

**BHARAT DYNAMICS LIMITED
KANCHANBAGH: HYDERABAD**

CORPORATE – PERSONNEL & ADMINISTRATION

Ref: BDL/04/51/035/C-P&A

Date: 03 Nov 2016

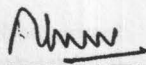
C I R C U L A R

P.C No: 29/2016 dated 03 Nov 2016.

Sub : Introduction of “BDL Non Executives Post Superannuation Medical Benefit (PSMB - III) Scheme” for Non - Executives separated/being separated, on or after 01 Jan 2007

In terms of approval accorded in 232nd Meeting of the Board of Directors held on 10 Aug 2016 at New Delhi and the Memorandum of Settlement reached between the Management and the recognized Union, Bharat Dynamics Employees Trade Union Congress (BDETUC -INTUC) under Section 12(3) of the Industrial Disputes Act 1947 on 06 Oct 2016, Management is pleased to notify Post Superannuation Medical Benefit Scheme (PSMB - III) to the Non- Executives, who separated/being separated on or after 01 Jan 2007. The Salient features of the scheme are indicated in **Annexure-I**. Benefits under the Scheme would be available w.e.f. 04 Nov 2016.

2. Benefits under the Scheme may vary from year to year, based on the contributions made and as contributions to the Corpus are in turn dependent on Profits generated, affordability & sustainability by the Company.
3. The Funds earmarked towards the Scheme will be managed by BDL Employees Superannuation Trust (BEST) in existence.
4. M/s. New India Assurance Co. Ltd. has been selected as the Insurance Company for providing insurance coverage for the first year.
5. Eligible members who have separated before the date of introduction of the Scheme will have to deposit the one-time Registration Fee of Rs.200/- per retired Non executive (ie Rs.100/- each for separated Non - Executive & his/her Spouse) through a challan in Andhra Bank, BDL Campus, Kanchanbagh, Hyderabad, in favour of “BDL Post Superannuation Medical Benefit (PSMB - III) Scheme”
6. Members who would enroll to the Scheme after the date of introduction of the Scheme need to pay one-time Registration Fee of Rs.200/- (ie., Rs.100/- each for retired Non - Executive & his/her Spouse) to the respective Divisional P&A through a challan or DD drawn in favour of “BDL Post Superannuation Medical Benefit (PSMB - III) Scheme” payable at Hyderabad along with the duly filled in Enrolment Form. Divisional P&A would verify the eligibility of the applicants before recommending them to enroll under the Scheme.
7. Consequent to implementation of the above PSMB-III Scheme, facilities available under the existing Retired Employees Medical Insurance (REMI) Scheme notified vide Personnel Circular No.BDL/04/CORP/24/97 dated 12 June 1997, will be discontinued with immediate effect in respect of the beneficiaries covered under the PSMB - III Scheme for Non-Executives.


(DR. N.K. RAJU)
EXECUTIVE DIRECTOR (P&A)

STANDARD DISTRIBUTION.

**"BDL NON EXECUTIVES POST SUPERANNUATION MEDICAL BENEFIT
(PSMB - III) SCHEME" FOR NON - EXECUTIVES SEPARATED / BEING
SEPARATED ON OR AFTER 01 JAN 2007.**

1. Title:

- 1.1 The scheme will be called "BDL NON - EXECUTIVES POST SUPERANNUATION MEDICAL BENEFIT SCHEME (PSMB - III)" for Non - Executives separated / being separated on or after 01 Jan 2007.
- 1.2 The general term 'post 01 Jan 2007 separated Non - Executives' would be used under the Scheme to denote the beneficiary.

2. Scope of the Scheme and Coverage:

- 2.1 The scheme would cover all Non - Executives, and their spouses, who have retired /opted for Optional Retirement on or after 01 Jan 2007, after rendering a minimum service of 15 years in the Company. Non - Executives whose services are terminated on the grounds of continued ill health by the Company, on or after 01 Jan 2007, with or without completion of minimum 15 years service would also be covered under the Scheme.
- 2.2 Coverage under the scheme would be available in the following cases also:
 - 2.2.1 Widows/Widowers of those Non - Executives who expired while in service on or after 01 Jan 2007, without any minimum service requirement.
 - 2.2.3 In respect of Non - Executives, who joined the Company from other CPSEs, the Service rendered by them in other CPSEs would be reckoned for computing the minimum service requirement of 15 years.. The service rendered in the Government prior to joining the Company will not be reckoned for the purpose of computing the total service required in the Company for availing benefits under the Scheme.
- 2.3 The Scheme would not be applicable in the following cases:
 - 2.3.1 Non - Executives who had resigned/absconded or who were dismissed/terminated from service.
 - 2.3.2 Non - Executives separated etc. on or after 01 Jan 2007 who do not fulfill the minimum Service eligibility criteria indicated above.
 - 2.3.3 Non - Executives who are covered under Medical Benefit Schemes provided by the employer of his / her spouse / children, etc.

