

**GENERAL INSURANCE  
(RATIONALISATION OF PAY  
SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS)  
SCHEME, 1975**



***General Insurance Corporation of India***

**(Notification dated 08.10.2010 is appended)**

**GOVERNMENT OF INDIA**

**MINISTRY OF FINANCE**

**(Department of Revenue and Insurance)**

**NOTIFICATION**

**INSURANCE**

**New Delhi, the 17th September, 1975**

**GENERAL INSURANCE  
(RATIONALISATION OF PAY SCALES  
AND OTHER CONDITIONS OF SERVICE  
OF OFFICERS) SCHEME, 1975**

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

<b>Paragraph No.</b>	<b>Paragraph Heading</b>	<b>Page No.</b>
1.	Short title and commencement	8
2.	Application	8
3.	Definitions	9
4.	Pay and allowances of Officers	11
5.	Categorisation of certain Officers	14
6.	Method of fixation	15
6A.	Fixation of basic pay in the revised scale of pay	16
6B.	Fixation of basic pay of the Chairman-cum-Managing Director in the revised scales of pay	17
6C.	The other conditions of services	17
7.	Fixation of pay on promotion	18
8.	Increments	18
8A.	Additional Increment	18
9.	Provident Fund	19
10.	Payment of Gratuity	21
11.	Protection of accrued pension	23
12.	Transfers	24
13.	Omitted	24
14.	Interpretation	24
15.	Power to relax	24
16.	Other benefits	25
17.	Overriding effect	25
<b>ITEM NO.</b>	<b>FIRST SCHEDULE</b>	<b>25</b>
I	Pay Scales (Basic Pay)	25
II	House Rent Allowance	25
III	City Compensatory Allowance	25
IV	Maximum Personal Pay	25
	<b>SECOND SCHEDULE</b>	<b>25</b>
I	Pay Scales (Basic Pay)	25
II	Dearness Allowance	26
III	House Rent Allowance	27
IV	City Compensatory Allowance	27
V	Maximum Personal Pay	28

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

<b>ITEM NO.</b>	<b>Paragraph Heading</b>	<b>Page No.</b>
	<b>THIRD SCHEDULE</b>	28
I	Pay Scales (Basic Pay)	28
II	Dearness Allowance	28
III	House Rent Allowance	29
IV	City Compensatory Allowance	29
V	Maximum Personal Pay	30
	<b>FOURTH SCHEDULE</b>	30
I	Pay Scales (Basic Pay)	30
II	Dearness Allowance	30
III	House Rent Allowance	31
IV	City Compensatory Allowance	31
	<b>FIFTH SCHEDULE</b>	32
	<b>SIXTH SCHEDULE – S.O.138(E) dated 29.1.1988 (for CMD) w.e.f. 1.1.1986</b>	32
I	Pay Scales (Basic Pay)	32
II	Manner of fixation of basic pay in the revised scale	32
III	Dearness Allowance	33
IV	House Rent Allowance	33
V	City Compensatory Allowance	33
	<b>SEVENTH SCHEDULE – S.O.572(E) dated 25.7.1989 (for other than CMD) w.e.f. 1.8.1987</b>	33
I	Scales of Pay (Basic Pay)	33
II	Fixation of basic pay	34
III	Dearness Allowance	34
IV	House Rent Allowance	35
V	City Compensatory Allowance	36
VI	Hill Station Allowance	36
VII	Kit Allowance	37
	<b>EIGHTH SCHEDULE – S.O.521(E) dated 18.7.1996 (for other than CMD) w.e.f. 1.8.1992</b>	37
I	Pay Scales (Basic Pay)	37
II	Fixation of basic pay	38
III	Dearness Allowance	38

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

<b>ITEM NO.</b>	<b>Paragraph Heading</b>	<b>Page No.</b>
IV	House Rent Allowance	39
V	City Compensatory Allowance	39
VI	Hill Station Allowance	40
VII	Kit Allowance	40
VIII	Computer Increment/Fixed Personal Allowance	40
IX	Conveyance Allowance	41
X	Special Allowance	41
	<b>NINETH SCHEDULE – S.O.168(E) dated 5.3.1998 (for CMD) w.e.f. 1.1.1996</b>	42
I	Pay Scales (Basic Pay)	42
II	Manner of fixation of basic pay	42
III	Dearness Allowance	43
IV	House Rent Allowance	43
V	City Compensatory Allowance	44
	<b>TENTH SCHEDULE – S.O.587(E) dated 22.6.2000 (for other than CMD) w.e.f. 1.8.1997</b>	44
I	Pay Scales (Basic Pay)	44
II	Fixation of basic pay	45
III	Dearness Allowance	45
IV	House Rent Allowance	46
V	City Compensatory Allowance	47
VI	Hill Station Allowance	47
VII	Kit Allowance	48
VIII	Fixed personal Allowance to employees who have received increment on account of computerisation effective from 1.11.1993	48
IX	Additional increment for computerisation/fixed personal allowance to Officers who have joined service of the Corporation or Company after 1.11.1993 but before the date of publication of this Scheme	48
X	Conveyance Allowance	49
XI	One time lumpsum payment in lieu of productivity linked lumpsum incentive (PLLI)	49
XII	Productivity linked lumpsum incentive (PLLI) Scheme	49
	<b>APPENDIX (PLLI Scheme)</b>	50
1.	PLLI would be based on wage bill of the General Insurance Industry or Company or Corporation, as the case may be, for officers as on 1.8.1997	50
2.	Eligibility	50
3.	Parameters	51

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

4.	PLLI payment scale	51
5.	Payment of PLLI	52
	<b>ELEVENTH SCHEDULE – S.O.1792(E) dated 21.12.2005 (for other than CMD) w.e.f. 1.8.2002</b>	53
I	Pay Scales (Basic Pay)	53
II	Fixation of Basic Pay and Stagnation Stages	54
III	Dearness Allowance	54
IV	House Rent Allowance	55
V	City Compensatory Allowance	56
VI	Hill Station Allowance	56
VII	Kit Allowance	56
VIII	Fixed Personal Allowance	57
IX	Transport Allowance	57
X	Paradeep Port Allowance	57
	<b>TWELFTH SCHEDULE – S.O.2742(E) dated 26.11.2008 (for CMD) w.e.f. 1.1.2006</b>	58
I	Pay Scales (Basic Pay)	58
II	Manner of fixation of Basic Pay in the revised scales of pay	58
III	Dearness Allowance	58
IV	House Rent Allowance	59
V	City Compensatory Allowance	59
VI	Transport Allowance	59
VII	Children Education Allowance	59
VIII	Other allowances not specifically included in this Schedule	59
	<b>THIRTEENTH SCHEDULE – S.O.2470(E) dated 08.10.2010 (for other than CMD) w.e.f. 01.08.2007</b>	63
I	Pay Scales (Basic Pay)	63
II	Manner of fixation of Basic Pay in the revised scales of pay	63
III	Dearness Allowance	64
IV	House Rent Allowance	64
V	City Compensatory Allowance	65
VI	Hill Station Allowance	65
VII	Kit Allowance	66
VIII	Fixed Personal Allowance	66
IX	Transport Allowance	67
X	Paradeep Port Allowance	67

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

The Principal Scheme was published vide Notification No. S.O. 521(E) dated 17.9.1975 and has been subsequently amended as under:-

<b>Sr.No.</b>	<b>Amendments Scheme (S.O. No.)</b>	<b>Date of commencement of Amendment Schemes</b>
1.	S.O. 672 (E) dated 21.11.1975	21.11.1975
2.	S.O. 389(E) dated 1.6.1976	1.6.1976
3.	S.O. 2445 dated 30.7.1977	30.7.1977
4.	S.O. 1047 dated 29.3.1978	29.3.1978
5.	S.O. 2110 dated 14.6.1978	14.6.1978
6.	S.O. 3428 dated 16.11.1978	16.11.1978
7.	S.O. 5 dated 20.12.1978	20.12.1978
8.	S.O. 770(E) dated 15.10.1985	1.10.1983
9.	S.O. 883(E) dated 9.12.1985	1.10.1983
10.	S.O. 442(E) dated 27.4.1987	1.10.1983
11.	S.O. 138(E) dated 29.1.1988	1.1.1986
12.	S.O. 782(E) dated 22.8.1988	19.5.1988
13.	S.O. 572(E) dated 25.7.1989	1.8.1987
14.	S.O. 751(E) dated 1.10.1990	1.8.1987
15.	S.O. 200(E) dated 10.3.1992	1.8.1987
16.	S.O. 81(E) dated 2.2.1994	1.3.1991
17.	S.O.592(E) dated 30.6.1995	1.11.1993
18.	S.O. 521(E) dated 18.7.1996	1.8.1992
19.	S.O. 108(E) dated 14.2.1997	1.8.1994
20.	S.O. 168(E) dated 5.3.1998	1.1.1996
21.	S.O. 729(E) dated 27.8.1998	1.7.1996
22.	S.O. 695(E) dated 30.8.1999	24.5.1994
23.	S.O. 587(E) dated 22.6.2000	1.8.1997
24.	S.O.781(E) dated 14.8.2001	1.1.1996
25.	S.O.1027 (E) dated 22.9.2004	1.4.2004
26.	S.O. 634 (E) dated 4.5.2005	1.2.2005
27.	S.O. 1792 (E) dated 21.12.2005	1.8.2002
28.	S.O. 2742 (E) dated 26.11.2008	1.1.2006
29.	S.O.2470 (E) dated 08.10.2010	1.8.2007

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

[1] **S.O. 521 (E)** - WHEREAS the Central Government is of opinion that for the more efficient carrying on of general insurance business it is necessary so to do;

\*Now, therefore, in exercise of the powers conferred by clause (g) of sub-section (1) of section 16 of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), the Central Government hereby frames the following Scheme to provide for the rationalisation of pay scales and other terms and conditions of service of Officers serving under insurers, namely:-

**1. Short title and commencement –**

- (1) This Scheme may be called the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers) Scheme, 1975.
  - (2) It shall come into force on the 1<sup>st</sup> day of October, 1975.
- 

\* Explanation:

While the Principal Scheme of 1975 was framed in terms of Section 16 (1)(g) of General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), the further amendments to the Scheme were made in terms of powers vested in Central Government under newly inserted Section 17A of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972) by Amendment Act, 1985.

A statement showing the S.O. Nos. and date of commencement of all the amendment notifications are given in the statement attached,

<sup>[1]</sup> **2. Application** - The provisions herein contained shall apply to all Officers (Other than the <sup>[2]</sup> Chairman-cum-Managing Director):

- (i) who are whole-time Officers of the Corporation or of the Company on the date of commencement of this Scheme; and
- (ii) who are appointed as such by the Corporation or the Company after the date of commencement of this Scheme,

but shall not apply to persons -

- (a) who are employed under specific contracts of employment; or
- (b) who hold part-time employment; or
- (c) whose resignation had been accepted or whose services had been terminated before the date of publication of this Scheme in the Official Gazette.

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[1] Substituted by Notification S.O.770(E) dated 15.10.1985 w.e.f. 1.10.1983.

[2] The words "Chairman and Managing Director or Chairman-cum-Managing Director" replaced with "Chairman-cum-Managing Director" vide S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**[3] Application of Amendment Scheme, 2000 notified vide S.O.587(E) dated 22<sup>nd</sup> June, 2000 :**

- (1) This Scheme may be called the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers) Amendment Scheme, 2000.
- (2) Save as otherwise provided hereinafter, the provisions of this scheme shall be deemed to have come into force from 1<sup>st</sup> day of August, 1997.

The provisions of this (Amendment) scheme shall be applicable to those officers who were in the service of the Corporation or Company as on 1.8.1997:

Provided that the Officers whose resignation had been accepted or whose services had been terminated during the period from 1.8.1997 and the date of publication of this scheme in the Official Gazette shall not be eligible for the arrears on account of revision.

**3. Definitions** - In this Scheme, unless the context otherwise requires -

- (a) "Act" means the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972);
- (b) "basic pay" means the basic pay referred to in the First Schedule, or the Second Schedule, or the Third Schedule, as the case may be;
- (c) "Board" means the Board of Directors of the Corporation;
- (d) "Chairman" means -
  - <sup>[4]</sup> (i) in relation to the Corporation, the Chairman-cum-Managing Director;
  - (ii) in relation to the Company, the Chairman-cum-Managing Director;
- (e) "Company" means the National Insurance Company Limited, the New India Assurance Company Limited, the Oriental Fire & General Insurance Company Limited or the United India Fire & General Insurance Company Limited;
- (f) "Corporation" means the General Insurance Corporation of India formed under Section 9 of the Act;
- (g) "existing insurer" means an insurer other than an Indian Insurance Company whose officers have become Officers of an Indian Insurance Company in which the undertaking of that insurer or that part of the undertaking to which the officers relate has vested under sub-section (1) of Section 7 of the Act;
- (h) "existing scale" means the scale in which pay was drawn by an Officer before the fixation of his pay in the new scale;
- (i) "gross emoluments" means the aggregate of basic pay, dearness allowance, house rent allowance, and city compensatory allowance;

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[3] Inserted vide S.O.587(E) dated 22.6.2000.

[4] The words "Chairman or the Managing Director" replaced with "Chairman-cum-Managing Director" vide S.O. 634(E) dated 4.5.2005 w.e.f. 1.2.2005

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- (j) "new scale" means the scale of pay given in the First, Second and Third Schedule;
- (k) "new terms" means -
- (i) the scale of pay and other allowances as set out in the First Schedule, in respect of an officer appointed by the Central Government as Chairman or Managing Director or Chairman-cum-Managing Director;
  - (ii) the scale of pay, dearness allowance and other allowances as set out -
    - (a) in the Second Schedule, in respect of Officers categorised as General Managers or Assistant General Managers or Managers or Deputy Managers or Assistant Managers or Administrative Officers or Assistant Administrative Officers;
    - (b) in the Third Schedule, in respect of Officers categorised as Junior Officers;
- (l) "Officer" means an employee appointed in India before the commencement of this Scheme and serving whether in India or outside India, in a position other than supervisory, clerical or subordinate position, and categorised as holding any of the posts referred to in the Schedules but does not include an employee declared as a member of the development staff by the Committee appointed by the Board;
- (m) "present gross emoluments" means the gross emoluments drawn by an officer in the existing scale, on the date opted by him under sub-paragraph <sup>[5]</sup> (2) of Paragraph 4, comprising of the present gross salary, house rent allowance, city compensatory allowance, qualification pay, <sup>[6]</sup> lunch allowance paid in cash and development allowance and includes other fixed cash allowances payable as on the 1<sup>st</sup> day of January, 1973, and any other allowance which the Board may, with the previous approval of the Central Government, determine;
- (n) "present gross salary" means the gross salary drawn by an officer in the existing scale, on the date opted by him under sub-paragraph <sup>[5]</sup> (2) of paragraph 4, comprising of the basic pay, ad hoc special pay, personal pay, deputation allowance, dearness allowance or any other allowance which is in the nature of dearness allowance, and interim relief allowance;
- <sup>[7]</sup>(na) "revised terms", in relation to Officers, other than the <sup>[9]</sup> Chairman-cum-Managing Director, means the scales of pay and allowances as specified in the <sup>[7.1]</sup> **Eleventh** Schedule; <sup>[8]</sup> and in relation to the <sup>[9]</sup> Chairman-cum-Managing Director, means the scales of pay and allowances as specified in the <sup>[7.2]</sup> **Twelfth** Schedule;

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[5] In sub-paras (m) & (n), for the word, brackets and figure "sub-paragraph (1)", the word, brackets and figure "sub-paragraph (2)" substituted vide Notification S.O. 672(E) dated 21.11.1975

[6] "hill station allowance" omitted by Notification S.O.2445(E) dated 30.07.1977.

[7] For clause (na) new clauses inserted by Notification S.O. 138(E) dated 29.01.1988 w.e.f. 1.1.1988

[7.1 & 7.2] the word "Eighth" substituted with "Eleventh" & the word "Ninth" substituted with "Twelfth" vide Notification S.O.2742(E) dated 26.11.2008

[8] Substituted vide notification dated 5.3.1998

[9] The words "Chairman, Managing Director and the Chairman-cum-Managing Director" replaced with "Chairman-cum Managing Director" vide S.O. 634(E) dated 4.5.2005 w.e.f. 1.2.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

<sup>[10]</sup>(nb) "revised scales of pay", in relation to Officers, other than the <sup>[13]</sup> Chairman-cum-Managing Director, means the revised scales of pay as specified in the <sup>[10.1]</sup> **Eleventh** Schedule; <sup>[11]</sup> and in relation to the <sup>[13]</sup> Chairman-cum-Managing Director, means the revised scales of pay and allowances as specified in the <sup>[10.2]</sup> **Twelfth** Schedule;

- (o) "Schedule" means a Schedule appended in this Scheme;
- (p) "Special pay" means an addition of the nature of pay to the emoluments of a post or of an employee in consideration of -
- (i) the specially arduous nature of duties; or
  - (ii) a specific addition to the work or responsibility.

