.1.2021. A suitable reply to the petitioner has been provided over CPGRAMS portal on 12.2.2021.

The Ministry of Steel vide their communication dated 9 March, 2020 has replied that the SAIL Pension Scheme provides coverage for all eligible executive (including Management Trainees) on rolls of the Company on or after 1.1.2007 (including those appointed at the Board level) and eligible non-executives (including trainees recruited for eventual employment) on rolls of the Company on or after 1.1.2012.

Shri B. S. Narasimhan took voluntary retirement on 31.3.1991 and the Pension Scheme covers only those executives who are on the rolls of SAIL on or after 1.1.2007 and non-executives who are on rolls of SAIL on or after 1.1.2012. In view of this, SAIL has expressed its inability to cover the case of Shri B.S. Narasimhan.

10. The Committee, then, asked to provide a copy of the guidelines issued by the Department of Public Enterprises (DPE) with regard to providing pension and other terminal benefits to the employees of the PSUs/PSEs including the SAIL. The Ministry of Steel, in a written reply, submitted as under:-

"A copy of Guidelines issued by Department of Public Enterprises (DPE), Government of India vide their Office Memoranda dated 26.11.2008, 02.04.2009, 21.05.2014 and 24.06.2015 is at Annexure I."

11. SAIL Management vide their Circular No. Pers/ITB&Med./Pension/2019 dated 29 April, 2019, in the line with the guidelines issued by Department of Public Enterprises (DPE) and with the approval of Ministry of Steel, has introduced the SAIL Pension Scheme for employees of SAIL. In this backdrop, the Committee asked to furnish the salient features of the Scheme along with a copy of the SAIL Pension Scheme citing its objectives, eligibility, benefits, contribution, fund management and other conditions thereof. The Ministry of Steel, in a written reply, submitted as under:-

"The salient features of the SAIL Pension Scheme are as under:

- (a) **Objectives** - To provide social security and monetary benefit to the employee/nominee of the employee in the form of annuities upon his/her superannuation/ death/ permanent disablement & incapacitation (including cases of permanent total disablement) leading to cessation of service.
- (b) **Eligibility** - Employees with minimum 15 years of continuous service and superannuated from the Company will be eligible for the benefits under this Scheme. Further, Cases of Death/Permanent Disablement & Incapacitation (including cases of Permanent Total Disablement) leading to cessation of service, shall also be eligible.
- (c) **Benefits** - Payable only in the form of annuities on the date of superannuation of the employee from the services of the company. However, the amount of the beneficiaries whose corpus is less than 2 lakh, shall be refunded
- (d) **Effective date and contribution by Employer** - As regards contribution, it is submitted that the employers' contribution to the scheme is percentage of Basic Pay + DA. The percentage is decided and notified by the Company from time to time based on factors like affordability, capacity to pay and sustainability. The contribution is paid by Company in a staggered/deferred manner as per its financial and liquidity position.

(i) **Executives:** Effective from 1.1.2007

Time period	Contribution
1.1.2007 to 31.3.2015	@ 9% of BP + DA
1.4.2015 to 31.3.2018	@ 3% of BP + DA
1.4.2018 to 31.03.2020	@ 9% of BP +DA

(ii) **Non-Executives:** Effective from 1.1.2012

Time period	Contribution
1.1.2012 to 31.3.2015	@ 6% of BP + DA
1.4.2015 to 31.3.2018	@ 2% of BP + DA

It may be mentioned that at present employer's contribution towards eligible ex-employees (till 31/03/2020) has been transferred to PF Trust.

(e) Fund Management:

- *The SAIL Pension Fund will be managed by the Trust constituted for the purpose of providing pension to the members. The Trust comprises of representatives from five Central Trade Unions, Executive Federation and Management.*
- *The Trust shall manage the SAIL Pension Fund 'in-house' as per guidelines issued by the government or partly/ fully through PFRDA approved Professional Fund Manager or through an IRDA approved Life Insurance Company.*

A copy of the SAIL Pension Scheme is enclosed herewith as Annexure-II."

12. The Committee, thereafter, asked to provide the details of the employees/ex-employees, in both executive and non-executive cadre, who have opted for the SAIL Pension Scheme. The Ministry of Steel, in a written reply, submitted as under:-

"SAIL Pension Scheme is a defined contribution scheme whereby the annuity has to be purchased based on the corpus built up due to employer's contribution towards pension. Option is not required to be exercised by the employees rather an employee eligible under the Pension Scheme/ his or her nominee (as the case may be) will be entitled to the benefits under this Scheme. Option to withdraw the employers' contribution, if less than Rs 2 lakh, or for voluntary contribution by the beneficiary to the corpus is exercised by the Beneficiary.

As on 01.08.2021, 33400 ex-employees of SAIL have availed benefits under the Scheme."

13. On being asked by the Committee to explain as to why coverage under the SAIL Pension Scheme for all eligible executive and non-executive employees has a huge gap of five years between the cut off dates, i.e., on or after 1.1.2007 for executives and on or after 1.1.2012 for non-executives, the Ministry of Steel, in a written reply, submitted as under:-

"Department of Public Enterprises (DPE) vide its Office Memoranda dated 26.11.2008, 02.04.2009, 21.05.2014 and 24.06.2015 inter-alia, issued Guidelines whereby Executives of Central Public Sector Enterprises (CPSEs) are allowed 30% of Basic Pay and DA as superannuation benefits which may include Contributory Provident Fund (CPF), Gratuity, Pension and Post Superannuation Medical Benefits. SAIL Board in its 354th meeting held on 30.10.2009, approved payment of Superannuation Benefits within the DPE Guidelines, with an overall ceiling of 30% of Basic Pay plus DA for executives from 1.1.2007 i.e., date the DPE guidelines became effective.

The wage related issues and benefits extended to non-executives of SAIL are guided by the agreements in the National Joint Committee for Steel Industry (NJCS), an apex level bi-partite forum at SAIL. Subsequently, in the MOU signed with NJCS on 24.1.2014, it was agreed that Pension Scheme for the non-executives of SAIL shall be introduced w.e.f. 1.1.2012"

14. Keeping in view the fact that the SAIL Pension Scheme is not for the ex-employees of the Company who retired/died before 1.1.2007/1.1.2012, the Committee specifically desired to know as to what measure/schemes the SAIL have taken to provide social security to such ex-employees who served the Company for a long time but retired before 1.1.2007/2012. In response thereto, the Ministry of Steel, in a written reply, submitted as under:-

"SAIL provides medical care to ex-employees and their spouse at Company hospital free of cost. In addition, SAIL also operates a highly subsidised Mediclaim scheme to cover the IPD and OPD medical requirement of ex-employees and their spouse. The scheme has evolved over a period of time and has become very useful and beneficial for ex-employees in terms of IPD coverage, subsidy, etc.

Further, most of the employees who superannuate from SAIL prefer to reside at plant and nearby townships, even after retirement and facilities available in SAIL townships like housing, etc. are extended to them as per existing provisions of Plants/Units.

Currently, the benefits under SAIL Mediclaim Scheme provide for OPD entitlement of Rs.4,000/- per member and Rs.8,000/- per Member for members below 70 years and above 70 years of age, respectively. Further, IPD entitlement of Rs. 2 lakh is also provided, which when clubbed between member and spouse, provides coverage of Rs. 4 lakh per annum on cashless/reimbursement basis. The copy of SAIL Mediclaim scheme is at Annexure III. The IPD entitlement is currently under review and is likely to increase to Rs. 4 lakh per member from 2021-22 onwards."

15. On being asked by the Committee to provide the details of the Schemes under which medical and health care facilities are being provided to eligible employees and ex-employees of the SAIL and their dependants, the Ministry of Steel, in a written reply, submitted as under:-

"The medical care and health care facilities are being provided under the SAIL Medical Attendance and Treatment Rules. SAIL is running well equipped large Multi-specialty Hospitals at each of its Integrated Steel Plant and smaller hospitals at Special Steel Plant and Mine locations. Free of cost Medical and Health care facilities to employees and their eligible dependants is provided in these hospitals. Employees and their dependents are also referred to empanelled reputed Hospitals of the Country, under its National Referral Panel, for the specialized treatment

Eligible Ex-employees and spouse thereof are provided medical care and health care facilities in company run Hospitals and also benefit under the approved SAIL Mediclaim Scheme."

16. The Committee, thereafter, specifically desired to know about the conditions of eligibility for employees/ex-employees/dependants of the SAIL to avail benefits of

medical and health care schemes of the Company. The Ministry of Steel, in a written reply, submitted as under:-

"SAIL is running well equipped large Multi-specialty Hospitals at each of its Integrated Steel Plant and smaller hospitals at Special Steel Plant and Mine locations. Free of cost Medical and Health care facilities to employees and their eligible dependants is provided in these hospitals. Employees and their dependents are also referred to reputed Hospitals of the Country for the specialized treatment. SAIL has empanelled reputed hospitals throughout the Country under its National Referral panel. The Hospitals also cater to the medical needs of ex-employees & their spouses.

In addition, SAIL also operates a Mediclaim Insurance Scheme for the following categories of ex-employees and/or their spouse who opt for it:

- (a) Retired employees of SAIL and their spouses.*
- (b) The employees who have taken voluntary retirement and their spouses.*
- (c) The employees who cease to be in employment on account of permanent total disablement and their spouses.*
- (d) The spouse of an employee who dies in service.*
- (e) Employee who resigns from the Company at the age of 57 or above and their spouses."*

17. On being asked by the Committee as to whether any cashless Mediclaim insurance cover has also been provided to the ex-employees and their dependants who retired/died before the SAIL came into existence in 1973, the Ministry of Steel, in a written reply, submitted as under:-

"As per SAIL, the cashless SAIL Mediclaim Scheme has been extended to all retired employees and their spouse, who opt for it, irrespective of their time of joining SAIL or erstwhile HSL. As per available records, the age of the highest surviving member is 98 years.

Ex-employees, who have failed to renew their membership or have never enrolled under SAIL Mediclaim Scheme after separation from SAIL due to whatsoever reason, are considered for enrolment under the SAIL Mediclaim Scheme as gap case by paying the subsidized premium."

18. The Committee, thereafter, asked to provide the details of the contributory Mediclaim Insurance Scheme being provided to employees/ex-employees/their spouse including the details of premium being borne by the beneficiaries and the contribution of the Company, i.e., SAIL. The Ministry of Steel, in a written reply, submitted as under:-

"SAIL is charging a nominal premium from the members of SAIL Mediclaim Scheme, vis-à-vis the benefits extended through the scheme. The details of applicable premium for the year 2020-21 are stated below:

Age Group	Premium paid by the member (Rs.)	Premium paid by SAIL (Rs.)	Benefits
Below 70 yrs. of age	4189	9775.12	OPD – Rs.4,000/- per member IPD – Rs.2,00,000/- per member with clubbing facility between ex-employee & spouse
70 – 79 yrs. of age	2929	16598.82	OPD – Rs.8,000/- per member IPD – Rs.2,00,000/- per member with clubbing facility between ex-employee & spouse
80 yrs. & above age	1953	17574.82	OPD – Rs.8,000/- per member IPD – Rs.2,00,000/- per member with clubbing facility between ex-employee & spouse

The scheme is under review where IPD benefits are likely to be upwardly revised to Rs.4,00,000/- per member with clubbing facility between employee and spouse for the year 2021-22.

19. Shri B.S. Narasimhan, the representationist, has also suggested for creating a corpus fund and utilizing the interest accrued thereon to relieve the misery of hapless

old retirees of SAIL who retired/died before 1.1.2007/1.1.2012, by providing them a secure retirement monthly payment. When asked by the Committee to offer the views of the Ministry of Steel on the aforesaid suggestion, the Ministry in a written reply, submitted as under:-

"SAIL is guided by the DPE guidelines in such matters. However, SAIL is providing medical benefits to such employees at their Hospitals free of cost and also through an annual Medclaim Insurance to take care of their medical needs."

20. In connection with the comprehensive examination of the instant representation of Shri B. S. Narasimhan, the Committee on Petitions took oral evidence of the representatives of the Ministry of Steel/SAIL during their sitting held on 2 August, 2022.

