

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA  
EXTRAORDINARY PART II – SECTION 3, SUB-SECTION (ii)]**

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF FINANCIAL SERVICES)**

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**NOTIFICATION**

New Delhi, the 8th October, 2010

S.O. (E).- In exercise of the powers conferred by section 17A 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 and Revision of Pay Scales and other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Scheme, 1974, namely :-

1. (1) This Scheme may be called the General Insurance (Rationalisation and Revision of Pay Scales and other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Amendment Scheme, 2010.
- (2) Save as otherwise provided in this Scheme, this Scheme shall be deemed to have come into force on the 1st day of August, 2007.
- (3) Save as otherwise provided in this Scheme, this Scheme shall be applicable to all employees who were in whole-time service in Supervisory, Clerical and Sub-ordinate Staff cadres of the Corporation or Company as on, or after, the 1st day of August, 2007:

Provided that the employees 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.

- (4) Nothing contained in this Scheme shall entitle an employee to claim Overtime Allowance higher than what he had been entitled to prior to the publication of this Scheme.
2. In the General Insurance (Rationalisation and Revision of Pay Scales and other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Scheme, 1974 (hereinafter referred to as "the said Scheme"), in paragraph 3, after clause (c), the following clauses shall be inserted, namely:-
    - (ca) "first rationalised terms" means the scales of pay and allowances as specified in the Ninth Schedule;

(cb) "first rationalised scales of pay" means the scales of pay as specified in the Ninth Schedule;".

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3. In the said Scheme, in paragraph 4, after sub-paragraph (13), the following shall be inserted, namely:-

"(14) With effect from the 1<sup>st</sup> day of August, 2007, the pay and allowances of every employee shall be in accordance with the first rationalised terms. The basic salary of every employee in service as on that date and of every employee appointed after that date but before the date of publication of this Scheme, shall be in accordance with the first rationalised scales of pay as per the provisions of paragraph 6G.

(15) Every employee whose basic salary is fixed in the first rationalised scales of pay in accordance with the provisions of paragraph 6G of this Scheme shall be paid, from the date of fixation in the first rationalised scales of pay, for the period commencing from the 1<sup>st</sup> day of August, 2007 or the date of his appointment, or the date from which he opts to be governed by the provisions of this Scheme, whichever is later, the difference of Basic Salary, Personal Pay, if any, Dearness Allowance and other allowances (after deducting the employee's compulsory contribution to the Provident Fund), between the first rationalised terms and re-modified terms applicable to him:

Provided that –

(a) an employee who had retired from service after the 1<sup>st</sup> day of August, 2007 shall be paid the difference in the amount, as specified in sub-paragraph (15), for the period upto the date of his retirement along with the difference in the amount of gratuity, if any, arising out of this Scheme;

(b) in the case of an employee who had died whilst in service on or after the 1<sup>st</sup> day of August, 2007, the difference in the amount as specified in sub-paragraph (15), for the period upto the date of his death shall be paid to the person to whom his Provident Fund was paid or is to be paid and the difference in the amount of gratuity, if any, arising out of this Scheme shall be paid to the person to whom his gratuity was paid or is to be paid:

Provided further that in respect of an employee who is promoted from Supervisory, Clerical and Sub-ordinate Staff cadres to the cadre of officer or converted as Development Officer on or after the 1<sup>st</sup> day of August, 2007, the difference in the amount referred to above (excluding the difference in gratuity amount) upto the date of his promotion as officer or conversion as Development Officer, shall be paid on the basis of notional fixation of his basic salary in the first rationalised terms.

Explanation: For the purposes of sub-paragraph (15), the expression 'other allowances' means House Rent Allowance, City Compensatory Allowance, Functional Allowance, Hill Station Allowance, Graduation Allowance, Allowance for Technical Qualification, Transport Allowance, Paradeep Port Allowance, and Fixed Personal Allowance as admissible to an employee."

4. In the said Scheme, after paragraph 6F, the following paragraph shall be inserted, namely:-

**“6G. Fixation of Basic Salary in the first rationalised scales of pay and allowances:**

- (a) The scales of pay and other allowances in case of every employee in service as on the 1<sup>st</sup> day of August, 2007, and continuing to be in service on or after the date of publication of this Scheme, shall be in accordance with the first rationalised terms from a date not earlier than,-
- (i) 1<sup>st</sup> day of the month following the date of publication of this Scheme, for Hill Station Allowance, Kit Allowance, Functional Allowance for Audit Assistants and Paradeep Port Allowance; and
- (ii) the 1<sup>st</sup> day of August, 2007, for Basic Salary and other allowances;
- (b) The scales of pay and allowances in case of every employee to whom this Scheme applies, shall be in accordance with the first rationalised terms from a date not earlier than the date mentioned in sub-paragraph (a) above or the date of appointment, whichever is later;
- (c) Notwithstanding anything contained in sub-paragraph (a) and (b), an employee may choose that the scales of pay and other allowances may be fixed in his case in accordance with Table I A or I B, as the case may be, under the Ninth Schedule, (the first rationalised terms) with effect from the dates mentioned in sub-paragraph (a) above or any date thereafter but on or before the date of publication of this Scheme, in which case, he shall intimate such choice in writing to the Corporation or Company, as the case may be, within the period as may be stipulated :

