

**SERVICE TERMS  
and  
BENEFITS  
for  
CLASS III & IV EMPLOYEES  
OF GIC Re**

(updated as on 1<sup>st</sup> August 2011)



**General Insurance Corporation of India**

# General Insurance Corporation of India - Service terms and Benefits for Staff

## **1. WORK FORCE:**

Staff position in the Corporation as on 01.04.2011 is as under:

<b>Cadre</b>	<b>As on 01.04.2011</b>
Officers (Class I)	284
Supervisory & Clerical Staff (Class III)	123
Subordinate Staff (Class IV)	33
<b>TOTAL</b>	<b>440 + 2 (deputation from LIC)</b>

## **2. RECRUITMENT :**

The cadres of Assistant and Sub-staff are basically entry grades though a certain percentage of vacancies in the cadre of Assistant/Typist are filled by promotions. Procedure has been framed for recruitment to clerical and subordinate staff cadres. The procedure specifies the minimum and maximum age at entry, qualifications and other conditions for appointment to various posts. Applications are invited from open market and/or Employment Exchanges. Suitable concessions/relaxations are also provided in case of SC/ST, Physically Handicapped and Ex-servicemen candidates as per Government guidelines, besides age relaxation to existing employees. Certain concessions in recruitment are also allowed to dependants of employees who die whilst in service. 27% reservation for OBC in recruitment. Age relaxation by 3 years. Passing standards are same as for SC/STs.

Candidates are to appear at written test, (skill test wherever necessary), interview and medical examination before final selection. A probationary period of six months is specified.

## **3. TRAINING AND DEVELOPMENT :**

GIC Re's Learning Academy is established to impart training to employees. Steps are being taken to provide induction training to employees on their appointment/ promotion.

## **4. PROMOTION POLICY :**

Promotion Policy has been formulated for Supervisory, Clerical and Subordinate Staff for promotion upto the cadre of Assistant Manager. The Policy provides a system of rewarding employees for their past performance, seniority and qualifications by assigning weightages to each of them. Thus, while it provides for promotion eligibility on the basis of seniority in the cadre, employees having specified academic and insurance qualifications can acquire faster eligibility even with shorter service. The Policy also provides a quicker avenue of promotion directly to the cadre of AM through competitive examination for those possessing prescribed qualifications. However, for promotion to the cadre of Assistant Manager, interview is also one of the criteria for selection.

As per the Promotion Policy, the Corporation shall have only the cadres of Senior Assistant as the regular promotional grade while the remaining three cadres i.e. Stenographer, Record Clerk and Driver shall cease to be regular promotional grades in as much as suitable employees from these cadres shall be eligible for promotion to higher cadres, but no employee will be inducted to these cadres by way of promotion from lower cadres.

## **5. TECHNICAL QUALIFICATIONS :**

## **General Insurance Corporation of India - Service terms and Benefits for Staff**

Insurance Institute of India with its headquarters at Mumbai and Associated Institutes throughout the country, conducts Insurance Examinations both in life and non-life branches of insurance. The employees of our Industry are encouraged to pass these examinations. Employees passing these examinations are given due weightage under the Promotion Policy and are also paid an allowance.

The Institute mainly conducts three examinations viz., Licentiate, Associateship and Fellowship.

The Licentiate examination consists of three papers and candidates passing the examination are given a certificate. The Associateship examination in non-life insurance comprises four branches viz., Fire, Marine, Miscellaneous and General. A candidate with Licentiate qualification has to pass six papers on technical subjects to get diploma of Associateship. The Associates can acquire qualification of Fellowship after passing six papers in subjects like Risk Management, Marketing & Public Relations, Management Accounting etc.

Employees having professional qualifications from the respective Institutes of Actuaries, Chartered Accountants and Cost Accountants are also provided due encouragement by way of weightage in Promotion Policy and monetary allowance.

### **6. PAY AND ALLOWANCES :**

Pay and allowances are governed by the Rationalisation Scheme notified by the Central Government and amended from time to time. The scales of pay are in force from **01.08.2007** as given below :-

Scale of pay : Linked to AICPI (All India Consumer Price Index) 2944 (Base 1960= 100)

Employees are classified into the following grades. The corresponding pay scales are given below:

#### **Scales of Pay (Basic Salary) :**

##### **A. Clerical Staff :**

- (1) Senior Assistant: Rs.10670-755(4)-13690-840(15)-26290
- (2) Stenographer: Rs.10670-755(4)-13690-840(15)-26290
- (3) Assistant, Typist, Telephone Operator, Telex Operator, Receptionist, Punch Card Operator, Unit Record Machine Operator, Comptist and other equivalent posts :  
Rs.7640-440(1)-8080-480(2)-9040-540(5)-11740-625(2)-12990-760(3)-15270-790(2)-16850-840(5)-21050
- (4) Record Clerk: Rs.7085-305(2)-7695-325(5)-9320-350(1)-9670-390(2)-10450-430(3)-11740-480(5)-14140-530(9)-18910

##### **B. Subordinate Staff:**

- (1) Driver: Rs.7085-305(2)-7695-315(14)-12105-350(2)-12805-390(9)-16315
- (2) Other Subordinate Staff: Rs.6180-250(5)-7430-265(8)-9550-315(1)-9865-325(2)-10515-390(9)-14025

### **6 A. STAGNATION INCREMENTS :**

Cadre	Maximum number of	Frequency
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## General Insurance Corporation of India - Service terms and Benefits for Staff

	Stagnation increments equal to the last increment	
Assistant	7	Every two years
Senior Assistant / Stenographer	6	Every three years

### **7. DEARNNESS ALLOWANCE (DA) (Effective from 01.08.2007):**

Dearness allowance is payable with reference to All India Consumer Price Index with base at 2944 in the series 1960 = 100. Revision of Dearness Allowance may be made on quarterly basis for every 4 points rise or fall.