21. During the course of interaction with the representatives of the Ministry of Steel/SAIL in the said sitting, the Committee sought clarifications on the following aspects:-

- (i) *At the time of appointment of the representationist, Shri Narasimhan or, for that matter, any other candidate in SAIL, whether provision relating to pensionary benefits after superannuation was mentioned in the Appointment Letter? In case, there is any mention of pensionary benefits, it is incumbent upon the Ministry of Steel/SAIL to positively consider the request made by the representationist.*
- (ii) *As per information furnished by the Ministry of Steel/SAIL, the pensionary benefits in respect to superannuating Executive Cadre were extended in January, 2007, whereas, in case of Non-executive Cadre, it was extended after a lapse of five years, i.e., in January, 2012. Extending the pensionary benefits to the Non-Executive Cadre in SAIL vis-a-vis Executive Cadre after five years appears to be discriminatory. Ideally, the pensionary benefits in SAIL should have been extended to Executive and Non-Executive Cadre together.*

22. In response thereto, the major points put forth by the representatives of Ministry of Steel/SAIL before the Committee, were as under:-

- (i) *In the Appointment Letter issued by SAIL, there was no mention of any provision relating to pensionary benefits to any of the employees after superannuation.*
- (ii) *SAIL had introduced the Pension Scheme covering all the Executives in the year, 2007 on the basis of Second Pay Revision as per the directions of the Department of Public Enterprises. Thereafter, the pay in respect to the Executives was revised in 2017. The pay in respect to the Executives is revised after every ten years; whereas for Non-Executives, it is being done after every five years. Non-Executives also receive extra benefits as there has been no limit in their gratuity amount payable after superannuation, and therefore, the pensionary provisions were not introduced for them in the year 2007 itself.*
- (iii) *Shri Narasimhan was appointment in the year 1957 and in the year 1991, he opted for voluntary retirement. At that time, only the Family Pension Scheme, 1971 which was connected to CPF, was applicable to the SAIL employees. In the year 1995, when the Employees' Pension Scheme, 1995 came into existence, the employees who joined thereafter, were included under the said Scheme.*
- (iv) *The Wage Agreement in respect of Non-Executives is finalized as per the negotiations held at National Joint Committee on Steel comprising the Management and Union representatives of SAIL and RINL.*
- (v) *The Public Sector Undertakings have their distinct Rules for salary and pension which is approved by the Department of Public Enterprises, Government of India.*

OBSERVATIONS/RECOMMENDATIONS

Background of Pension Scheme(s) applicable in Steel Plants/SAIL.

23. The Committee, while meticulously examining the instant representation of Shri B. S. Narasimhan in the light of comments and replies submitted by the Ministry of Steel, note that Government of India made the provision of pension by way of benefit under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. Under the Act *ibid*, a provision was made for the Employees' Family Pension Scheme, 1971. The Family Pension Scheme, 1971 was subsequently replaced by the Employees' Pension Scheme, 1995 (EPS-95) as a statutory scheme in the Act *ibid* and was rolled out in the year, 1995. As per EPS-95, 8.33% out of the total of 12% of the employer's share towards Provident Fund (PF) subject to wage ceiling prescribed by Government under the relevant Act, constitutes the corpus for EPS-95. Initially, the ceiling was Rs. 5,000 which was raised to Rs. 6,500 in 2011 and then to Rs. 15,000 in 2014. It is a '*defined benefit scheme*' where the amount of pension depends upon the average Basic + DA drawn in last year of service and the pensionable service.

24. As regards SAIL Pension Scheme, the Committee were informed by the Ministry of Steel that it was introduced in line with the Guidelines issued by Department of Public Enterprises (DPE), Government of India *vide* its Office Memoranda dated 26.11.2008, 02.04.2009, 21.05.2014 and 24.06.2015, which, *inter-alia*, provided for introduction of Pension Scheme for executives of SAIL, *w.e.f.*, 1.1.2007 as part of the superannuation benefits. The Committee were further informed that subsequent to the aforesaid DPE Guidelines, Pension

Scheme for the non-executives of SAIL was introduced, *w.e.f.*, 1.1.2012 as per the MoU signed under the National Joint Committee for the Steel Industry (NJCS), an Apex level bi-partite forum at SAIL which comprises of members from Central Trade Unions, *viz.*, INTUC, CITU, AITUC, HMS and BMS, Recognized Trade Unions operating at various Plants/Units and Management representatives. In this sequel, the Committee were also informed that SAIL Pension Scheme is a '*defined contribution scheme*' and is being administered through duly constituted 'SAIL Pension Trust' for the purpose. So far, the Scheme has been implemented for retired employees separated up to 31.3.2020 and as on 01.08.2021, 33400 ex-employees of SAIL have availed benefits under the said scheme.

25. The Committee, after painstakingly going through the salient features *vis-a-vis* the scope and effective date of implementation of the SAIL Pension Scheme, take note of the fact that SAIL Pension Scheme provides coverage for all eligible Executives (including Management Trainees) on rolls of the Company on or after 1.1.2007 (including those appointed at the Board level) and eligible Non-Executives (including trainees recruited for eventual employment) on rolls of the Company on or after 1.1.2012. However, the employees on Contract Appointment or deputation from other Organisations/ Central or State Government, shall not be covered. Further, new entrants joining the Company after 1.1.2007, as Executives (including those appointed at the Board level) and after 1.1.2012, as Non-Executives, shall also be covered under SAIL Pension Scheme from the date of their joining SAIL.

26. On the aspect of different dates from which the SAIL Pension Scheme has been made effective for the Executives and Non-Executives, the Ministry of Steel, in their replies, had submitted that the Department of Public Enterprises (DPE) *vide* their Office Memoranda dated 26.11.2008, 02.04.2009, 21.05.2014 and 24.06.2015 *inter-alia*, issued Guidelines, whereby, Executives of Central Public Sector Enterprises (CPSEs) are allowed 30% of Basic Pay and DA as superannuation benefits which may include Contributory Provident Fund (CPF), Gratuity, Pension and Post Superannuation Medical Benefits. SAIL Board had, therefore, in its 354th meeting held on 30.10.2009, approved payment of Superannuation Benefits within the DPE Guidelines, with an overall ceiling of 30% of Basic Pay *plus* DA for Executives from 1.1.2007, *i.e.*, the date when the DPE Guidelines became effective. As regards Non-Executives, the Ministry had submitted that the wage related issues and benefits extended to Non-Executives of SAIL are guided by the agreements in the National Joint Committee for Steel Industry (NJCS), an apex level bi-partite forum at SAIL. Subsequently, in the MOU signed with NJCS on 24.1.2014, it was agreed that Pension Scheme for the Non-Executives of SAIL shall be introduced, *w.e.f.*, 01.01.2012.

27. The Committee are not satisfied with the averments made by the Ministry of Steel in regard to the dates on which the SAIL Pension Scheme was effected for the Executive and Non-Executive categories of employees. As regards Superannuation Benefits, the Department of Public Enterprises (DPE) Office Memorandum dated 26.11.2008 regarding revision of scales of pay, *w.e.f.*, 01.01.2007 in respect to Board level and below Board level Executives and Non

Unionized Supervisors in CPSEs *inter alia* stipulates that CPSEs are allowed 30% of Basic Pay as Superannuation Benefits, which may include Contributory Provident Fund (CPF), Gratuity, Pension and Post Superannuation Medical Benefits. The CPSEs should make their own 'Schemes' to manage these funds or operate through Insurance Companies on fixed contribution basis. The amount of Pension, Gratuity and Post-Retirement Benefit will be decided on the returns from the schemes to be operated. The Pension and Medical benefits can be extended to those Executives, who superannuate from the CPSE and have put in a minimum of 15 years of service in CPSE, prior to their superannuation. Although the Committee could well understand that the pay revision of CPSE Executives and Non-Unionized Supervisors is executed in pursuance of the recommendations Pay Revision Committee, whereas in case of Unionized Workmen/Workers (Non-Executive employees), revision of wages is done as per the Wage Settlement arrived at between Trade Union/Association and the Management of the CPSE concerned, the formulation of Superannuation Benefit Scheme(s) falls well within the domain of CPSE Management as per the broad parameters/guidelines fixed by the Government *vide* aforementioned DPE Office Memoranda. The Committee, therefore, would like to urge the Ministry of Steel to impress upon the SAIL Management to examine the feasibility of revising the applicability of SAIL Pension Scheme so as to include pre-1.1.2007 retired employees of Executive category. The Committee would like to be apprised of the necessary efforts taken by the Ministry of Steel/SAIL in this direction, within three months of presentation of this Report to the House.

Revision of SAIL Pension Scheme vis-a-vis ONGC's 'Agrani Samman' Ex-gratia Benefit Scheme

28. During the course of examination of the instant representation of Shri B. S. Narasimhan, the Committee came across the 'Agrani Samman' (Honour to the Pioneer), an Ex-gratia Benefit Scheme, launched by the Oil and Natural Gas Company Limited (ONGC) on 1.3.2003 for providing a monthly ex-gratia to the former employees who do not receive any pensionary benefit, subject to certain terms and conditions. This Scheme is available to eligible pre-15.10.1959 employees as well as to those eligible post-14.10.1959 employees who superannuated/demised while in service prior to 01.04.1991 (in case of Executives) and 16.11.1995 (in case of Non-Executives) and those post-14.10.1959 employees who voluntarily retired prior to 1.4.1990 as Executives. This Scheme was formulated keeping in view the 'Pioneering Employees' who superannuated with relatively small sums in Gratuity and Provident Fund and without any pensionary benefits and had been facing financial and social distress in twilight of their lives. In many cases, the employees had demised, leaving their surviving spouse to helplessness and some of the retired employees had even taken up menial jobs for their subsistence.

29. In the considered opinion of the Committee, the superannuated/retired employees of any Organisation invariably deserve an amiable farewell along with a reasonable sum of amount to lead a secure and contented life. The Committee would, therefore, like to urge the Ministry of Steel to undertake a comparative analysis of pensionary benefits being provided by other Maharatna/Navratna PSUs and work out feasibility of extending similar benefits

to the ex-employees of PSUs under their administrative control on the lines of ONGC's 'Agrani Samman'. The Committee would like to be apprised of the efforts made by the Ministry of Steel/SAIL in this regard, within three months of presentation of this Report to the House.

Medical & Health Care facilities for employees and ex-employees.

30. Based on the submissions made by the Ministry of Steel, the Committee note that the medical and health care facilities are being provided under the SAIL Medical Attendance and Treatment Rules. The Committee were informed that SAIL is running multi-specialty Hospitals at each of its Integrated Steel Plant and other smaller Hospitals at Special Steel Plant and Mine locations wherein, free of cost medical and health care are being provided to its employees and their eligible dependants. Further, the employees and their dependents are also referred to empanelled Hospitals of the country, under its National Referral Panel, for specialized treatment. In the context of ex-employees, the Committee were further informed that eligible ex-employees and their spouse are provided medical and health care facilities free of cost in Hospitals of the Company.

31. The Committee feel that the health care is one of the important aspects for employees' welfare which cannot be ignored. Therefore, due attention should be given to this health care by providing adequate facilities to the employees, particularly when they perform onerous tasks in Steel Plants. The Committee, therefore, desire that the Multi-Specialty Hospitals/Hospitals run by the PSUs under the administrative control of the Ministry of Steel, including

SAIL are equipped with latest medical equipment and have adequate number of Doctors, Nurses and other Medical Staff so as to cater the medical and health requirements of the employees. The Committee would further like to urge the Ministry to impress upon the SAIL to examine the possibility for extending medical care facilities to their eligible ex-employees and their spouse, including their dependents in the Multi-Specialty Hospitals run by the Company, besides smaller Hospitals. In addition to this, they should also be allowed to undertake specialized treatment in the empanelled Hospitals under SAIL's National Referral Panel. The Committee would like to be apprised of the necessary efforts taken by the Ministry of Steel/SAIL in this regard within three months of presentation of this Report to the House.

SAIL Mediclaim Scheme

32. The Committee note that SAIL also operates a subsidized Mediclaim Scheme to cover the IPD and OPD medical requirements of ex-employees and their spouse. The Committee further note that the cashless SAIL Mediclaim Scheme has been extended to all the retired employees and their spouse, who opt for it, irrespective of their joining SAIL or erstwhile HSL. In this regard, the Committee also note that the ex-employees, who have failed to renew their membership or have never enrolled under SAIL Mediclaim Scheme after separation from SAIL due to any reason(s), are also considered for enrolment under the SAIL Mediclaim Scheme by way of paying the subsidized premium. Presently, the benefits under SAIL Mediclaim Scheme provide for OPD entitlement of Rs. 4,000 per member and Rs.8,000 per member, for members below 70 years and above 70 years of age, respectively. In this connection, the

Committee were informed that the IPD entitlement is presently under review and is likely to increase to Rs. 4 lakh per member from 2021-22 onwards.