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Provided that no arrears shall be payable to such employee for the period from the 1<sup>st</sup> day of August, 2007 to the date so chosen:

Provided further that while calculating the arrears from the 1<sup>st</sup> day of August, 2007 to the date of publication of this Scheme, if the net difference between the re-modified total monthly emoluments after deducting Provident Fund and the first rationalised total monthly emoluments after deducting Provident Fund is negative, the same shall be ignored.”.

**5. In the said Scheme, in paragraph 7,-**

- (A) in sub-paragraph (1), before the Explanation, the following proviso shall be inserted, namely:-

“Provided that in respect of an employee in the scale of Sub-staff, Driver or Record Clerk, whose basic salary is fixed at Rs. 12,075/-, Rs. 14,365/- or Rs. 16,260/- respectively or above in the first-rationalized scales of pay effective from 1<sup>st</sup> day of August, 2007, the next increment after such fixation shall be due on the first day of August, 2008 or on the 1<sup>st</sup> day of the month in which he completes twelve months of continuous service after such fixation, whichever is later. Subsequent increments to such an employee shall be due as provided in this sub-paragraph above.”;

- (B) for sub-paragraph (2), the following shall be substituted, namely :-

“(2) In respect of an employee whose basic salary is fixed at maximum of the first rationalised scales of pay on the 1<sup>st</sup> day of August, 2007 or on the date of publication of this Scheme

under paragraph 6G and in respect of an employee who will be reaching the maximum of the first rationalised scales of pay at any time thereafter during the period of his service, an officer not below the rank of 'Scale III' authorised by the Corporation or Company in this behalf, subject to the work record being found satisfactory, may consider,-

(a) granting of one increment to such employee in the first rationalised scale of Assistant for every two years of continuous service rendered by him after the date of his reaching the maximum of the first rationalised scale of pay at the rate of last increment drawn in the scale, subject to a maximum of **seven** such increments:

Provided that in respect of the employees, who have already been granted as on the 31<sup>st</sup> day of July, 2007, one, two, three, four, five or six stagnation increments, in the re-modified scales of pay, their basic salary in the relevant first rationalised scale of pay shall be fixed at the corresponding first, second, third, fourth, fifth or sixth stages above the maximum of the first rationalised scale, as shown in Table I B of Ninth Schedule:

Provided further that the seventh stagnation increment shall be granted to an employee, after the completion of two years from the date of receipt of sixth stagnation increment or, from 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later;

(b) granting of one increment to such employee in the first rationalised scale of Senior Assistant or Stenographer, for every three years of continuous service rendered by him after the date of his reaching the maximum of the first rationalised scale of pay at the rate of last increment drawn in the scale subject to a maximum of **six** such increments:

Provided that in respect of the employees who have already been granted as on the 31<sup>st</sup> day of July, 2007, one, two, three, four or five stagnation increments, in the re-modified scale of pay, their basic salary in the relevant first rationalised scale of pay shall be fixed at the corresponding first, second, third, fourth or fifth stages above the maximum of the first rationalised scale, as shown in Table I B of Ninth Schedule:

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

Explanation: For the purposes of this paragraph 'continuous service' means a period of duty excluding period (s) of Extraordinary Leave.”.

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6. In the said Scheme, in paragraph 10, with effect from 1<sup>st</sup> January, 2011, in sub-paragraph (4),-

(A) for clause (e), the following clause shall be substituted, namely:-

“(e) The Competent Authority, on not more than six times in a calendar year, can allow an employee to avail of casual leave either for the forenoon only or for the afternoon only and the period of leave taken in this manner shall be treated as half day.”;

(B) after the omitted clause (f), the following clause shall be inserted, namely:-

“(g) Saturdays, Sundays, restricted holiday and holidays, whether intervening, prefixed or suffixed, shall not be counted as Casual Leave.”.

7. In the said Scheme, in paragraph 11,-

(A) 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 employees 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 employees, the provisions of paragraph 11A shall apply.”;

(B) in the Explanation, after clause (iv), the following clause shall be inserted, namely:-

“(v) for the period commencing from the 1<sup>st</sup> day of August, 2007, shall be computed with reference to the first rationalised terms.”.

