



**ASSOCIATION OF SCIENTIFIC & TECHNICAL OFFICERS**  
Registered with the Registrar of Societies Uttarakhand Govt., Registration No. 172 (1967-68)

**OIL AND NATURAL GAS CORPORATION LTD.**

Room No. 2016, 2nd Floor, Tower-A, Vasant Kunj, New Delhi-110070

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**CENTRAL WORKING COMMITTEE**

**No. ASTO/CWC/Medical-Contribution/2018-22**

**29.08.2022**

To,  
CMD  
ONGC  
New Delhi - 110001

**Sub: Contribution by Employees for Post-Retirement Medical Benefit**

Respected Madam,

Post-retirement Medical Benefit Trust (PRMB) was set up for the sole purpose of providing Post-retirement Medical benefit to its employees and their eligible dependent members.

We would like to refer to the recent office order dated 24.08.2022 i.e. "Medical facilities scheme for retired employees" vide which one time lump-sum contribution payable by executives (level wise) to ONGC PRMB Trust for availing post retirement facilities has been re-introduced. This is in complete violation of the DPE guidelines. Chief ER on 16<sup>th</sup> August, 2022 at Dehradun had informed the same to us and we had immediately raised our reservations. He said that already EC has taken the decision and nothing can be done about it.

As per DPE guidelines, ONGC has to contribute 30% of Basic plus DA as superannuation benefits, allocated to CPF, Gratuity, Pension and Post Superannuation Medical Benefits on behalf of the employee. This becomes part of the employee's salary and CTC. The percentage under the different heads are worked out every year based on the actuarial report and the amount of employer contribution to PRBS is adjusted based on the contribution arrived for Gratuity and Post Superannuation Medical Benefits.

Accordingly, the contribution is already being made by the employees to the Post Superannuation Medical Benefits during the active period of employment. The contribution for this year is 2.79% for PRMB. Hence, every year on an average every employee is contributing nearly Rs. 3000 per year which comes to nearly Rs. 5.1 crores per annum for the executives. In addition, ONGC has to contribute 1.5% of the PBT to the PRMB Trust every year. Therefore, the recovery of lump sum amount at the time of superannuation amounts to double recovery at the hands of the employees which is in violation of the DPE guidelines as well as principal of natural justice.

It may be worthwhile to mention here that the such lump-sum recoveries for post superannuation medical benefits were stopped based on the same logic vide OO number 31/2011 dated 17.06.2011 ( Attached).



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And, as per OO Number 33/2022 dated 16.08.2022, the superannuated employees are required to deposit 50% of last basic drawn for availing the medical benefit in respect of the dependant parents. As the medical expenditure in respect of dependant parents of the superannuated is also covered in the actuarial valuation for the purpose of calculation of superannuation benefit of 30% basic plus DA and already impacted the ONGC contribution to employees PRBS for the current year, there should not be any further recovery for the same.

The majority of medical expenditure for any employee consist of doctor consultations, medicine, pathology and test reports etc. which are not dependant on the Level of the employees. Accordingly, there should preferably be a single lump sum deduction for the dependant parent's coverage for post-retirement medical benefits. This amount can be the amount which has been suggested for the employees vide OO dated 24.08.2022, as one time lump sum contribution for availing Post-retirement medical facilities.

Madam, we therefore lodge our protest and request you to kindly review both the deductions on priority.

With highest regards.

Sanjay Varshney  
General Secretary -CWC

**Copy to:**

1. Dir (HR)/Dir(Expl)/Dir(T&FS)/Dir(Onshore)/ Dir(Offshore)/ Dir(Finance)
2. ED-Chief ER
3. President/Secretary - All ASTO Units