**Dearness Allowance is payable at the rate of 0.15% of the basic pay.**

<b>D.A. payable for the quarter</b>	<b>Based on average AICPI of quarter</b>
February to April	October to December
May to July	January to March
August to October	April to June
November to January	July to September

### **8. ALLOWANCE FOR TECHNICAL QUALIFICATIONS :**

With effect from the 1<sup>st</sup> August,2007, the Allowance for Technical Qualification shall be paid as mentioned in column (2) of the table below:-

Provided that not more than one qualification allowance shall be permissible to him.

**Table**

Examination (1)	Allowance for Technical Qualification (p.m.)	
	(2) Existing	(3) Revised
Insurance Institute of India Or Chartered Insurance Institute: On completion of:		
i) Licentiate	Rs.115/-	Rs. 180/-
ii) Associateship	Rs.325/-	Rs. 490/-
iii) Fellowship	Rs.545/-	Rs. 820/-
Institute of Actuaries:		
iv) On passing each subject	Rs.115/-	Rs. 180/-
Institute of Chartered Accountants or Institute of Cost and Works Accountant: On completion of:		
v) Intermediate Examination	Rs.235/-	Rs. 350/-
vi) Final Group A or Group B	Rs.400/-	Rs. 600/-
vii) Final Group A and Group B	Rs.545/-	Rs. 820/-
viii) On completion of Master of Business Administration of a recognised University or Institution (AICTE approved course)	Rs.545/-	Rs. 820/-

#### **8.1 Special Functional Allowance to Sub-staff:**

The Special Functional Allowance to sub-staff with 'cash carrying' function stands revised from Rs.250/- per month to Rs.375/- per month with effect from 01.08.2007.The Special

## General Insurance Corporation of India - Service terms and Benefits for Staff

Functional Allowance or any part of it shall **not** be treated as basic salary and shall **not** count for the purpose of any allowance or for the purpose of any other service or terminal benefits.

### **8.2 Special Functional Allowance to Cashiers :**

With effect from 1<sup>st</sup> August, 2007, the employees engaged in handling cash in the office, where the total amount of cash transactions during a calendar month is ordinarily Rs.25,000/- or more, as their regular and main function shall be paid a functional allowance @ Rs. 800/- per month. From 01.01.2006 onwards, **no** part of this allowance shall count for the purpose of any allowance or for the purpose of any service or terminal benefits.

It may be noted that the Second Amendment Scheme, 2005 provides for payment of Special Functional Allowance for cash handling to an employee in the cadre of Senior Assistant also, provided no employee in the cadre of Assistant is available in the office.

### **8.3 Other Functional Allowances :**

With effect from 01.08.2007, the Functional Allowance payable to Audit Assistant stands revised from Rs. 340/- p.m. to Rs. 460/- p.m.

However, there is no change in the rate of other Functional Allowances, which shall continue to be paid as under:

(i)	Telex Operators, Punch card operators, Unit Record Machine operators, Comptists	Rs.60/-p.m.
(ii)	Stenographer to Chairman-cum-Managing Director, General Managers, Deputy General Managers and equivalent positions.	Rs. 75/- p.m.

The Second amendment Scheme, 2005 further provides that new assignment of functions under item (i) of 10.5.3.2, from 01.012006 onwards, shall not attract any such Functional Allowance.

#### General

- ◆ An employee shall draw only one functional allowance at any one time.
- ◆ An employee proceeding on leave shall be paid functional allowance during his leave period other than period of Extra-ordinary Leave provided he resumes work in same position on expiry of his leave.
- ◆ An employee cannot as a matter of right, claim to be allotted a particular work in order to avail functional allowance attached
- ◆ An employee cannot refuse to work in a position carrying functional allowance or make it a condition that he be paid such allowance where because of absence of incumbent or temporary pressure of work, the employee is assigned such work by Head of his office.

### **9. GRADUATION ALLOWANCE TO EMPLOYEES IN THE SCALE OF ASSISTANT :**

With effect from 01.08.2007, the Graduation Increments/Allowance to employees in the scale of Assistant shall be paid as under:

## General Insurance Corporation of India - Service terms and Benefits for Staff

9.1.1. An employee who is appointed or promoted to any post in the scale of Assistant and who has qualified as a Graduate of a recognised University on or after the 1<sup>st</sup> day of January 1973, but before the 1<sup>st</sup> day of August 2007, and has not reached the maximum of the scale shall be granted two increments in the scale with effect from the publication of results of the examination, or 1<sup>st</sup> day of the month following the publication of this scheme, or the date of appointment in the scale of Assistant, whichever is later, provided that he has not already received graduation increment or qualification pay for having qualified as such graduate or any advance increment on appointment, otherwise than by way of protection of emoluments granted to ex-servicemen:

Provided that if an employee entitled to increments for graduation is drawing **Basic Salary of Rs.20,210/-**, only **one** increment for graduation shall be granted to him.

9.1.2 An employee in the scale of Assistant who is a graduate from a recognized University before 1<sup>st</sup> day of August 2007 and has reached the maximum of the scale shall be paid revised graduation allowance with effect from 01.08.2007, as per column (iv) of the table below:

Stage	Revised Graduation Allowance per month with effect from 01-08-2007
One year after reaching the maximum of the scale	Rs.300/-
Two years after reaching the maximum of the scale	Rs.530/-

9.1.3 The Graduation allowance as shown above or any part thereof, shall not be counted for the purpose of any Allowance or for any terminal benefits.

Explanation:- For the purposes of the above sub-item "recognised university" means a University recognised by the University Grants Commission.