3. Company's Contribution to the corpus of the Scheme:

- 3.1 Company's Contribution towards the Scheme would be @ 3% of the Basic Pay + DA of Non - Executives (out of the 30% of Basic Pay + DA prescribed by DPE towards Superannuation Benefits)
- 3.2 The BDL Non - Executives Post Superannuation Medical Benefit Scheme (PSMB - III) is Non-statutory and hence entirely dependent upon affordability, sustainability and capacity to pay. Therefore, contribution by the Company towards the Scheme is, not guaranteed.

4. Overall Insurance Coverage under the Policy:

- 4.1 Insurance Policy with Coverage of Rs. 3 Lakh for in-patient treatment and Out Patient (OP) treatment coverage of Rs. 15,000/-, per annum, jointly in respect of the retired Non - Executive & Spouse, on floater basis, as indicated at Paras 2.1 and 2.2 above. Family for this purpose would mean only the separated Non - Executive and his / her spouse, both or the survivor. In case any separated Non - Executive is unmarried, the family would mean the SELF only. In cases where there are 2 or more spouses, where such

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marriages are permissible under Personal Law applicable to such individuals, only the eldest surviving spouse will be covered under the Scheme. The term 'eldest' would mean seniority with reference to the date of marriage. In this regard, particulars available in the personal records at the time of retirement would be final.

- 4.2 The Insurance Coverage shall be provided anywhere in India.
- 4.3 The Coverage provided shall be without any entry and exit age limits.
- 4.4 Pre-existing illnesses will be covered under the policy.
- 4.5 There will be no waiting period for availing treatment. Facilities under the Scheme will be available from the date of introduction of the Scheme. Similarly, all diseases would be covered from the inception of the policy.

4.6 Out Patient Treatment Coverage:

- 4.6.1 Reimbursement of OP treatment expenses subject to the ceiling of Rs. 15,000/- per annum, jointly, on a floater basis, could be availed by the beneficiaries. Reimbursement of expenditure incurred within the scope of the policy shall be made available, by the Insurance Company.
- 4.6.2 Claims submitted to Insurance Company, separately for each member / spouse, are to be submitted once in 3 months or after incurring a total expenditure of Rs. 3000/-, whichever is earlier. Reimbursement of OP treatment Claim is to be made within 6 months from the date of incurring the expenditure.

4.7 Exclusions:

- 4.7.1 Exclusions under the scheme will be as per the Guidelines of IRDA, as amended from time to time, as indicated in the Handbook which will be issued by the Insurance Company.

5. Registration & Administration of the Scheme:

- 5.1 To avail facilities under the Scheme, Non - Executives separated / being separated after 01 Jan 2007 and his/her spouse need to get themselves enrolled by filling the Enrollment Form (enclosed as **Appendix-A**), supported by copies of the documents / identity proof specified therein and by payment of one-time Registration Fee of Rs. 100/- per individual (Rs.200/- for the separated Non - Executive & Spouse). In respect of those separated already, the form is to be submitted to the Division/Office in which the Ex-Non - Executive served last, latest by 30 Nov 2016. The Divisional P&A would verify the identity of the applicants and send the applications to the Welfare Department, Kanchanbagh for enrolling them under the Scheme.

5.2 Payment & Registration Fee:


- 5.2.1 Eligible Non - Executives who would be separating after the date of introduction of the Scheme need to pay the Registration Fee to the Division/Office from which they retire, before 15 days of their separation, through a challan or DD. Therefore, proof of payment should be enclosed to the Enrollment Form.
- 5.2.2 Eligible beneficiaries will have to deposit one-time Registration Fee of Rs.100/- per Member (Rs.200/- for the separated Non - Executive & Spouse) through a challan or DD drawn in favour of "BDL Post Superannuation Medical Benefit (PSMB - III) Scheme" payable at Hyderabad.