**4. Pay and allowances of Officers :**

- (1) The scales of pay and other allowances shall be as given in the first, second or the third schedule.
- (2) Every Chairman and every officer other than the Chairman shall, within ninety days from the date of commencement of this Scheme, by notice in writing addressed to the Central Government, or, as the case may be, the Chairman, through the head of his office, specify the date from which the new terms shall be made applicable to him;

Provided that -

- (a) in the case of an Officer referred to in clause (i) of paragraph 2, the date shall be either from the 1<sup>st</sup> day of January, 1973, or any later date being a date not later than the date of the commencement of this Scheme;
  - (b) in the case of any officer referred to in clauses (ii) of that paragraph, the date shall be either the date of confirmation, or the date of absorption, of such Officer.
- (3)(a) Where the date specified by an Officer under sub-paragraph <sup>[12]</sup> (2) is a date earlier than the date of commencement of this Scheme, such Officer shall be paid for the period commencing from such date and ending with the day preceding the date of commencement of this Scheme, the difference between the new terms and the present gross emoluments;
- (b) Where any portion of leave had been encashed by such Officer during the period referred to in clause (a), such Officer shall not be required to refund any amount realised by him by way of such encashment;

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[10] For clause (nb) new clauses inserted by Notification S.O. 138(E) dated 29.01.1988 w.e.f. 1.1.1986

[10.1] & the word "Eighth" substituted with "Eleventh" &  
10.2] the word "Ninth" substituted with "Twelfth" vide Notification S.O.2742(E) dated 26.11.2008

[11] Substituted vide notification dated 5.3.1998

[12] In para (3)(a), for the word, brackets and figure "sub-paragraph (1)", the word, brackets and figure "sub-paragraph (2)" substituted by Notification S.O. 672(E) dated 21.11.1975

[13] The words "Chairman, Managing Director and the Chairman-cum-Managing Director" replaced with "Chairman-cum-Managing Director" vide S.O. 634(E) dated 4.5.2005 w.e.f. 1.2.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- (c) Where during the period referred to in clause (a), such Officer was holding a post other than the one on which he was normally employed, or was in receipt of any allowance of a transient nature, 'the present gross emoluments', which he would have drawn in the post on which he was normally employed shall alone be taken into account for the purpose of this paragraph and paragraph 6;
- <sup>[14]</sup> (4) With effect from the date of commencement of the General Insurance (Rationalisation of Pay Scales and Other conditions of Service of Officers) Amendment Scheme 1985 (hereinafter referred to as "the Amendment Scheme"), the pay and allowances of every Officer shall be in accordance with the "revised terms" and the basic pay of every Officer in service as on that date shall be fixed in revised scales of pay in accordance with the provisions of paragraph 6A;
- <sup>[14]</sup> (5) Every Officer whose basic pay is fixed in the revised scales of pay in accordance with the provisions of paragraph 6A shall be paid for the period commencing on and from the 1<sup>st</sup> day of October, 1983 or the date of his appointment, whichever is later, the difference of <sup>[15]</sup> basic pay, personal pay, dearness allowance and other allowances (after deducting the Officer's compulsory contribution to the provident fund) between the "revised terms" and the "new terms" (hereinafter referred to as "existing terms") applicable to him immediately before the date of commencement of the Amendment Scheme.

Provided that the mode, manner and time of payment of difference as aforesaid, either in cash or otherwise, shall be as may be decided by the Central Government.

Provided further that :-

- i) an Officer who had retired <sup>[16]</sup> or resigned from service after the 1<sup>st</sup> day of October, 1983 shall be paid the difference in amount as aforesaid for the period upto the date of his retirement <sup>[16]</sup> or resignation along with the difference in the amount of gratuity, if any, arising out of the Amendment Scheme; and
- ii) in the case of an officer who had died whilst in service after the 1<sup>st</sup> day of October, 1983 the difference in amounts as aforesaid for the period upto the date of his death shall be paid to the person to whom his Provident Fund was to be paid and the difference in amount of gratuity, if any, arising out of the Amendment Scheme shall be paid to the person to whom his gratuity was to be paid.

**Explanation :** For the purpose of Sub-paragraph (5), the expression 'other allowances' means house rent allowance and city compensatory allowance as admissible to an officer.

- <sup>[17]</sup> (6) With effect from 1<sup>st</sup> day of August, 1987, the pay and allowances of every Officer shall be in accordance with the Seventh Schedule.

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[14] Inserted by Notification S.O. 770(E) dated 15.10.1985.

[15] For the words "basic pay, dearness allowance" the words "basic pay, personal pay, dearness allowance" substituted by Notification S.O.883(E) dated 09.12.1985 w.e.f. 1.10.1983.

[16] The words "or resigned" & "or resignation" inserted by Notification S.O. 442(E) dated 27.04.1987.

[17] Inserted by Notification S.O. 572(E) dated 25.07.1989 w.e.f. 1.8.1987

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

Provided that the Officer may choose that his basic pay may be fixed in terms of Seventh Schedule with effect from any date which shall not be earlier than the 1<sup>st</sup> day of August, 1987 and later than the date of publication of this Scheme; in which case he shall intimate such choice in writing to the Corporation or Company within thirty days of publication of this Scheme.

Provided further that no arrears for the period prior to the date so chosen shall be payable to such Officer.

Provided also that where, as a result of the fixation of basic pay in the relevant scale of pay the basic pay of Officers at two consecutive stages secure fixation at the same stage, the date of first increment after fixation in respect of Officers who were at higher existing basic pay stage shall be the 1<sup>st</sup> day of August, 1987 and subsequent increments shall fall due on the first day of August every year.

[18] (7) The pay and allowances of every officer shall be in accordance with the Eighth Schedule, and from a date not earlier than the date mentioned below against each of the items :-

<b>Item</b>	<b>Effective Date</b>
(a) House Rent Allowance on revised Scale of Pay	01.08.1992
(b) Scale of Pay & Dearness Allowance (However, House Rent Allowance shall be payable on the basis of basic pay notionally revised from 1.8.1992).	01.04.1993
(c) City Compensatory Allowance	01.08.1993
(d) Provident Fund	01.11.1993
(e) Computer Increment/Fixed Personal Allowance	01.11.1993
(f) Conveyance Allowance	01.08.1994
(g) Gratuity based on the scales of pay as per Eighth Schedule	01.08.1994

Provided that the Officer may choose that his basic pay may be fixed in terms of the Eighth Schedule with effect from any date which shall not be earlier than the 1<sup>st</sup> day of August, 1992 and later than the date of publication of this Scheme, in which case he shall intimate such choice in writing to the Corporation or Company within thirty days of publication of this Scheme or such further period as may be allowed by the Managing Director of the Corporation or Chairman-cum-Managing Director of the Company.

Provided further that no arrears for the period prior to the date so chosen shall be payable to such officer.

Provided also that no arrears for the period from 1<sup>st</sup> day of August, 1992 to the 31<sup>st</sup> day of March, 1993 shall be payable to the Officer in respect of Basic Pay and Dearness Allowance.

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[18] Inserted by Notification S.O. 521(E) dated 18.07.1996 effective from 01.08.1992.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

- <sup>[20]</sup> (8) (With effect from 1.8.1997) The pay and allowances of every officer shall be in accordance with the Tenth Schedule :

Provided that the Officer may choose that his Basic Pay may be fixed in terms of the Tenth Schedule with effect from any date not earlier than the date on which the said scheme comes into force and not later than the date of publication of this scheme in the Official Gazette, in which case he shall intimate such choice in writing to the Corporation or Company within such period as may be prescribed by the Managing Director of the Corporation or Chairman-cum-Managing Director of the Company:

Provided further that no arrears for the period prior to the date chosen shall be payable to such officer.

- <sup>[20.1]</sup> (9) With effect from the 1<sup>st</sup> day of August, 2002, the pay and allowances of every officer shall be in accordance with the Eleventh Schedule appended to this Scheme :

Provided that the officer may choose that his basic pay may be fixed in terms of the Eleventh Schedule with effect from any date not earlier than the date on which the said Scheme comes into force and not later than the date of publication of this Scheme, in which case he shall intimate such choice in writing to the Corporation or Company within such period as may be prescribed by the Chairman-cum-Managing Director of the Corporation or Company, as the case may be:

Provided further that no arrears for the period prior to the date so chosen shall be payable to such officer.

## **5. Categorisation of certain Officers -**

- (1) If any Officers have not been categorised so far, the Committee appointed by the Head shall within 2 months from the date of commencement of this Scheme complete assessment of the suitability of such Officers, being categorised as Assistant Administrative Officers within the authorised cadre strength and categorise <sup>[19]</sup> such Officers as Assistant Administrative Officers;
- (2) Where an Officer is not categorised as Assistant Administrative Officer under sub-paragraph (1), he shall be categorised as Junior Officer.
- <sup>[20.2]</sup> (3) With effect from the date of publication of this Scheme, officers in the Corporation or Company hitherto categorized as shown in column (b) of the Table below shall be re-categorized respectively as shown in column (c) of the Table given below :-

[19] In sub-paragraph (1) for the word "categorise and such officers", the word "categorise such officers" shall be substituted by Notification S.O. 672(E) dated 21.11.1975.

[20] In paragraph 4, after sub-paragraph (7), sub-paragraph (8) inserted vide S.O. 587(E) dated 22.6.2000 w.e.f. 1.8.1997.

[20.1] In paragraph 4, after sub-paragraph (8), sub-paragraph (9) inserted vide Notification S.O.1792(E) dated 21.12.2005 w.e.f. 1.8.2002.

[20.2] In paragraph 5, after sub-paragraph (2), sub-paragraph (3) inserted vide Notification S.O.1792(E) dated 21.12.2005 w.e.f. 1.8.2002.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**TABLE**

<b>Sl.No.</b>	<b>Hitherto categorized as</b>	<b>Re-categorized as</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	General Manager	Scale VII
2	Assistant General Manager	Scale VI
3	Manager	Scale V
4	Deputy Manager	Scale IV
5	Assistant Manager	Scale III
6	Administrative Officer	Scale II
7	Assistant Administrative Officer	Scale I

Provided that the Board of the Corporation or Company, having regard to the nature of duties and functions performed by officers of various Scales posted in the offices of different denominations of the Corporation or Company, may prescribe suitable designations to them so as to appropriately reflect their nature of duties and functions.

**6. Method of fixation -**

- (1) The pay of every officer relating to the category in which he is initially placed shall be fixed in the new scale at a stage at which the total of the basic pay and dearness allowance admissible at that pay is equivalent to the total of the present gross salary drawn by such Officer on the date of fixation plus an amount of Rs. 50/- and if the amount so determined is not equivalent to the stage in the relevant scale, at the stage next above in the said relevant scale;
- (2) If in determining the basic pay of an Officer under sub-paragraph (1), the amount exceeds the maximum of the scale of pay, the pay shall be fixed at the maximum, or if the amount is less than the minimum of the scale of pay, the pay shall be fixed at the minimum;
- (3)(a) Where in respect of an Officer, the gross emoluments determined as on the date of fixation are less than the present gross emoluments, he shall be paid as personal pay the lowest of the three alternatives specified below, namely :-
  - i) the amount by which his present gross emoluments exceed the gross emoluments so determined; or
  - ii) the amount by which the sum of Rs. 4,000 exceeds the gross emoluments so determined; or
  - iii) the amount of maximum personal pay for the appropriate category as specified in Item IV of the First Schedule or Item V of the Second Schedule or Item V of the Third Schedule.
- (b) The personal pay shall not be reduced as and when increases in basic pay are granted after the date of fixation, but shall be subject to the condition that the total of basic pay, dearness allowance, house rent allowance, city compensatory allowance and personal pay of such an officer shall, at no stage, exceed Rs.4,000 per month. The personal pay shall be appropriately reduced, where necessary, to keep such total emoluments not to exceed Rs.4,000 per month.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

<sup>[22]</sup> **6A. Fixation of basic pay in the revised scale of pay :-**

- (1) The basic pay of every officer in service as on the 30<sup>th</sup> day of September, 1983, shall be fixed at a corresponding stage in the relevant revised scale of pay with effect from the 1<sup>st</sup> day of October, 1983, as specified in the Fifth Schedule.

Provided that where an annual increment is due to such an Officer on the 1<sup>st</sup> day of October, 1983, he shall be granted such an increment in the revised scale of pay immediately after such fixation of basic pay;

Provided further that where the basic pay of such an Officer is fixed at the maximum of the relevant scale of pay, no such increment shall be granted.

- (2) The basic pay of every officer appointed on or after the 1<sup>st</sup> day of October, 1983, but before the publication of the Amendment Scheme in the official Gazette, shall be fixed at a corresponding stage in the relevant revised scale of pay, as specified in the Fifth Schedule, with effect from the date of his appointment.
- (3)(a) Notwithstanding anything contained in sub-paragraphs (1) and (2), an officer may choose that his basic pay shall be fixed in the revised scale of pay with effect from the date of publication of the Amendment Scheme in the Official Gazette in which case he shall intimate this fact in writing to the Corporation or the Company within 30 days of such publication of the Amendment Scheme or such further period as may be allowed by the <sup>[23]</sup> Chairman-cum-Managing Director of the Corporation or the Chairman-cum-Managing Director of the Company.
- <sup>[21]</sup>(aa) Notwithstanding anything contained in sub-paragraphs (1) and (2), the Officer who had resigned from service after the 1st day of October 1983 may choose that his basic pay shall be fixed in the revised scales of pay with effect from the date of resignation in which case he shall intimate this fact in writing to the Corporation or Company within 30 days of publication of the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers) Amendment Scheme, 1987 or within such further period as may be allowed by the <sup>[23]</sup> Chairman-cum-Managing Director of the Corporation or the Chairman-cum-Managing Director of the Company.
- (b) Where the officer opts for the fixation of his basic pay from the date of such publication of the Amendment Scheme, such fixation in the "revised terms" shall be effected on the basis of his basic pay under the "existing terms" on the date immediately prior to the date of such publication of the Amendment Scheme and no arrears for the period prior to the date of such publication of the Amendment Scheme will be payable to him;

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[21] Clause (aa) inserted by Notification S.O.442 (E) dated 27.4.1987 w.e.f. 1.10.83

[22] Inserted by Notification S.O. 770(E) dated 15.10.1985

[23] The words "Chairman, Managing Director and the Chairman-cum-Managing Director" replaced with "Chairman-cum-Managing Director" vide Notification S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

Provided that where, as a result of the fixation of basic pay in the relevant revised scale of pay the basic pay of the officer at two or more consecutive stages in the relevant scale of pay under the "existing terms" secures fixation at the same stage in the relevant revised scale of pay, the <sup>[29]</sup>Chairman-cum-Managing Director of the Corporation may provide appropriate relief by granting an additional increment earlier than the date of his normal grade increment, to the officer who is at the higher stage in the pay scale under the existing terms.

<sup>[24]</sup>**6B. Fixation of basic pay of the Chairman, Managing Director and the Chairman-cum-Managing Director in the revised scales of pay -**

Notwithstanding anything contained in sub-paragraph (4) and (5) of paragraph 4 or paragraph 6A, the basic pay of the Chairman, Managing Director and the Chairman-cum-Managing Director shall be fixed in the manner specified in the Sixth Schedule.

<sup>[27]</sup> Provided that with effect from 1<sup>st</sup> January, 1996, the basic pay of Chairman, Managing Director and the Chairman-cum-Managing Director shall be fixed in the manner specified in the Ninth Schedule.

<sup>[28]</sup> Provided further that w.e.f. 1.4.2004, Dearness Allowance equal to 50% of basic pay shall be merged with the basic pay of the Chairman or Managing Director, as the case may be, and shown distinctly as Dearness Pay.

<sup>[28.1]</sup> **“Provided also that with effect from 1<sup>st</sup> January, 2006, the basic pay of the Chairman-cum-Managing Director shall be fixed in the manner specified in the Twelfth Schedule”.**

Note: The Dearness Pay shall be counted for the purposes like payment of allowances, transfer grant, retirement benefits, contribution to general provident fund, licence fee, monthly contribution for Central Govt. Health Scheme, various advances, etc. However, the entitlements for Leave Travel Concession, Travelling Allowance or Daily Allowance while on tour and transfer and Govt. accommodation shall continue to be governed on the basis of the basic pay alone without taking into account the Dearness Pay.

<sup>[25]</sup> **6C. The other conditions of service: -**

The other terms and conditions of service specified in paragraphs 9, 10 and 11 as amended from time to time, shall apply in relation to the Chairman-cum-Managing Director with effect from the 1<sup>st</sup> day of January, 2006.”

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[24] Paragraph 6B inserted by Notification S.O. 138(E) dated 29.1.1988 w.e.f. 1.1.1986

[25] Paragraph 6C inserted by Notification S.O. 138(E) dated 29.01.1988 and further substituted vide S.O.2742(E) dated 26.11.2008, w.e.f. 1.1.2006.

[27] Inserted/substituted by Notification S.O. 168(E) dated 5.3.1998 w.e.f. 1.1.1996

[28] Inserted by Notification S.O.1027(E) dated 22.9.2004 w.e.f. 1.4.2004

[28.1] Inserted by Notification S.O.2742(E) dated 26.11.2008 w.e.f. 1.1.2006

[29] The words "Chairman, Managing Director and the Chairman-cum-Managing Director" replaced with "Chairman-cum-Managing Director" vide Notification S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**[30] 7. Fixation of pay on promotion :-**

Where an Officer whose pay has been fixed under the Amendment Scheme had been promoted before its publication in the official Gazette or is promoted after "such publication" to a higher post and his basic pay in such higher post is the same as the basic pay in the post held by him before promotion, the basic pay in "such higher" post shall be fixed at the next higher stage in the relevant revised scale of pay:

Provided that where the basic pay in the said higher post is different from the basic pay in the post held by him before promotion, the basic pay in the said higher post shall be fixed at a stage higher than the next higher stage in the relevant revised scale.

**[31] 8. Increments :-**

An increment to an Officer in the scale of pay applicable to him shall be due every year on the 1<sup>st</sup> day of the month in which the last increment was drawn or on the 1<sup>st</sup> day of the month in which he completes twelve months of continuous service.

Provided that no such increment shall be granted if the concerned Officer has reached the maximum of the scale of pay applicable to him.

Explanation :- For the purposes of this paragraph, "twelve months of continuous service" means a period of duty equal to twelve months excluding period of extraordinary leave.