### **9.2. Graduation Allowance To Record Clerks :**

An employee in the scale of Record Clerk, who has qualified as Graduate from a recognised University before 1<sup>st</sup> day of August 2007 shall be paid Graduation Allowance of Rs.200/- p.m. with effect from the date of publication of results of the examination or, from the date of promotion as Record Clerk, or the first day of August 2007, whichever is later.

Note : The Graduation Allowance payable to employees in the scale of Record Clerk shall not be treated as Special Allowance nor shall it be treated or counted as Basic Salary for any purpose and it shall be withdrawn on promotion of the employee.

Explanation:- For the purposes of the above sub-item "recognised university" means a University recognised by the University Grants Commission.

## **10. FIXED PERSONAL ALLOWANCE (FPA)**

### **10.1. Fixed Personal Allowance:**

With effect from the 1<sup>st</sup> day of August, 2007, the Fixed Personal Allowance payable to employees on account of computerisation shall stand revised as shown in column (2) of the Table given below:-

**General Insurance Corporation of India - Service terms and Benefits for Staff**

No.	Employees in the Scale of Pay (as on 1.11.1993) of	Revised Fixed Personal Allowance (FPA)	Increment portion of Fixed Personal Allowance as per the Altered Terms (Sixth Schedule)	Dearness Allowance on Increment portion of Fixed Personal Allowance as per the Altered Terms as on 01-11-1993
		Rs.	Rs.	Rs.
1.	Senior Assistant	840	230	18.68
2.	Stenographer	840	230	18.68
3.	Assistant, etc.	840	230	18.68
4.	Record Clerk	530	130	12.74
5.	Driver	390	100	9.80
6.	Other Subordinate Staff	390	100	9.80

Note: The revised Fixed Personal Allowance (FPA) as shown in column (2) of the table above shall not qualify for any Allowance or for any service/terminal benefits. However, the increment portion of FPA as per the Altered Terms as shown in column (3) of the table 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) of the table above shall rank for Gratuity and Encashment of Earned Leave.

Employees who are paid Computer Increment in the scale of pay as on 01.07.2000 shall be eligible for FPA on the expiry of a period of one year of reaching the maximum of the scale of pay. The FPA shall be equivalent to the amount of last increment in the scale of pay applicable to the concerned employees as on 01.07.2000.

**11. HOUSE RENT ALLOWANCE (HRA) (Effective from 01.08.2002):**

With effect from **1st August, 2007** or the date of actual fixation in the revised scales of pay, if it be later, the House Rent Allowance shall be payable as given in the Table below:

Place of posting	Rate per month
a) Cities of Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bangaluru, Hyderabad, Pune, Faridabad, Ghaziabad, Noida and Gurgaon	10% of pay, subject to minimum of Rs.700/- and maximum of Rs.3200/- per month
b) Cities with population exceeding 12 lacs, except cities mentioned at (a), Gandhinagar and all cities in the State of Goa;	8% of pay, subject to minimum of Rs.600/- and maximum of Rs.2700/- per month
c) All other places	7% of pay, subject to minimum of Rs.570/- and maximum of Rs.2600/- per month

Note 1: For the purpose of this item, the population figure shall be those in the latest Census Report.

Note 2: Cities shall include their urban agglomerations.

Note 3: 'pay' means Basic Salary and stagnation increments

Note 4: Payment of House Rent Allowance to employees transferred shall be subject to the provisions of paragraph 18 of the Rationalisation Scheme.

Employees who are allotted residential accommodation/staff quarters, shall not be entitled to any house rent allowance, but they shall pay to the Corporation, for such

## General Insurance Corporation of India - Service terms and Benefits for Staff

accommodation, the appropriate licence fee as may be decided by the Board of the Corporation from time to time. At present, the licence fee is being deducted @ 1.75% of the minimum of the scale. The revised rate of licence fee shall be 1.20% of the minimum of the revised Scale with effect from 01.11.2010. Up to 31<sup>st</sup> October, 2010, the amount of licence fee which is being deducted at present on the basis of pre-revised basic and pre-revised rate shall continue.

However, an employee who has been allotted residential accommodation/staff quarters before the 1st day of April, 1983, and who has been in receipt of House Rent Allowance as on date immediately preceding the date of publication of this scheme, in terms of item VI of the Fourth Schedule of the Rationalization Scheme, continue to receive such House Rent Allowance so long as he continues to occupy the same residential accommodation/staff quarters allotted by the Corporation.

### **12. TRANSPORT ALLOWANCE :**

With effect from the 1<sup>st</sup> day of August, 2007, the Transport Allowance payable to employee at the rate of Rs.150/- per month, shall revised to Rs.275/- per month.

### **13. CITY COMPENSATORY ALLOWANCE (CCA) (Effective from 01.08.1997):**

With effect from 1<sup>st</sup> August, 2007, the rate of City Compensatory Allowance payable to Supervisory, Clerical and Subordinate Staff employees shall be as under:

<u>Place of posting</u>	<u>Rate per month</u>
a) Cities of Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bangaluru, Hyderabad, Pune, Faridabad, Gaziabad, Noida and Gurgaon	3% of pay subject to minimum of Rs.205/- per month and maximum of Rs.635/- per month.
b) Cities with population exceeding 12 lacs, except cities mentioned at (a) Gandhinagar and all cities in the State of Goa;	2.5% of pay subject to minimum of Rs.170/- per month and maximum of Rs.595/- per month.
c) Cities with the population of 5 lacs and above but not exceeding 12 lacs, State capitals with population not exceeding 12 lacs, Chandigarh, Mohali, Pondicherry, Port Blair, Panchkula.	2% of pay subject to minimum of Rs.125/- per month and maximum of Rs.510/- per month

Note 1: For the purpose of this item, the population figure shall be those in the latest Census Report.

