



**MANGALORE REFINERY AND PETROCHEMICALS LIMITED
MANGALORE – HR DEPARTMENT**

MRPL/HR/PRB&BS/2016

Date: 27/01/2016

CIRCULAR

Sub: Post retirement Benefits and Benefits on Separation

The policy on Post retirement Benefits and Benefits on separation is being amended with effect from 01.01.2016 as below. This circular will supersede all previous circulars on the subject.

1. LEAVE ENCASHMENT:

Employee can encash the total leave (EL + SL) available to his/her credit at the time of superannuation/ voluntary retirement (whenever / if introduced) from the services.

2. RESETTLEMENT CONCESSION:

- a. On superannuation, employees are allowed resettlement concession, if he/she wishes to settle at a place other than the place of posting. The benefits are as applicable to an employee during transfer from one location to another, such as Settling Allowance, Displacement Allowance (30 days DA only), Transit Allowance, Loading/ Unloading charges, Insurance for household effects, Excess baggage, Octroi charges, packing charges (for Management employees only) and Travelling Expenses.
- b. An employee allotted company leased / owned accommodation settling down upon his retirement on attaining the age of superannuation even at the place of his last posting would be allowed resettlement concession as in the case of a local transfer involving change in residence.
- c. The above concession is extended to the dependent of a deceased employee, if employment to son/daughter is not opted for.
- d. Resettlement concession comprising of benefits as admissible on transfer is admissible provided the employee avails of concession within six months from the date of retirement.
- e. The delay in submission of claims may be condoned by Competent Authority i.e. HR Head not below Grade 'E8', provided the personnel effects have actually shifted to the place of resettlement within a period of six months from the date of

retirement. The delay in submission of claims can be condoned by the Competent Authority provided the same is submitted within a period of one year from the date of retirement.

3. TELEPHONE FACILITY ON SEPARATION:

- a. An eligible employee who has been provided with official residential telephone will be allowed to retain the same telephone connection in the name after superannuation. However, the responsibility of transferring the telephone connection in self's name including the service / transfer charges would be borne by the superannuating employee himself.
- b. The telephone facility which was provided at the residence of the employee can continue to be made available at the premises for the extended period of retention of accommodation, for a maximum period of two months from the date of superannuation. In exceptional cases, the telephone may be allowed to be retained for a further period of 2 months (maximum 4 months) on the request of the retired employee with the approval of Functional Director on the merits of each case.
- c. Except for local calls, all other expenses including charges for STD/ISD calls incurred on the telephone will be borne by the concerned officer.
- d. In other separation cases, the telephone can be retained on a request, subject to the approval of the competent authority, as detailed below:

i	Death	Maximum 4 months or till house is allowed to be retained. Local calls payable (without STD calls)
ii	Resignation	Two weeks. All charges to be borne by the officer.
iii	Lien	Maximum 2 months on payment by retainer
iv	Deputationists/Tenure appointments	Maximum 2 months on payment by the retainer

4. RETENTION OF ACCOMMODATION ON SEPARATION:

- a. Company owned accommodation allotted to an employee could be retained for a period of two months after superannuation. In exceptional cases, the accommodation may be allowed to be retained for a period of 4 months on the request of the retired officer with the approval of Functional Director on the merits of each case.
- b. In case the Company quarters are lying vacant, the Dept Heads and Head HR would be competent to permit retention of a company owned accommodation for the total period of 4 months on merit of the case. However, if vacant accommodation is not available, each case for retention beyond 2 months period will need the approval of Functional Director

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- c. Senior Executives at the level of GMs & above are allowed to retain Company Owned accommodation for a period of 4 months on the same terms and conditions as applicable prior to superannuation, which can be extended by a further period of 2 months on approval of the competent authority. House Rent Recovery during the extended period beyond 4 months shall be made on double the normal rate as applicable prior to superannuation.
- d. In case of other contingencies, the Company accommodation can be retained on request, subject to Competent Authority's approval, upto the following limit:
- | | | |
|------|------------------------------------|----------------------|
| i) | Death | : Maximum 4 months * |
| ii) | Resignation | : Maximum 1 month |
| iii) | Lien | : Maximum 1 month |
| iv) | Deputationist (Tenure appointment) | : Max. 2 months |

*Note: Permission for retention of accommodation up to one year beyond 4 months would be granted by Managing Director on the merits of each case and in consideration of genuine difficulties faced by the family like completion of academic session of school/college going children.

- i. In case, the superannuating employee retains the Company owned / leased accommodation beyond the approved concessional period, a lumpsum amount of Rs 2.0 lakhs may be withheld from the dues payable to the concerned employee till he vacates the Company owned / leased accommodation for affecting any recoveries.
- ii. For any overstay beyond the concessional period of retention in the company owned / leased accommodation, following are the rate of recovery of rent:-
- | | | |
|------|--------------------|------------------------------|
| i) | At Mumbai | : ₹ 60/- per sq.ft per month |
| ii) | Other Metropolitan | : ₹ 36/- per sq.ft per month |
| iii) | At other cities | : ₹ 9/- per sq.ft. per month |

As regards the special cases where the permission is granted to the family of a deceased employee beyond the permission period up to one year beyond 4 months, the recovery may continue to be made at concessional rate i.e. 1/3rd of the above mentioned revised rates. However, in case of overstay, the recovery rates mentioned at (i), (ii) & (iii) become applicable in such cases also.