**[32] 8A. Subject to the work record being found satisfactory,**

- a) an Officer in Scale I, who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an additional increment (called 'Stagnation Increment') equal to the last increment drawn by him in the scale of pay subject to a maximum of two such increments:

Provided that an officer, who has already been granted, as on the 31<sup>st</sup> day of July, 2002, one Stagnation Increment in the scale of pay as per the Tenth Schedule, his basic pay in the relevant scale of pay as per the Eleventh Schedule shall be fixed at the corresponding one stage above the maximum of the scale of pay as per Table B, in Item II of the Eleventh Schedule:

Provided further that the second Stagnation Increment shall be granted to an officer, after the completion of three years from the date of receipt of first Stagnation Increment or, from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later;

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[30] Substituted by Notification S.O.770(E) dated 15.10.1985 effective 1.10.1983.

[31] Paragraph 8 substituted by Notification S.O. 770(E) dated 15.10.1985

[32] Paragraph 8A inserted vide Notification S.O.572(E) dated 25.07.1989 w.e.f. 1.8.1987, substituted vide Notification S.O.587(E) dated 22.6.2000, and further substituted vide Notification S.O.1792(E) dated 21.12.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- b) an Officer in Scale II, who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an additional increment (called 'Stagnation Increment') equal to the last increment drawn by him in the scale of pay, subject to the maximum of four such increments:

Provided that no officer, who has already been granted, as on the 31<sup>st</sup> day of July, 2002, one, or two, or three Stagnation Increment or Increments in the scale of pay as per the Tenth Schedule, his basic pay in the relevant scale of pay as per the Eleventh Schedule shall be fixed at the corresponding one, or two, or three stage or stages above the maximum of the scale of pay as per Table B, in Item II of the Eleventh Schedule:

Provided further that the fourth Stagnation Increment shall be granted to an officer, after the completion of three years from the date of receipt of the third stagnation increment or, from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later;

- c) an Officer in Scale III, who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an additional increment (called 'Stagnation Increment') equal to the last increment drawn by him in the scale of pay, subject to the maximum of two such increments:

Provided that an officer, who has already been granted, as on the 31<sup>st</sup> day of July, 2002, one Stagnation Increment in the scale of pay as per the Tenth Schedule, his basic pay in the relevant scale of pay as per the Eleventh Schedule shall be fixed at the corresponding one stage above the maximum of the scale of pay as per Table B, in Item II of the Eleventh Schedule:

Provided further that the second Stagnation Increment shall be granted to an officer, after the completion of three years from the date of receipt of the first Stagnation Increment or, from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later.

Explanation : For the purpose of this paragraph, 'service' means the period of duty excluding period or periods of extraordinary leave.

**9. Provident Fund :-**

<sup>[35]</sup> Contribution to the Provident Fund shall be made –

- (i) at 10% of basic pay plus personal pay, if any, in case of every officer other than the <sup>[36]</sup> Chairman-cum-Managing Director;
- (ii) at 10% of basic pay plus personal pay, if any, and Dearness Pay, in case of the <sup>[36]</sup> Chairman-cum-Managing Director,

with an equal contribution by the Corporation or the Company, as the case may be.

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[35] Original paragraph substituted vide Notification S.O. 1027(E) dated 22.9.2004.

[36] The words "Chairman-cum-Managing Director" replaced vide S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

[33] Provided that the Corporation or a Company shall not contribute to the Provident Fund every month an amount of its contribution specified in this paragraph in respect of each such officer who,

- (a) opts for pension under the General Insurance (Employees') Pension Scheme, 1995; or
- (b) joins the service of the Corporation or the Company on or after 28.6.1995;

Provided further that the trustees of the Provident Fund of the Corporation or a Company, as the case may be, shall transfer, within six months after the publication of this Scheme, the accumulated balance of the Corporation's contribution or a Company's contribution, as the case may be, together with the interest accrued thereon in respect of each such officer who opts for pension under the General Insurance (Employees') Pension Scheme, 1995, to the respective Fund specified under column (2) in the Table in sub-paragraph (1) in paragraph 5 of the General Insurance (Employees') Pension Scheme, 1995.

[34] Explanation - For the purposes of this paragraph the expression "basic pay plus personal pay, if any" shall be computed :

- (i) for the period commencing on 1<sup>st</sup> day of August, 1992 and ending with 31<sup>st</sup> day of October, 1993 as per Seventh Schedule; and
- (ii) for the period commencing on 1<sup>st</sup> day of November, 1993 as per Eighth Schedule.

[37](iii) (a) in the case of [38] Chairman-cum-Managing Director of the Corporation and Chairman-cum-Managing Director of the Company, for the period commencing on 1<sup>st</sup> day of January, 1996, as per Ninth Schedule.

[37.2] (aa) **In the case of Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Director of the Company, as the case may be, for the period commencing on the 1<sup>st</sup> day of January, 2006, as per the Twelfth Schedule."**

(b) in the case of officers other than [38] Chairman-cum-Managing Director of the Corporation and Chairman-cum-Managing Director of the Company, for the period commencing on 1<sup>st</sup> day of August, 1997, as per Tenth Schedule.

[37.1] (bb) In the case of officers other than the Chairman-cum-Managing Director, for the period commencing on the 1<sup>st</sup> day of August, 2002, as per Eleventh Schedule.

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[33] Proviso added by S.O. 592(E) dated 30.06.1995

[34] Inserted by Notification S.O. 521(E) dated 18.7.1996.

[37] In paragraph 9, in the Explanation, after sub-clause (ii), sub-clause (iii) is inserted vide S.O. 587(E) dated 22.6.2000.

[37.1] In paragraph 9, in the Explanation, after sub-clause (b), sub-clause (bb) inserted vide S.O.1792(E) dated 21.12.2005.

[37.2] **In paragraph 9, in the Explanation, in clause (iii), after sub-clause (a), sub-clause (aa) inserted vide S.O. No.2742(E) dated 26.11.2008.**

[38] The words "Chairman-cum-Managing Director of the Corporation" replaced vide S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**10. Payment of Gratuity :-**

(1)(a) Gratuity shall be payable to an officer on the termination of his employment after he has rendered to the Corporation or the Company, or to both, continuous service (including continuous service with the insurer or the previous employer in whose service the officer was working on the 31<sup>st</sup> day of December, 1972) for not less than five years -

- (i) on his superannuation; or
- (ii) on his retirement or resignation; or
- (iii) on his death or disablement due to accident or diseases; or
- (iv) on termination of his service by the Corporation, or the Company; or
- (v) on his services being dispensed with owing to reduction of staff or reorganisation of establishment;

Provided that the completion of continuous service of five years shall not be necessary where the termination of the employment of any Officer is due to death or disablement.

Explanation :- For the purposes of this paragraph "disablement" means such disablement as incapacitates an employee for the work which he was capable of performing before the accident or disease resulting in such disablement.

(b) For every completed year of service or part thereof in excess of six months, the Officer shall be paid gratuity at the rates specified below, namely :-

<b>Number of completed years of service</b>	<b>Rate of gratuity for each completed year of service</b>
From 5 years to 11 years	50% of the basic pay last drawn.
12 years	60% of the basic pay last drawn.
13 years	70% of the basic pay last drawn.
14 years	80% of the basic pay last drawn.
15 years or more	100% of the basic pay last drawn

Provided that where an employee to whom the General Insurance (Rationalisation and Revision of Pay Scales and other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Scheme, 1974, applies is promoted as an Officer on or after the 1<sup>st</sup> day of January, 1973, he shall not be paid gratuity at a sum less than that admissible to him under the said Scheme.

<sup>[39]</sup>(bb) Notwithstanding anything contained in clause (a) relating to qualifying period of five years for admissibility of gratuity and Clause (b), gratuity shall be payable to every Officer who has been in continuous service of the Corporation or the Company, or both for not less than fifteen years, for each completed year of service or part thereof in excess of six months, at the rate of one month's basic pay, subject to a maximum of 15 months basic pay for service upto 30 years, and for service over 30 years, an additional gratuity shall be payable at the rate of half a month's basic pay for each completed year of service or part thereof in excess of six months.

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[39] Inserted by Notification S.O. 770(E) dated 15.10.1985 w.e.f. 1.10.1983

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

Provided that where an employee to whom the General Insurance (Rationalisation and Revision of Pay Scales and Other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Scheme, 1974, applies is promoted as an officer on or after 1<sup>st</sup> day of January, 1973, he shall not be paid gratuity at a sum less than that admissible to him under the above Scheme.

[40] Provided further that the amount of gratuity payable to an officer shall be as determined in accordance with the above provisions or as calculated under the Payment of Gratuity Act, 1972 (39 of 1972), whichever is more favourable to him.

[41] (c) Notwithstanding the terms of any contract, agreement or letter of appointment, where any [43] Chairman-cum-Managing Director of the Corporation or the Chairman-cum-Managing Director of a Company, was an employee of the Corporation or the Company, immediately preceding his appointment to the post of [43] Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Director of the Company, as the case may be, then such a [43] Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Director of the Company shall be paid the gratuity which shall not be less than the amount which he would have been entitled to, had he continued in the scale of pay of General Manager, when the gratuity becomes due and payable to him.

[42] Provided that gratuity to [43] Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Director of the Company who was in service on or after 1<sup>st</sup> January 1996, shall be payable in accordance with the provisions contained in the Central Civil Services (Pension) Rules, 1972 as applicable to Central Government servants and in accordance with the instructions issued thereunder by the Central Government from time to time:

Provided further that the above proviso shall not apply in case of :

(i) [43] Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Director of the Company who is governed by the General Insurance (Employees') Pension Scheme, 1995 and has retired on or after 1.1.1996 but before the date of publication of this Scheme in the Official Gazette or the family in the event of death of such [43] Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Director of the Company, who exercise an option not to be governed by the provisions of paragraph 54 B of the General Insurance (Employees') Pension Scheme, 1995, within 90 days of the publication of the General Insurance (Employees') Pension (Amendment) Scheme, 2001 in the official gazette,

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[40] Proviso inserted vide Notification S.O. 695(E) dated 30.8.1999 w.e.f. 24.5.1994.

[41] Sub-paragraph (c) inserted vide Notification S.O. 108(E) dated 14.2.1997.

[42] Provisos inserted vide S.O.781 (E) dated 14.8.2001

[43] The words "Chairman-cum-Managing Director of the Corporation" replaced vide S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- (ii) <sup>[46]</sup> Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Director of the Company who is not governed by the General Insurance (Employees') Pension Scheme, 1995.

<sup>[45]</sup> (2) deleted.

<sup>[45]</sup> (3) deleted.

- (4) Notwithstanding anything stated above the amount of gratuity payable under this paragraph shall in no case be less than that to which the officer had become entitled <sup>[44]</sup> under the conditions of service applicable to him and in force till the date on which the new terms are made applicable to him.

- (5) Subject to any lien the Corporation or the Company may have on the amount of gratuity admissible to an Officer, the Corporation or the Company, as the case may be, shall pay the Officer or his nominee or nominees or if no nomination is made or is subsisting, his heirs, the amount of gratuity admissible under this paragraph.

- (6) Notwithstanding anything contained in the foregoing sub-paragraphs -

(a) where the penalty of dismissal is imposed on an Officer :-

- (i) who has been convicted of an offence, committed in the course of his employment and which offence, in the opinion of the Corporation or the Company, as the case may be, involves moral turpitude, or
- (ii) for any act involving violence against the management or other Officers or employees, or any riotous or disorderly behaviour in or near the place of employment, the gratuity payable to him shall stand wholly forfeited; and

(b) where the penalty of compulsory retirement, removal from service or dismissal is imposed on an Officer for any act involving the Corporation or the Company, or both, in financial loss, the gratuity payable to him shall stand forfeited to the extent of such loss.

<sup>[51]</sup> Explanation : Omitted

**11. Protection of accrued pension :-**

- (1) Nothing contained in this Scheme shall affect the payment of any pension including family pension or superannuation benefits accrued to any Officer in accordance with the pension or superannuation Scheme as in force <sup>[47]</sup> on the date on which the new terms are made applicable to him.

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[44] For the words, figures and letters "as on the 31st December under the conditions of service applicable to him and in force immediately before the 1<sup>st</sup> day of January, 1973" the words "under the conditions of service applicable to him and in force till the date on which the new terms are made applicable to him" substituted by Notification S.O. 389(E) dated 01.06.1976

[45] Sub-paragraph (2) & (3) deleted vide Notification S.O. 770(E) dated 15.10.1985

[46] The words "Chairman-cum-Managing Director of the Corporation" replaced vide S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005

[47] For the words, figures and letters "before the 1st day of January, 1973", the words "on the date on which the new terms are made applicable to him" substituted by Notification S.O. 389(E) dated 01.06.1976

[51] Inserted by Notification S.O. 521(E) dated 18.07.1996 and omitted by S.O.587(E) dated 22.6.2000

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- [48](2) (a) The amount payable under sub-paragraph (1) shall be determined on the pay in the existing scale drawn on the date on which the new terms are made applicable to him and on the basis of the number of years of the continuous service rendered as if he had retired on the date on which the new terms are made applicable to him.

[50] Explanation :- The term "Salary" referred to in sub-paragraph 2(a) above shall include all those components of pay as are taken for computation of pension in terms of the provisions in the concerned pension scheme of the erstwhile unit Company.

- (b) The amount determined under clause (a) shall be payable to the Officer on his retirement or on his ceasing to be in service, pension to commence with effect from the date from which it would have ordinarily commenced in accordance with the relevant pension or superannuation scheme.

**12. Transfers :-**

The Chairman-cum-Managing Director of a Company [49] or any other Officer authorised in this behalf by the Chairman-cum-Managing Director may at any time transfer any Officer from one department of the Company to another Department of that Company or from one Office of the Company to another office of that Company in the same place or any other place.

- (\*) *The Chairman-cum-Managing Director of the Corporation [49] or any other Officer authorised in this behalf by the Chairman-cum-Managing Director may at any time transfer any Officer from one department of the Corporation to another Department of the Corporation or from one Office of the Corporation to another office of the Corporation in the same place or any other place.*

**13. [53] Deleted.**

**14. Interpretation :-**

Where any doubt or difficulty arises as to the interpretation of any of the provisions of this Scheme, it shall be referred to [52] the Central Government for its decision.

**15. Power to relax :-**

Where the Board is satisfied that the operation of any of the provisions of the Scheme will cause undue hardship in any particular case, it may, by order and for reasons to be recorded in writing, dispense with or relax the requirements of that provision to such extent and subject to such exceptions and conditions as it may consider necessary for dealing with the case in a just and equitable manner.

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[48] Paragraph 2(a) substituted by Notification S.O.389(E) dated 01.06.1976

[49] After the words "Chairman-cum-Managing Director of a Company" the words "or any other officer authorised in this behalf by the Chairman-cum-Managing Director" inserted by Notification S.O. 2445 dated 30.07.1977.

(\*) In view of the delinking of GIC from the four public sector gen. ins. companies vide GIB(N) Amendment Act, 2002, and in view of the Notification S.O.634(E) dated 4.5.2005. For Administrative convenience, the term "Chairman-cum-Managing Director of the Company" replaced with the term "Chairman-cum-Managing Director of the Corporation" w.e.f. 1.2.2005 in the separate paragraph. (The separate paragraph is not notified.)

[50] After sub-paragraph 2(a) of paragraph 11, Explanation added by Notification S.O.3428 dated 16.11.1978

[52] For the words "the Central Government for decision and the decision of the Central Government thereon shall be binding on the person concerned" the word "the Central Government for its decision" substituted by Notification S.O. 2445 dated 30.07.1977.

[53] Para 13 deleted by Notification S.O. 770(E) dated 15.10.1985 w.e.f. 1.10.1983.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**16. Other benefits :-**

No Officer shall be entitled to any benefit not arising out of this Scheme, or any Scheme which may be framed by the Corporation or a Company.

**17. Overriding effect :-**

The provisions of this Scheme shall have effect notwithstanding anything to the contrary contained in any terms of appointment, agreement, award or other instrument for the time being in force.

**FIRST SCHEDULE  
(See Paragraph 3 and 6)**

**I. Pay Scales (Basic Pay) -**

- (1) Chairman  
Rs. 3500-125-4000.
- (2) Managing Director or Chairman-cum-Managing Director.  
Rs. 3000-125-3500.

**II. <sup>[54]</sup> House Rent Allowance -**

Rs. 350/- per month.

<sup>[54]</sup> **NOTE** : Any Officer who desires to be governed by the above rates till the commencement of the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers) Fourth Amendment Scheme, 1978, may opt for the said rates of House Rent Allowance with effect from the 1st day of April, 1977 and such option shall be exercised within two months from the date of publication of this Notification in the official gazette.

**III. City Compensatory Allowance -**

Rs. 75/- per month.

**IV. Maximum Personal Pay -**

Rs. 700 per month.

**SECOND SCHEDULE  
(See Paragraphs 4, 6 and 13)**

**I. Pay Scales (Basic Pay) -**

- (1) General Manager  
Rs. 2500-125-3000.
- (2) Assistant General Manager  
Rs. 2000-125-2500.

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[54] In the First Schedule under the heading "House Rent Allowance" Rs.350/- substituted in place of Rs.300/- per month and Note inserted by Notification S.O. 5 dated 20.12.1978

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

- (3) Manager  
Rs. 1600-100-2000-125-2250.
- (4) Deputy Manager  
Rs. 1250-50-1300-75-1600-100-2000.
- (5) Assistant Manager  
Rs. 1000-50-1300-75-1675.
- (6) Administrative Officer  
Rs. 770-40-1050-50-1300.
- (7) Assistant Administrative Officer  
Rs. 530-40-1050.

**II. Dearness Allowance -**

The Dearness allowance payable to an officer under this Schedule shall be as given in the Table below.