Note 2: Cities shall include their urban agglomerations.

Note 3: 'pay' means Basic Salary and stagnation increments

Note 4: Payment of City Compensatory Allowance to employees transferred shall be subject to the provisions of paragraph 18 of the Rationalisation Scheme.

### **14. UNIFORMS AND WASHING ALLOWANCE TO SUBORDINATE STAFF (INCLUDING DRIVERS AND SECURITY GUARDS) :**

## General Insurance Corporation of India - Service terms and Benefits for Staff

### **Uniforms :**

**A.** (i) Five sets of terry cotton uniforms in two years (3 sets in odd years and 2 sets in even years).

(ii) In addition, a heavy woollen uniform once in two years in specified areas where winter is severe.

**B.** Where winter is severe and terry-cotton uniform is not found suitable, an employee may opt for a light woollen uniform every year and a heavy woollen uniform once in two years instead of 'A' above.

**C.** Also woollen overcoat once in five years to Watchmen and Drivers in specified areas, where winter is very severe.

**Washing Allowance : Rs.150/-** per month. (w.e.f. 01.08.2007)

The washing allowance for class IV employees stands revised from Rs.90/- to Rs.150/- per month with effect from 01.08.2007.

**Shoes** : One pair once in two years.

**Socks** : Two pairs every year.

**Umbrella** : One umbrella once in two years.

### **15. OVERTIME ALLOWANCE :**

Overtime allowance is paid if employee is asked to work more than half an hour beyond normal working hours on any day. Such overtime work should not exceed 90 hours in a calendar year.

### **16. PROVIDENT FUND :**

PF deductions are made @ **10% of basic salary** with an equal contribution from the Corporation/Company. Additionally, employees can contribute upto **90% of basic salary** towards Voluntary Provident Fund without matching contribution from the Corporation/Company.

### **17. PENSION :**

Pension Scheme was introduced in the Industry by the Central Government Notification dated **28th June, 1995**, as second benefit on retirement in lieu of Provident Fund w.e.f. **01.11.1993**. There is an option to employees in service as on 27.06.1995 to opt for Pension or Provident Fund. Pension Scheme is compulsory for employees joining on or after **28.06.1995**.

Details of calculation of pension are as under :-

Superannuation Pension	Superannuation pension shall be granted to an employee who has retired after completing the qualifying service of not less than 33 years.
Pension on voluntary	At any time after an employee has completed 20 years

**General Insurance Corporation of India - Service terms and Benefits for Staff**

retirement	of qualifying service.
Basic Pension	Amount of basic pension is calculated at 50% of average emoluments which is arrived at on the basis of 10 months basic pay drawn by the employee at the time of retirement.
Commutation	An employee shall be entitled to commute for a lump sum payment not exceeding 1/3 <sup>rd</sup> of his pension.

**Illustration**

Particulars	Qualifying service 33 years	Qualifying Service less than 33 years (21 years)
Average emoluments	5000	5000
Basic Pension (Normal Retirement)	$\frac{5000 \times 33}{2 \times 33} = 2500$	$\frac{5000 \times 21}{2 \times 33} = 1590$
Commutated portion of pension	833	530
Pension after commutation	1667	1060
Commutated value	$833 \times 12 \times 9.81 = 98060$	$533 \times 12 \times 15.64^* = 100033$
Total Pension p.m. (pension after commutation + Dearness Relief as on 1.2.2006)	$1667 + 432 = \text{Rs.}2099$	$1060 + 275 = 1335$

\* took SVRS at the age of 40 years, if VRS 5 years service would be added subject to conditions.

**17.1. Family Pension :-**

Family pension calculated as per the revised pay and allowances shall be payable in the following cases :-

In case of employees belonging to Officers or Class III/IV cadre :-

(a)	Who have retired on or after 1.8.2007 after drawing revised pay and allowances as per relevant Second Amendment Scheme, 2005 and died subsequently; or
(b)	Who have died while in service on or after 1.8.2007 and had drawn revised pay and allowances as per relevant Amendment Scheme, 2010.

Consequent on the revision of pay scales and allowances of employees of the Corporation w.e.f. 1.8.2007, the aggregate of basic and additional family pension should be calculated on the basis of revised pay and allowances as given below :-

Scale of Pay	Amount of Family Pension
Upto Rs.7390/-	30% of the "Pay" shall be the basic family pension plus 30% of the allowances which are counted for making contributions to Provident Fund but not for dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall be subject to a minimum of Rs.1880/- p.m.

## General Insurance Corporation of India - Service terms and Benefits for Staff

Rs.7391/- to Rs.14720/-	20% of the "Pay" shall be the basic family pension plus 20% of the allowances which are counted for making contributions to Provident Fund but not for dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall be subject to a minimum of Rs.2230/- p.m.
Rs.14721/- and above	15% of the "Pay" shall be the basic family pension plus 15% of the allowances which are counted for making contributions to Provident Fund but not for dearness allowance shall be the additional family pension. The aggregate of basic and additional family pension shall be subject to a minimum of Rs.2950/- p.m.

NOTES:- (1) Dearness Relief is not payable on additional family pension.

(2) If the surviving child or children are eligible to draw two family pension, both pensions shall be limited to Rs.17,955/- in respect of employees who have retired or died while in service, on or after 1.8.2007.

### **17.2 New Pension Scheme**

Employees joining the service of the Corporation on or after the 1st day of January, 2004 are covered under the New Pension Scheme, shall contribute every month, to the Fund for the New Pension Scheme, at the rate of 10% of the Basic Salary plus Dearness Allowance, and equal contribution shall be made by the Corporation.

