

SAIL RETIRED OFFICERS' ASSOCIATION

(Registered under Societies Act XXVI of 1961)

H. O. : 32/5, Gariahat Road (South) Kolkata-700031, West Bengal, INDIA.



Regd. No. : S/1L/89097

Ref. No. SROA/Pen/152/02

Date 04.07.2016

To

Sri Narendra Singh Tomar

Union Minister of Steel, Govt. Of India

UDYOG BHAWAN, New Delhi – 110011

Sub :- REQUEST FOR CREATION OF SCHEMES FOR PIONEER & EARLY RETIREES OF SAIL IN DISTRESS CONDITION .

HON'BLE NARENDRA SINGH TOMAR Ji ,

Kindly accept our heartiest congratulations on your taking over as the **Union Steel Minister of India**. We are sure the Iron & Steel Industries will be successfully scaling newer heights, in the years to come, under your able leadership.

1. We, the Pioneer & early retirees of SAIL and Public Sector Steel Industries, retired before 2007 i.e before implementation of 2nd. Pay Revision of CPSEs, are in very distressed condition.
2. Majority of these early retirees are those who had joined in 1950s & 60s in green field steel plants which were being established in remote & under / non-developed areas under the 1st. Industrial revolution of the Indian Republic. The Steel Plants are now under SAIL, a **NAVARATNA** company.

3. PROBLEMS

- i) Those Pioneer Retirees are now in the age group of 70s and 80s being retired in 1980 s , 90s & before 2007. They are not covered by any PENSION Scheme except EPS -95 for some post -95 retirees getting hardly around Rs.1000/-.
- ii) Those who retired before 1998 (before implementation of 1st Pay Revision for CPSEs) at the age of 58 yrs. They were deprived of the earnings for two years & accumulation of CPF which would have multiplied in the next two years.
- iii) They retired in 80's, early 90's with a meagre sum of about Rs 90,000/- by those in junior position and about Rs 3 to 4 lacs by those who in senior positions. Those who retired in late 90s from senior positions in SAIL or Steel PSUs got an amount of amount of Rs. 5 to 7 lacs.

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iv) They are struggling to make both ends meet with meagre returns of 9% in the retirement benefits they received then. Apart from this, the **medical expenses** due to age related problems at the age of 70s and 80s beyond the reimbursable limit (which is meagre) is adding to their burden.

v) Quoting from the **Journey of a Steel Man** (p-29) by **Late Dr. P. L Agarwal** one of the former Chairman of SAIL "my total accumulation money from SAIL on the account amounted to Rs. 3 lacs including Provident Fund (normal and Voluntary contribution) and gratuity after 28 years; ' in October , 1984God had been kind to me " .

v) **SCOPE** , the pivotal organisation of PSUs , have also communicated to Govt. vide their letter no : SCOPE - 2011 / DG / 2278 dated Feb 21 , 2011 their views including the need to take care of those retirees who do not get pension or any ex gratia .

vi) After several rounds of discussions and debate by 2nd Pay revision Committee for CPSEs with association of retirees , group of retirees , SCOPE , various Ministries and CPSEs it gave a recommendation & DPE issued various OMs to give effect to the recommendations including those dated 8th. July 2009 and 20th July 2011 to CPSEs for creation of a corpus for retired employees of SAIL with 1.5% of the PBT to take care of those retired before 2007.

Vii) SAIL refused to accept and implement the DPE OMs . Instead it has repeatedly been harping , including in the letters dated 3rd and 9th. May 2014 through CPGRMS , on the long prevailing retirement and mediclaim benefits given to its retired employees which has nothing with the OMs of DPE because they existed since the existence of SAIL .

viii) Mediclaim - Every Retired Employees pays a part of the subscription for his Mediclaim Insurance. But the terms and Conditions are decided by SAIL and the Insurance Company without involving the Retired Employees or their representatives in the negotiation , leading to an extremely negative terms and conditions of the Mediclaim policy under the agreement between SAIL and the Insurance Company , like the low amount of coverage for both OPD and hospitalization , and various tests , list of cappings , important exclusions etc, leading to misery though SAIL boast of its Healthcare mechanism for the retired employees . In reality it is a bad policy out and out and aged persons have to spend a lot out of their pockets.

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ix) All our Communications to SAIL for a meeting to discuss the issues of post – retirement benefits including the enhancement in coverage and services under mediclaim insurance have met with a dead wall in last 5 years . No response , no acknowledgement is the end result .

4. SOLUTIONS

- i) Such Retired SAIL Employees , perhaps a miniscule minority numbering just over a Lakh. They do not have the monetary strength or vitality to fight for redressal.
- ii) SAIL can easily create a CORPUS from PBT as suggested and by other means and this corpus will not be required, perennially as these retirees are in twilight of their life being in 70s and 80s and will vanish gradually . The OMs are to be considered by SAIL as commitment of the GOVT. for the well being of the retired employees and Senior Citizens.
- iii) The Contribution , foundation laid and hard work rendered by the pioneer retirees with no facilities in those remote areas have also helped SAIL to reach to the level of NAVARATNA company . Since it has been earning profit since long based on which it is NAVARATNA now , funds is not a constraint . Unfortunately , the present set of top management can not appreciate the contribution of these elders. All Indian OIL companies , RINL , NTPC , NMDC etc have introduced the schemes except SAIL .

5. OUR APPEAL

A. In view of the above , We submit the following Suggestions for your kind Consideration , acceptance and Implementation :-

- a) Member Association / SAIL Retired Officers' Association (S R O A) & other Associations exists. *for meeting.*
- b) To advise SAIL to improve the Mediclaim Scheme Policy with no sharing of the subscription by the Retired Employee , treat Retired Employees with or without Mediclaim coverage at par with the working employees on Healthcare programmes and 100 % coverage like OIL sector Companies do for their Retired Employees.

B. You are requested to take up with the concerned Union Minister of Finance to the following issues to resolve in our favour during the budget preparation (2017 – 18) and the years thereafter to help increase the financial income / flow to SAIL retirees.

- i) Increase the interest rate on Fixed Bank deposits for the retirees.
- ii) Transfer of unclaimed PF money lying with the Govt. PSUs for creation of of Corpus as stated above vide OMs of DPE for the retirees.
- iii) Action to enhance the facilities for Senior Citizens in Hospitals , transport , public utility services by incorporating newer policies .

We hope to have explained the basics of the issues quite clearly, yet we feel a meeting may be necessary to expedite action and getting your favourable decision on the problems facing the SAIL retirees. We will be pleased to provide any information on the above if sought from us.

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We would also like to bring to your kind notice that SAIL and GOVT. did not think for the need of PENSION scheme for hard working Steel makers of SAIL whereas many other PSUs and BANKs formulated and implemented the pension scheme at later dates in their organization which takes into account the regular increase in even Dearness Allowances .

We are confident that with your positive approach to solve the problems of common man and a quick decision making we will get some results sooner than later .

In view of the above we request you to kindly spare about an hour of your valuable time , as your convenience , to listen to our stories of continued apathetic attitude of SAIL and to help us get rid of miseries .

With kind regards,

Thanking you,

Yours Sincerely,

(KISALAY MITRA)

General Secretary / SAIL Retired Officers' Association
Kolkata - 700 031

Cc: Shri Narendra Modi, The Hon'ble Prime Minister of India, New Delhi