33. In context to the above, the Committee feel that the rate of claim benefits in regard to OPD and IPD services under the SAIL Mediclaim Scheme should be reviewed periodically on the basis of market standards and inflationary trends. The Committee are given to understand that the IPD entitlement under the Scheme is presently under review and is likely to increase to Rs. 4 lakh per member from 2021-22 onwards. However, the Committee desire that the rates of claim benefits in respect to availing OPD services may also be reviewed and revised upwardly at the same time so that the beneficiary employees could get reliable medical treatment. Further, since the SAIL Mediclaim Scheme is optional and purely on premium basis, the Committee also desire that the beneficiary coverage under the said Scheme may be widened so as to include the 'dependent(s)' family members of the ex-employees along with their spouse as 'Members' for availing medical benefits. The Committee would like to await positive outcome on the above aspects within three months of presentation of this Report to the House.

Grievances raised by the representationist, Shri B.S. Narasimhan

34. As regards the grievances raised by the representationist, Shri B.S. Narasimhan, in his representation, the Committee were informed by the Ministry of Steel that Shri B.S. Narasimhan took voluntary retirement on 31.03.1991 and the extant SAIL Pension Scheme covers only those Executives who are on their rolls on or after 1.1.2007 and Non-Executives who are on rolls

of SAIL on or after 01.01.2012. The Steel Authority of India Limited has, therefore, expressed its inability to cover the case of Shri B.S. Narasimhan under the extant Pension Scheme. Notwithstanding this, the Committee would like to point out that during the oral evidence of the representatives of Ministry of Steel/SAIL on 2 August, 2022, they were asked to furnish a copy of the Appointment Letter in respect of the representationist, Shri B.S. Narasimhan or of any other employee appointed under the same vacancy/post so as to ascertain as to whether any mention of 'pensionary benefits' in the terms and conditions of appointment was made or not. However, no response from the Ministry of Steel/SAIL has been received, till date in this regard. While expressing unhappiness for not providing the relevant details/papers, the Committee recommend the Ministry of Steel to impress upon the SAIL to undertake a thorough search of the relevant papers/documents and furnish the same to the Committee in the right earnest. At this juncture, the Committee could only make a hypothesis that in case, there is any reference of pensionary benefits in the relevant Advertisement and/or the Appointment Letter(s) issued to the candidates during the year 1957 (joining year of Shri B.S. Narasimhan) or later, till the time the pensionary benefits have been extended to Executive and Non-Executive Cadre(s) under the SAIL Pension Scheme, the request of the representationist, Shri B.S. Narasimhan could be considered favourably. The Committee would like to be apprised of the efforts made by the Ministry of Steel/SAIL in this regard, within three months of presentation of this Report to the House.

NEW DELHI;

HARISH DWIVEDI
Chairperson,
Committee on Petitions

23 March, 2023
02 Chaitra, 1945 (Saka)

No.2 (70)/08-DPE (WC) - *GLT VI/08*
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No.14, CGO Complex, Lodi Road
New Delhi, the 26th November, 2008.

OFFICE MEMORANDUM

Sub: Board level and below Board level executives and Non Unionised Supervisors in Central Public Sector Enterprises (CPSEs) -revision of scales of pay w.e.f. 01.01.2007.

The last revision of the scale of pay of below Board level and Board level executives and non-unionised supervisors, in Central Public Sector Enterprises was made effective from 1.1.1997 for a period of ten years. As the next pay revision fell due from 1.1.2007, the Government had set up a Pay Revision Committee (2nd PRC) under the chairmanship of Justice M. Jagannadha Rao, Retd. Judge of Supreme Court of India, to recommend revision of pay and allowances for above categories of employees following IDA pattern of pay scales. The Government after due consideration of the recommendations of 2nd Pay Revision Committee, have decided as follows:-

1. **Revised Pay Scales:-** The revised Pay scales for Board and below Board level executives would be as indicated in Annex.-I.
2. **Fitment Benefit:**
 - (i) A uniform fitment benefit @ 30%, on basic pay plus DA @ 68.8% as on 01.01.2007 would be provided to all executives. The aggregate amount would be rounded off to the next ten rupees and pay fixed in the revised pay scale.
 - (ii) If any extra ordinary increment (s) and / or increase in the pay in respect of executives/ non unionized supervisors have been granted with retrospective effect, which affects the revision of pay as on 1.1.2007, such increment and / or increase in pay will be ignored for the purpose of fitment/ pay revision.
 - (iii) Where executives drawing pay at two or more consecutive stages in an existing scale get bunched, then, for every two stages so bunched, benefit of one increment shall be given.
3. **Affordability for implementation of pay revision:** - The revised pay scales would be adopted, subject to the condition that the additional outgo by such revision for a period of 12 months should not result in more than 20% dip in profit before tax (PBT) for the year 2007-08 of a CPSE in respect of executives as well as non-unionised supervisory staff taken together in a CPSE. CPSEs that cannot afford to pay full package, can implement with either part PRP or no PRP. These CPSEs

may pay the full package subsequently, provided the dip in the profit (PBT) is fully recouped to the original level.

4. The CPSEs, which are not able to adopt revised pay scales (2007), may give an increase on the basic pay plus DA drawn in the pre-revised scale as on 01.01.2007, with a uniform lower fitment of 10% or 20%, depending upon their affordability, with the approval of their Ministry/ Department.

5. **Increment:** Annual increment will be at the rate of 3% of the revised basic pay. Stagnation increment and increment for pay fixation on promotion will be as per Annex.-II (A).

6. **Dearness Allowance:** 100% DA neutralization will be adopted for all the executives and non-unionised supervisors, who are on IDA pattern of scales of pay, w.e.f. 01.01.2007. Thus, DA as on 01.01.2007 will become zero with link point of All India Consumer Price Index (AICPI) 2001=100, which is 126.33 as on 01.01.2007. The periodicity of adjustment will be once in three months, as per the existing practice for these categories. The quarterly DA payable from 01.01.2007 will be as per new DA scheme as given in Annex.-II (B).

7. **House Rent Allowance:** The House Rent Allowance to the employees of CPSEs will be at the following rates.

Cities with population	Rates of HRA
50 lakhs and above	30% of Basic Pay
5 to 50 lakh	20% of Basic Pay
Less than 5 lakh	10% of Basic Pay

8. **Leased Accommodation:** The Board of Directors may decide the level of executives, who will be provided company leased accommodation and the size, type and locality of such accommodation. For purposes of CTC, 30% of basic pay may be considered as expenditure on Housing.

9. **City Compensatory Allowance:** The City Compensatory Allowance stands dispensed with.

10. **Other Allowances/ Perks:** The Board of Directors will decide on the allowances and perks admissible to the different categories of the executives subject to a maximum ceiling of 50% of the Basic Pay. Instead of having a fixed set of allowances, the CPSEs may follow "Cafeteria Approach" allowing the executives to choose from a set of perks and allowances. In places, where CPSEs have created infrastructure such as hospitals, colleges, schools, clubs, etc., these facilities should be monetized at replacement cost for the purpose of computing the perks and allowances. The following allowances will, however, be outside the purview of ceiling of 50% of the Basic Pay:

- i) North-East Allowance limited to 12.5% of Basic Pay.
- ii) Allowance for Underground Mines limited to 15% of Basic pay.

- iii) Special Allowance upto 10% of Basic Pay for serving in the difficult and far flung areas as approved by concerned Ministries in consultation with the Department of Public Enterprises from time to time.
- iv) Non Practicing Allowance limited to 25% of Basic Pay for Medical Officers.

11. The admissibility, quantum and procedure for determination of Variable Pay/Performance Related Pay has been given in Annex.-III.

12. Long Term incentives, introduction of cost to the company (CTC) concept in CPSEs, Pay of Executives on deputation / transfer to CPSEs, Pay of Government officers on deputation to CPSEs and Superannuation Benefits will be as per Annex.-IV.

13. **Gratuity:** The ceiling of gratuity of the executives and non-unionised supervisors of the CPSEs would be raised to Rs. 10 lakhs with effect from 1.1.2007.

14. **Company Car:** The company car would be provided to the Directors and CMDs. The Executive Directors/ General Managers heading the projects of CPSEs may also be provided with the company car. For purposes of CTC, the expenditure on car provided should be excluded.

15. **Pay Revision in respect of non-unionised supervisory staff:** The revision of scales of pay for non-unionised supervisory staff may be decided by the respective Board of Directors of the CPSEs.

16. **Financial Implications:** The CPSE concerned has to bear the additional financial implications on account of pay revision from their own resources and no budgetary support will be provided.

17. **Issue of Presidential Directive, effective date of implementation and payment of allowances etc.:** The revised pay scales would be implemented by issue of Presidential Directive in respect of each CPSE separately by the concerned Administrative Ministry/Department. The revised pay scales will be effective from 1.1.2007. The payment of HRA, perks and allowances based on the revised scales will, however, be from the date of issue of Presidential Directive. The Board of Directors of each CPSE would be required to consider the proposal of pay revision based on their affordability to pay and submit the same to the Administrative Ministry/ Department for approval. The concerned Administrative Ministry with the concurrence of its Financial Advisor will issue the Presidential Directive. A Copy of the Presidential Directive issued to the CPSEs concerned may be endorsed to the Department of Public Enterprises.

18. **Issue of instructions/clarifications and provision of Anomalies Committee:** The Department of Public Enterprises will issue necessary instructions /clarifications wherever required, in implementation of the above decisions. An Anomalies Committee consisting of the Secretaries of Department of Public Enterprises, Department of Expenditure and Department of Personnel & Training has been constituted to look into further specific issues / problems that may arise in implementation of Government's decision on the recommendations of 2nd PRC. Any

anomaly should be forwarded with the approval of Board of Directors to the administrative Ministry/ Department, who will examine the same and dispose off the issue. However, if it is not possible for the Administrative Ministry to sort out the issue, the matter may be referred to DPE, with their views, for consideration of the Anomalies Committee.

K.D. Tripathi

(K.D. Tripathi)

Joint Secretary to the Government of India

Administrative Ministries/ Departments (Secretary by name) of the Government of India.

1. Copy to:

Chief Executives of CPSEs.

2. Copy also to:

- i) Financial Advisors in the Administrative Ministry/Department.
- ii) C & AG of India, 10, Bahadur Shah Zafar Marg, New Delhi.
- iii) Department of Expenditure, E-2 Branch, North Block, New Delhi.
- iv) Department of Personnel & Training, North Block, New Delhi.
- v) Chairman, PESB/Member(s), PESB/Secretary, PESB, CGO Complex, New Delhi.

3. Copy also to:

Prime Minister Office, (Shri Kamal Dayani, Director)

4. Copy also to:

- i) Cabinet Secretariat (Shri C.S. Kedar, Joint Secretary)
- ii) Cabinet Secretariat (Shri K. L. Sharma, Director)

5. Copy also to:

- i) PS to Minister (HI&PE).
- ii) PS to MoS (HI&PE).
- iii) PS to Secretary(PE).
- iv) AS & FA (PE).
- v) All officers of DPE.
- vi) NIC Cell, DPE with the request to upload the O.M. on the DPE website.

P.J. Michael
(P.J. Michael)
Under Secretary

REVISED SCALES OF PAY OF BOARD AND BELOW BOARD LEVEL
EXECUTIVES IN CPSEs

1	2	3
Grade	Existing	Revised
E0	6550-200-11350	12,600-32,500
E1	8600-250-14600	16,400-40,500
E2	10750-300-16750	20,600-46,500
E3	13000-350-18250	24,900-50,500
E4	14500-350-18700	29,100-54,500
E5	16000-400-20800	32,900-58,000
E6	17500-400-22300	36,600-62,000
E7*	18500-450-23900	43,200-66,000
E8*	20500-500-26500	51,300-73,000
E9*	23750-600-28550	62,000-80,000
Grade	Existing	Revised
Director (D)	18500-450-23900	43200-66,000
CMD (D)	20500-500-25000	51300-73,000
Director (C)	20500-500-25000	51300-73,000
CMD (C)	22500-600-27300	65,000-75,000
Director (B)	22500-600-27300	65,000-75,000
CMD (B)	25750-650-30950	75,000-90,000
Director (A)	25750-650-30950	75,000-1,00,000
CMD (A)	27750-750-31500	80,000-1,25,000

*E7 only in CPSEs of Schedule A, B & C.

*E8 only in CPSEs of Schedule A & B.

*E9 only in CPSEs of Schedule A.

