

**Press Information Bureau
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HAL to Introduce Pension Scheme for its Executives

Based on the guidelines issued by the Department of Public Enterprises (DPE) and approved by the Ministry of Defence, Hindustan Aeronautics Limited (HAL) is introducing a Defined Contribution Pension Scheme for its executives who retired from January 1, 2007 onwards. In line with this, Mr. V.M. Chamola, Director (HR), Dr. A.K. Mishra, Director (Finance) and Mr. Ashok Tandon, Executive Director (Company Secretary) HAL jointly signed the 'Trust Deed' to form the **"HAL Executives Defined Contribution Pension Trust"** in presence of Dr. R.K. Tyagi, Chairman, HAL and Trustees of the Pension Fund, here in Bangalore today.

"Implementing the pension scheme will boost the financial security of the retired executives and infuses confidence to the serving HAL officer fraternity, said Dr. R.K. Tyagi, Chairman HAL, during the "Trust Deed" signing event.

The scheme would benefit around 2000 executives already retired from January 1, 2007 and 9,800 serving executives of the Company. HAL would contribute 7% of the Basic Pay plus Dearness Allowance drawn by each executive from January 1, 2007 onwards to fund the Scheme. Executives can also make voluntary contribution to the Scheme. M/s LIC of India would manage the Corpus Fund.

Pension payable on retirement would depend on the Corpus accrued in the individual's account. For payment of Pension, Annuity will be purchased from approved Annuity Service Providers. The Scheme would facilitate improving the Social Security status of executives on their retirement.

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