### **18. GRATUITY :**

#### **As per Rationalisation Scheme**

Gratuity at the rate of one month's terminal basic salary for each completed year of continuous service in respect of the first fifteen years and at the rate of half a month's terminal basic salary for each year of further continuous service subject to the condition that the total gratuity so admissible does not exceed a maximum of 20 months terminal basic salary. (basic salary will include allowances which rank for Gratuity).

As per Payment of Gratuity Act Maximum Gratuity Payable w.e.f. 24.5.2010 is Rs.10,00,000/-

Total Gratuity payable to an employee as per payment of Gratuity Act is @ 15 days wages of each completed year of service i.e. Basic + DA x 15/26 x No. of years.

Amount of Gratuity payable to an employee shall be determined in accordance with provisions of Rationalisation Scheme or as calculated under the Payment of Gratuity Act, 1972 whichever is more favourable to him.

### **19. WORKING HOURS AND HOLIDAYS : (effective from 1.1.2006)**

	<b>Revised Provision</b>
For all employees in supervisory and clerical grades	<b>36 and ½</b> excluding lunch break of 30 minutes
Subordinate Staff <b>other than</b> Driver and Watchman, Cleaners (Sweepers)	<b>39 and ½</b> excluding lunch break of 30 minutes

## General Insurance Corporation of India - Service terms and Benefits for Staff

Subordinate Staff such as Driver and Watchman, Cleaners (Sweepers)	48 hrs.
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The above revision in Leave Rules and Hours of Work are effective from 1<sup>st</sup> January, 2006.

### **20. LEAVE FACILITIES :-**

The following types of leave are allowed :-

- **Casual Leave (CL) :**

CL upto 12 days is granted during a calendar year. Not more than **Five** days of CL can be availed at a time. CL, except where it is for one day, has to be sanctioned in advance. Out of 12 CLs, only Six Half Day CL is permitted. Saturdays, Sundays, restricted holiday and holidays, whether intervening, prefixed or suffixed, shall not be counted as Casual Leave.

- **Restricted Holidays (RH) :**

There is a provision for 2 Restricted Holidays during a calendar year.

- **Earned Leave/Privilege Leave (EL/PL) :**

At the rate of one day for every 11 days of duty. Can be availed with minimum of **Five** days at a time and maximum of 120 days. Advance notice of 15 days necessary. May be granted for shorter duration on maximum two occasions in a year if CL is not available. Can be accumulated upto 240 days.

- **Sick Leave (SL) :**

At the rate of 30 days on half pay basis for each completed calendar year of service (can be availed on full pay by debiting double the leave). Maximum accumulation can be upto 240 days. Medical certificate from a Registered Medical Practitioner for period of sickness has to be submitted.

- **Special Sick Leave :**

Maximum 6 months on half pay basis is allowed when an officer has no SL to his credit. It is provided only for 9 major diseases such as Cancer, Leprosy, Tuberculosis, Paralysis, Brain Tumour, Cardiac Ailments, Kidney, Mental and AIDS .

- **Maternity Leave (ML) :**

Female officer having less than three living children is allowed ML not exceeding 180 days in respect of each confinement. In case of miscarriage, a female Officer is allowed ML for period not exceeding six weeks immediately following the day of miscarriage.

The maximum ML that can be granted to a female officer shall not exceed 12 months including miscarriage/medical termination of pregnancy during the entire period of service.

- **Adoption Leave (AL)**

Leave for adoption of a child may be granted to a childless female Officer subject to the following conditions :-

## General Insurance Corporation of India - Service terms and Benefits for Staff

1. The leave may be granted once during the service to a childless female Officer for legally adopting a child who is below one year of age.
2. The maximum period leave will be two months or till the child reaches the age of one year, whichever is earlier.
3. The leave will be granted for adoption of only one child.
4. The leave shall be granted subject to the condition that the adoption of a child is through a proper legal process and on submission of a certified true copy of adoption deed to the Corporation/Company.

### • **Examination Leave :**

Allowed for appearing at insurance examinations of Insurance Institute of India on days of examination and/or minimum journey time to the examination centre and return.

Other types of leave include Quarantine Leave, Study Leave, Special Leave for participating in Sports and Mountaineering, undergoing Family Planning operation, etc. and Extra-ordinary Leave on Loss of Pay upto a maximum of 180 days during entire service.

**Note :** During probation, proportionate Earned Leave and Casual Leave may be allowed.

### **21. ENCASHMENT OF EARNED LEAVE :**

During service Earned Leave may be encashed upto a maximum of 15 days in a block of 2 years provided he / she has balance of minimum 15 days Earned Leave. Cash equivalent of leave salary is allowed for the Earned Leave to the credit of Officer on retirement / death / voluntary retirement on completion of 55 years / voluntary retirement on completion of 20 years' qualifying service to those who have opted for Pension, subject to maximum of 240 days.

### **22. RETIREMENT :**

As per Amendment Scheme notified on 27.5.1998, all employees shall retire at the age of 60 years.

**22.1 VOLUNTARY RETIREMENT** - Employees may be permitted to seek voluntary retirement subject to vigilance clearance on giving three months notice.

- i) On attaining age of 55 years or above,
- ii) Employees who are members of Pension Fund may be permitted to seek Voluntary Retirement on completion of 20 years qualifying service as per para 30 of GIC Pension Scheme, 1995.