Annex II(A)
(Para 5)

i) **Stagnation Increment:** The rate of stagnation increment will be 3% of the revised basic pay and executives will be allowed to draw maximum three stagnation increments, one after every two years, upon reaching the maximum of the revised pay scale provided the executive gets a performance rating of "Good" or above.

ii) **Pay Fixation on Promotion:** One notional increment equal to the increment being drawn by the executive in the pay scale, before such promotion would be granted and pay fixed in the promoted pay scale and rounded off to the next multiple of Rs. 10.

Annex II(B)
(Para 6)

Rates of Dearness Allowance for the employees of
CPSEs following IDA pattern

Date of Dearness Allowance	Rate of Dearness Allowance (in percentage)
01.01.2007	0
01.04.2007	0.8
01.07.2007	1.3
01.10.2007	4.2
01.01.2008	5.8
01.04.2008	6.3
01.07.2008	9.2
01.10.2008	12.9

i) Variable Pay/Performance Related Pay:

The PRP has been directly linked to the profits of the CPSEs/units and performance of the executives. The percentage ceiling of PRP progressively increasing from junior level to senior level executives, expressed as percentage of pay are indicated below.

Grade	Percentage of Basic Pay
E-0 to E-1	40
E-2 to E-3	40
E-4 to E-5	50
E-6 to E-7	60
E-8 to E-9	70
Director (C&D)	100
Director (A & B)	150
CMD(C&D)	150
CMD(A & B)	200

For Non Unionised Supervisors, PRP as percentage of Basic Pay will be decided by the respective Board of Directors in a CPSE.

The above PRP will, however, be on the following conditions:

a) The PRP would be payable at 100% eligibility levels in case the CPSE achieves the Memorandum of Understanding (MoU) rating as "Excellent". If the CPSE's MoU is rated as "Very Good", the eligibility of PRP would be 80% of the Basic Pay. In respect of "Good" and "Fair" ratings, the eligibility levels would be 60% and 40% respectively. However, there will be no PRP irrespective of the profitability of the CPSE, in case it is rated as "Poor".

b) The PRP would be based on physical and financial performance and will come out of profits of the CPSE. 60% of the PRP will be given with the ceiling of 3% of Profit before Tax (PBT) and 40% of PRP will come from 10% of incremental profit. Incremental profit would mean the increase in profit as compared to previous year's profit. The total PRP, however, will be limited to 5% of the year's PBT, which will be for executives as well as non unionized supervisors in a CPSE. The PRP for the year will be calculated latest by December of the following year based on the CPSE's performance as per audited accounts. The proposed PRP scheme will begin from the financial year 2007-08. There will be no incremental profit for the

year 2007-08 as it will be the first year of introduction of PRP scheme. The amount available for PRP for above will be 3% of PBT of 2007-08. For the purpose of calculating the incremental profit, the starting year would be 2007-08. The Variable Pay component coming from incremental profit for the first time will be after knowing the results of CPSE's performance for the year 2008-09. Thus, this portion of PRP will be payable w.e.f. 2009-10.

ii) **Memorandum of Understanding (MoU):** Each CPSE would be required to sign the MoU with its parent Ministry/ Department/holding company. The MoU rating will form the basis of PRP with all the Key Result Areas identified in the MoU. No PRP will be eligible for the CPSEs that do not enter into MoU.

iii) **Performance Management System (PMS):** Each CPSE would develop a robust and transparent Performance Management System. CPSEs would adopt "Bell Curve Approach" in grading the officers so that not more than 10% to 15% executives are "Outstanding/ Excellent". Similarly, 10% of executives should be graded as "Below Par". Some CPSEs already have a PMS and others will have to frame a robust and transparent PMS to be able to pay PRP. However, CPSEs which do not have a robust and transparent PMS till date may put in place a robust and transparent PMS by 31.03.2009. For the period 01.01.2007 and till a PMS is in place not later than 31.03.2009, the executives will be governed by the existing guidelines of DPE on PRP, which is limited to 5% of distributable profit in an enterprise.

iv) **Remuneration Committee:** Each CPSE would have Professional Boards with Independent Directors. CPSE to constitute a Remuneration Committee headed by an Independent Director. CPSE will not be eligible for PRP unless the Independent Directors are on its Boards. Remuneration Committee will decide the annual bonus/variable pay pool and policy for its distribution across the executives and Non Unionised Supervisors, within the prescribed limits.

i) **Long Term Incentives:**

All CPSEs would formulate Employees Stock Option Plan (ESOP) and 10% to 25 % of the PRP should be paid as ESOPs. In order to see that Enterprises are able to operate ESOPs scheme, the concerned Administrative Ministry/Department should encourage the CPSEs coming under its control to get them listed on the Stock Exchanges.

ii) **The concept of cost to company (CTC) in CPSEs:**

The concept of cost of Company would be introduced in all the CPSEs. The entire cost of an executive is explicitly made known by the CPSEs adopting the system of CTC for the purpose of reporting executive compensation. Pay, allowances, perquisites and retirement benefits should all be monetized and included while reporting the cost of manpower to the CPSE.

iii) **Pay etc. of Executives of CPSEs, on deputation / transfer:** The executives, who are brought into holding companies from subsidiary companies or vice-versa on deputation/transfer, will continue to draw their basic pay as drawn in the original company. They will, however, be entitled to draw the allowances and variable pay /performance related pay as applicable to the borrowing CPSE.

iv) **Pay etc. of Government officers on deputation to CPSEs:** The government officers, who are on deputation to the CPSE, will continue to draw the salary as per their entitlement in the parent Department. Only those, who come on permanent absorption basis, will get the CPSE scales, perks and benefits.

v) **Superannuation Benefits:** CPSEs would be allowed 30% of Basic Pay as Superannuation benefits, which may include Contributory Provident Fund (CPF), Gratuity, Pension and Post-Superannuation Medical Benefits. The CPSEs should make their own schemes to manage these funds or operate through Insurance companies on fixed contribution basis. The amount of Pension, Gratuity and Post-Retirement Benefit will be decided based on the returns from the schemes to be operated. The Pension and Medical benefits can be extended to those executives, who superannuate from the CPSE and have put in a minimum of 15 years of service in the CPSE, prior to superannuation.

No.2 (70)/08-DPE (WC) - *GL-VII/09*
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No.14, CGO Complex, Lodi Road
New Delhi, the 2nd April, 2009

OFFICE MEMORANDUM

Sub: Revision of scales of pay w.e.f. 01.01.2007 for Board level and below Board level executives and Non-Unionised Supervisors in Central Public Sector Enterprises (CPSEs) — Report of the Committee of Ministers thereon.

The undersigned is directed to refer to this department's O.Ms. of even number dated 26.11.2008 and 09.02.2009 regarding pay revision of Executives and Non-unionised Supervisors of CPSEs w.e.f. 1.1.2007. Subsequent to issue of O.M. dated 26.11.2008, the Government constituted a Committee of Ministers to look into the demands raised by CPSE executives of Oil and Power Sectors.

2. The Government, after due consideration of the recommendations of the Committee of Ministers have decided further as follows:

i) **Benefit of merger of 50% DA with Basic Pay for fitment purpose:** The benefit of merger of 50% DA with Basic Pay w.e.f. 01.01.2007, effectively amounting to 78.2%, would be allowed for the purpose of fitment and pay fixation in the revised pay scales (para 2 (i) of DPE O.M. dated 26.11.2008)

ii) **Superannuation Benefit:** The ceiling of 30% towards superannuation benefits would be calculated on Basic Pay plus DA instead of Basic Pay alone. Any superannuation benefit will be under a "defined contribution scheme" and not under a "defined benefit scheme". CPSEs that do not have superannuation scheme, may develop such scheme and obtain the approval of their Administrative Ministry. However, no other superannuation benefit can be granted outside this 30% ceiling. (para 12, Annex IV(v) of O.M. dated 26.11.2008 refers)

iii) **House Rent Allowance:** There is no change in HRA rates as provided in O.M. dated 26.11.2008. However, in case the actual amount of House Rent Allowance as per prescribed rate is less than the actual amount of HRA drawn earlier in the case of a particular officer, the difference would be allowed to be drawn by the officer as 'Personal Allowance' until the difference is eliminated in course of time subject to the condition that the difference will be subsumed within the overall limit prescribed for perquisites and allowances. (para 7 of O.M. dated 26.11.2008 refers)

iv) **Other perquisites and allowances:** Para 10 of O.M. dated 26.11.2008 provided, inter alia, that "in places, where CPSEs have created infrastructure such

as hospitals, colleges, schools, clubs, etc., these facilities should be monetised at replacement cost for the purpose of computing the perks and allowances."

It has now been decided that for the purpose of reckoning the value of infrastructure facilities, the recurring expenditure on maintaining and running the infrastructure facilities alone would be taken into account. The recurring expenditure should be divided into two parts, based on the proportion of total basic pay of executives and non-unionised supervisors and the total basic pay of workmen. The part attributable to the executives and non-unionised supervisors would be reckoned as the expenditure on perquisites and allowances, subject to the condition that the said amount shall be restricted to 10 per cent of the basic pay of all executives and non-unionised supervisors within the overall limit of 50 per cent of basic pay. (para 10 of O.M. dated 26.11.2008 refers)

The benefit of North East Allowance limited to 12.5% of Basic Pay may also be extended to the Ladakh Region as admissible to Central Government employees. (para 10 (i) of O.M. dated 26.11.2008 refers)

v) **Effective date for revised allowances:** It has been decided that if Presidential Directives are issued by the respective Ministries/ Departments within one month from the date of issue of this O.M., the effective date for revising allowances may be taken as 26.11.2008, being the date of issue of first O.M. by DPE. However, where Presidential Directives are not issued within one month from the date of issue of this O.M., the revised allowances shall be effective only from the date of issue of Presidential Directives. The effective date of allowances can in no case be prior to 26.11.2008. (para 17 of O.M. dated 26.11.2008 refers)

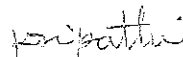
vi) **Introduction of intermediary pay scales to correspond with existing pay scales:** It has been decided that there will be no change in the ten pay scales of below board level posts as indicated in O.M. dated 26.11.2008 and there is no justification for introducing intermediary pay scales. If there have been any aberrations, they need to be corrected. Every officer has to be fitted into the corresponding new pay scale.

However, if there is any exceptional case regarding intermediary pay scales, the same may be referred by the administrative Ministry concerned to the DPE. The issue will be decided by DPE with the concurrence of Department of Expenditure, on a case to case basis without altering the minimum and the maximum of the revised pay scale.

vii) **Other demands:** Government has decided on the basis of the recommendations of the Committee of Ministers that no other change need be made in the O.M. dated 26.11.08 and 09.02.09 issued by the DPE regarding revision of pay scales of Executives and non-unionised supervisors of CPSEs.

3. Government has also decided that benefits under this O.M. read with the earlier decision as conveyed vide O.M. dated 26.11.2008 and 09.02.2009 has to be viewed as a total package. It has also been decided that the pay revision package as communicated by earlier O.Ms. along with the above modifications would be applicable to all the CPSEs.

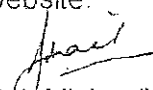
4. The ceilings mentioned under various items given in O.Ms. dated 26.11.08, 09.02.09 and this O.M. are the maximum permissible limits. However, lower limits against these maximum permissible limits can be provided in the Presidential Directives, depending upon affordability, capacity to pay and sustainability of the concerned CPSE.


(K.D. Tripathi)

Joint Secretary to the Government of India

Administrative Ministries/ Departments (Secretary by name) of the Government of India.

1. Copy to:
Chief Executives of CPSEs.
2. Copy also to:
 - i) Financial Advisors in the Administrative Ministries/Departments.
 - ii) C & AG of India, 10, Bahadur Shah Zafar Marg, New Delhi.
 - iii) Department of Expenditure, E-2 Branch, North Block, New Delhi.
 - iv) Department of Personnel & Training, North Block, New Delhi.
 - v) Chairman, PESB/Member(s), PESB/Secretary, PESB, CGO Complex, New Delhi.
3. Copy also to:
 - i) PS to Home Minister.
 - ii) PS to Minister of P&NG.
 - iii) PS to Minister of Power.
 - iv) PS to MoS (EB&I).
4. Copy also to:
 - i) Prime Minister Office, (Shri T.K.A. Nair, Principal Secretary to PM).
 - ii) Prime Minister Office, (Shri Kamal Dayani, Director).
5. Copy also to:
 - i) Cabinet Secretariat (Shri C.S. Kedar, Joint Secretary).
 - ii) Cabinet Secretariat (Shri K. L. Sharma, Director).
6. Copy also to:
 - i) PS to Minister (HI&PE).
 - ii) PS to MoS (HI&PE).
 - iii) PS to Secretary(PE).
 - iv) AS & FA (PE).
 - v) All officers of DPE.
 - vi) NIC Cell, DPE with the request to upload the O.M. on the DPE website.