5. HRA FACILITY AT THE TIME OF SEPARATION

HRA would be allowed for a period of two months after separation, except in case of resignation or separation by way of disciplinary action, for the accommodation for which the employee was drawing HRA at the time of separation.

6. CONVEYANCE

- a. Sr. Executives in the rank of GM & above availing conveyance facility of chauffeur driven Company car are allowed to use the same for a period of 4 months beyond

the date of superannuation, on the same terms & conditions. Sr Executives in the rank of GM & above using personal car on reimbursement basis are also extended the facility of private use of the car limited to the admissible mileage after superannuation upto 2 months. In case the concerned Sr Executives take up full time assignment during this period, the above facility under either of these options (4 months/2 months) will not be extended. The concerned Sr Executive will intimate the above to MRPL so that the facility is either not extended or discontinued.

- b. The charges payable for private use of such conveyance facility will be the same as was applicable to the executive as on the date of superannuation.
- c. Private use is permitted upto a maximum of 1000 kms in Metro cities and 750 kms in other cities on payment of charges @ Rs. 250/- pm for non-AC car and @ Rs. 400/- pm for A/C car, provided the officer is permitted to use of Company car as on the date of superannuation.

7. SCHEME FOR SELF INSURANCE FOR PROVIDING LUMP SUM MONETARY COMPENSATION:

In case employee suffering death or permanent total disablement due to an accident arising out of and in the course of employment, a compensation equivalent to 100 months Basic Pay + DA, without laying down any minimum amount payable. This lumpsum compensation would be exclusive of any other legally admissible benefits. Employees need not contribute to this scheme.

8. BENEFITS ON SEPARATION UNDER SABF:

- a) In case of death / permanent total disablement of a employee while in service of the company, the beneficiary has to exercise one of the following options within a period of 6 months from the date of death / permanent total disablement.
 - i) **Option R1** – On death or permanent total disablement while in service: Besides the benefit calculated as per SABF, as on date of death or permanent total disablement and in case the same is less than 40% of last drawn salary, grant of an amount computed for the period from the date of death / permanent total disablement till the notional date of superannuation of the employee on the basis of the rate of company's contribution prevailing at the time of death / permanent total disablement and his last drawn salary or the amount of rehabilitation grant (equal to 30/25 Basis Pay) whichever is higher may be made, provided that total benefit to the beneficiary inclusive of the benefit admissible does not exceed 40% of the last drawn salary.
 - ii) **Option R2** – An amount equivalent to 60 months of last drawn salary (Basic Pay + DA) to be paid as rehabilitation grant to the spouse of the employee deceased or suffering permanent total disablement while in service. In addition the spouse would be entitled to receive pension as admissible in normal case under the SABF scheme.

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- iii) **Option R3** – Employment to one of the suitable dependent son / daughter who possesses prescribed qualifications, fulfils the job specifications and meets the prescribed medical fitness and other standards for employment. The employment is to be sought within a period of 6 months of the death / permanent total disablement and will be offered by the Management within a period of 7 years, provided there is a regular induction level vacancy. In addition to SABF pension benefit related to actual years of service for a guaranteed period of 15 years, or his / her lifetime whichever is longer shall be paid.

The minimum qualification to be eligible under this option shall be metric + ITI in the related trades / diploma in Engg. (3 yrs. Duration) or other higher induction level qualification as per the existing policy. In case, the depended ward does not possess the induction level qualification as stated above, he / she shall be provided an opportunity to acquire such qualification within a maximum waiting period of 7 years based on merit of each case to be approved by Competent Authority.

During the waiting period, and while dependent child is studying to acquire the induction level qualification, the family of the deceased employee may be allowed to retain a suitable company quarter, in the township wherever provided subject to availability of quarter in the township.

- iv) **Option R3A** – In the event the family of the deceased employee does not opt for employment of eligible dependent under option R3 or do not acquire the requisite induction level qualification within a permissible waiting period, the company shall extend an amount equivalent to 60 months Basic Pay + DA as rehabilitation grant in lieu of employment to mitigate the hardship of the deceased employee family.
- b) If the spouse / beneficiary is not exercising the option within the stipulated period of 6 months, a grace period of another 6 months (i.e., total period of 1 year from the date of death of employee) will be allowed on return request. However, during the grace period, the interest cost to be paid to LIC for delayed purchase of annuity will be borne by spouse/beneficiary.
- c) After the expiry of grace period of 6 months, the case will be processed under option R1 by default, thereafter no change of option will be entertained. The spouse should individually be intimated in the rehabilitation cases, regarding the above provisions.
- d) The total disablement would mean the cases which result from an incident / accident arising out of employment. Cases of Sick employees, who are incapacitated due to disease / sickness, cannot be equated as the case of permanent total disablement for providing benefit under SABF scheme. The employees who are unfit due to prolonged sickness resulting in incapacitation from work, the same would be processed under the enabling provision for scheme for premature retirement (whenever introduced in MRPL) on medical ground.

Other benefits:- Following benefits on separation, are as per the rules of respective policies currently prevailing in MRPL :

- i. Provident Fund
- ii. Group Insurance Scheme in lieu of EDLI
- iii. Employee Pension Scheme 1995
- iv. Gratuity
- v. Group Personal Accident Insurance

In case of SABF, the same will be finalised and circular to this effect will be released separately


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GM (HR, HRD & CSR)

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