Superannuation Benefits at Bharat Petroleum Corporation Limited

Bharat Petroleum Corporation Limited (BPCL) is committed to supporting the long-term financial well-being of its employees. In addition to statutory Provident Fund and Gratuity benefits, the Corporation provides retirement benefits through structured superannuation arrangements. An employee is covered under the applicable scheme based on the date of joining the Corporation.

Contributory Superannuation Scheme

Employees who joined on or before 31 December 2006

Every permanent employee of the Corporation, including probationers and officer trainees, is eligible to become a member of the Superannuation Fund. On retirement, the member receives a monthly benefit based on reckonable service and reckonable salary, subject to the ceilings prescribed under the Scheme.

How the benefit is determined

The monthly retirement benefit is determined with reference to the member's eligible service and reckonable salary under the Scheme. It comprises benefits attributable to the relevant periods of service and is subject to the applicable limits, the pension option selected, and other conditions prescribed in the Scheme rules. The final benefit is calculated and paid in accordance with the rules in force when it becomes due.

Pension Options and Other Benefits

Members may select from the annuity options available under the Scheme. Depending on the option chosen, the monthly benefit calculated above may be suitably reduced. The options include a life pension with a guaranteed minimum payment period, a life pension with return of the annuity purchase price to beneficiaries, and joint-life pension options continuing for the surviving spouse, with or without return of purchase price.

A member eligible for pension may commute up to one-third of the pension. The commuted value is equal to 100 times the monthly pension commuted and is paid as a one-time lump sum. The balance pension continues monthly under the selected option; the commuted portion is not restored later.

The Scheme also provides benefits in the event of death or permanent total disablement while in service. Members leaving the Corporation before superannuation may, subject to the prescribed eligibility and conditions, receive a refund of contributions, a deferred monthly benefit, or an immediate monthly benefit on a discounted basis.

Defined Contribution Scheme

Applicable from 1 January 2007 or the date of joining, whichever is later

Under the Defined Contribution Scheme (DCS), the Corporation makes contributions at prescribed rates to an individual account for each eligible employee. Where an employee has a National Pension

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System (NPS) account, 10% is transferred from the Corporation's contribution to the employee's NPS account and the balance is retained in the employee's DCS account with the Superannuation Trust. The final contribution is determined after actuarial valuation at the end of the financial year.

How the benefit is determined

Accumulated Fund = Corporation's contributions + employee's contributions, if any + interest earned up to superannuation or death

The accumulated fund is used to purchase an annuity for the employee. Alternatively, on superannuation, the employee may transfer the entire corpus to the NPS account maintained with the Pension Fund Regulatory and Development Authority (PFRDA). The Scheme also permits transfer of the corpus to another public sector undertaking having a similar defined contribution scheme; in other cases, the amount is transferred to the employee's NPS account.

Governance

The superannuation schemes are administered through a duly constituted Superannuation Trust in accordance with its approved rules, providing a structured and well-governed framework for retirement benefits.

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