### **23. DAILY HALTING ALLOWANCE TO EMPLOYEES ON TOUR (DHA) (Circular dt.3.4.2006):**

DHA has been revised w.e.f. 7<sup>th</sup> March, 2011 to Class III/IV employees as under :

Sr. No.	Designation	"A" Class City (Rs.)	"B" Class City (Rs.)	"C" Class City (Rs.)
1.	Senior Asstt. / Stenographer	500	375	300
2.	Asstt. & Record Clerk	375	275	225

## General Insurance Corporation of India - Service terms and Benefits for Staff

3.	Sub-ordinate Staff	325	225	175
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### 24. HOTEL CHARGES :

Category	Major Cities (Rs.)	Area – I (Rs.)	Other places (Rs.)
Supervisory & Clerical Staff	800	600	400
Subordinate Staff	700	525	350

### 25. LEAVE TRAVEL SUBSIDY (LTS) :

Confirmed employee whilst on any sanctioned leave may avail LTS for himself and his family members once in a block of two years. Block begins from 1<sup>st</sup> October of odd year and ends with the 30<sup>th</sup> September of following next odd year i.e. (01.10.2011 – 30.09.2013), (01.10.2013 – 30.09.2015) and so on. Subsidy of a particular block may be carried forward to or combined with the next block.

#### Entitled Distance :

Hometown	Other than Hometown
Actual distance from place of posting to Home Town by shortest route.	3000 kms. each way.

#### Reimbursement limit :

Hometown	Other than Hometown including Foreign countries
Fare paid for actual distance by shortest route by the entitled or lower than entitled mode of class	a) Fare actually paid both for onward and return journey. <b>OR</b> b) Aggregate of railway fares for <b>3000 kms.</b> each way by the entitled class. whichever is less.

#### General

- Entitled Class is the class for which the employee is entitled to travel on duty (on tour).
- Carry forward of subsidy allowed to the immediately next block of two years but not beyond next block.
- Employee and members of his family may travel together or separately but in not more than two groups.
- Family includes spouse, legitimate dependant children and parents residing with and wholly dependant on employee. ('Dependant' means a person not having income exceeding the amount of minimum family pension under 6<sup>th</sup> pay commission plus DA thereof per month.)
- Advance intimation for availing LTS to be given to office.

## General Insurance Corporation of India - Service terms and Benefits for Staff

- LTS advance limited to maximum of 90% of total subsidy. If advance is taken and travel is not commenced, entire advance must be refunded, immediately.
- As per IT rules LTS for foreign countries is taxable.

### **26. TRANSFERS :**

The scale for reimbursement of transportation expenses for carriage of household goods by an employee on transfer, between two places by lorry, even if the two places are connected by train, subject to existing limit of weight be revised as under:

	Distance in kilo meters	Rate per tonne per kilo meters
(i)	Upto 2000 kms	Rs. 1.40
(ii)	Beyond 2000 kms.	Rs. 1.10

(The above rates not to be applied on a slab basis)

The revision shall be effective from 1<sup>st</sup> March, 2007.

### **27. ACCOMMODATION :**

Employees are provided with Staff quarters wherever available for which, they have to pay prescribed licence fee (presently @ 1.20% of the minimum of revised basic pay).

### **28. LEASED ACCOMMODATION : (As per Circular 25.03.2009)**

Sr. Assistant/Stenographers transferred on promotion

Cadre	(Amt. in Rupees)	
	Metro Cities	'A' Class Cities
Sr.Asst./Stenographer	6000	1880

The revision in the Lease Rent limits is effective from 1.1.2009 onwards.

### **29. LOANS AND ADVANCES :**

#### **(I) Housing Loan :-**

- Purpose** : For purchase of land and construction of house or to purchase ready/under construction house, flat or apartment.
- Eligibility** : Minimum three years service. (2 years for Ex-servicemen)
- Quantum and Interest** :

#### **(1) Scheme Loan :**

Cadre	Maximum loan Rs.
Subordinate Staff	4,00,000/-
Record Clerk	5,00,000/-

## General Insurance Corporation of India - Service terms and Benefits for Staff

Assistant, Sr.Asstt., Steno.	6,00,000/-
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### **Rate of Interest**

5% p.a. simple interest on reducing balance

4.50% p.a. for Employees' Co-operative Housing Society with 90% members from the General Insurance Industry.

7.50% p.a. if the house/flat/apartment or any part thereof is rented.

### **(2) Supplementary Loan :**

For supplementary loan (at increased rate of interest as being charged by GICHF to public) beyond the eligibility of employee for Scheme loan subject to employees satisfactory repayment capacity. The Housing loan Scheme prescribes for the total limit for the Scheme Loan and the Supplementary loan taken together. The loan limit is given below :

The Housing loan Scheme prescribes for the total limit for the Scheme Loan and the Supplementary loan taken together. The loan limit is given below :

<b>Cadre</b>	<b>SCHEME + SUPPLEMENTARY LOAN Rs.</b>
Subordinate Staff	4,00,000/- + 5,00,000/-
Record Clerk	5,00,000/- + 6,00,000/-
Assistant, Sr.Asstt., Steno.	6,00,000/- + 7,00,000/-

### **• Limit on monthly installment :**

The monthly installment of the repayment of aggregate of Scheme Loan and Supplementary Loan should not exceed 45% of the Employee's gross monthly emoluments.

### **3) Facility of second loan :**

- Available for certain specified purposes e.g. construction of garage, compound wall, transfer of loan etc.
- Can be availed by an employee borrower twice during the entire tenure of service
- Quantum may be determined taking current cadre eligibility for scheme loan less earlier sanctioned scheme loan subject to total cost of the additional construction.

### **4) Facility of transfer of loan :**

- permitted if certain specified conditions are fulfilled
- can be availed twice in a career
- sale of previous flat purchased with the assistance of Housing Loan is compulsory and entire sale proceeds to be utilised for purchase of new flat
- Quantum may be determined taking current cadre eligibility for scheme loan less earlier sanctioned scheme loan subject to total cost of the new flat.