(P.J. Michael)
Under Secretary

F. No. W-02/0017/2014-DPE-(WC) - G.L. - 81/14
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No.14, CGO Complex, Lodi Road
New Delhi, the 21st May, 2014

OFFICE MEMORANDUM

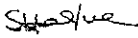
Subject:- Clarifications regarding Introduction of Pension Scheme and Post Superannuation Medical Benefits in CPSEs

The undersigned is directed to refer to this Department OM No. 2(70)/08-DPE (WC) dated 26.11.2008 and 2(70)/08-DPE (WC) dated 2.4.2009 regarding pay revision of executives and non-unionized supervisors of CPSEs w.e.f. 1.1.2007 which inter-alia provides guidelines regarding Superannuation benefits including Pension and Post Superannuation Medical Benefit Scheme of the CPSEs. DPE has been receiving certain queries in this regard. The following clarifications may be kept in mind while finalizing the Pension and Post Superannuation Medical Benefit Scheme of the CPSEs:-

- i) The condition of 30% of Basic Pay + DA for superannuation benefits as prescribed in DPE O.Ms. dated 26.11.2008 and 02.04.2009 and as amended from time to time, are to be followed strictly.
- ii) These schemes (pension and post-superannuation medical benefits) would be subject to the factors like affordability, capacity to pay and sustainability of the CPSE.
- iii) Government budgetary support would not be provided to operate these Schemes.
- iv) It is to be ensured that by implementing the 2007 pay revision, which would include these two schemes, the dip in Profit Before Tax (PBT) for the year 2007-08 should not exceed 20% in respect of executives & non-unionized supervisors of CPSE.
- v) Since the effective date of 2007 pay revision in CPSE is 01.01.2007, the proposed scheme(s) may be introduced w.e.f. 01.01.2007 or a subsequent date for the regular employees who were on the rolls of CPSE as on that date and for the employees recruited thereafter. If a regular employee does not want to contribute to the proposed scheme, he/she should have an option.
- vi) Contribution of CPSE to these schemes is limited to such extent that the contribution to the total superannuation benefits which include PF and Gratuity also is limited to 30% of Basic pay plus DA. This may be reviewed every year based on the profitability/affordability of the CPSE. Contribution every year by CPSE should not be guaranteed for these two schemes.

- vii) An employee should have put in a minimum of 15 years service rendered in continuity in CPSE(s) at the time of superannuation, and benefits would be allowed by a CPSE from where the incumbent has superannuated.
- viii) The services rendered in the Government prior to joining CPSE would not count for the purpose of computation of total service in a CPSE required for availing the benefits of this scheme.
- ix) As regards Board level executives, who are contractual appointees, they too can enjoy the benefits under these schemes provided their total period of service rendered in continuity in CPSE(s) including the period at Board level in a CPSE is not less than 15 years, at the time of superannuation.
- x) In the event of any employee resigning from the services of CPSE and joining another CPSE having broadly similar schemes, the entire amount of employer's and employee's contribution along with interest accrued thereon can be transferred to such CPSE. However, employees who resign from CPSE to join another CPSE, not having similar schemes, or any organization not being a CPSE (irrespective of whether such scheme exists in that organization), shall not be allowed the benefit of transferring their accumulated fund under these schemes. However, the employee's contribution along with accrued interests shall be refundable to the employee.
- xi) Benefits of the schemes should not be extended to employees posted on deputation to CPSE from Central/State Government.
- xii) In case a regular member of the scheme dies/becomes permanently disabled & incapacitated, leading to cessation of his/her service, before putting in 15 years of service in a CPSE prior to superannuation, he/she may be given the benefits as admissible under these schemes.
- xiii) Cases of VRS/VSS for which specific scheme have been framed would be examined in terms of such specific schemes of VRS/VSS of the Government applicable in respect of employees of CPSEs. Benefits under these schemes would not accrue to VRS/VSS optees automatically.
- xiv) At the time of superannuation, an employee may opt for Annuities from any of the designated Annuity Saving Service Providers to provide the pension and/or post retiral medical benefits.
- xv) The admissibility of benefits under these schemes to the employees against whom disciplinary proceedings are pending at the time of superannuation is to be regulated as per the Conduct, Discipline & Appeal Rules of the CPSE.
- xvi) In cases of resignation (excluding resignation covered under 'technical formality clause') and compulsory retirement, removal, dismissal because of disciplinary proceedings, the annuity would be based only on member's contributions, if any, and interest thereon.

- xvii) DPE O.Ms. dated 08.07.2009 and 20.07.2011 relate to the creation of a Corpus for the CPSE employees who retired before 01.01.2007. There is, thus, no link between pension and post-superannuation medical benefit schemes and the corpus mentioned in O.Ms. dated 08.07.2009 and 20.07.2011.
- xviii) These schemes will be under a "defined contribution scheme" and not under a "defined benefit scheme". Subject to the contribution made by the CPSE within the prescribed ceiling, and based on affordability, the benefit to the individual executive would be determined based on the accumulated amount.
- xix) There should be no provision of 'commutation', since provision of pension in 2007 pay revision guidelines was introduced so that employees have a social security and would get a substantial monthly pension after superannuation.


(Samsul Haque)
Under Secretary

To

All administrative Ministries/Departments of the Government of India.

Copy to:

1. The Chief Executives of Central Public Sector Enterprises.
2. Financial Advisers in the Administrative Ministries.
3. Department of Expenditure, E-II Branch, North Block, New Delhi.
4. The Comptroller & Auditor General of India, 9 Dean Dayal Upadhyay Marg, New Delhi.
5. NIC, DPE with the request to upload this OM on to the DPE website.

F. No. W-02/0017/2014-DPE-(WC) - GL-IX/15
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No.14, CGO Complex, Lodi Road
New Delhi, 24th June, 2015

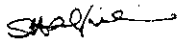
OFFICE MEMORANDUM

Subject:- Clarifications regarding Introduction of Pension Scheme and Post Superannuation Medical Benefits in CPSEs.

The undersigned is directed to refer to this Department OM of even number dated 21.05.2014 on the above subject and to state that para (xix) in the said OM may be read as under:

“In case of Pension Scheme, ideally there should be no provision of ‘commutation’ since the provision of pension in 2007 pay revision guidelines was introduced so that employees have social security and get substantial monthly pension after superannuation”.

All other provisions of the said OM remain same.


(Samsul Haque)
Under Secretary

To

All administrative Ministries/Departments of the Government of India.

Copy to:

1. The Chief Executives of Central Public Sector Enterprises.
2. Financial Advisers in the Administrative Ministries.
3. Department of Expenditure, E-II Branch, North Block, New Delhi.
4. The Comptroller & Auditor General of India, 9 Dean Dayal Upadhayay Marg, New Delhi.
5. NIC, DPE with the request to upload this OM on to the DPE website.



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

Corporate Office – ISPAT BHAWAN, LODHI ROAD, NEW DELHI-110003

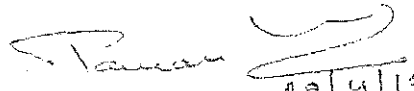
Pers/ITB & Med./Pension/2019
29th April, 2019

CIRCULAR

Subject - Introduction of SAIL Pension Scheme for employees of SAIL

In line with the guidelines issued by Department of Public Enterprises (DPE), Government of India and with the approval of Ministry of Steel, SAIL Management is pleased to introduce **SAIL Pension Scheme**.

2. SAIL Pension Scheme shall cover all executives (including Management Trainees) on rolls of the Company on or after 1st January, 2007 (including those appointed at the Board level) and non-executives (including trainees recruited for eventual employment) on rolls of the Company on or after 1st January, 2012.
3. The Scheme is a 'Defined Contribution' Scheme and would be operated through 'SAIL Pension Trust', constituted for the purpose.
4. The approved SAIL Pension Scheme covering details like eligibility for availing benefits, employer/ employee contributions, mode of payment of benefits, nominations and other conditions, is **annexed**.
5. Eligible ex-employees/ employees may logon to SAIL Website (www.sail.co.in) for more details.
6. This issues with the approval of Competent Authority.


(Pawan Kumar)
29/4/19
DGM (Personnel)
SAIL Corporate Office

Distribution

1. Heads of Personnel, SAIL Plants/ units
2. Executive Director, Chairman Secretariat



SAIL PENSION SCHEME

1.0 OBJECTIVE:

To provide social security and monetary benefit to the employee/ nominee of the employee in the form of annuities upon his/her superannuation/ death/ permanent disablement & incapacitation (including cases of permanent total disablement) leading to cessation of service.

2.0 SCOPE AND EFFECTIVE DATE:

The Scheme will cover all executives (including Management trainees) on rolls of the Company on or after 01.01.2007 (including those appointed at the Board level) and non-executives (including trainees recruited for eventual employment) on rolls of the Company on or after 01.01.2012. The employees on Contract Appointment or deputation from other organizations/ Central/ State Government, shall not be covered.

New entrants joining the Company after 01.01.2007, as executives (including those appointed at the Board level) and after 01.01.2012, as non-executives, shall also be covered under SAIL Pension Scheme from the date of their joining SAIL.

3.0 ELIGIBILITY:

- 3.1 All regular employees who have completed minimum 15 years of continuous service and superannuate from the Company will be eligible for the benefits under this Scheme. Cases of death / permanent disablement & incapacitation (including cases of permanent total disablement) leading to cessation of service, shall be eligible for Pensionary benefits irrespective of duration of service rendered.

4.0 CONTRIBUTIONS:

- 4.1 The contribution under the Scheme shall be made to the SAIL Pension Fund to be managed by a Trust notified by the Management.
- 4.2 The employer's contribution to the Scheme will be a percentage of Basic Pay plus DA. This percentage will be decided and notified by the Company from time to time, based on factors like affordability, capacity to pay and sustainability. The Company will pay its contributions in a staggered/deferred manner as per its financial and liquidity position. There shall not be any liability on account of interest.
- 4.3 The Company's contribution towards Pension Fund, would be as under:

o Upto Financial year 2014-15:

Executives: @ 9% of Basic Pay + DA from 01/01/2007 till 31/03/2015

Non-executives: @6% of Basic Pay + DA from 01/01/2012 till 31/03/2015



○ For the financial year 2015-16 and onwards:

The Company contribution towards Pension shall be based on the affordability, sustainability and capacity of the Company, measured as a percentage of Profit Before Tax (PBT) to average Net-worth of the Company as detailed hereunder:

- a. If the percentage of PBT to average Net-worth is 8% or above, the amount of Company's contribution towards Pension shall be limited to 9% of Basic Pay plus DA for Executives and 6% of the Basic Pay plus DA for Non-executives.
- b. If the percentage of PBT to average Net-worth is lower than 8%, the amount of Company's contribution towards Pension will be reduced proportionately. However, a minimum Pension contribution is kept at the rate of 3% of Basic Pay plus DA for Executives and 2% of the Basic Pay plus DA for Non-executives.

In case of loss during a Financial Year, the floor percentage of 3% and 2% for Executives and Non-executives respectively, would be maintained.

For the above purpose, PBT will be considered before making provision for Company's contribution towards Pension.

- 4.4 Voluntary Contribution by employee- The employee shall have the option to make voluntary contribution towards Pension.

5.0 **BENEFITS:**

- 5.1 An employee eligible under the Pension Scheme/ his or her nominee (as the case may be) will be entitled to the benefits under this Scheme.

- 5.2 The benefits under the Scheme shall be payable only in the form of annuities on notional date of superannuation of the employee from the services of the company. However, in cases of Death/Permanent Disablement & Incapacitation (including PTD) leading to cessation of service, the benefits would accrue on separation of the employee from the services of the Company. There is no provision for 'commutation' of Individual Pension Corpus with the Trust, under this Scheme. The payment to the employee/nominee shall, however, start from the date of purchase of annuity by employee/ nominee.

- 5.3 For the purpose of purchasing annuities, Trust shall approve an annuity provider/ panel of annuity providers. Annuity would depend upon the *accumulated corpus* available in employee's account (both Employer and Employee contributions along with interest accrued from the date of deposit of the contributions in the Trust). Annuity shall be paid to the employee/nominee, as per the Annuity Plan opted by him/her from the various options offered by the Annuity provider.



- 5.4 The decision of the Trust shall be final and binding on the employee or his/ her nominee.