**THE TABLE**

[55] Dearness Allowance payable during the period from : (in rupees)

Basic pay (1)	1.1.73 to 31.1.73 (2)	1.2.73 to 31.7.73 (3)	1.8.73 to 31.10.73 (4)	1.11.73 to 31.1.74 (5)	1.2.74 to 30.4.74 (6)	1.5.74 to 31.7.74 (7)	1.8.74 onwards (8)
530	340	370	430	490	550	580	670
570	350	380	440	500	560	590	680
610	390	430	510	590	670	710	830
650	390	430	510	590	670	710	830
690	400	440	520	600	680	720	840
730	420	460	540	620	700	740	860
770	410	450	530	610	690	730	850
810	370	450	490	610	690	730	850
850	370	450	490	610	690	730	850
890	370	450	490	610	690	730	850
930	355	435	475	595	675	715	835
970	355	435	475	595	675	715	835
1000	355	435	475	595	675	715	835
1010	340	420	460	580	660	700	820
1050	340	420	460	580	660	700	820
1100	340	420	460	580	660	700	820
1150	325	405	445	565	645	685	805
1200	325	405	445	565	645	685	805
1250	310	390	430	550	630	670	790
1300	310	340	430	550	580	670	790
1375	285	285	405	525	525	645	765
1450	275	275	395	515	515	635	755
1525	275	275	395	515	515	635	755
1600	275	275	395	515	515	635	755
1675	230	230	350	470	470	590	710
1700	190	190	285	405	405	525	645
1800	190	190	190	305	305	425	545
1900	150	150	150	165	165	285	405
2000	150	150	150	150	150	185	305
2125	100	100	100	100	100	100	130
2250	100	100	100	100	100	100	100
over 2250	NIL	NIL	NIL	NIL	NIL	NIL	NIL

[55] Substituted by Notification S.O. 672(E) dated 21.11.1975

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**III. <sup>[56]</sup> House Rent Allowance -**

The House Rent Allowance shall be payable at the rate of 15% of basic pay per month subject to a minimum of Rs.75/-per month and a maximum of Rs. 350/- per month.

**NOTE :** Any Officer who desires to be governed by the above rates till the commencement of the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers) Second Amendment Scheme, 1978, may opt for the said rates of House Rent Allowance with effect from the 1<sup>st</sup> April, 1977 and such option shall be exercised within two months from the date of publication of this Notification in the Official Gazette.

**IV. City Compensatory Allowance -**

The City Compensatory Allowance shall be payable at the following rates :

<u>For all Officers posted to Offices stationed at</u>	<u>Rate of City Compensatory Allowance</u>
(a) Bombay, Calcutta, Hyderabad, Madras, New Delhi and <sup>[57]</sup> Faridabad.	8% of basic pay subject to a maximum of Rs. 75/- per month
(b) i) Ahmedabad, Bangalore.	Effective from 1.1.73. 6% of basic pay subject to a maximum of Rs. 50/- per month Effective during the period from 1.1.73 to 31.10.73
ii) Ahmedabad, Bangalore and Kalyani (Calcutta).	8% of basic pay subject to a maximum of Rs. 75/- per month. Effective from 1.11.73.
(c) Kanpur, Lucknow, Nagpur and Poona.	6% of basic pay subject to a maximum of Rs.50/- per month. Effective from 1.1.73.
(d) Agra, Allahabad, Amritsar, Baroda, Cochin, Coimbatore, Indore, Jabalpur, Jaipur, Madurai, Patna, Sholapur, Srinagar, Surat, Trivandrum, Varanasi.	Rs.10/- upto a basic pay of Rs.740/-. Effective from 1.1.73.
(e) Dhanbad, Gwalior, Jamshedpur, Ludhiana, Salem, Sindri, Tiruchirapalli.	Rs.10/- upto a basic pay of Rs. 740/- Effective from 1.11.73.
<sup>[58]</sup> (f) Bhopal	Rs.10/- upto a basic pay of Rs. 740/-. Effective from _____.

[56] Substituted by Notification S.O. 2110 dated 14.06.1978.

[57] For the words "and New Delhi" the words "New Delhi and Faridabad" substituted by Notification S.O. 1047(E) dated 29.03.1978

[58] After entry (e), entry (f) added vide Notification S.O. 1047(E) dated 29.03.1978.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**V. Maximum Personal Pay -**

The personal pay referred to in sub-clause (iii) of clause (a) of sub-paragraph (3) of paragraph 6 shall be limited to a maximum amount as under :-

<u>Category of Officers</u>	<u>Maximum Personal Pay</u>
(a) General Manager	Rs. 700 per month
(b) Assistant General Manager	Rs. 700 per month.
(c) Manager	Rs. 500 per month.
(d) Deputy Manager	Rs. 500 per month
(e) Assistant Manager	Rs. 500 per month.
(f) Administrative Officer	Rs. 300 per month.
(g) Assistant Administrative Officer	Rs. 300 per month.

<sup>[59]</sup> **THIRD SCHEDULE**  
(See Paragraphs 3, 6 & 13)

**I. Pay Scales (Basic Pay) -**

Junior Officers - Rs. 460-35-530-40-890.

**II. <sup>[59]</sup> Dearness Allowance -**

The Dearness Allowance payable under this Schedule shall be as given in the Table below :-

**THE TABLE**

Dearness Allowance payable during the period from \_\_\_\_\_ (in rupees)

Basic Pay	1.1.73 to 31.1.73	1.2.73 to 31.7.73	1.8.73 to 31.10.73	1.11.73 to 31.1.74	1.2.74 to 30.4.74	1.5.74 to 31.7.74	1.8.74 to 31.10.74
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
460	295	321	373	425	477	503	582
495	318	346	402	458	514	542	626
530	340	370	430	490	550	580	670
570	350	380	440	500	560	590	680
610	390	430	510	590	670	710	830
650	390	430	510	590	670	710	830
690	400	440	520	600	680	720	840
730	420	460	540	620	700	740	860
770	410	450	530	610	690	730	850
810	370	450	490	610	690	730	850
850	370	450	490	610	690	730	850
890	370	450	490	610	690	730	850

Provided, however, that the maximum house rent allowance payable to any Officers shall not exceed Rs.300/-per month.

[59] Substituted by Notification S.O. 672(E) dated 21.11.1975

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**III. [60] House Rent Allowance -**

The House Rent Allowance shall be payable at the rate of 15 per cent of basic pay per month subject to a minimum of Rs. 75/- per month and a maximum of Rs. 350/- per month.

[60] **NOTE** : Any Officer who desires to be governed by the above rates till the commencement of the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers) Second amendment Scheme, 1978, may opt for the said rates of House Rent Allowance with effect from the 1<sup>st</sup> April, 1977 and such option shall be exercised within two months from the date of publication of this Notification in the Official Gazette.

**IV. City Compensatory Allowance -**

The City Compensatory Allowance shall be payable at the following rates :-

<b>For all Officers posted to Offices stationed at</b>	<b>Rate of City Compensatory Allowance</b>
(a) Bombay, Calcutta, Hyderabad, Madras, New Delhi.	8% of basic pay subject to a maximum of Rs. 75/- per month. Effective from 1.1.73.
(b) i) Ahmedabad, Bangalore.  ii) Ahmedabad, Bangalore and Kalyani (Calcutta).	6% of basic pay subject to a maximum of Rs. 50/- per month. Effective during the period from 1.1.73 to 31.10.73  8% of basic pay subject to a maximum of Rs. 75/- per month. Effective from 1.11.73.
(c) Kanpur, Lucknow, Nagpur and Poona.	6% of basic pay subject to a maximum of Rs.50/- per month. Effective from 1.1.73.
(d) Agra, Allahabad, Amritsar, Baroda, Cochin, Coimbatore, Indore, Jabalpur, Jaipur, Madurai, Patna, Sholapur, Srinagar, Surat, Trivandrum, Varanasi.	Rs.10/- upto a basic pay of Rs.740/-. Effective from 1.1.73.
(e) Dhanbad, Gwalior, Jamshedpur, Ludhiana, Salem, Sindri, Tiruchirapalli.	Rs.10/- upto a basic pay of Rs. 740/- Effective from 1.11.73.

[60] In the Second Schedule and the Third Schedule, the heading "III - House Rent Allowance and the entries thereunder" substituted by "III. House Rent Allowance", and Note inserted by Notification S.O. 2110(E) dated 14.06.1978

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**V. Maximum Personal Pay -**

The personal pay referred to in sub-clause (iii) of clause (a) of sub-paragraph 3 of paragraph 6 shall be limited to a maximum amount as under :-

<u>Category of Officers</u>	<u>Maximum Personal Pay</u>
Junior Officer	Rs. 300 per month.

<sup>[61]</sup> **FOURTH SCHEDULE**  
**{{(See Paragraph 3 (na) and (nb))}}**

**I. Pay Scales (Basic Pay) -**

- (1) General Manager  
Rs. 4100-125-4600.
- (2) Assistant General Manager  
Rs. 3725-125-4350.
- (3) Manager  
Rs. 3245-110-3685-115-3800.
- (4) Deputy Manager  
Rs. 2715-105-3450.
- (5) Assistant Manager  
Rs. 2250-100-3250.
- (6) Administrative Officer  
Rs. 1625-100-2925.
- (7) Assistant Administrative Officer  
Rs. 1175-75-1440- 85-2675.

**II. Dearness Allowance :**

The Dearness Allowance will be linked to All India Average Consumer Price Index Number for Industrial Workers (Base 1960 = 100) and shall be payable only when the average All India Consumer Price Index Number for Industrial Workers is above CPI 332, on the following lines; namely :-

- (i) For the purpose of payment of D.A., one cycle would consist of 24 points rise or fall in CPI. Each cycle would consist of 3 stages, viz. 1st stage at 8 points rise, 2nd stage at 16 points rise and 3rd stage at 24 points rise;
- (ii) Officers drawing pay upto Rs. 1600/- p.m. will be eligible to get quarterly adjustment in D.A. at the first stage viz. for every rise or fall of 8 points above 332 in the quarterly average of the AIACPI (1960 = 100);

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[61] Fourth Schedule - Inserted by Notification S.O. 770(E) dated 15.10.1985, effective from 01.10.1983

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

- (iii) For Officers in the pay range of Rs.1601-2425 p.m., the first adjustment will be at the 2nd stage only viz. for every block of 16 points (when the quarterly index reaches the level of 348) and the subsequent adjustment will be for the next block of 8 points (when the average index reaches 356). The cycle of adjustment will be repeated thereafter;
- (iv) For Officers drawing more than Rs. 2425/- p.m. the adjustment of D.A. will be for every cycle of 24 points above CPI 332;
- (v) The rate of adjustment will be 2 per cent of the basic pay for every change of 8 points (subject to what is stated in (iii) and (iv) above) in the quarterly average of the Index subject to ceiling of Rs. 31.60;
- (vi) The ceiling of Rs. 31.60 will be relaxed to ensure that the D.A. payable at any stage is not less than the D.A. payable at the rate of 3.9 per cent of the basic pay for each cycle of 24 points (3 stages of 8 points) over 332 points subject to a further ceiling of Rs. 150/- for every 24 points rise;
- (vii) Marginal adjustments wherever necessary shall be made to ensure that amount of D.A. payable at a higher level is not less than the amount of D.A. payable at a lower level.

**III. House Rent Allowance :-**

The House Rent Allowance shall payable at the rate of 15 per cent of basic pay :

Provided that the house rent allowance payable to any Officer shall not exceed Rs.400/- per month and the minimum house rent allowance payable to any Officer shall not be less than Rs. 200/- per month.

Provided further that Officers who are allotted accommodation by the Corporation or the company shall not be entitled to any house rent allowance and they shall pay as compensation for the use of accommodation allotted to them, an amount equivalent to 10 per cent of the basic pay or the licence fees, whichever is less.

**IV. City Compensatory Allowance :-**

The City Compensatory Allowance shall be payable at the following rates :-

Place of Posting	Rate	Maximum amount
(a) Cities with population exceeding 12 lakhs and <sup>[62]</sup> any city in the State of Goa.	10% of basic pay	Rs. 200/-
(b) Cities with population of 5 lakhs and above but not exceeding 12 lakhs, State Capitals with population not exceeding 12 lakhs, and Chandigarh, Pondicherry and Port Blair.	6% of basic pay	Rs. 120/-

**NOTE :** For the purpose of City Compensatory Allowance the population figures shall be those as in the <sup>[63]</sup> 1991 Census Report.

[62] For the words "Urban agglomeration of Panaji and Marmugao" the words "any city in the State of Goa" substituted by Notification S.O.782(E) dated 22.08.1988. w.e.f. 19.5.1988

[63] For the figure "1981", the figure "1991" substituted by Notification S.O.81(E) dated 2.2.1994.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

(amendment upto 08-10-2010)

[64] **FIFTH SCHEDULE**  
**[See Paragraph (6A)]**

Corresponding stages for fixation of Basic Pay Chart (in rupees)

Stg. No.	Asst. Admn. Officer		Admn. Officer		Asst. Manager		Dy. Manager		Manager		Asst. General Manager		General Manager	
	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay
1.	530	1400	770	1925	1000	2450	1250	2925	1600	3245	2000	3725	2500	4100
2.	570	1485	810	2025	1050	2550	1300	3030	1700	3355	2125	3725	2625	4225
3.	610	1570	850	2125	1100	2650	1375	3030	1800	3465	2250	3850	2750	4350
4.	650	1655	890	2225	1150	2750	1450	3135	1900	3465	2375	3975	2875	4475
5.	690	1740	930	2325	1200	2750	1525	3135	2000	3575	2500	4100	3000	4600
6.	730	1825	970	2425	1250	2850	1600	3240	2125	3685				
7.	770	1910	1010	2425	1300	2950	1700	3345	2250	3800				
8.	810	1995	1050	2525	1375	2950	1800	3345						
9.	850	2080	1100	2625	1450	3050	1900	3450						
10.	890	2165	1150	2725	1525	3050	2000	3450						
11.	930	2250	1200	2725	1600	3150								
12.	970	2335	1250	2825	1675	3250								
13.	1010	2420	1300	2925										
14.	1050	2505												

NOTE : "Existing basic pay" means the basic pay under the "existing terms".

[65] **SIXTH SCHEDULE**  
**(see paragraphs 3(na), (nb) and 6B)**

**I. Pay Scales (Basic Pay) -**

- (1) Chairman  
Rs.8000 per month.
- (2) Managing Director or Chairman-cum-Managing Director  
Rs.7500-125-8000.

**II. Manner of fixation of basic pay in the revised scales of pay :**

- (i) The basic pay of Chairman shall be fixed at Rs.8000.
- (ii) The basic pay of Managing Directors or Chairman-cum-Managing Directors shall be fixed at a corresponding stage in the revised scales of pay as specified in the Table below:

**TABLE**

Managing Director/Chairman-cum-Managing Director

<u>Under New Scale</u>	<u>Under Revised Scale</u>
Rs.3000	Rs.7500
Rs.3125	Rs.7625
Rs.3250	Rs.7750
Rs.3375	Rs.7875
Rs.3500	Rs.8000

[64] Fifth Schedule - Inserted by Notification S.O. 770(E) dated 15.10.1985 w.e.f. 1.10.1983

[65] Sixth Schedule inserted by Notification S.O. 138(E) dated 29.01.1988 w.e.f. 1.1.1986.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

(iii) The Chairman, Managing Directors or Chairman-cum-Managing Director, as the case may be, whose basic pay is fixed in the revised scale of pay under item (ii) above shall be paid the difference of basic pay and dearness allowance (after deducting the Officer's compulsory contribution to the Provident Fund) between the 'revised terms' and 'New terms'.

**III. Dearness Allowance :**

(i) The dearness allowance payable to the Chairman, Managing Director or the Chairman-cum-Managing Directors shall be as under:

(a) From 1-7-1986 to 31-12-1986: 2 per cent of pay subject to a minimum of Rs.180 per month.

(b) From 1-1-1987 onwards : 5 per cent of pay subject to a minimum of Rs.360 per month.

(ii) Notwithstanding anything contained in sub-item (i), the Central Government may by order vary the amount of Dearness Allowance from time to time.

**IV. House Rent Allowance :**

With effect from the 1<sup>st</sup> day of October, 1986, every Chairman, Managing Director and Chairman-cum-Managing Director shall be provided by the Corporation, a rent free unfurnished residential accommodation:

Provided that a Chairman, the Managing Director and the Chairman-cum-Managing Director who has not been provided with such accommodation, shall be paid a house rent allowance at the rate of 10 per cent of his pay plus an additional house rent allowance of Rs.1000 per month.

**V. City Compensatory Allowance :**

With effect from the 1<sup>st</sup> day of October 1986, the Chairman, the Managing Director and the Chairman-cum-Managing Director shall be entitled to city compensatory allowance at the rate of Rs.100 per month.

[66] **THE SEVENTH SCHEDULE**  
**[See Paragraphs 4]**

**I. Pay Scales (Basic Pay) -**

- (1) General Manager  
Rs. 6400-150-7000.
- (2) Assistant General Manager  
Rs. 5950-150-6550.
- (3) Manager  
Rs. 5350-150-5950.

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[66] Seventh Schedule inserted by Notification S.O. 572(E) dated 25.07.1989

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

- (3) Manager  
Rs. 5350-150-5950.
- (4) Deputy Manager  
Rs. 4520-130-4910-140-5050-150-5350.
- (5) Assistant Manager  
Rs. 3660-120-4260-130-4910-140-5050.
- (6) Administrative Officer  
Rs. 2940-120-4260-130-4520.
- (7) Assistant Administrative Officer  
Rs. 2100-120-4260.