### **5) Combined eligibility for husband and wife employees in the General Insurance Industry :**

## General Insurance Corporation of India - Service terms and Benefits for Staff

- Eligible for aggregate amount of their individual units of Housing Loan in accordance with their respective cadre eligibility subject to a maximum amount depending upon place of construction.

### 6) **Security** :

**Prime** - Mortgage/Charge of the property.

**Collateral** - Provident Fund, Gratuity, GSLI, GTIS, Life Insurance Policies (under Salary Saving Scheme) maturing on or before retirement.(only to the extent of 50% of balance after credit for PF/Gratuity.

- Housing Loan processed and disbursed by GIC HFL w.e.f 1<sup>st</sup> July 2011

### (II) **Vehicle Loan (Two-wheeler)** :

(a) **Purpose** : For purchase of Two-wheeler.

(b) **Eligibility** : Minimum 5 years service. Next loan only after 7 years. Maximum 3 loans during entire service.

(c) **Quantum and Interest** :

80% of purchase price subject to a maximum loan of **Rs.50,000/-** with interest at 5% p.a. on reducing balance.

(d) **Repayment** :

In 60 equal monthly instalments. Monthly repayment of Housing and Vehicle Loan not to exceed 50% of gross monthly emoluments.

### **NOTES :**

- Vehicle to be hypothecated to Company/Corporation.
- Outstanding Loan Amount at cessation of service of employee due to any reason to be recovered from his terminal dues.
- Loans not allowed for second hand vehicles.
- Insurance premium borne by Company/Corporation.
- Registration Charges, Octroi duty, taxation, expenses of running, maintenance, repairs, etc. borne by employee.

### (III) **Loan to employees affected by natural calamities like flood, earthquake, cyclone, storm, hurricane, drought,etc.** :

**Purpose** : Available to employees who have suffered loss on account of property damage by flood etc. at place of posting provided Govt. has granted such advance to its employees. To be applied within 3 months of occurrence of such calamity.

**Quantum and Repayment** : Extent of damage suffered or **Rs.7500/-**, whichever is less. Interest free. Repayable in 25 equal monthly installments.

**(IV) Festival Advance :**

**Quantum and Repayment : Rs.17,000/-** or 1 month's gross salary, whichever is less. Interest free. Repayment in 10 equal monthly installments.

**WELFARE AND SOCIAL OBLIGATIONS**

**30. MEDICAL BENEFITS :**

**(1) Domiciliary (Lumpsum) :**

With effect from 01.01.2010, the limits of reimbursement of Domiciliary Medical Expenses by way of annual lump-sum payment have been revised from existing Rs.2,000/- p.a. to Rs.4,000/- for all employees in Clerical and Subordinate cadres, irrespective of their length of service.

In respect of eligible employees, who had actually incurred medical expenses in excess of the pre-revised limits for the years 01.07.2009 to 30.06. 2010, but had restricted their declaration to the pre-revised limits applicable to them and were reimbursed accordingly, the excess over such reimbursed amount up to the difference between the revised and the pre-revised limits may now be reimbursed subject to their submitting requisite declaration to that effect as per Appendix –‘C’.

**(2) Hospitalisation (under Group Mediclaim Policy) :**

**Redetermination of Categories Under Group Mediclaim Policy:**

Consequent upon revision in basic pay, the revised groupings of employees into various eligible categories with effect from the next renewal date of the policy shall be as under:-

Category (Sum Insured)	Existing basic pay range (Rs.)	Revised basic pay range (Rs.)
I (Rs. 1,55,000/-)	18671 and above	29001 and above
II (Rs. 1,00,000/-)	14731 to 18670	22730 to 29000
III (Rs. 70,000/-)	Up to 14730	Up to 22730

Three-fourth of the premium in respect of himself, spouse and two dependant children is borne by the Corporation/Company and one fourth by the employee. Service Tax of 5% on premium has not being included and is charged i.e proportionate to premium sharing. On payment of full difference in premium, employee can opt for higher sum insured. The benefits vary according to category entitled/opted.

Claims are settled after submission of prescriptions, receipts, vouchers, cash memos, etc. from the Doctor/Chemist/Hospital.

- ✧ Insurance Cover includes maternity benefits.
- ✧ Premium payments eligible for income tax relief (Sec 80-D).
- ✧ Employees can cover additional children and dependant parents on payment of entire premium. Group discount is allowed.

☆ Claim processing and settlement would be done by TPA w.e.f. 1<sup>st</sup> August 2011.

**31. EX-GRATIA REIMBURSEMENT OF MEDICAL EXPENSES :**

The salient features of the ex-gratia reimbursement scheme for high cost/protracted treatment, as approved by the Board, are as under :

1. Specified diseases :

List of specified diseases has been expanded and the revised list will now contain 28 specified diseases as per Annexure-I.

2. Eligibility

- (i) all confirmed employees
- (ii) non-earning spouse
- (iii) dependent children not exceeding two

Note : Definition of 'Dependent' would be as applicable for coverage under the Group Mediclaim Policy applicable for the employees of the Corporation/Company concerned.

3. Limits for ex-gratia reimbursement  
Both for treatment in India and treatment abroad.

- a) 90% of the amount claimed (of uncovered balance), subject to maximum of Rs.3 lacs and this provision will uniformly apply for employees as well as their eligible dependents.
- b) Further, if the uncovered expenses are beyond ex-gratia eligibility of Rs.3 lacs, the same may be reimbursed to the extent of 80% of the amount in excess of ex-gratia eligibility of Rs.3 lacs, subject to the overall limit of ex-gratia of Rs.5 lacs.

4. Frequency :

- (a) Twice during the entire service
- (b) Overall limit on each occasion being Rs.50, 000/- unutilised portion of limit for one occasion cannot be used for another occasion
- (c) If benefit has already been claimed once under the existing scheme either for employee or non-earning spouse or dependant child, the benefit of revised scheme (with revised limits) can be **allowed only once** during the balance service of the employee either for the employee or non-earning spouse or eligible dependant child.