6.0 FUND MANAGEMENT:

The SAIL Pension Fund will be managed by the Trust constituted for the purpose of providing pension to the members.

The Trust shall manage the SAIL Pension Fund 'in-house' as per guidelines issued by the government or partly/ fully through PFRDA approved Professional Fund Manager or through an IRDA approved Life Insurance Company.

7.0 CONDITIONS:

- 7.1 Services rendered in the Government prior to joining SAIL will not be counted for the purpose of computation of total service for availing the benefits under this Scheme.

- 7.2 For the purpose of SAIL Pension Scheme, membership of an employee being deputed by SAIL to other CPSE shall be deemed to be continuous and uninterrupted for such period of deputation, provided such employee joins back SAIL and superannuates from SAIL. Employer's contribution towards pension corpus, in such cases shall be made by the borrowing organization. Employer's and employee's contributions in such cases shall continue to be paid directly to the Trust.

In the event of not receiving the payment as above, for the deputation period, such period will not be considered for calculating the pension corpus for such individuals. However, such period shall be reckoned for calculation of service period for ascertaining eligibility under the Pension Scheme.

- 7.3 In the event of any employee resigning from SAIL and joining another CPSE having broadly similar scheme or vice-versa, the entire amount of his accumulated corpus can be transferred to such CPSE/ SAIL. However, the said amount shall be transferred to the newly joined CPSE only on completion of stipulated 15 years of continuous service (the service rendered in the Company plus the service rendered in the newly joined CPSE). In such cases, the employee shall request the trust in writing along with proof of continuation of his service in CPSE for 15 years.

However, employees who resign from SAIL to join another CPSE, not having a similar scheme, or any organization not being a CPSE (irrespective of whether such scheme exists in that organization), or not joining any company, shall not be allowed the benefit of employer's contribution, under the Scheme. Refund of employee's contribution along with interest shall be subject to applicable Income Tax Rules.

- 7.4 In the event that a broadly similar pension scheme is introduced in the newly joined CPSE after the employee joins the said CPSE, subject to provisions of clause 7.3 above, the accumulated corpus may be transferred by the Company



to the newly joined CPSE, provided the effective date of introduction of the scheme is prior to the employee's release from the Company.

- 7.5 In the event of an employee joining another CPSE not having a similar Pension Scheme and maintaining lien over employment with SAIL, the employer's and employee's contribution for the lien period shall not be payable to the new Company or the employee immediately and his accumulated corpus shall be retained with the Trust. Service rendered by the employee during the lien period shall be counted for calculating the stipulated minimum 15 years of continuous service period. Further,
- a. In case the employee and the borrowing CPSE desire, they will be allowed to continue making their respective contribution to the trust and the employee shall be eligible for pension benefits calculated on the accumulated corpus, provided the employee superannuates from the CPSE on fulfilment of stipulated period of service. However, if such an employee resigns from the said CPSE before superannuation and either joins an organization other than a CPSE or does not join anywhere, only the employee contribution with interest will be refunded to the employee. In such situation, the CPSE's contribution will be refunded back to the said CPSE with accrued interest.
 - b. In the event such employee rejoins SAIL, the Company's and employee's contribution to the Trust shall resume from the date, the employee rejoins SAIL.
 - c. Employee separating on account of Superannuation/ Death/ Permanent Disablement & Incapacitation (including PTD), during the lien period will be entitled for benefits from the accumulated corpus under the Scheme.
- 7.6 Board level executives will be eligible for benefits under this Scheme provided their total period of service rendered in continuity in CPSE(s) including the period at Board level in SAIL, is not less than 15 years at the time of superannuation. In cases where the Board Level executive joins and superannuates from another CPSE having broadly similar scheme or vice-versa, the entire amount of accumulated corpus can be transferred to such CPSE/ SAIL, subject to provisions of clause 7.3 above.

Further, Board level executives, who have not attained the age of superannuation and also have not been granted extension by the Government, shall be treated at par with other employees of the Company after the period of their contractual employment as a Board member, is completed. Accordingly they shall be eligible for pension benefits, like all other employees of the Organization, as per terms and conditions of the Pension Scheme.

- 7.7 In cases of compulsory retirement, removal or dismissal because of disciplinary proceedings, the annuity would be based only on member's contributions, if any, and interest thereon.
- 7.8 The admissibility of benefits under this scheme to the employees against whom disciplinary proceedings are pending at the time of superannuation, is to



be regulated as per the Conduct, Discipline & Appeal Rules of SAIL or any other Service Rules governing the terms of employment of the SAIL employee.

7.9 Admissibility of cases of VRS/ VSS for Pension benefits will depend on the condition/ coverage under the respective VR Scheme.

8.0 MODALITIES:

8.1 SAIL Pension Scheme is a 'defined contribution' scheme.

8.2 The Scheme would be operated by the Trust. The Trust shall act for and on behalf of the employees of the Company in any manner relating to the Scheme.

8.3 The Trust/Company will maintain a separate account for all eligible employees, where the Employer/ Employee contributions, with interest will get accumulated.

8.4 All voluntary contributions by the employee under the Scheme shall be made by way of deduction from the salary of the employee as per his authorisation/request.

8.5 SAIL Pension Scheme is non-statutory in nature and Company's contributions under the Scheme are dependent upon affordability, sustainability and capacity of the Company to pay. Contributions by SAIL for this Scheme are therefore not guaranteed and can vary or even be refused on the grounds cited above.

8.6 In the light of the current financial and liquidity position of the Company, payment of Employer's contribution including arrears, towards SAIL Pension Scheme, would be made in a staggered/deferred manner based on availability of resources in due course of time. There shall not be any liability on account of interest.

8.7 The Scheme shall be subject to applicable provisions of Income Tax Act.

8.8 SAIL Pension Scheme shall be amended on the basis of guidelines/ clarifications issued by DPE from time to time, with respect to Pension schemes applicable to employees of CPSEs.

9.0 NOMINATIONS:

9.1 An employee separated on account of superannuation/ permanent disablement & incapacitation (including PTD) may draw the benefits under the Scheme notwithstanding any nomination made by him.

9.2 Each eligible employee will be required to make his/her nominations for receiving the benefits under the Scheme in case of his/her death. All nominations under the Pension Scheme shall be as per the provisions of Provident Fund & Miscellaneous Provisions Act, 1952 (amended from time to time).



- 9.3 Nomination once made will continue until the employee requests a change in nomination. An eligible employee may, at anytime, without the consent of the nominee, if any, revoke or change the nominee by filing a written notice of the change to the Trustees.
- 9.4 If a nominee is either a minor or is unable to give a legal receipt/discharge to the Trustees, the Member employee at the time of nomination, shall appoint a guardian who is capable of giving a legal receipt/discharge to the Trust.
- 9.5 In the event of death of a member employee, wherein more than one beneficiaries were nominated and the Member employee had failed to specify their respective shares, the benefits of the Pension Scheme shall be shared equally amongst the beneficiaries. If any designated Beneficiary dies, the share of such Beneficiary shall terminate and his share shall be payable equally to the remaining Beneficiaries.
- 9.6 In the absence of nomination under the Scheme, the nomination(s) made by the employee under Provident Fund/Gratuity (nomination under PF to prevail in case two separate nominations are given in PF & Gratuity) would be treated as the nomination under this Scheme.
- 9.7 Nominee of the deceased member employee will be required to nominate the person who will receive the benefits under the Pension Scheme in the event of his/her death.

10.0 REVIEW:

Chairman, SAIL reserves the right to amend, review or discontinue the scheme as per Government/ DPE guidelines at any time. Chairman, SAIL may also further approve the working modalities for SAIL Pension Scheme, as and when required.

XXXXXXXX



SAIL Mediclaim Scheme (2021-22)

1.0 OBJECTIVE OF THE SCHEME:

To extend Medical Benefits to ex-employees of SAIL and their spouses

2.0 PERSONS COVERED:

- a. Retired employees of SAIL and their spouses
- b. The employees who have taken Voluntary Retirement (VR) and their spouses
- c. The employees who cease to be in employment on account of permanent total disablement and their spouses
- d. The spouse of an employee who dies in service
- e. Employees who resign from the Company at the age of 57 or above and their spouses

Members: This scheme is optional and those Ex-employees and their spouses who opt for this scheme, are referred to as "Members". For the purpose of this Mediclaim Scheme, the ex-employee and his/her spouse, are to be treated as two distinct members.

Apart from Fresh Enrolments (employees retiring & their spouses) during the Policy period (2021-22), only the persons who were members of SAIL Mediclaim Scheme during the immediately preceding policy period, are eligible to renew membership under the Scheme for the concerned period.

3.0 VALIDITY OF THE SCHEME: SAIL Mediclaim Scheme (2021-22) shall be valid for a period of one year. The Contract shall take effect from 11th July, 2021 (0000 Hrs IST) and Premium Offer shall remain valid up to 10th July, 2022 (2400 Hrs IST). SAIL, however, reserves the right to extend the Contract for a further period of 3-months from 11th July, 2022 to 10th October, 2022, on the same Terms and Conditions (including re-instatement of full benefits) & applicable (pro-rata) premium.

4.0 POLICY COVERAGE:

4.1 The policy covers the following:

- (i) **IPD (Hospitalization) Benefits:** Rs. 4.0 lakh per member per policy period with clubbing (floater) facility under hospitalization with his/her spouse which means that hospitalization benefit of Rs. 4.0 lakhs per member can be clubbed between the Mediclaim members & their spouses (maximum clubbed limit Rs. 8.0 lakhs per policy period). The benefit would be in the form of reimbursement of hospitalization or cashless treatment within the prescribed limits under the policy for illness/diseases contracted/injury sustained by the member.
- (ii) **OPD Benefits:** Benefits under the policy for illness/diseases contracted/injury sustained by the member
 - Rs.4,000/- per member, for members below 70 years of age as on the date of beginning of Policy period.
 - Rs.8,000/- per member, for members of age 70 years and above as on the date of beginning of Policy period.

Note: Unlike IPD facility, the OPD facility cannot be clubbed between the member and his/her spouse.

- (iii) In the event of any claim becoming admissible under the policy, the Insurance Company will pay to the member (Reimbursement)/Hospital (For Cashless Treatment), the amount of such expenses as reasonably and necessarily incurred anywhere in India.
- (iv) The retiring employees including their spouses who opt for Mediclaim membership will be assigned unique Identification numbers by the respective Plants/Units of SAIL. These unique Identification numbers are called Mediclaim Index Numbers (MIN). The system will continue to facilitate the smooth functioning of the scheme.



5.0 DEFINITIONS:

- a. **Hospital/Nursing Home** means any institution in India established for Indoor care and treatment of sickness and injuries and which has been registered either as a Hospital or Nursing Home with the local authorities and is under the Supervision of a registered and qualified Medical Practitioner.
- b. For the purpose of OPD treatment, "Hospital" shall mean:
- A Government Hospital,
 - Dispensaries/Clinics run by local Government Authorities/Municipalities,
 - SAIL approved Hospitals/Nursing Homes
 - Hospitals/Nursing Homes on the cashless panel of the Insurer/TPA prevailing during the insurance period.
 - Branches/Franchisees of major renowned chains of Hospitals/Diagnostic centres namely Apollo, Max, Fortis, Sankara Nethralaya, Centre for Sight, etc.
 - Ispat Cooperative Super Specialty Hospital, Sonarpur, Kolkata.
 - Hospitals/Nursing homes approved under CGHS or those accredited by NABH

Note: The term "Hospital" shall not include an establishment which is a place of rest, a place for the aged, a rehabilitation centre for drug addicts or alcoholic, a hotel or a similar place.

- c. **HOSPITALIZATION (IPD):** Hospitalization facility can be availed from any Hospital or Registered Nursing Home in India. However, the Mediclaim member can avail Cashless Facility under Hospitalization, only in Hospitals, having 50 beds or above, which are empanelled by the Insurance Company for the purpose, including SAIL Hospitals.

However, this minimum Bed criteria of 50 Beds, shall not apply to SAIL Hospitals at its Mines and Single specialty Eye Care Hospitals, for empanelment of Hospitals for Cashless treatment for eye diseases, by the Insurance Company.