**II. Fixation of the Basic Pay**

**TABLE**

Stg. No.	Asst. Administrative Officer		Administrative Officer		Assistant Manager		Deputy Manager		Manager		Assistant Manager		General Manager	
	Existing Basic Pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay
1	1175	2100	1625	2940	2250	3780	2715	4520	3245	5350	3725	5950	4100	6400
2	1250	2220	1725	3060	2350	3900	2820	4650	3355	5500	3850	6100	4225	6550
3	1325	2340	1825	3180	2450	4020	2925	4780	3465	5650	3975	6250	4350	6700
4	1400	2460	1925	3300	2550	4140	3030	4910	3575	5800	4100	6400	4475	6850
5	1485	2700	2025	3540	2650	4260	3135	5050	3685	5950	4225	6550	4600	7000
6	1570	2820	2125	3660	2750	4390	3240	5200	3800	5950	4350	6550		
7	1655	2940	2225	3780	2850	4520	3345	5350						
8	1740	3060	2325	3900	2950	4650	3450	5350						
9	1825	3180	2425	4020	3050	4780								
10	1910	3300	2525	4140	3150	4910								
11	1995	3420	2625	4260	3250	5050								
12	2080	3540	2725	4390										
13	2165	3660	2825	4520										
14	2250	3780	2925	4520										
15	2335	3900												
16	2420	3900												
17	2505	4020												
18	2590	4140												
19	2675	4260												

Note : The term "Existing Basic Pay" in the above Table shall mean the basic pay as applicable in accordance with the Fourth Schedule.

**III. Dearness Allowance :**

[67] (1) The scale of dearness allowance applicable to the Officers shall be determined as under:-

Index : All India Average Consumer Price Index Number for Industrial Workers.

Base Year : 1960 = 100.

Revision of Dearness Allowance : Revision of Dearness Allowance may be made on quarterly basis for every 4 points rise or fall.

[67] In the Seventh Schedule, for sub-item (1) of Item III substituted by Notification S.O. 751(E) dated 01.10.1990 w.e.f. 1.8.1997.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

Rate of Dearness Allowance : For every 4 points in the quarterly average over 600 points, the dearness allowance shall be calculated at the following rates:-

<u>Basic Pay</u>	<u>Rate of D.A. for every 4 points</u>
(i) Upto Rs.2500/-	0.67% of basic pay
(ii) Rs.2501/- to Rs.4000/-	0.67% of Rs.2500/- plus 0.55% of basic pay in excess of Rs.2500/-
(iii) Rs.4001/- to Rs.4260/-	0.67% of Rs.2500/- plus 0.55% of difference between Rs.4000/- and Rs.2500/- plus 0.33% of basic pay in excess of Rs.4000/-
(iv) Rs.4261/- and above	0.67% of Rs.2500/- plus 0.55% of difference between Rs.4000/- and Rs.2500/- plus 0.33% of difference between Rs.4260/- and Rs.4000/- plus 0.17% of basic pay in excess of Rs.4260/-

- (2) There shall be an upward revision of the dearness allowance payable for every four points rise in the quarterly average (hereinafter referred to as the "current average figure") of the All India Consumer Price Index above 600 points in the sequence 600-604-608-612 and so on; and there shall be downward revision of the dearness allowance payable if the current average figure falls by four points below the index figure in the above sequence with reference to which the dearness allowance has been paid for the last preceding quarter. On the downward revision, the dearness allowance payable shall correspond to the current average figure if such current average figure is a figure in the above sequence; and the dearness allowance payable shall correspond to the figure in the above sequence next preceding the current average figure if such current average figure is not a figure in the above sequence.
- (3) For this purpose, quarter shall mean a period of three months ending on the last day of March, June, September or December.
- (4) The final index figures as published in the Indian Labour Journal or the Gazette of India, whichever publication is available earlier, shall be the index figure which shall be taken for the purpose of calculation of dearness allowance.
- (5) The revision in dearness allowance corresponding to the changes in the current average figure for any particular quarter shall take effect only from the second succeeding month following the end of the quarter.

**IV. House Rent Allowance :**

(1) Save as otherwise provided in sub-item (2) the house rent allowance payable to Officers shall be at the rate of 12.5 per cent of basic pay, subject to a maximum of Rs.500/- per month.

(2) In case of Officers posted at Ahmedabad, Bangalore, Bombay, Calcutta, Delhi, Hyderabad, Kanpur, Madras Nagpur, Pune, Panaji, or Marmugao, the house rent allowance, payable shall be the least of the following , namely :-

- (a) an amount equivalent to 12.5 per cent of the basic pay; or  
(b) an amount equal to the difference between 6 per cent of the basic pay at the

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

minimum of the scale of pay applicable to the officer and the actual rent paid by him or 12 per cent of his investment together with outgoings by way of taxes where the residential accommodation is owned by the officer :

Provided that the amount payable shall not be less than the house rent allowance prescribed under sub-item (1) and not more than Rs.600 per month.

(3) Officers who are allotted residential accommodation by the Corporation or Company, shall pay for such accommodation, the appropriate licence fee as may be decided by the Corporation from time to time and shall not be entitled to any house rent allowance in terms of either sub-item (1) or sub-item (2).

**V. City Compensatory Allowance :**

(1) The scale of City Compensatory Allowance payable to Officers shall be as under:

	<b>Place of posting</b>	<b>Rate</b>
(a)	(i) Cities with population exceeding 12 lacs, Faridabad, Gaziabad, NOIDA, Panaji and Marmagoa on and from 1 <sup>st</sup> August, 1987	7% of Basic pay subject to maximum of Rs.220/- p.m.
	(ii) any city in the State of Goa other than Panaji and Marmagoa on and from 19th May, 1988	7% of Basic pay subject to maximum of Rs.220/- p.m.
	(iii) cities of Gurgaon, Vashi, and Gandhinagar on and from 12th May, 1989.	7% of Basic pay subject to maximum of Rs.220/- p.m.
(b)	(i) Cities with population of 5 lacs and above but not exceeding 12 lacs, State capitals with population not exceeding 12 lacs, Chandigarh, Mohali, Pondicherry and Port Blair On and from 1st August, 1987	4% of Basic pay subject to maximum of Rs. 135/- p.m.
	(ii) City of Panchkula on and from 12 <sup>th</sup> May, 1989	4% of basic pay subject to maximum of Rs.135/- p.m.

*Note: For the purpose of this paragraph, the population figures shall be those in the 1981 Census Report.*

**VI. Hill Station Allowance :**

(1) The scale of Hill Station Allowance payable to Officers shall be as follows :

(i) Posted at places situated at a height of 1500 metres and over above mean sea level.	At the rate of 7% of the Basic Pay subject to maximum of Rs. 180 p.m.
(ii) Posted at places situated at a height of 1000 metres and over but less than 1500 metres above mean sea level, at Mercara and at places which are specifically declared as "Hill Stations" by Central/State Governments for their employees.	At the rate of 5% of the Basic Pay subject to a maximum of Rs. 150/- p.m.
<sup>[68]</sup> (iii) Posted at places situated at a height of not less than 750 Metres above mean sea level which are surrounded by and accessible only through hills with a height of 1000 metres and over above mean sea level.	At the rate of 5% of the Basic Pay subject to maximum of Rs.150/- p.m.

[68] Inserted by Notification 200(E) dated 10.03.1992 w.e.f. 1.8.1987

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**VII. Kit Allowance :**

Every Officer on his transfer to any of the hill stations at which hill station allowance is payable in terms of Item VI of this Schedule shall be paid a Kit Allowance of Rs. 2000/-.

Provided that no kit allowance shall be payable if such Officer has drawn such allowance at any time earlier.

**[69] THE EIGHTH SCHEDULE**  
(See Paragraph 4)

**I. Pay Scales (Basic Pay) -**

- (1) General Manager  
Rs.12650-300-13250-350-13600-400-14000
- (2) Assistant General Manager  
Rs. 11450-300-12650
- (3) Manager  
Rs. 10450-250-11450
- (4) Deputy Manager  
Rs. 8970-230-9200-250-10450
- (5) Assistant Manager  
Rs.7360-230-9200-250-9950
- (6) Administrative Officer  
Rs. 5980-230-8970
- (7) Assistant Administrative Officer  
Rs. 4250-230-4940-350-5290-230-8510

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[69] Inserted by Notification S.O. 521(E) dated 18.07.1996

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**II. Fixation of the Basic Pay -**

**TABLE**

Stg. No.	Asst. Administrative Officer		Administrative Officer		Assistant Manager		Deputy Manager		Manager		Assistant General Manager		General Manager	
	Existing Basic Pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay	Existing basic pay	Revised basic pay
1	2100	4250	2940	5980	3660	7360	4520	8970	5350	10450	5950	11450	6400	12650
2	2220	4480	3060	6210	3780	7590	4650	9200	5500	10700	6100	11750	6550	12950
3	2340	4710	3180	6440	3900	7820	4780	9450	5650	10950	6250	12050	6700	13250
4	2460	4940	3300	6670	4020	8050	4910	9700	5800	11200	6400	12350	6850	13600
5	2580	5290	3420	6900	4140	8280	5050	9950	5950	11450	6550	12650	7000	14000
6	2700	5520	3540	7130	4260	8510	5200	10200						
7	2820	5750	3660	7360	4390	8740	5350	10450						
8	2940	5980	3780	7590	4520	8970								
9	3060	6210	3900	7820	4650	9200								
10	3180	6440	4020	8050	4780	9450								
11	3300	6670	4140	8280	4910	9700								
12	3420	6900	4260	8510	5050	9950								
13	3540	7130	4390	8740										
14	3660	7360	4520	8970										
15	3780	7590												
16	3900	7820												
17	4020	8050												
18	4140	8280												
19	4260	8510												

Note : The term existing basic pay in the above table shall mean the basic pay as applicable in accordance with the Seventh Schedule.

**III. Dearness Allowance :**

- (1) The scale of dearness allowance applicable to the Officers shall be determined as under :-

Index : All India Consumer Price Index for Industrial Workers.

Base Year : 1960 = 100.

Revision of Dearness Allowance : - Revision of Dearness Allowance may be made on quarterly basis for every 4 points rise or fall.

Rate of Dearness Allowance :- For every 4 points in the quarterly average over 1148 points, the dearness allowance shall be calculated at the following rates :-

Basic Pay	Rate of DA for every 4 points
Upto Rs. 4800	0.35% of basic pay.
Rs. 4801 - Rs. 7700	0.35% of Rs. 4800 plus 0.29% of basic pay in excess of Rs. 4800.
Rs.7701 - Rs. 8200	0.35% of Rs. 4800 plus 0.29%of difference between Rs.4800and Rs. 7700 plus 0.17% of basic pay in excess of Rs.7700
Rs.8201 and above	0.35% of Rs. 4800 plus 0.29% of difference between Rs.4800and Rs. 7700 plus 0.17% of difference between Rs. 7700 and Rs. 8200 plus 0.09% of basic pay in excess of Rs.8200

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- (2) There shall be an upward revision of the dearness allowance payable for every four points rise in the quarterly average (hereinafter referred to as the "current average figure") of the All India Consumer Price Index above 1148 points in the sequence 1148-1152-1156-1160 and so on; and there shall be downward revision of the dearness allowance payable if the current average figure falls by four points below the index figure in the above sequence with reference to which the dearness allowance has been paid for the last preceding quarter. On the downward revision, the dearness allowance payable shall correspond to the current average figure if such current average figure is a figure in the above sequence; and the dearness allowance payable shall correspond to the figure in the above sequence next preceding the current average figure if such current average figure is not a figure in the above sequence.
- (3) For this purpose, quarter shall mean a period of three months ending on the last day of March, June, September or December.
- (4) The final index figures as published in the Indian Labour Journal or the Gazette of India, whichever publication is available earlier, shall be the index figure which shall be taken for the purpose of calculation of dearness allowance.
- (5) The revision in dearness allowance corresponding to the changes in the current average figure for any particular quarter shall take effect only from the second succeeding month following the end of the quarter.

**IV. House Rent Allowance :**

- (1) The House Rent Allowance payable to Officers shall be at the rate of 12.5 per cent of the basic pay, subject to a maximum of Rs.875/- per month.
- (2) Officers who are allotted residential accommodation by the Corporation or Company shall pay for such accommodation appropriate licence fee as may be decided by the Corporation or the Company from time to time and shall not be entitled to House Rent Allowance in terms of sub-item (1) of item above.

**V. City Compensatory Allowance :**

During the period from 1.8.1992 to 31.7.1993 the scales of City Compensatory Allowance payable to Officers shall be payable in the same manner and to the same extent as per the Seventh Schedule.

With effect from 1.8.1993, the scales of City Compensatory Allowance payable to Officers shall be as under :

Place posting	Rate
a) Cities with population exceeding 12 lacs, Faridabad, Ghaziabad, NOIDA, Gurgaon, Vashi, Gandhinagar and any city in the State of Goa.	4.5% of basic pay subject to a maximum of Rs.335/- per month
b) Cities with population of 5 lacs and above but not exceeding 12 lacs, State Capitals with population not exceeding 12 lacs, Chandigarh, Mohali, Panchkula, Pondicherry and Port Blair.	3.5% of basic pay subject to a maximum of Rs.230/- per month.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

Note: (1) For the purpose of this item, the population figures shall be those in the 1991 Census Report.

(2) Cities shall include their urban agglomeration

**VI. Hill Station Allowance :**

The scale of Hill Station Allowance payable to Officers shall be as follows:

<b>Height of Place of posting (above Mean Sea Level)</b>	<b>Rate</b>
(i) 1500 meters and over	4% of basic pay subject to a maximum of Rs.180 p.m.
(ii) 1000 meters and over but less than 1500 meters, Mercara and places which are specifically declared as "Hill Stations" by Central/State Governments for their employees.	} } }3% of basic pay subject to a maximum of Rs.150 p.m.
(iii) Not less than 750 meters and surrounded by and accessible only through hills with a height of 1000 meters and over.	} } } }

**VII. Kit Allowance :**

Every Officer on his transfer to any of the hill stations at which hill station allowance is payable in terms of item VI of this Schedule shall be paid a Kit Allowance of Rs.2,000/- :

Provided no kit allowance shall be payable if such Officer has drawn such allowance at any time earlier.

**VIII. Computer Increment/Fixed Personal Allowance :**

(1) An Officer other than the officer mentioned below:

- (i) who is on probation on first appointment as on 1<sup>st</sup> day of November, 1993; or
- (ii) who has reached the maximum of the scale of pay applicable to him as on 1<sup>st</sup> day of November, 1993; or
- (iii) who has been in receipt of one or more additional increments referred to in paragraph 8A on the 1<sup>st</sup> day of November, 1993,

shall be paid, on account of computerisation, one increment in the scale of pay applicable to him on the 1<sup>st</sup> day of November, 1993:

Provided that an Officer who on his first appointment in the service of the Corporation or Company was on probation on the 1<sup>st</sup> day of November, 1993 shall be paid one increment on completion of one year of service after the date of his confirmation.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- (2) An officer
- (i) who has reached the maximum of the scale of pay applicable to him on the 1<sup>st</sup> day of November, 1993; or
  - (ii) who has been in receipt of one or more additional increments referred to in paragraph 8A on the 1<sup>st</sup> day of November, 1993,

shall be paid, a Fixed Personal Allowance on account of computerisation equivalent to the aggregate of the amount of the last increment in the scale of pay applicable to him on the 1<sup>st</sup> day of November, 1993, the dearness allowance thereon as on the 1<sup>st</sup> day of November, 1993 and the difference in House Rent Allowance, if any.

- (3) An officer who is in receipt of an increment on account of computerisation and who subsequently reached the maximum of the scale of pay applicable to him, shall be paid the fixed personal allowance referred to in sub-paragraph (2) above, on the expiry of a period of one year of reaching the maximum of the scale of pay.
- (4) Fixed personal allowance, to the extent it does not exceed the amount of the last increment in the scale of pay applicable to him on the 1<sup>st</sup> day of November, 1993, shall count for the purposes of provident fund and gratuity and for the purpose of pension payable under the General Insurance (Employees') Pension Scheme, 1995.

**IX. Conveyance Allowance :**

With effect from the 1<sup>st</sup> day of August, 1994, every Officer, who is not in receipt of any Conveyance Allowance under any of the Conveyance Schemes shall be paid Conveyance Allowance of Rs.100/- per month.

<sup>[70]</sup> **X. Special Allowance :**

- (1) With effect from 1<sup>st</sup> day of July, 1996 every Officer shall be paid 'Special Allowance' of Rs.195/- per month.
- (2) The special allowance shall not be treated as part of basic pay. However, the said 'Special Allowance' shall count for the purpose of dearness allowance, house rent allowance, city compensatory allowance, provident fund, pension, gratuity and encashment of earned leave.

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[70] Inserted by notification S.O. 729(E) dated 27.8.1998 w.e.f. 1.7.1996.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

(amendment upto 08-10-2010)

**[71] NINETH SCHEDULE**

(see paragraphs 3(na), (nb) and 6B)

**I. Pay Scales (Basic Pay) -**

- (i) Chairman  
Rs.26000/- per month.
- (ii) <sup>[73]</sup> Chairman-cum-Managing Director  
Rs.24050-650-26000/-.

**II. Manner of fixation of basic pay in the revised scales of pay :**

- (i) The basic pay of Chairman shall be fixed at Rs.26000.
- (ii) With effect from 1<sup>st</sup> day of January, 1996 the basic pay of <sup>[73]</sup> Chairman-cum-Managing Director as per Sixth Schedule to said Scheme, shall be fixed as specified in the Table below:

**T A B L E**

**<sup>[73]</sup> Chairman-cum-Managing Director**

<b>Pre-revised Scale (as per Sixth Schedule to the said Scheme)</b>	<b>Fixation in Revised scale (as per Nineth Schedule to the said Scheme)</b>
Rs.7500	Rs.24050
Rs.7625	Rs.24050
Rs.7750	Rs.24050
Rs.7875	Rs.24700
Rs.8000	Rs.24700

- (iii) <sup>[73]</sup> Chairman-cum-Managing Director, as the case may be, whose basic pay is fixed in the revised scale of pay under item (ii) above shall be paid the difference of basic pay and dearness allowance (after deducting the Officer's compulsory contribution to the Provident Fund) between the 'Pre-revised terms', as per Sixth Schedule to the said Scheme and 'Revised Terms'.
- <sup>[72]</sup>(iv) w.e.f. 1<sup>st</sup> day of April, 2004, Dearness Allowance equal to fifty percent of the basic pay shall be merged with the basic pay in case of the <sup>[73]</sup> Chairman-cum-Managing Director, as the case may be.