8. In the said Scheme, after paragraph 11, the following paragraph shall be inserted, namely: -

**“11A New Pension Scheme Fund:**

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Employees 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 Salary plus Dearness Allowance, and equal contribution shall be made by the Corporation or the Company, as the case may be.

Explanation: For the purposes of this paragraph, the expression ‘Basic Salary plus Dearness Allowance’ shall be computed with reference to the Scales of Pay and Allowances applicable to the employee in terms of this Scheme, as amended from time to time.”.

9. In the said Scheme, in Paragraph 18,-

(A) in sub-paragraph (1), with effect from the date of publication of this Scheme, -

(i) in clause (a), for the words “will be”, the words “will ordinarily be” shall be substituted;

(ii) after clause (c), the following clause shall be inserted, namely:-

“(d) in exceptional circumstances, where the requirement or the need of the Company or the Corporation, as the case may be, are not found to be met by restricting a particular transfer to a radius of 150 kms, the Chairman-cum-Managing Director, or an officer not below the rank of Scale VII authorised in this behalf by him, may transfer an employee beyond a radius of 150 kms, in which

event the Disturbance Allowance payable as per clause (c) above to the employee so transferred shall stand revised to Rs. 600 per month.”;

- (B) in sub-paragraph (2), with effect from the date of publication of this Scheme, for the words “clause (c) of sub-paragraph (1)”, the words “clause (c) or (d) of sub-paragraph (1)” shall be substituted.

10. In the said Scheme, after the Eighth Schedule, the following Schedule shall be inserted, namely:-

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**“NINTH SCHEDULE**

**[See Paragraph 3 (ca) and (cb) ]**

**I. First rationalised Scales of Pay:**

**A. Supervisory and 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

Fixation of basic salary and stagnation stages shall be as per the Tables given below:-

**I A. Fixation of Basic Salary.**

Table

(Figures in Rupees)

Senior Assistant/ Stenographer		Assistant		Record Clerk		Driver		Other Subordinate Staff	
Existing Basic Salary	Revised Basic Salary	Existing Basic Salary	Revised Basic Salary	Existing Basic Salary	Revised Basic Salary	Existing Basic Salary	Revised Basic Salary	Existing Basic Salary	Revised Basic Salary
6885	10670	4995	7640	4665	7085	4665	7085	4105	6180
7370	11425	5280	8080	4855	7390	4855	7390	4270	6430
7855	12180	5590	8560	5045	7695	5045	7695	4435	6680
8340	12935	5900	9040	5255	8020	5250	8010	4600	6930
8825	13690	6250	9580	5465	8345	5455	8325	4765	7180
9365	14530	6600	10120	5675	8670	5600	8640	4930	7430
9905	15370	6950	10660	5885	8995	5865	8955	5105	7695
10445	16210	7300	11200	6095	9320	6070	9270	5280	7960
10985	17050	7650	11740	6320	9670	6275	9585	5455	8225
11525	17890	8055	12365	6570	10060	6480	9900	5630	8490
12065	18730	8460	12990	6820	10450	6685	10215	5805	8755
12605	19570	8950	13750	7100	10880	6890	10530	5980	9020
13145	20410	9440	14510	7380	11310	7095	10845	6155	9285
13685	21250	9930	15270	7660	11740	7300	11160	6330	9550
14225	22090	10440	16060	7970	12220	7505	11475	6535	9865
14765	22930	10950	16850	8280	12700	7710	11790	6745	10190
15305	23770	11490	17690	8590	13180	7915	12105	6955	10515
15845	24610	12030	18530	8900	13660	8135	12455	7165	10905
16385	25450	12570	19370	9210	14140	8355	12805	7415	11295
16925	26290	13110	20210	9555	14670	8605	13195	7665	11685
		13650	21050	9900	15200	8855	13585	7915*	12075
				10245	15730	9105	13975	8165*	12465
				10590*	16260	9355*	14365	8415*	12855
				10935*	16790	9605*	14755	8665*	13245
				11280*	17320	9855*	15145	8915*	13635
				11625*	17850	10105*	15535	9165*	14025
				11970*	18380	10355*	15925		
				12315*	18910	10605*	16315		

\* : In the re-modified terms, these stages appeared as stagnation stages.

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## I B. Fixation of Basic Salary – Stagnation Stages.