- d. **OPD TREATMENT:** OPD Means treatment taken as an out-patient in any Hospital/Nursing Home/Diagnostic Centre as mentioned at Para 5b above. The Charges incurred for treatment taken from Registered Medical Practitioners or other than Hospitals/Nursing Homes/Diagnostic Centres as mentioned at Para 5b above, will not be reimbursed. The Medicine should be prescribed by the treating doctors on the letter heads of the hospitals covered under Para 5b above. The OPD Claim amount will not be reimbursed, if the treatment is taken from a medical practitioner privately even if he/she is attached to any of the approved hospitals for OPD treatment
- e. **Claim Settlement** – The insurer has to ensure that the claims under SAIL Mediclaim Scheme are settled and the recommended amount shall be paid within 15 days of submission of all claim documents by the members/their representatives.
- f. **MEDICAL PRACTITIONER:** Means a person who holds a degree/diploma of a recognized institution and is registered by Medical Council of respective State of India. The term Medical Practitioner would include Physician, Specialist and Surgeon.
- g. **QUALIFIED NURSE:** Means a person who holds a certificate of a recognized Nursing Council and who is employed on recommendations of the attending Medical Practitioners.

6.0 HOSPITALISATION BENEFIT:

- 6.1 **Reimbursement:** Reimbursement of actual charges upto Rs. 4,00,000/- (Rupees Four Lakhs only) per member per policy period (with clubbing facility between ex-employee & spouse) is permissible. Claim under hospitalization benefit shall be admissible only when the patient is admitted in a hospital for a minimum period of 24 hours. However, when treatment/surgeries such as Dialysis, Chemotherapy, Radiotherapy, Ophthalmic Surgeries (Cataract/Glaucoma Surgeries etc.), Lithotripsy, Laproscopic surgeries, Microsurgery etc., is taken in the Hospital/Nursing Home and the insured is discharged on the same day, the treatment will be considered to be taken under Hospitalisation Benefit. Indicative list of such approved Day Care procedures is also attached.



Hospitalization expenses for Ayurvedic/Homeopathic/Unani Treatment are admissible only when the treatment is taken in a Government Hospital/Medical College Hospital.

- 6.2 **Pre-hospitalization:** Relevant medical expenses incurred during the policy period, up to 30 days prior to the hospitalization specifically for that particular disease/illness, for which hospitalization has taken place, shall be considered as part of claim under hospitalization. However, during pre-hospitalization period, medicines prescribed under regular OPD treatment for diseases/illness not related to the said hospitalization, shall not be reimbursable under hospitalization claims.
- 6.3 **Post-hospitalization:** Relevant medical expenses incurred during the policy period, up to 60 days after the hospitalization, specifically for that particular disease/illness for which hospitalization had taken place, shall be considered as part of claim under hospitalization. However, during post-hospitalization period, medicines prescribed under regular OPD treatment for diseases/ illness not related to the said hospitalization, shall not be reimbursable under hospitalization claims. In case Hospitalization treatment is availed from a SAIL Hospital, post hospitalization treatment facility can only be availed from SAIL Hospitals or a Network Hospital/Hospitals empanelled by the Insurance Company and the TPA.
- 6.4 **Cashless:** Insurance Company/TPA shall offer Cashless Service to the Insured, where treatment can be obtained without payment, subject to the terms and conditions of the policy, from empanelled hospitals. Insurance Company/TPA to settle the hospital bills directly on behalf of Insured member.
- 7.0 **OPD BENEFIT:**
- 7.1 Under no circumstances, the clubbing (Floater basis) of individual OPD limits of Rs. 4000/- or Rs. 8000/- (as the case may be) per head per policy period, will be permitted.
- 7.2 The members are not required to pay any expenses for OPD treatment availed in SAIL Plant Hospitals/Dispensaries.
- 7.3 Dental Treatment can also be availed of within the existing limit prescribed under OPD treatment. Cost of dentures will not be reimbursed.
- 7.4 Ophthalmic consultations for refractory error will be covered under OPD Benefits only.
- 7.5 Cost of spectacles/contact lenses shall not be reimbursed under the SAIL Mediclaim Scheme
- 7.6 OPD Claims to be submitted by the Mediclaim member to the Insurance Company/TPA at any time but necessarily when the expenses exceed Rs. 2000 per person per policy period or within 90 days from the date of completion of the treatment, whichever is earlier.
- 7.7 In case of treatment of ear, cost of hearing aid is not reimbursable under the SAIL Mediclaim Scheme.

8.0 **MANDATORY CLAIM INTIMATION/ SUBMISSION:**

- 8.1 **Claim Intimation for Hospitalization treatment on Cashless/Reimbursement basis:**
- The Mediclaim member shall be required to inform/intimate in writing the Insurance Agency/TPA at least 48 hours prior to any elective/planned Hospitalization/Admission.
 - In case of Emergency Admission/Hospitalization, the Insurance Company/TPA, is to be informed by the Mediclaim member, in writing within 24 hrs of such hospitalization.
 - The Claim Intimation by the Mediclaim member is mandatory for both Cashless & Reimbursement claims.
 - Claim Intimation can be sent via Letter/Email/Online (Mediclaim Webpage)/Fax/Personally delivered at TPA offices.

The above modalities must be adhered so that the claims are not rejected

8.2 **Claim Submission for Hospitalization treatment on Cashless/Reimbursement basis**

- The reimbursement claims with respect to IPD/Hospitalization to be submitted to the TPA within 30 days from the Date of Discharge from the Hospital.
- The reimbursement claims pertaining to Post Hospitalization (IPD treatment), are to be submitted to the TPA within 30 days after the completion of permissible post Hospitalization treatment period of 60 days.

The above must be adhered so that the claims are not rejected



From this year (July 2021) onwards, all the SAIL Hospitals shall not lodge any claims with Insurance Insurance Company/TPA for the OPD and IPD treatment extended to Mediclaim members under the SAIL Mediclaim Scheme.

9.0 Cappings in Mediclaim Scheme:

9.1 Cappings in the area of room rent charges, associated procedure charges, investigation charges, the Implants/Stents used under various procedures like cataract surgery, coronary angioplasty, joint related disorder requiring knee/hip joint replacement excluding the associated procedure charges under the Scheme will be as given below:

- a) Maximum entitlement of room to be restricted to:
- For Metro Cities (Hyderabad, NCR, Bangalore, Mumbai, Chennai, Kolkata) - (Ceiling of 1.5% i.e. Rs. 6000/-) of the sum insured per member or a single AC non-deluxe room per day, whichever is lower,
 - For non-metro cities which are State capitals - (Ceiling of 1.25 % i.e. Rs. 5000/-) of the sum insured per member or a single AC non-deluxe room per day, whichever is lower,
 - For rest of the country - (Ceiling of 1.0% i.e. Rs. 4000/-) of the sum insured per member or a single AC non-deluxe room per day, whichever is lower;
 - There shall be no ceiling for ICU and ICCU.

In case a member goes for a higher category room, the consultation charges/investigation charges/procedural charges/surgical Charges/package rates etc. shall be limited to actuals or as per their corresponding rates for single AC non-deluxe room of the concerned hospital, whichever is lower.

- b) Ceiling rates for different types of Intra-Ocular Lens (IOL) Implants to be as per actuals or Rs 10,000/- whichever is lower and shall be reimbursable in addition to the package rates for cataract surgery procedure. It should be mandatory for the operating surgeon of all hospitals to attach the empty IOL sticker, bearing the signature and stamp of the operating surgeon on it in support of the type of IOL used along with its batch number. In case the same is not followed, the claim with regards to IOL implant may be rejected. In the case of Hospitals where IOL implant is part of the package rates for Cataract Surgery Procedure, the total package cost may be reimbursed subject to the limit of Rs. 25,000/- per eye.
- c) The Prices of coronary stents as fixed by National Pharmaceutical Pricing Authority (NPPA), Government of India, from time to time shall be applicable. However, the following overall ceilings shall prevail:

S. No.	Name of Drug Eluting Stent / Bare Metal Stent	Ceiling Rate
1.	Cypher Stent	Rs. 95000 + GST
2.	Taxus Stent	Rs. 67300 + GST
3.	Element Stent	Rs. 95000 + GST
4.	Endeavor	Rs. 85000 + GST
5.	Xience V EECSS	Rs. 95000 + GST
6.	Yukon choice	Rs. 55000 + GST
7.	Pronova	Rs. 50000 + GST
8.	Supralimus	Rs. 55000 + GST
9.	Bare Metal Stent	Rs. 45000 (all inclusive)

Ceiling rates for Coronary Stents other than the Stents mentioned above, shall be as per actuals or Rs. 95,000/- plus GST, whichever is lower.

- d) A maximum of three Coronary Stents shall be permitted on the advice of the specialist, of which not more than two shall be Drug Eluting Stents (DES).

It is essential for the hospital to quote the batch number when a Coronary Stent of any type (ordinary metal/Drug Eluting Stent) is implanted in the case of a beneficiary. In addition to this, the outer pouch of the Stent packet along with the sticker on it on which the details of the stent are printed shall also be enclosed with the Hospital bill for claiming reimbursement. In case the hospital has not given the batch number and/or outer pouch of the stents in a particular case, the claim of the implant may be rejected by the Insurance Company.



INDICATIVE LIST OF DAY CARE PROCEDURES

1. Suturing - CLW -under LA or GA
2. Surgical debridement of wound
3. Therapeutic Ascitic Tapping
4. Therapeutic Pleural Tapping
5. Therapeutic Joint Aspiration
6. Aspiration of an internal abscess under ultrasound guidance
7. Aspiration of hematoma
8. Incision and Drainage
9. Endoscopic Foreign Body Removal - Trachea /- pharynx-larynx/ bronchus
10. Endoscopic Foreign Body Removal -Oesophagus/stomach /rectum.
11. True cut Biopsy - breast/- liver/- kidney-Lymph Node/-Pleura/-lung/-Muscle biopsy/-Nerve biopsy/-Synovial biopsy/-Bone/ trephine biopsy/ pericardial biopsy
12. Endoscopic ligation/banding
13. Sclerotherapy
14. Dilatation of digestive tract strictures
15. Endoscopic ultrasonography and biopsy
16. Nissen fundoplication for Hiatus Hernia /Gastro esophageal reflux disease
17. Endoscopic placement/removal of stents
18. Endoscopic Gastrostomy
19. Replacement of Gastrostomy tube
20. Endoscopic polypectomy
21. Endoscopic decompression of colon
22. Therapeutic ERCP
23. Brochosopic treatment of bleeding lesion
24. Brochosopic treatment of fistula /stenting
25. Bronchoalveolar lavage & biopsy
26. Tonsillectomy without Adenoidectomy
27. Tonsillectomy with Adenoidectomy
28. Excision and destruction of lingual tonsil
29. Foreign body removal from nose
30. Myringotomy
31. Myringotomy with Grommet insertion
32. Myringoplasty /Tympanoplasty
33. Antral wash under LA
34. Quinsy drainage
35. Direct Laryngoscopy with or without biopsy
36. Reduction of nasal fracture
37. Mastoidectomy
38. Removal of tympanic drain
39. Reconstruction of middle ear
40. Incision of mastoid process & middle ear
41. Excision of nose granuloma
42. Blood transfusion for recipient
43. Therapeutic Phlebotomy
44. Haemodialysis/Peritoneal Dialysis
45. Chemotherapy (including Oral Chemotherapy)
46. Radiotherapy
47. Coronary Angioplasty (PTCA)
48. Pericardiocentesis
49. Insertion of filter in inferior vena cava
50. Insertion of gel foam in artery or vein
51. Carotid angioplasty
52. Renal angioplasty
53. Tumor embolisation
54. TIPS procedure for portal hypertension
55. Endoscopic Drainage of Pseudo-pancreatic cyst

56. Lithotripsy
57. PCNS (Percutaneous nephrostomy)
58. PCNL (percutaneous nephrolithotomy)
59. Suprapubic cystostomy
60. Tran urethral resection of bladder tumor
61. Hydrocele surgery
62. Epididymectomy
63. Orchidectomy
64. Herniorrhaphy
65. Hernioplasty
66. Incision and excision of tissue in the perianal region
67. Surgical treatment of anal fistula
68. Surgical treatment of hemorrhoids
69. Sphincterotomy/Fissurectomy
70. Laparoscopic appendicectomy
71. Laparoscopic cholecystectomy
72. TURP (Resection prostate)
73. Varicose vein stripping or ligation
74. Excision of dupuytren's contracture
75. Carpal tunnel decompression
76. Excision of granuloma
77. Arthroscopic therapy
78. Surgery for ligament tear
79. Surgery for meniscus tear
80. Surgery for hemoarthrosis/pyoarthrosis
81. Removal of fracture pins/nails
82. Removal of metal wire
83. Incision of bone, septic and aseptic
84. Closed reduction on fracture, luxation or epiphyseolysis with osetosynthesis
85. Suture and other operations on tendons and tendon sheath
86. Reduction of dislocation under GA
87. Cataract surgery
88. Excision of lachrymal cyst
89. Excision of pterigium
90. Glaucoma Surgery
91. Surgery for retinal detachment
92. Chalazion removal (Eye)
93. Incision of lachrymal glands
94. Incision of diseased eye lids
95. Excision of eye lid granuloma
96. Operation on canthus & epicanthus
97. Corrective surgery for entropion & ectropion
98. Corrective surgery for blepharoptosis
99. Foreign body removal from conjunctiva
100. Foreign body removal from cornea
101. Incision of cornea
102. Foreign body removal from lens of the eye
103. Foreign body removal from posterior chamber of eye
104. Foreign body removal from orbit and eye ball
105. Excision of breast lump /Fibro adenoma
106. Operations on the nipple
107. Incision/Drainage of breast abscess
108. Incision of pilonidal sinus
109. Local excision of diseased tissue of skin and subcutaneous tissue
110. Simple restoration of surface continuity of the skin and subcutaneous tissue
111. Free skin transportation, donor site
112. Free skin transportation recipient site
113. Revision of skin plasty