[71] Nineth Schedule inserted vide S.O. 168(E) dated 5.3.1998 w.e.f. 1.1.1996.

[72] Sub-item (iv) inserted by notification S.O. 1027 (E) dated 22.9.2004 w.e.f. 1.4.2004.

[73] The words "Managing Director or Chairman-cum-Managing Director" replaced with "Chairman-cum-Managing Director" vide S.O.634(E) dated 4.5.2005 w.e.f. 1.2.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**III. Dearness Allowance :**

(i) The dearness allowance payable to <sup>[75]</sup> Chairman-cum-Managing Director shall be as under :-

- (a) From 1-7-1996 to 31-12-1996 : 4 per cent of pay
- (b) From 1-1-1997 to 30.06.1997 : 8 per cent of pay.
- (c) From 1.7.1997 onwards : 13 per cent of pay

<sup>[74]</sup> Provided that w.e.f. 1<sup>st</sup> day of April, 2004, the dearness allowance payable to the <sup>[75]</sup> Chairman-cum-Managing Director shall be 11 per cent of his basic pay including dearness pay.

(ii) Notwithstanding anything contained in sub-item (i), the Central Government may, by order, vary the amount of Dearness Allowance from time to time.

**IV. House Rent Allowance :**

Every <sup>[75]</sup> Chairman-cum-Managing Director shall be provided by the Corporation, a rent free unfurnished residential accommodation:

Provided that the <sup>[75]</sup> Chairman-cum-Managing Director who has not been provided with such accommodation, shall be paid a house rent allowance as under:

- (i) for the period between 1.1.1996 and 31.7.1997, as per item IV of the Sixth Schedule to the said Scheme; and
- (ii) with effect from 1<sup>st</sup> day of August, 1997, at the following rate :
  - (a) at Mumbai and New Delhi, 30 per cent of basic pay in the revised scale, drawn per month; and
  - (b) at Calcutta and Chennai, 15 per cent of basic pay in the revised scale, drawn per month.

<sup>[74]</sup> Provided further that w.e.f. 1<sup>st</sup> day of April, 2004, the <sup>[75]</sup> Chairman-cum-Managing Director, who has not been provided with such accommodation, shall be paid a house rent allowance at the following rate :

- (a) at Mumbai and New Delhi, 30% of basic pay and dearness pay drawn per month; and
- (b) at Calcutta and Chennai, 15% of basic pay and dearness pay drawn per month.

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[74] Provisos inserted by Notification S.O. 1027(E) dated 22.9.2004 w.e.f. 1.4.2004

[75] The words "Chairman or Managing Director" replaced with "Chairman-cum-Managing Director" vide S.O. 634(E) dated 4.5.2005 w.e.f. 1.2.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**V. City Compensatory Allowance :**

[77] Chairman-cum-Managing Director shall be entitled to City Compensatory Allowance as under:

- (a) for the period between 1.1.1996 and 31.7.1997, as per item V of the Sixth Schedule to the said Scheme; and
- (b) with effect from 1<sup>st</sup> day of August,1997,at the rate of Rs.300/- per month.

Note : The fixation of pay in the revised scale has been done on the basis of the Central Civil Services (Revised Pay) Rules, 1997.

**[76] TENTH SCHEDULE**  
**[See paragraph 4 sub-paragraph (8) ]**

**I. Pay Scales (Basic Pay) -**

- (1) General Manager  
Rs.21200-550 (2)-22300-600(1)-22900-700(1)-23600
- (2) Assistant General Manager  
Rs. 19000-550(4)-21200
- (3) Manager  
Rs. 17150-450(3)-18500-500(1)-19000
- (4) Deputy Manager  
Rs. 14735-360(1)-15095-385(3)-16250-450(2)17150
- (5) Assistant Manager  
Rs.12215-360(8)-15095-385(3)16250
- (6) Administrative Officer  
Rs. 10055-360(13)-14735
- (7) Assistant Administrative Officer  
Rs. 7535-360(18)-14015

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[76] Tenth Schedule inserted vide S.O.587(E) dated22.6.2000 w.e.f. 1.8.1997

[77] The words "Chairman or Managing Director" replaced with "Chairman-cum-Managing Director" vide S.O. 634(E) dated 4.5.2005 w.e.f. 1.2.2005.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**II. Fixation of the Basic Pay –**

**TABLE**

Stg No	Assistant Administrative Officer		Administrative Officer		Assistant Manager		Deputy Manager		Manager		Assistant General Manager		General Manager	
	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay
1.	4250	7535	5980	10055	7360	12215	8970	14735	10450	17150	11450	19000	12650	21200
2.	4480	7895	6210	10415	7590	12575	9200	15095	10700	17600	11750	19550	12950	21750
3.	4710	8255	6440	10775	7820	12935	9450	15480	10950	18050	12050	20100	13250	22300
4.	4940	8615	6670	11135	8050	13295	9700	15865	11200	18500	12350	20650	13600	22900
5.	5290	8975	6900	11495	8280	13655	9950	16250	11450	19000	12650	21200	14000	23600
6.	5520	9335	7130	11855	8510	14015	10200	16700						
7.	5750	9695	7360	12215	8740	14375	10450	17150						
8.	5980	10055	7590	12575	8970	14735								
9.	6210	10415	7820	12935	9200	15095								
10.	6440	10775	8050	13295	9450	15480								
11.	6670	11135	8280	13655	9700	15865								
12.	6900	11495	8510	14015	9950	16250								
13.	7130	11855	8740	14375										
14.	7360	12215	8970	14735										
15.	7590	12575												
16.	7820	12935												
17.	8050	13295												
18.	8280	13655												
19.	8510	14015												

**Note:** The term existing Basic Pay in the above table shall mean the Basic Pay as applicable in accordance with the Eighth Schedule.

**III. Dearness Allowance:**

- (1) The scale of dearness allowance applicable to the Officers shall be determined as under: -

Index: All India Average Consumer Price Index for Industrial Workers.

Base : Index No. 1740 in the series 1960 = 100.

Rate of dearness allowance: - For every 4 points in the quarterly average over 1740 points, the dearness allowance shall be calculated at the rate of 0.23% of Basic Pay.

Revision of dearness allowance: - Revision of dearness allowance may be made on quarterly basis for every 4 points rise or fall.

- (2) There shall be an upward revision of the dearness allowance payable for every four points rise in the quarterly average (hereinafter referred to as the "current average figure") of the All India Consumer Price Index above 1740 points in the sequence 1740-1744-1748-1752 and so on; and there shall be downward revision of the dearness allowance payable if the current average figure falls by four points below the index figure in the above sequence with reference to which the dearness allowance has been paid for the last preceding quarter. On the downward revision, the dearness allowance payable shall correspond to the current average figure if such current average figure is a figure in the above sequence; and if such current average figure is not a figure in the above sequence, the dearness allowance payable shall correspond to the figure in the above sequence immediately preceding the current average figure.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

- (3) The final index figures as published in the Indian Labour Journal or the Gazette of India, whichever publication is available earlier, shall be the index figure which shall be taken for the purpose of calculation of dearness allowance.
- (4) The revision in dearness allowance corresponding to the changes in the current average figure for any particular quarter shall take effect only from the second succeeding month following the end of the quarter.

Explanation: For the purposes of this item, 'quarter' shall mean a period of three months ending on the last day of the month of March, June, September or December.

**IV. House Rent Allowance**

- (1) With effect from 1<sup>st</sup> day of August, 1997, the House Rent Allowance payable to Officers shall be as shown in the Table below:

**Table**

<b>Place of posting</b>	<b>Rate per month</b>
a) Cities of Mumbai, Navi Mumbai, Calcutta, New Delhi, Faridabad, Ghaziabad, NOIDA, Gurgaon, and Chennai	11% of pay subject to maximum of Rs.1200/- per month.
b) Cities with population exceeding 12 lacs except the cities mentioned at (a), Gandhinagar, and all cities in the State of Goa;	9% of pay subject to maximum of Rs.1000/- per month.
c) All other places	8% of pay subject to maximum of Rs.950/- per month.

Note: (1) For the purpose of this item, the population figures shall be as per the latest Census Report.

(2) Cities shall include their urban agglomeration.

(3) 'pay' means Basic Pay and additional increments as per paragraph 8A.

- (2) Officers who are allotted residential accommodation by the Corporation or Company shall pay for such accommodation, appropriate licence fee as may be decided by the Corporation or the Company from time to time and shall not be entitled to House Rent Allowance in terms of sub-item (1) of this item.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**V. City Compensatory Allowance :**

With effect from 1<sup>st</sup> day of August,1997, the City Compensatory Allowance payable to Officers shall be as under :

<b>Place of posting</b>	<b>Rate</b>
a) Cities of Mumbai, Navi Mumbai, Calcutta, New Delhi, Faridabad, Ghaziabad, NOIDA, Gurgaon, and Chennai.	4% of pay subject to a maximum of Rs.375/- per month
b) Cities with population exceeding 12 lacs, except cities mentioned in (a) Gandhinagar, all cities in the State of Goa;	3% of pay subject to a maximum of Rs.350/- per month
c) cities with population of 5 lacs and above but not exceeding 12 lacs, State capitals with population not exceeding 12 lacs, Chandigarh, Mohali, Panchkula, Pondicherry, Port Blair.	2.5% of pay subject to a maximum of Rs.250/- per month

Note: (1) For the purpose of this item, the population figures shall be as per the latest Census Report.  
(2) Cities shall include their urban agglomeration.  
(3) 'pay' means Basic Pay and additional increments as per paragraph 8A

**VI. Hill Station Allowance :**

With effect from 1<sup>st</sup> day of the month following the date of publication of this scheme in the Official Gazette, Hill Station Allowance payable to Officers shall be as follows:

<b>Height of Place of posting (above Mean Sea Level)</b>	<b>Rate</b>
(i) 1500 meters and over	3% of Basic Pay subject to a maximum of Rs.216/- per month.
(ii) 1000 meters and over but less than 1500 meters, Mercara and places which are specifically declared as "Hill Stations" by Central/ State Governments for their employees.	} } } }2.5% of Basic Pay subject to a maximum of Rs.180/- per month.
(iii) Not less than 750 meters and surrounded by and accessible only through hills with a height of 1000 meters and over.	} } }

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**VII. Kit Allowance:**

Every Officer on his transfer to any of the hill stations at which hill station allowance is payable in terms of item VI of this Schedule shall be paid a Kit Allowance of Rs.2,000/- :

Provided that no kit allowance shall be payable if such Officer has drawn such allowance at any time earlier.

**VIII. Fixed Personal Allowance to employees who have received increment on account of computerization effective from 1.11.1993:**

With effect from 1<sup>st</sup> August,1997, the Fixed Personal Allowance payable to Officers as per item VIII of the Eighth Schedule shall stand revised as shown in the Table below:

**Table**

<b>Officers in the scale of pay of, <sup>[78]</sup> as on 1.11.1993</b>	<b>Pre-revised Fixed Personal Allowance as per item VIII of the Eighth Schedule</b>	<b>Revised Fixed Personal Allowance (FPA)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
	Rs.	Rs.
General Manager	400	700
Assistant General Manager	300	550
Manager	250	500
Deputy Manager	250	450
Assistant Manager	250	385
Administrative Officer	230	360
Assistant Administrative Officer	230	360

The revised Fixed Personal Allowance shall not qualify for DA and HRA. However, the pre-revised increment component of Fixed Personal Allowance mentioned in column (2) of the above table shall rank for Provident Fund and Pension and the said increment component along with dearness allowance thereon as on 1.11.1993 shall rank for Gratuity and encashment of earned leave.

**IX. Additional increment for computerisation/Fixed Personal Allowance to officers who have joined service of the Corporation or Company after 1.11.1993 but before the date of publication of this Scheme.**

- (1) All confirmed officers who have joined the services of the Corporation or Company after 1.11.1993 but before the date of publication of this scheme, shall be paid, with effect from the 1<sup>st</sup> day of the month following the date of publication of this scheme, on account of computerisation, one increment in the scale of pay as may be applicable to the concerned officer on the date of publication of this scheme:

[78] vide corrigendum S.O.780(E) dated 30.8.2000 to S.O.587(E) dated 22.6.2000 – for “Officers in the scale of pay of”, read “Officers in the scale of pay of, as on 1-11-93”.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

Provided that an officer who, on his first appointment in the service of the Corporation or Company, was on probation on or before the date of publication of this scheme shall be paid one increment on completion of 365 days of service after the date of confirmation:

Provided further that no such increment shall be payable to the officers joining the services of the Corporation or Company on or after the date of publication of this scheme.

- (2) An officer who is in receipt of an increment on account of computerisation as per sub-item (1) of this item and who subsequently reaches the maximum of the scale of pay applicable to him, shall be paid, on the expiry of a period of one year of reaching the maximum of the scale of pay, Fixed Personal Allowance equivalent to the amount of last increment in the scale of pay applicable to him on the date of publication of this scheme:

Provided that the Fixed Personal Allowance shall not qualify for payment of dearness allowance or house rent allowance:

Provided further that from out of the Fixed Personal Allowance, the amount as specified in column(2) of the Table below, in respect of each scale of pay, shall rank for Provident Fund and Pension and the said amount along with dearness allowance thereon as on 1.11.1993 shall rank for Gratuity and encashment of earned leave.

**Table**

<b>Officers in the scale of pay of</b>	<b>The amount which shall count for provident fund, etc.</b>
<b>(1)</b>	<b>(2)</b>
Assistant Manager	Rs.250
Administrative Officer	Rs.230
Assistant Administrative Officer	Rs.230

**X. Conveyance Allowance :**

With effect from the 1<sup>st</sup> day of August, 1997, every Officer, who is not in receipt of any Conveyance Allowance under any of the Conveyance Schemes shall be paid Conveyance Allowance of Rs.150/- (Rupees One hundred and fifty) per month.

**XI. One time lumpsum payment in lieu of Productivity Linked Lumpsum Incentive(PLLI) :**

In lieu of PLLI, officers will be paid for the period from 1.8.1997 to 31.3.1999, one time lumpsum payment of 1.67% of the Wage Bill of the General Insurance Industry for Officers as on 1.8.1997 (pre-revised).

**XII. Productivity Linked Lumpsum Incentive (PLLI) Scheme :**

For the period 1.4.1999 to 31.3.2002, PLLI shall be payable as per Appendix.

**APPENDIX**

**PRODUCTIVITY LINKED LUMP SUM INCENTIVE (PLLI) SCHEME**

*(See item XII)*

1. PLLI would be based on the Wage Bill of the General Insurance Industry or Company or Corporation, as the case may be, for Officers as on 1.8.1997(pre-revised).

2. **Eligibility:**

Grant of PLLI would be measured on the basis of following parameters:

a) Issue of renewal notices – pre-requisite for eligibility

Issuance of renewal notices in time limit shall be mandatory i.e. to issue the Renewal Notices in respect of policies expiring in a particular month by the 15<sup>th</sup> of the previous month.

b) Claim settlement ratio

Claim settlement ratio means the ratio arrived at by the following formula, (rounded off to the number leaving decimals), namely :-

$$\frac{\text{claims settled during the year}}{\text{claims outstanding at the beginning of the year} + \text{claims intimated during the year}} \times 100$$

c) Documentation ratio

Documentation ratio means the ratio arrived at by the following formula (rounded off to the number leaving decimals), namely :-

$$\frac{\text{Documents issued during the year}}{\text{documents outstanding at the beginning of the year} + \text{documents incepted during the year}} \times 100$$

d) Control of Management Expenses Ratio (MER)

PLLI would be payable in the event the Management Expenses Ratio for the individual Company is within the limits prescribed in the Insurance Act/Insurance Rules.

**Explanation:**

1. Parameters mentioned in sub-paragraph (a), (b) and (c) will be applicable for grant of PLLI as per clause (a) of Part A of paragraph 4.1;
2. Parameter (d) will be applicable for grant of PLLI as per clause (b) of Part A of paragraph 4.1;

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**3. Parameters (Threshold level and Benchmark level of performance) :**

The PLLI would depend on performance levels in defined parameters. The performance level in each of the parameters would consist of two elements (a) Threshold level and (b) Benchmark levels.

Threshold level of performance will be the actual levels of performance of the respective Companies in the preceding year.

Benchmark level shall be 1% increase over Threshold Level:

Provided that where 99% documentation is already achieved, Benchmark will be fixed at 0.5% increase over Threshold level recorded:

Provided further that a marginal shortfall in any of the parameters may be condoned by the Board.

Whereas the benchmark standards would be uniform for all the Companies, the levels of Performance would be evaluated on Company-wise basis for Part A and Industry as a whole for Part B of the PLLI scheme.

**4. PLLI payment Scale:**

4.1 The PLLI payable would reckon under two parts – Part A and Part B as under:

**Part (A) : On Company-wise performance basis:**

PLLI upto a maximum of 2% would be payable for achievement of benchmark levels in Customer Service parameters given below and 1% PLLI would be payable in the event the Management Expenses Ratio (MER) for the individual Company is within the limits prescribed in the Insurance Act, 1938 / Insurance Rules.

<b><u>Parameter</u></b>	<b>Scale of Incentive payable</b>
<b>a) Customer Service parameters:</b>	
1. Renewal notice – Mandatory	Nil
2. Claims settlement	1.00%
3. Document issuance/disposal	1.00%
<b>b) MER parameter</b>	
4. MER within the prescribed statutory limit	1.00%
<b>Aggregate limit for payment of PLLI Under Part A</b>	<b>3.00%</b>

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

4.1.1 For the Officers of the Corporation:

2% PLLI would be payable provided the industry average on customer service parameters conform to the benchmark prescribed above. 1% incentive would be payable if at least one Company in the industry conform to the MER parameter indicated above.