5. Sanctioning Authority :

You would observe that henceforth, the authority to sanction ex-gratia payment has been vested in the Managing Director of the Corporation (for GIC employees) and, in a like manner, it is proposed that the authority be vested in the CMDs. of the respective Companies for their employees, subject to a report on all such ex-gratia payments being submitted to the Board of the Corporation/Company concerned, as the case may be, on quarterly basis.

## General Insurance Corporation of India - Service terms and Benefits for Staff

### 6. Date of revision :

The revision in the ex-gratia scheme is effective from 1<sup>st</sup> April, 1999.

### 32. INCENTIVES FOR FAMILY PLANNING :

Confirmed employees are reimbursed actual surgical fees, subject to prescribed maximum, in respect of family planning operation on self or spouse. Special Leave and Cash Incentive are also granted to those who undergo surgical operations.

### 33. SPORTS CLUB :

The GIC and Companies have their independent Sports Clubs which promote both indoor and outdoor sports activities. Sports Clubs are provided financial assistance by the Management. Individual employee pays membership subscription. The membership of the Sports Club is voluntary. Sports Clubs are involved in arranging Inter-Company/All India Sports Meets. They promote cultural and recreational activities.

### 34. EMPLOYEES' CO-OPERATIVE CREDIT SOCIETY :

Co-operative Credit Societies of employees have been formed in the GIC and Companies. These Societies promote the savings habit and also provide loans to the needy members at interest.

### 35. MUTUAL BENEFIT SOCIETIES :

Each Company has its own Mutual Benefit Society with membership restricted to employees on payment of nominal monthly subscription. The Management also assist the Societies by contributing to their funds. The main objects of the Societies are to promote the welfare of employees and their family members by providing grants for higher education, medical relief etc. and other benefits to members and their families. The Mutual Benefit Societies also take care of rest and relaxation of members by running Holiday Homes at various tourist places, hill stations and beach resorts.

Benefits provided by the MBS vary from Company to Company and include service memento on completion of 25 years of service, marriage grants, retirement memento etc. Retirement Benefit Scheme and Death Relief Scheme are also operated by the Societies

### 36. INCENTIVE SCHEME FOR PASSING HINDI EXAMINATIONS :

Awards are given to employees for undergoing training in Hindi as per instructions of Management and passing following examinations conducted under the Hindi Teaching Scheme of Government of India.

Examination	Scheme of Award to Those securing marks		Those passing on their own where Hindi Teaching Scheme does not exist *
	70% or more	Less than 70%	
Prabodh	Rs. 250/-	Rs 150/-	Rs. 300/-
Praveen	Rs. 275/-	Rs. 225/-	Rs. 450/-
Pragya	Rs. 300/-	Rs. 300/-	Rs. 600/-

\* will also be paid Examination fees for appearing at the Examination.

## General Insurance Corporation of India - Service terms and Benefits for Staff

Awards will not be given to employees:-

- i) whose mother tongue is Hindi and/or
- ii) who have already passed Matriculation/Higher Secondary or equivalent examination with Hindi as a regular subject and/or who have passed any other Hindi examination of any other Body.

Incentive payments to employees who pass examinations after undergoing training in Hindi Typewriting/Stenography :

	<b>Hindi Typist</b>	<b>Hindi Steno</b>
a) Lumpsum payment	Rs. 150/-	Rs. 300/-
b) Special cash benefits to those who score 88% or more marks :-		
i) Rs. 300/- for scoring	97% or more	95% or more
ii) Rs. 200/- for scoring	95% or more but less than 97%	90% or more but less than 95%
iii) Rs.100/- for scoring	90% or more but less than 95%	88% or more but less than 90%

- c) Personal Pay equivalent to one/two increment/(s) for a period of 12 months to Typist/Stenographer on passing examination.

Employees are reimbursed actual bus/train fare within prescribed limits incurred for commuting to the training centre/classes.

### **37. GROUP PERSONAL ACCIDENT COVER (GPA):**

Employees are provided free Group PA Cover on '24 hours' basis covering death, loss of limbs, permanent total and partial disablement upto sum insured equal to 36 months basic salary or Rs.1,00,000, whichever less.

Additional Contingency cover against risk of death or permanent disability resulting from terrorists' activities to employees working in/touring on official work to the States of Jammu & Kashmir, Punjab and Assam upto Rs.1 lac in case of Sub-Staff and Rs. 2 lacs in case of Others.

### **38. Group Savings Linked Insurance Scheme (GSLI) and Group Term Insurance Scheme (GTIS):**

Consequent upon revision in basic pay for officers, the revised categorisation for the purposes of GSLI and GTIS with reference to the revised basic will be as under:-

Category	Existing basic pay/salary range (Rs.)	Revised basic pay / salary range (Rs.)
III	16386 to 22680	25451 to 35660
IV	8826 to 16385	13691 to 25450
V	4856 to 8825	7391 to 13690
VI	Up to 4855	Up to 7390

Re-categorisation with reference to the revised basic ranges has been done in a manner that the existing categories remain unchanged.

**39. CONDUCT, DISCIPLINE AND APPEAL RULES, 1975 (CDA RULES) :**

CDA Rules have been framed to maintain proper discipline and good conduct in the Industry. The Rules also give examples of misconduct and prescribe various disciplinary actions including penalties. All employees are governed by these CDA Rules.

**40. SUGGESTION SCHEME :**

Suggestions are invited to improve the performance, productivity and systems of the Industry. Accepted suggestions are suitably rewarded and considered for implementation. This helps the employees to come out with original ideas and increase their level of participation and involvement.

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