6 Insurance Company:

- 6.1 M/s. New India Assurance Co. Ltd. has been selected for implementation of the Scheme for the 1st year.
- 6.2 The Schemes will be administered by the above Insurance Company.

7 Network Hospitals:

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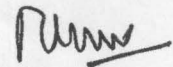
- 7.1 The Insurance Company will have Network Hospitals where treatment can be availed. The list of Network Hospitals will be indicated in the Handbook issued by the Insurance Company. The list will also be updated in the BDL website (www.bdl.gov.in).
- 7.2 Cashless facility will be available at Network Hospitals.
- a) Beneficiary needs to fill the "Pre Authorization Form" available in the Network Hospitals / to avail the treatment with Cashless facility. A copy of any photo ID proof (Like passport, voter ID card, PAN Card, Aadhar Card, Driving License, etc.,) of the patient is to be given to the Network Hospital at the time of admission. Insurance Company will authorize "Cashless Service" at the Network Hospitals in cases eligible under the Insurance Policy.
- b) In cases of denial of "Cashless Service" for any reason in a Network Hospital, the treatment can be continued by paying for the Services and the Claim need be sent to the Insurance Company for processing reimbursement as per the eligibility.
- c) Beneficiary has to pay the non-eligible / dis-allowed amounts such as Registration Fees, Luxury Tax, Documentation charges and other Non-Medical expenses not covered under the Policy directly to the Hospital, before discharge.
- 7.3 Availing Treatment other than in Network Hospitals:**
- 7.3.1 If the treatment is availed in Hospital other than in a Network Hospital, payment needs to be made by the beneficiary and Claim can be sent to the Insurance Company for reimbursement as per the eligibility, provided the information is given to Insurance Company at the time of treatment.
- 8. Benefits under the Scheme:**
- 8.1 Benefits under the Scheme can be availed with effect from 04 Nov 2016.
- 8.2 Benefits under the Scheme may vary from year to year, as contribution to the Fund is dependent on affordability & sustainability the Company.
- 8.3 Any changes in the overall Insurance Coverage under the Policy will be approved by the CMD.
- 9. Reimbursement – Claim Settlement:**
- 9.1 Detailed procedure to be followed with regard to Claim Settlement / Reimbursement as indicated in the Handbook which would be issued by the Insurance Company to the beneficiaries.
- 10. Management of Funds and Trust:**
- 10.1 The Company has selected M/s Life Insurance Corporation of India, to manage the Post Superannuation Medical Benefit (PSMB - III) Fund. The Fund Manager can be changed in future, if the need is felt for the same.
- 10.2 The funds earmarked towards this Scheme will be managed by Existing BDL Employees Superannuation Trust (BEST).
- 11. Jurisdiction:**
- 11.1 The Scheme will be subject to the Laws of India including the Indian Insurance Act, 1938, as amended, the Income Tax Act, 1961 and to any legislation subsequently introduced. All benefits under the Scheme shall be payable only in India. Should anything contained in these Rules, or in any amendment made thereof be repugnant to any provision or provisions of the Income Tax Act, 1961 or the Income Tax Rules, 1962 or any amendments thereto, the same shall be ineffective to the extent of repugnancy. The Trustees shall remove any such repugnance, if so directed by the Commissioner of Income tax.
- 11.2 Any dispute shall be subject to exclusive jurisdiction of Courts at Hyderabad, Telangana state, India.
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12. Interpretation:

- 12.1 It shall be a condition of the Membership of the Scheme that on any question arising on any point of interpretation of provisions of the Scheme or any point relating to cessation of Membership, the decision of the Trust shall be final and binding. If the decision has any bearing on the provisions of the Income Tax Act, 1961 or any amendments thereto, it has to be forthwith reported to the Commissioner of Income Tax and if the Commissioner of Income Tax so requires, the Trustees shall review the decision.

13. General:

- 13.1. In the event of the unfortunate death of either of the beneficiaries, the surviving beneficiary should intimate the WELFARE DEPARTMENT about the same for necessary updation of records. The beneficiary should also advise his / her other family members to intimate BDL, in cases of the unfortunate death of both the beneficiaries.
- 13.2 With the introduction of this Scheme, facilities available under the existing Retired Employees Medical Insurance (REMI) Scheme will be discontinued in respect of Non-Executives separated, etc after 01 Jan 2007.



(DR. N.K. RAJU)
EXECUTIVE DIRECTOR (P&A)