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- e) Ceiling rates for different types of Knee and Hip implants shall be as per the actual rates or the rates as mentioned below, whichever is lower:
- Maximum ceiling for Knee implant to be Rs 75000/- (including cost of Bone cement)
 - Maximum ceiling for Hip implant to be Rs 75000/- (including cost of Bone cement)
- f) In addition to the aforementioned cappings on Implants/Stents, the following cappings on procedures/packages, as given below, shall also be applicable:

S. No.	Disease/ Treatment	Cappings
1.	Hernia repair including Hernia Mesh	Rs. 40,000
2.	Cholecystectomy	Rs. 45,000
3.	Haemorrhoidectomy	Rs. 25,000
4.	Appendicetomy	Rs. 35,000
5.	Hysterectomy	Rs. 45,000
6.	Coronary Angiogram/ Angiography	Rs. 16,000
7.	Tonsillectomy	Rs. 15,000
8.	Cataract on one eye (excluding cost of IOL)/Package rate for Cataract on one eye including IOL	Rs. 15,000/ Rs. 25,000
9.	Knee Implantation-unilateral (excluding cost of implant)	Rs.1,00,000
10.	Treatment for age related Macular degeneration with Injection Avastin/Lucentis/Macugen	Rs.1,00,000

The above cappings/ ceilings are applicable on 'per Hospitalization' basis and shall be applicable only for cases where there are no complications/multiple diseases. Moreover, Pre-Hospitalization & Post-Hospitalization claims pertaining to the above treatments shall not come under the purview of the aforementioned cappings.

- g) The Medical Devices (Amendment) Rules, 2020, as notified by Ministry of Health & Family Welfare vide Gazette Notification vide GSR 102E dated 11.2.2020, along with amendments issued from time to time, with reference to implant have to be scrupulously followed.

10.0 IMPORTANT EXCLUSIONS: Under the SAIL Mediclaim Scheme, the Insurance Company shall not be liable to make any payment in respect of any expenses whatsoever incurred by the insured person in connection with the following:

- Any Disease/complication caused due to alcohol intake.
- Any disease/injury caused by War/Nuclear Weapons/Radiations/Breach of Criminal law.
- Circumcision, cosmetic or Plastic Surgery unless necessitated by an accident or as a part of any disease/illness.
- Cost of dentures, hearing aid, spectacles, cost of glasses/contact lenses etc.
- Convalescence, general debility, "Run-down" condition or rest cure, congenital diseases or defects, sterility, venereal diseases, intentional self injury and use of intoxicating drugs, except AMRD.
- The Hospitalization charges in which Radiological/Laboratory investigations/other diagnostic studies have been carried out which are not consistent with or incidental to the diagnosis of treatment of positive existence or presence of any ailment, sickness or injury for which confinement at any Hospital/ Nursing Home, has taken place.
- Expenses on vitamins and tonics unless forming part of treatment for injury or disease as certified by the attending physician.
- Voluntary medical termination of pregnancy during first 12 weeks of conception.
- Naturopathy Treatment.
- External and/or durable Medical/Non-Medical equipment of any kind used for diagnosis and/or treatment including CPAP, CAPD, Infusion pump etc. Ambulatory devices, i.e. walker, crutches, belts, collars, caps, splints, slings, braces, stockings etc., of any kind. Diabetic foot wear, Glucometer/Thermometer and similar related items etc., and also any medical equipment which subsequently used at home etc.



- xi) Any kind of service charges, attendant food charges, surcharges, admission fees/ registration charges & Non-Medical expenses levied by the Hospital.
 - xii) Cytotron Therapy & Ozone Therapy
 - xiii) Preventive Health Check-ups from OPD as well as IPD benefit
 - xiv) Enhanced External Counter Pulsation Therapy (EECP)
 - xv) Robotic Surgery/Robotically assisted surgery (other than critical surgeries of Cancer/Neurological Procedures where precision is required)
 - xvi) Any unproven therapy
 - xvii) Ayurvedic treatment if it is not an active line of treatment.
 - xviii) Rejuvenation therapy/Massage/Panchkarma
 - xix) Stem cell Transplantation except Haemopoetic Stem Cell Transplant/Bone Marrow Transplant
- 11.0 **Misuse of Scheme:** Stringent action to be taken against individuals found to be misusing the system/guilty of any fraudulent activity, viz. debarring member from Mediclaim membership, blacklisting hospitals, initiating suitable legal action etc., as deemed fit by SAIL Management.
- 12.0 **Premium Sharing Ratio (SAIL:Member):**
- i. For members below 70 yrs of age: 70:30
 - ii. For members between 70-79 yrs of age: 85:15
 - iii. For member aged 80 yrs and above: - Company shall bear the whole premium. However, Members under this category, shall be required to pay a token amount of Rs. 100/- per member as enrolment charges.
- Member's share in the premium shall be collected on an annual basis. Employees desirous of enrolment under the scheme on superannuation during the year shall be required to pay a fixed percentage of the total premium (30% of annual premium applicable for members below 70 years of age) which shall be reduced proportionately based on the number of days they are covered during that year.
- 13.0 **Fresh Enrolments:** Though, a retiring employee can deposit the premium contribution within one month from the date of his/her retirement, the member would get coverage prospectively, from the date of payment of premium contribution.
- 14.0 **Super Top-up Facility:** Facility of super Top Up will be there for willing ex-employees on payment of full premium on the existing Terms & Conditions of enrolment in SAIL Mediclaim Scheme. The successful bidder will be asked to provide rates for extending such super Top-up Policy cover for separate coverage (Slab-Wise). The cost of such super Top-up facility will have to be borne by the respective member/spouse in case he/she wishes to opt for such a facility



114. Destruction of the diseased tissue of the skin and subcutaneous tissue
115. Incision, excision, destruction of the diseased tissue of the tongue
116. Glossectomy
117. Reconstruction of the tongue
118. Incision and lancing of the salivary gland and a salivary duct
119. Resection of a salivary duct
120. Reconstruction of a salivary gland and a salivary duct
121. External incision and drainage in the region of the mouth, jaw and face
122. Incision of hard and soft palate
123. Excision and destruction of the diseased hard and soft palate
124. Incision, excision and destruction in the mouth
125. Surgery to the floor of mouth
126. Palatoplasty
127. Transoral incision and drainage of pharyngeal abscess
128. Dilatation and curettage
129. Myomectomies
130. Simple Oophorectomies
131. Coronary Angiography
132. Dental Surgery (following Accident)
133. Hysterectomy
134. Laproscopic Therapeutic Surgeries

Any other surgeries/procedures agreed to by SAIL Insurance Company and TPA, requiring less than 24 hours hospitalization will also be considered under Hospitalization.

**MINUTES OF THE TWENTY THIRD SITTING OF THE COMMITTEE ON PETITIONS
(SEVENTEENTH LOK SABHA)**

The Committee met on Tuesday, 2 August, 2022 from 1500 hrs. to 1615 hrs. in Committee Room No. 3, Block A, Parliament House Annexe (Extension), New Delhi.

PRESENT

Shri Harish Dwivedi - Chairperson

MEMBERS

2. Shri Hanuman Beniwal
3. Dr. Sukanta Majumdar
4. Prof. Sanjay Sadashivrao Mandlik
5. Shri Brijendra Singh
6. Shri Manoj Kumar Tiwari

SECRETARIAT

1. Shri T. G. Chandrasekhar - Additional Secretary
2. Shri Raju Srivastava - Director
3. Shri G.C. Dobhal - Additional Director

WITNESSES

MINISTRY OF STEEL

1. Ms. Neha Verma - Director
2. Shri A. K. Tusiani - Director, SAIL
3. Shri Sameer Swarup - ED, SAIL
4. Shri H.S.Pal - GM, SAIL

2. At the outset, the Hon'ble Chairperson welcomed the Members to the sitting of the Committee.

[The representatives of the Ministry of Steel/SAIL were ushered in]

3. After welcoming the representatives of Ministries of Steel/SAIL, the Hon'ble Chairperson drew their attention to Direction 55(1) of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings of the Committee.

4. Thereafter, the Committee took oral evidence of the representatives of the Ministry of Steel/SAIL on the representation of Shri B. S. Narasimhan regarding revision of SAIL Pension Scheme and other issues related therewith. However, before hearing the views of the representatives of the Ministry/SAIL, the Committee, sought clarification on the following two aspects:-

- (i) At the time of appointment of the representationist, Shri Narasimhan or, for that matter, any other candidate in SAIL, whether provision relating to pensionary benefits after superannuation was mentioned in the Appointment Letter? In case, there is any mention of pensionary benefits, it is incumbent upon the Ministry of Steel/SAIL to positively consider the request made by the representationist.
- (ii) As per information furnished by the Ministry of Steel/SAIL, the pensionary benefits in respect to superannuating Executive Cadre were extended in January, 2007, whereas, in case of Non-executive Cadre, it was extended after a lapse of five years, i.e., in January, 2012. Extending the pensionary benefits to the Non-Executive Cadre in SAIL *vis-a-vis* Executive Cadre after five years appears to be discriminatory. Ideally, the pensionary benefits in SAIL should have been extended to Executive and Non-Executive Cadre together.

5. In response thereof, the major points put forth by the representatives of Ministry of Steel/SAIL before the Committee, were as under:-

- (i) In the Appointment Letter issued by SAIL, there was no mention of any provision relating to pensionary benefits to any of the employees after superannuation.
- (ii) SAIL had introduced the Pension Scheme covering all the Executives in the year, 2007 on the basis of Second Pay Revision as per the directions of the Department of Public Enterprises. Thereafter, the pay in respect to the Executives was revised in 2017. The pay in respect to the Executives is revised after every ten years; whereas for Non-Executives, it is being done after every five years. Non-Executives also receive extra benefits as there has been no limit in their gratuity amount payable after superannuation, and therefore, the pensionary provisions were not introduced for them in the year 2007 itself.
- (iii) Shri Narasimhan was appointment in the year 1957 and in the year 1991, he opted for voluntary retirement. At that time, only the Family Pension Scheme, 1971 which was connected to CPF, was applicable to the SAIL employees. In the

year 1995, when the Employees' Pension Scheme, 1995 came into existence, the employees who joined thereafter, were included under the said Scheme.

- (iv) The Wage Agreement in respect of Non-Executives is finalized as per the negotiations held at National Joint Committee on Steel comprising the Management and Union representatives of SAIL and RINL.
- (v) The Public Sector Undertakings have their distinct Rules for salary and pension which is approved by the Department of Public Enterprises, Government of India.

6. After hearing the views of the representatives of the Ministry of Steel, the Committee expressed their views, as under:-

- (i) The Ministry of Steel/SAIL should furnish a copy of the Appointment Letter of the representationist, Shri B. S. Narasimhan or of any other employee appointed during the same time.
- (ii) At the time of appointment of Shri Narasimhan in SAIL, in case, there is no mention of any pensionary benefits after his superannuation, the grievance of representationist does not appear to be justifiable. However, if there is any oblique reference of pensionary benefits while issuing the appointment letter to the employees during the year 1957 or later, till the time the pensionary benefits have been extended to Executive and Non-Executive Cadre(s), the SAIL Management have to sympathetically consider the request of the representationist.

[The representatives of the Ministry of Steel/SAIL then, withdrew]

7.	***	***	***	***	***	***
8.	***	***	***	***	***	***
9.	***	***	***	***	***	***

The Committee, then, adjourned.

*** Does not pertain to this Report.