4.1.2 Payment of PLLI under Part A would be subject to Gross Profit earned by the Company for the year of performance.

**4.2 Part (B) : On Industry Average Basis**

PLLI upto 3% would be payable for reduction of Management Expenses ratio (MER) on the following scale:-

	Percentage reduction required in MER (on Industry Average)	Incentive payable (On pro-rata basis)
Stage I	From 21% to 19.5% (reduction upto 1.5%)	1.5%
Stage II	From 19.5% to 19% (reduction upto 0.5%)	1.00%
Stage III	For reduction in MER below 19%)	0.50%
<b>Aggregate limit for payment of PLLI Under Part B</b>		<b>3.00%</b>
<b>Aggregate limit for payment of PLLI Under Part A + Part B</b>		<b>6.00%</b>

4.2.1 Payment of PLLI under Part B would be subject to Gross Profit earned by the General Insurance Industry for the year of performance.

4.3 The maximum amount of PLLI payable shall be at 6% of the wage bill as on 1.8.1997 (pre-revised).

**Explanation:**

1. At stage I, the scale of payment of PLLI would be proportionate to reduction in MER. e.g. in case the MER is reduced by 0.5%, PLLI payable would be 0.5% of wage bill as on 1.8.1997(pre-revised).
2. At stage II, the scale of payment of PLLI would be in the ratio of 1:2 corresponding to the reduction in MER. e.g. for every 0.10% reduction in the MER below 19.5%, PLLI payable would be 0.2% of wage bill as on 1.8.1997(pre-revised).
3. MER calculation would include PLLI paid in the year of payment.

**5. Payment of PLLI :**

The PLLI will be payable after the achievement of the performance with reference to the prescribed benchmark based on the audited accounts for the relevant accounting year.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

The PLLI will be distributed as a lumpsum annually after 1<sup>st</sup> August each year, after the audited figures are available.

6. Suitable Monitoring and Reporting System would be devised by the Corporation or Company to measure the performance level of the Corporation or Company under each parameter.

**[79] ELEVENTH SCHEDULE**  
**[See paragraph 4 sub-paragraph (9)]**

**I. Pay Scales (Basic Pay) :**

- (1) Scale VII  
Rs.31745-785(2)-33315-850(1)-34165-940(1)-35105-995(1)-36100
- (2) Scale VI  
Rs.28605-785(5)-32530
- (3) Scale V  
Rs.25930-650(3)-27880-725(2)-29330
- (4) Scale IV  
Rs.22030-650(7)-26580
- (5) Scale III  
Rs.18130-540(1)-18670-560(6)-22030-650(4)-24630
- (6) Scale II  
Rs.14890-540(7)-18670-560(6)-22030
- (7) Scale I  
Rs.11110-540(14)-18670-560(4)-20910

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[79] Eleventh Schedule inserted vide S.O.1792(E) dated 21.12.2005 w.e.f. 1.8.2002

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**II. Fixation of the Basic Pay and Stagnation Stages:**

**TABLE - A**

**Fixation of the Basic Pay**

(Figures in Rupees)

Scale I		Scale II		Scale III		Scale IV		Scale V		Scale VI		Scale VII	
Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay
7535	11110	10055	14890	12215	18130	14735	22030	17150	25930	19000	28605	21200	31745
7895	11650	10415	15430	12575	18670	15095	22680	17600	26580	19550	29390	21750	32530
8255	12190	10775	15970	12935	19230	15480	23330	18050	27230	20100	30175	22300	33315
8615	12730	11135	16510	13295	19790	15865	23980	18500	27880	20650	30960	22900	34165
8975	13270	11495	17050	13655	20350	16250	24630	19000	28605	21200	31745	23600	35105
9335	13810	11855	17590	14015	20910	16700	25280						
9695	14350	12215	18130	14375	21470	17150	25930						
10055	14890	12575	18670	14735	22030								
10415	15430	12935	19230	15095	22680								
10775	15970	13295	19790	15480	23330								
11135	16510	13655	20350	15865	23980								
11495	17050	14015	20910	16250	24630								
11855	17590	14375	21470										
12215	18130	14735	22030										
12575	18670												
12935	19230												
13295	19790												
13655	20350												
14015	20910												

**TABLE - B**  
**[see Paragraph 8A]**  
**Fixation of Basic Pay – Stagnation Stages**

(Figures in Rupees)

Scale I		Scale II		Scale III	
Existing	Revised	Existing	Revised	Existing	Revised
14375	21470	15095	22590	16635	25280
		15455	23150		
		15815	23710		

Note: The term 'Existing Basic Pay' in the above tables shall mean the basic pay as applicable in accordance with the Tenth Schedule.

**III. Dearness Allowance:**

(1) The scale of dearness allowance applicable to the officers shall be determined as under:-

Index : All India Average Consumer Price Index for Industrial Workers

Base : Index No.2328 in the series 1960 = 100

Rate of dearness allowance :- For every four points in the quarterly average over 2328 points, the dearness allowance shall be calculated at the rate of 0.18 per cent of Basic Pay.

Revision of dearness allowance :- Revision of dearness allowance may be made on

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

quarterly basis for every four points rise or fall.

(2) There shall be an upward revision of the dearness allowance payable for every four points rise in the quarterly average (hereinafter referred to as the "current average figure") of the All India Consumer Price Index above 2328 points in the sequence 2328-2332-2336-2340 and so on and there shall be downward revision of the dearness allowance payable if the current average figure falls by four points below the index figure in the above sequence with reference to which the dearness allowance has been paid for the last preceding quarter. On the downward revision, the dearness allowance payable shall correspond to the current average figure if such current average figure is a figure in the above sequence and if such current average figure is not a figure in the above sequence, the dearness allowance payable shall correspond to the figure in the above sequence immediately preceding the current average figure.

(3) The final index figures as published in the Indian Labour Journal or the Gazette of India, whichever publication is available earlier, shall be the index figure which shall be taken for the purpose of calculation of dearness allowance.

(4) The revision in dearness allowance corresponding to the changes in the current average figure for any particular quarter shall take effect only from the second succeeding month following the end of the quarter.

Explanation - For the purposes of this item, 'quarter' shall mean a period of three months ending on the last day of the month of March, June, September or December.

**IV. House Rent Allowance:**

(1) With effect from the 1<sup>st</sup> day of August,2002, the House Rent Allowance payable to officers shall be as shown in the Table below:

**Table**

Sl. No.	Place of posting (1)	Rate per month (2)
1.	Cities of Mumbai, Navi Mumbai, Calcutta, New Delhi, Faridabad, Ghaziabad, NOIDA, Gurgaon, and Chennai	10% of pay subject to maximum of Rs.1,600/- per month
2.	Cities with population exceeding 12 lacs except the cities mentioned at serial number 1, Gandhinagar and all cities in the State of Goa	8% of pay subject to maximum of Rs.1,350/- per month
3.	All other places	7% of pay subject to maximum of Rs.1,300/- per month

Note: (1) For the purposes of this item, the population figures shall be as per the latest Census Report.

(2) Cities shall include their Urban Agglomeration.

(3) 'Pay' means Basic Pay and Stagnation Increments as per paragraph 8A.

(2) Officers who are allotted residential accommodation by the Corporation or Company shall pay for such accommodation, appropriate licence fee as may be decided by the Corporation or the Company from time to time and shall not be entitled to House Rent Allowance in terms of sub-item (1) of this item.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**V. City Compensatory Allowance:**

With effect from the 1<sup>st</sup> day of August, 2002, the City Compensatory Allowance payable to officers shall be as shown in the Table below :-

**Table**

Sl. No.	Place of posting (1)	Rate (2)
1.	Cities of Mumbai, Navi Mumbai, Calcutta, New Delhi, Faridabad, Ghaziabad, NOIDA, Gurgaon, and Chennai	3% of pay subject to a maximum of Rs.500/- per month
2.	Cities with population exceeding 12 lacs, except cities mentioned in serial number 1, Gandhinagar and all cities in the State of Goa	2.5% of pay subject to a maximum of Rs.470/- per month
3.	Cities with population of 5 lacs and above but not exceeding 12 lacs, State capitals with population not exceeding 12 lacs, Chandigarh, Mohali, Panchkula, Pondicherry, Port Blair	2% of pay subject to a maximum of Rs.335/- per month

Note: (1) For the purposes of this item, the population figures shall be as per the latest Census Report.

(2) Cities shall include their Urban Agglomeration.

(3) 'Pay' means Basic Pay and Stagnation increments as per paragraph 8A.

**VI. Hill Station Allowance:**

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, Hill Station Allowance payable to officers shall be as shown in the Table below :-

**Table**

Sl. No.	Height of Place of posting (Above Mean Sea Level) (1)	Rate (2)
1.	1500 meters and over	2.5% of the Basic Salary subject to maximum of Rs.335/- per month
2.	1000 meters and over but less than 1500 meters, Mercara and places which are specifically declared as "Hill Stations" by Central/ State Governments for their employees	2% of the Basic Salary subject to maximum of Rs.270/- per month
3.	Not less than 750 meters and surrounded by and accessible only through hills with a height of 1000 meters and over	2% of Basic Salary subject to a maximum of Rs.270/- per month

**VII. Kit Allowance:**

Every officer on his transfer to any of the hill stations at which hill station allowance is payable in terms of item VI of this Schedule, shall be paid a Kit Allowance of Rs.2,000/- :

Provided that no Kit Allowance shall be payable if such officer has drawn such allowance at any time earlier.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**VIII. Fixed Personal Allowance :**

With effect from the 1<sup>st</sup> day of August, 2002, the Fixed Personal Allowance payable to officers shall be as shown in column (2) of the Table below:-

**Table**

Sl. No.	Officers in the scale of pay of, as on 1.11.1993	Revised Fixed Personal Allowance (FPA)	Increment Portion of Fixed Personal Allowance as per Item VIII of the Eighth Schedule	Dearness Allowance on Increment Portion of Fixed Personal Allowance as per Eighth Schedule as on 01.11.1993
	(1)	(2)	(3)	(4)
		Rs.	Rs.	Rs.
1.	Scale VII	995	400	10.08
2.	Scale VI	785	300	7.56
3.	Scale V	725	250	6.30
4.	Scale IV	650	250	6.30
5.	Scale III	650	250	6.30
6.	Scale II	560	230	5.80
7.	Scale I	560	230	5.80

Note: The revised Fixed Personal Allowance (FPA) as shown in column (2) above shall not qualify for any allowance or for any service or terminal benefits. However, the Increment Portion of FPA as per the Eighth Schedule as shown in column (3) above shall rank for Provident Fund and Pension, and the said Increment Portion along with Dearness Allowance thereon as on the 1<sup>st</sup> November, 1993 as shown in column (4) above shall rank for Gratuity and Encashment of Earned Leave.

**IX. Transport Allowance:**

With effect from the 1<sup>st</sup> day of August, 2002, the Conveyance Allowance payable to officers at the rate of Rupees one hundred and fifty per month as per Item X of the Tenth Schedule shall stand revised to Rupees Five Hundred per month and shall be renamed as 'Transport Allowance'.

**X. Paradeep Port Allowance:**

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme or the date of appointment, whichever is later, every confirmed officer posted in the office of the Company in Paradeep Port shall be paid an allowance of Rupees Seventy Five per month so long as he is posted in that office. This allowance shall not be treated as Basic Pay for any purpose.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

**[80] "TWELFTH SCHEDULE**

**(see paragraphs 3(na), (nb) and 6B)**

**I. Pay Scales (Basic Pay) -**

Chairman-cum-Managing Director

HAG + Pay Scale of Rs.75,500/- (annual increment @ 3%) 80,000/-

Note: The grant of annual increment in the revised scale shall be governed by the provisions of the Central Civil Services (Revised Pay) Rules, 2008.

**II. Manner of fixation of basic pay in the revised scales of pay :**

- (1) With effect from 1<sup>st</sup> day of January, 2006, the basic pay of Chairman-cum-Managing Director shall be fixed as per Twelfth Schedule as specified in the Table below:

**T A B L E**

<b>Pre-revised Scale (Rs.) (as per Ninth Schedule)</b>	<b>Fixation in Revised scale (Rs.) (as per Twelfth Schedule)</b>
24050	77,765
24700	80,000
25350	80,000
26000	80,000

Note: The fixation of pay in the revised scale has been done on the basis of the Central Civil Services (Revised Pay) Rules, 2008.

- (2) Chairman-cum-Managing Director, whose basic pay is fixed in the revised scale of pay under item (1) above shall be paid the difference of basic pay and dearness allowance (after deducting the Officer's compulsory contribution to the Provident Fund) between the Pre-revised terms, as per Ninth Schedule to the said Scheme and revised terms, as under :

40% of such difference in current financial year, viz., 2008-09; and  
60% of such difference in 2009-10.

**III. Dearness Allowance :**

- (1) The Dearness Allowance payable to Chairman-cum-Managing Director shall be as under :-

(a) From 1.1.2006 to 30.6.2006	: NIL
(b) From 1.7.2006 to 31.12.2006	: 2 per cent of pay
(c) From 1.1.2007 to 30.6.2007	: 6 per cent of pay
(d) From 1.7.2007 to 31.12.2007	: 9 per cent of pay
(e) From 1.1.2008 to 30.6.2008	: 12 per cent of pay
(f) From 1.7.2008 onwards	: 16 per cent of pay

- (2) Notwithstanding anything contained in sub-item (1), the Central Government may, by order, vary the amount of Dearness Allowance from time to time.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**IV. House Rent Allowance :**

Every Chairman-cum-Managing Director shall be provided by the Corporation, or the Company, as the case may be, a rent free residential accommodation:

Provided that the Chairman-cum-Managing Director who has not been provided with such accommodation, shall be paid a house rent allowance as under:

- (i) for the period between 1.1.2006 and 31.8.2008, as per item IV of the Ninth Schedule; and
- (ii) with effect from 1<sup>st</sup> day of September, 2008, at the rate of 30 per cent of basic pay in the revised scale, drawn per month.

**V. City Compensatory Allowance :**

Chairman-cum-Managing Director shall be entitled to get City Compensatory Allowance as per item V of the Ninth Schedule for the period upto 31.8.2008, with effect from 1<sup>st</sup> day of September, 2008, there shall be no City Compensatory Allowance.

**VI. Transport Allowance :**

With effect from 1<sup>st</sup> September, 2008, the Chairman-cum-Managing Director, who is otherwise entitled to the use of official car for travel between residence and office, shall have an option to draw transport allowance at the rate of Rs.7000 p.m. plus dearness allowance thereon provided he does not use official car for travel between residence and office.

**VII. Children Education Allowance :**

With effect from 1<sup>st</sup> September, 2008, Children Education Allowance shall be reimbursed to the Chairman-cum-Managing Director upto the maximum of Rs.1000 per child per month subject to a maximum of two children and, in case of the child residing in Hostel, Hostel Subsidy shall be reimbursed upto the maximum limit of Rs.3000 per child per month subject to a maximum of two children. The limits would be automatically raised by 25% every time the Dearness Allowance on the revised Basic Pay goes up by 50%.

**VIII. Other allowances not specifically included in this Schedule :**

The payment of Other allowances to the Chairman-cum-Managing Director, not specifically mentioned in this Schedule, shall be done as in the case of officers in Higher Administrative Grade on the basis of the Central Civil Services (Revised Pay) Rules, 2008."

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[80] Twelfth Schedule inserted vide S.O. 2742(E) dated 26.11.2008 w.e.f. 1.1.2006.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**EXPLANATORY MEMORANDUM**

1. The Central Government has accorded approval to revise the scales of pay and conditions of service in respect of the Chairman-cum-Managing Director of the Corporation and Chairman-cum-Managing Directors of the Companies with effect from 1<sup>st</sup> January, 2006 and the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers), Scheme, 1975 is being amended accordingly with effect from 1<sup>st</sup> January, 2006.

2. It is certified that no Chairman-cum-Managing Director of the Corporation or Chairman-cum-Managing Directors of the Companies is likely to be affected adversely by the notification being given retrospective effect.

**[F. No. S-11012/06/2008-Ins.III]**

**TARUN BAJAJ, Jt. Secy. (Banking and Insurance)**

**NOTE :-** The Principal Scheme was published in the Gazette of India Extraordinary, Part II, Section 3, sub-section (ii) vide notification No.S.O.521 (E) dated the 17<sup>th</sup> September, 1975 and subsequently amended by notification No. S.O. 672(E) dated 21.11.1975, S.O. 389(E) dated 1.6.1976, S.O. 2445 dated 30.7.1977, S.O. 1047 dated 29.3.1978, S.O. 2110 dated 14.6.1978, S.O. 3428 dated 16.11.1978, S.O. 5 dated 20.12.1978, S.O. 770(E) dated 15.10.1985, S.O. 883(E) dated 9.12.1985, S.O. 442(E) dated 27.4.1987, S.O. 138(E) dated 29.1.1988, S.O. 782(E) dated 22.8.1988, S.O. 572(E) dated 25.7.1989, S.O. 751(E) dated 1.10.1990, S.O. 200(E) dated 10.3.1992, S.O. 81(E) dated 2.2.1994, S.O. 592(E) dated 30.06.1995, S.O. 521(E) dated 18.07.1996, S.O. 108 (E) dated 14.02.1997, S.O. 168(E) dated 5.3.1998, S.O. 729(E) dated 27.8.1998. S.O. 695(E) dated 30.08.1999, S.O. 587(E) dated 22.6.2000., S.O. 781 (E) dated 14.8.2001, S.O. 1027(E) dated 22.9.2004, S.O. 634(E) dated 4.5.2005 and S.O.1792(E) dated 21.12.2005.

**MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES**

**NOTIFICATION**

New Delhi, dated the 8<sup>th</sup> October, 2010

S.O. 2470(E).- In exercise of the powers conferred by section 17 A of the General Insurance Business (Nationalisation) Act, 1972 (57 of 1972), the Central Government hereby frames the following Scheme further to amend the General Insurance (Rationalisation of Pay Scales and other Conditions of Service of Officers) Scheme, 1975, namely :-

1. (1) This Scheme may be called the General Insurance (Rationalisation of Pay Scales and other Conditions of Service of Officers) Amendment Scheme, 2010.
- (2) Save as otherwise provided in this Scheme, this Scheme shall be deemed to have come into force on the 1<sup>st</sup> day of August, 2007.
- (3) Save as otherwise provided in this Scheme, this Scheme shall be applicable to those Officers who were in the service of the Corporation or Company as on, or after, the 1<sup>st</sup> day of August, 2007:

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

Provided that the officers, whose resignations had been accepted or whose services had been terminated during the period from the 1<sup>st</sup> day of August, 2007 and the date of publication of this Scheme, shall not be eligible for the arrears on account of revision under this Scheme.

2. In the General Insurance (Rationalisation of Pay Scales and other Conditions of Service of Officers) Scheme, 1975 (hereinafter referred to as "the said Scheme"), in paragraph 3, in clauses (na) and (nb), for the words "Eleventh Schedule", the words "Thirteenth Schedule" shall be substituted.
3. In the said Scheme, in paragraph 4, after sub-paragraph (9), the following sub-paragraph shall be inserted, namely : -

"(10) With effect from the 1<sup>st</sup> day of August, 2007, the pay and allowances of every officer shall be in accordance with the Thirteenth Schedule appended to this Scheme:

Provided that the officer may choose that his basic pay may be fixed in terms of the Thirteenth Schedule with effect from any date not earlier than the 1<sup>st</sup> day of August, 2007 and not later than the date of publication of this Scheme, in which case he shall intimate such choice in writing to the Corporation or Company within such period as may be prescribed by the Chairman-cum-Managing Director of the Corporation or Company, as the case may be:

Provided further that no arrears for the period prior to the date so chosen shall be payable to such officer."

4. In the said Scheme, for paragraph 8A, the following paragraph shall be substituted, namely:-

"**8A.** Subject to the work record being found satisfactory, -

- (a) an officer in Scale I, who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an additional increment (called 'Stagnation Increment') equal to the last increment drawn by him in the scale of pay subject to a maximum of **three** such increments:

Provided that an officer, who has already been granted, as on the 31<sup>st</sup> day of July, 2007, one or two Stagnation Increment(s) in the scale of pay as per the Eleventh Schedule, his basic pay in the relevant scale of pay as per the Thirteenth Schedule shall be fixed at the corresponding one or two stage(s) above the maximum of the scale of pay as per Table B, in Item II of the Thirteenth Schedule:

Provided further that the **third** Stagnation Increment shall be granted to an officer, after the completion of three years from the date of receipt of second Stagnation Increment or, from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later;

- (b) an officer in Scale II, who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an additional increment (called 'Stagnation Increment') equal to the last increment drawn by him in the scale of pay, subject to a maximum of **five** such increments:

Provided that an officer, who has already been granted, as on the 31<sup>st</sup> day of July, 2007, one, two, three or four Stagnation Increment or Increments

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

in the scale of pay as per the Eleventh Schedule, his basic pay in the relevant scale of pay as per the Thirteenth Schedule shall be fixed at the corresponding one, two, three or four stage or stages above the maximum of the scale of pay as per Table B, in Item II of the Thirteenth Schedule:

Provided further that the **fifth** Stagnation Increment shall be granted to an officer, after the completion of three years from the date of receipt of the fourth stagnation increment or, from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later;

- (c) an officer in Scale III, who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an additional increment (called 'Stagnation Increment') equal to the last increment drawn by him in the scale of pay, subject to the maximum of **two** such increments:

Provided that an officer, who has already been granted, as on the 31<sup>st</sup> day of July, 2007, one or two Stagnation Increment or Increments in the scale of pay as per the Eleventh Schedule, his basic pay in the relevant scale of pay as per the Thirteenth Schedule shall be fixed at the corresponding one or two stage or stages above the maximum of the scale of pay as per Table B, in Item II of the Thirteenth Schedule:

- (d) an officer in Scale IV, who has reached the maximum of the scale of pay applicable to him, may be granted an additional increment (called 'Stagnation Increment') equal to the last increment drawn by him in the scale of pay, from the 1<sup>st</sup> day of the month following completion of three years service after reaching such maximum or 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later;

Explanation: For the purpose of this paragraph, 'service' means the period of duty excluding period or periods of extraordinary leave."

5. In the said Scheme, in paragraph 9, after the second proviso, and before the Explanation, the following proviso shall be inserted, namely: -

"Provided also that the provisions of this paragraph shall not apply to Officers who joined the service of the Corporation or the Company, as the case may be, on or after the 1<sup>st</sup> day of January, 2004 and in respect of such Officers, the provisions of paragraph 9A shall apply."

6. In the said Scheme, in paragraph 9, in the Explanation, in clause (iii), after sub-clause (bb), the following sub-clause shall be inserted, namely:-

"(bc). In the case of officers other than the Chairman-cum-Managing Director, for the period commencing on the 1<sup>st</sup> day of August, 2007, as per Thirteenth Schedule."

7. In the said Scheme, after paragraph 9, the following paragraph shall be inserted, namely: -

**"9A New Pension Scheme Fund:**

Officers joining the service of the Corporation or the Company, as the case may be, on or after the 1<sup>st</sup> day of January, 2004, and accordingly covered under the New Pension Scheme, in terms of Note (2) of paragraph 3 of the General Insurance (Employees') Pension Scheme, 1995 shall contribute every month, to the Fund for the New Pension Scheme, at the rate of 10% of the Basic Pay plus Dearness Allowance, and equal contribution shall be made by the Corporation or the Company, as the case may be.

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

Explanation: For the purposes of this paragraph, the expression 'Basic Pay plus Dearness Allowance' shall be computed with reference to the Scale of Pay and Allowances applicable to the Officer in terms of this Scheme, as amended from time to time."

8. In the said Scheme, after the Twelfth Schedule, the following Schedule shall be inserted, namely:-

**“THIRTEENTH SCHEDULE**

**[See paragraph 3, clauses (na) and (nb) and paragraph 4, sub-paragraph 10)]**

**I. Pay Scales (Basic Pay) :**

- (1) Scale VII  
Rs.52210-1400(2)-55010-1500(1)-56510-1640(1)-58150-1700(1)-59850
- (2) Scale VI  
Rs.46610-1400(5)-53610
- (3) Scale V  
Rs.41660-1200(3)-45260-1350(2)-47960
- (4) Scale IV  
Rs.34460-1200(7)-42860
- (5) Scale III  
Rs.28160-840(1)-29000-910(6)-34460-1200(4)-39260
- (6) Scale II  
Rs.23120-840(7)-29000-910(6)-34460
- (7) Scale I  
Rs.17240-840(14)-29000-910(4)-32640

**II. Fixation of the Basic Pay and Stagnation Stages:**

**TABLE - A**  
**Fixation of the Basic Pay**

*(Figures in Rupees)*

Scale I		Scale II		Scale III		Scale IV		Scale V		Scale VI		Scale VII	
Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay
11110	17240	14890	23120	18130	28160	22030	34460	25930	41660	28605	46610	31745	52210
11650	18080	15430	23960	18670	29000	22680	35660	26580	42860	29390	48010	32530	53610
12190	18920	15970	24800	19230	29910	23330	36860	27230	44060	30175	49410	33315	55010
12730	19760	16510	25640	19790	30820	23980	38060	27880	45260	30960	50810	34165	56510
13270	20600	17050	26480	20350	31730	24630	39260	28605	46610	31745	52210	35105	58150
13810	21440	17590	27320	20910	32640	25280	40460	29330	47960	32530	53610	36100	59850
14350	22280	18130	28160	21470	33550	25930	41660						
14890	23120	18670	29000	22030	34460	26580	42860						
15430	23960	19230	29910	22680	35660								
15970	24800	19790	30820	23330	36860								
16510	25640	20350	31730	23980	38060								
17050	26480	20910	32640	24630	39260								
17590	27320	21470	33550										
18130	28160	22030	34460										
18670	29000												
19230	29910												
19790	30820												
20350	31730												
20910	32640												

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**  
(amendment upto 08-10-2010)

**TABLE – B**  
**[see Paragraph 8A]**  
**Fixation of Basic Pay – Stagnation Stages**

(Figures in Rupees)

Scale I		Scale II		Scale III	
Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay	Existing Basic Pay	Revised Basic Pay
21470	33550	22590	35370	25280	40460
22030	34460	23150	36280	25930	41660
		23710	37190		
		24270	38100		

Note: The term 'Existing Basic Pay' in the above tables shall mean the basic pay as applicable in accordance with the Eleventh Schedule.

**III. Dearness Allowance:**

(1) The scale of dearness allowance applicable to the officers shall be determined as under: -

Index : All India Average Consumer Price Index for Industrial Workers

Base : Index No.2944 in the series 1960 = 100

Rate of dearness allowance: - For every four points in the quarterly average over 2944 points, the dearness allowance shall be calculated at the rate of 0.15 per cent of Basic Pay.

Revision of dearness allowance: - Revision of dearness allowance may be made on quarterly basis for every four points rise or fall.

(2) There shall be an upward revision of the dearness allowance payable for every four points rise in the quarterly average (hereinafter referred to as the "current average figure") of the All India Consumer Price Index above 2944 points in the sequence 2944-2948-2952-2956 and so on and there shall be downward revision of the dearness allowance payable if the current average figure falls by four points below the index figure in the above sequence with reference to which the dearness allowance has been paid for the last preceding quarter. On the downward revision, the dearness allowance payable shall correspond to the current average figure if such current average figure is a figure in the above sequence and if such current average figure is not a figure in the above sequence, the dearness allowance payable shall correspond to the figure in the above sequence immediately preceding the current average figure.

(3) The final index figures as published in the Indian Labour Journal or the Gazette of India, whichever publication is available earlier, shall be the index figure which shall be taken for the purpose of calculation of dearness allowance.

(4) The revision in dearness allowance corresponding to the changes in the current average figure for any particular quarter shall take effect only from the second succeeding month following the end of the quarter.

Explanation - For the purposes of this item, 'quarter' shall mean a period of three months ending on the last day of the month of March, June, September or December.

**IV. House Rent Allowance:**

(1) With effect from the 1<sup>st</sup> day of August, 2007, the House Rent Allowance payable to officers shall be as shown in the Table below:

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

**Table**

<b>Sl. No.</b>	<b>Place of posting (1)</b>	<b>Rate per month (2)</b>
1.	Cities of Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bengaluru, Hyderabad, Pune, Faridabad, Ghaziabad, Noida and Gurgaon	10% of pay subject to maximum of Rs.3,200/- per month
2.	Cities with population exceeding 12 lacs except the cities mentioned at serial number 1, Gandhinagar and all cities in the State of Goa	8% of pay subject to maximum of Rs.2,700/- per month
3.	All other places	7% of pay subject to maximum of Rs.2,600/- per month

Note: (1) For the purposes of this item, the population figures shall be as per the latest Census Report.

(2) Cities shall include their Urban Agglomeration.

(3) 'Pay' means Basic Pay and Stagnation Increments as per paragraph 8A.

(2) Officers who are allotted residential accommodation by the Corporation or Company shall pay for such accommodation, appropriate licence fee as may be decided by the Corporation or the Company, as the case may be, from time to time and shall not be entitled to House Rent Allowance in terms of sub-item (1) of this item.

**V. City Compensatory Allowance:**

With effect from the 1<sup>st</sup> day of August, 2007, the City Compensatory Allowance payable to officers shall be as shown in the Table below :-

**Table**

<b>Sl. No.</b>	<b>Place of posting (1)</b>	<b>Rate (2)</b>
1.	Cities of Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bengaluru, Hyderabad, Pune, Faridabad, Ghaziabad, Noida and Gurgaon	3% of pay subject to a maximum of Rs.800/- per month
2.	Cities with population exceeding 12 lacs, except cities mentioned in serial number 1, Gandhinagar and all cities in the State of Goa	2.5% of pay subject to a maximum of Rs.760/- per month
3.	Cities with population of 5 lacs and above but not exceeding 12 lacs, State capitals with population not exceeding 12 lacs, Chandigarh, Mohali, Panchkula, Pondicherry, Port Blair	2% of pay subject to a maximum of Rs.590/- per month

Note: (1) For the purposes of this item, the population figures shall be as per the latest Census Report.

(2) Cities shall include their Urban Agglomeration.

(3) 'Pay' means Basic Pay and Stagnation increments as per paragraph 8A.

**VI. Hill Station Allowance:**

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, Hill Station Allowance payable to officers shall be as shown in the Table below :-

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

**Table**

<b>Sl. No.</b>	<b>Height of Place of posting (Above Mean Sea Level) (1)</b>	<b>Rate (2)</b>
1.	1500 meters and over	2.5% of Pay subject to maximum of Rs.460/- per month
2.	1000 meters and over but less than 1500 meters, Mercara and places which are specifically declared as "Hill Stations" by Central or State Governments for their employees	2% of Pay subject to maximum of Rs.370/- per month
3.	Not less than 750 meters and surrounded by and accessible only through hills with a height of 1000 meters and over	2% of Pay subject to a maximum of Rs.370/- per month

Note: 'Pay' means Basic Pay and Stagnation increments as per paragraph 8A.

**VII. Kit Allowance:**

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, every officer on his transfer to any of the hill stations at which hill station allowance is payable in terms of item VI of this Schedule, shall be paid a Kit Allowance of Rs.4,000/- :

Provided that no Kit Allowance shall be payable if such officer has drawn such allowance at any time earlier.

**VIII. Fixed Personal Allowance :**

With effect from the 1<sup>st</sup> day of August, 2007, the Fixed Personal Allowance payable to officers shall be as shown in column (3) of the Table given below:-

**Table**

Sl No.	Officers in the scale of pay of, as on 1.11.1993	Revised Fixed Personal Allowance (FPA)	Increment Portion of Fixed Personal Allowance as per Item VIII of the Eighth Schedule	Dearness Allowance on Increment Portion of Fixed Personal Allowance as per Eighth Schedule as on 01-11-1993
(1)	(2)	(3)	(4)	(5)
		Rs.	Rs.	Rs.
1.	Scale VII	1700	400	10.08
2.	Scale VI	1400	300	7.56
3.	Scale V	1350	250	6.30
4.	Scale IV	1200	250	6.30
5.	Scale III	1200	250	6.30
6.	Scale II	910	230	5.80
7.	Scale I	910	230	5.80

Note: The revised Fixed Personal Allowance (FPA) as shown in column (3) above shall not qualify for any allowance or for any service or terminal benefits. However, the Increment Portion of FPA as per the Eighth Schedule as shown in column (4) above shall rank for Provident Fund and Pension, and the said Increment Portion along with

**GENERAL INSURANCE (RATIONALISATION OF PAY SCALES AND OTHER CONDITIONS  
OF SERVICE OF OFFICERS) SCHEME, 1975**

*(amendment upto 08-10-2010)*

Dearness Allowance thereon as on the 1<sup>st</sup> November, 1993 as shown in column (5) above shall rank for Gratuity and Encashment of Earned Leave.

**IX. Transport Allowance:**

With effect from the 1<sup>st</sup> day of August, 2007, the Transport Allowance payable to officers at the rate of Rupees Five Hundred per month as per Item IX of the Eleventh Schedule shall stand revised to Rupees Eight Hundred per month.

**X. Paradeep Port Allowance:**

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme or the date of appointment, whichever is later, every confirmed officer posted in the office of the Company in Paradeep Port shall be paid an allowance of Rupees One Hundred and Ten per month so long as he is posted in that office. This allowance shall not be treated as Basic Pay for any purpose.”.

[F.No. S-11012/07/2010-Ins.I(iii)]

(Tarun Bajaj )  
Joint Secretary (Insurance & Pension)

**EXPLANATORY MEMORANDUM**

1. The Central Government has accorded approval to revise the scales of pay and conditions of service of Officers in the Corporation and Companies with effect from the dates specified in the notification. The General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers), Scheme, 1975 is amended accordingly with effect from the dates as specified in the notification.
2. Consequent upon the amendment in the General Insurance (Employees') Pension Scheme, 1995 in respect of officers joining on or after the 1<sup>st</sup> day of January, 2004, the General Insurance (Rationalisation of Pay Scales and other Conditions of Service of Officers) Scheme, 1975 is amended accordingly with effect from the 1<sup>st</sup> day of January, 2004.
3. It is certified that no officer of the Corporation or Company is likely to be affected adversely by the notification being given retrospective effect.

NOTE: - The Principal Scheme was published vide notification No.S.O.521 (E) dated the 17.09.1975 and subsequently amended by notification No. S.O. 672(E) dated 21.11.1975, S.O. 389(E) dated 1.6.1976, S.O. 2445 dated 30.7.1977, S.O. 1047 dated 29.3.1978, S.O. 2110 dated 14.6.1978, S.O. 3428 dated 16.11.1978, S.O. 5 dated 20.12.1978, S.O. 770(E) dated 15.10.1985, S.O. 883(E) dated 9.12.1985, S.O. 442(E) dated 27.4.1987, S.O. 138(E) dated 29.1.1988, S.O. 782(E) dated 22.8.1988, S.O. 572(E) dated 25.7.1989, S.O. 751(E) dated 1.10.1990, S.O. 200(E) dated 10.3.1992, S.O. 81(E) dated 2.2.1994, S.O. 592(E) dated 30.06.1995, S.O. 521(E) dated 18.07.1996, S.O. 108 (E) dated 14.02.1997, S.O. 168(E) dated 5.3.1998, S.O. 729(E) dated 27.8.1998. S.O. 695(E) dated 30.08.1999, S.O. 587(E) dated 22.6.2000., S.O. 781 (E) dated 14.8.2001, S.O. 1027(E) dated 22.9.2004, S.O. 634(E) dated 4.5.2005, S.O. 1792(E) dated 21.12.2005 and S.O. (E) 2742 dated 26.11.2008

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