[ See Paragraph 7, sub paragraph (2) ]

Table

(Figures in Rupees)

Senior Assistant / Stenographer		Assistant	
Existing Basic Salary	Revised Basic Salary	Existing Basic Salary	Revised Basic Salary
17465	27130	14190	21890
18005	27970	14730	22730
18545	28810	15270	23570
19085	29650	15810	24410
19625	30490	16350	25250
		16890	26090

Note:

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- (1) The basic salary of every employee in service as on the 1<sup>st</sup> day of August, 2007, and who continues to be in service after the date of publication of this Scheme, shall be fixed at the corresponding stage in the respective first rationalised scale of pay with effect from the 1<sup>st</sup> day of August, 2007 or the date of option, whichever is later.
- (2) The basic salary of every employee appointed after the 1<sup>st</sup> day of August, 2007 and who continues to be in service after the date of publication of this Scheme, shall be fixed at the corresponding stage in the respective first rationalised scale of pay with effect from the date of his appointment or date of option, whichever is later.
- (3) The basic salary of every employee who was in service on or after the 1<sup>st</sup> day of August, 2007 and who retired or died on or before the date of publication of this Scheme, shall be fixed at the corresponding stage in the respective first rationalised scale of pay with effect from the 1<sup>st</sup> day of August, 2007 or the date of his appointment, whichever is later:

Provided that in respect of the employees in the scale of Assistant who have already been granted as on the 31<sup>st</sup> day of July, 2007, one, two, three, four, five or six stagnation increments, in the re-modified scales of pay, their basic salary in the relevant first rationalised scale of pay shall be fixed at the corresponding first, second, third, fourth, fifth or sixth stages above the maximum of the first rationalised scale :

Provided further that the seventh stagnation increment shall be granted to the employees in the scale of Assistant after the completion of two years from the date of receipt of sixth stagnation increment or, from 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later :

Provided also that in respect of the employees in the scale of Senior Assistant or Stenographer who have already been granted as on the 31<sup>st</sup> day of July, 2007, one, two, three, four or five stagnation increments, in the re-modified scale of pay, their basic salary in the relevant first rationalised scale of pay shall be fixed at the corresponding first, second, third, fourth or fifth stages above the maximum of the first rationalised scale:

Provided also that the sixth stagnation increment shall be granted to the employees in the scale of Senior Assistant or Stenographer, as the case may be, after the completion of three years from the

date of receipt of fifth stagnation increment or, from 1<sup>st</sup> day of the month following the date of publication of this Scheme, whichever is later.

## II. FUNCTIONAL ALLOWANCES:

(1) From the 1<sup>st</sup> day of August, 2007, the employees performing the following functions shall be paid Functional Allowances as under:-

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(i)	Subordinate Staff engaged in either as Key Holder or for carrying cash to or from Bank, as his regular and main function, where the amount of cash carried during a calendar month is ordinarily Rs. 25,000/- or more,	Rs. 375/- p.m.
(ii)	Other Subordinate Staff working as Liftmen, Machine Operators, Head Peons, Jamadars, Daftaries, AC Plant Operators and Heavy Vehicle Drivers, who were assigned these functions before 1 <sup>st</sup> day of January, 2006,	Rs. 165/- p.m.
(iii)	Assistant (or Senior Assistant, in the event of non-availability of Assistant) engaged in handling cash in an office, as his regular and main function, where the amount of cash transactions during a calendar month is ordinarily Rs. 25,000/- or more,	Rs. 800/- p.m.
(iv)	Telex Operators, Punch Card Operators, Unit Record Machine Operators and Comptists, who were assigned these functions before 1 <sup>st</sup> day of January, 2006	Rs. 60/- p.m.
(v)	Stenographer to Chairman-cum-Managing Director, Scale VII, Scale VI and equivalent positions.	Rs. 75/- p.m.

(2) From the 1<sup>st</sup> day of the month following publication of this Notification, the employees performing the functions of Audit Assistants shall be paid Functional Allowance @ Rs. 460/- p.m.

NOTE 1 : The number and names of persons eligible to draw the Functional Allowance shall be determined by the Chairman-cum-Managing Director or by an officer authorised by him in this behalf, depending upon the load of work and administrative requirements.

NOTE 2 : An employee shall draw only one Functional Allowance at a time.

NOTE 3 : An employee proceeding on leave shall be paid the Functional Allowance during his leave period other than periods of extra ordinary leave, provided that he resumes work in the same position on the expiry of his leave.

NOTE 4 : No employee shall, as a matter of right, claim to be allotted a particular portfolio of work in order to avail of the Functional Allowance attaching to that position or post.

NOTE 5 : No employee shall refuse to work in a position carrying a Functional Allowance or make it a condition that he be paid such allowance where, because of absence of the incumbent or temporary pressure of work, the employee is assigned such work by the Head of his Office.

NOTE 6 : Functional Allowance under any of the above clauses, or any part thereof, shall not be treated as part of basic salary and shall not be counted for the purpose of any allowance or for the purpose of any other service or terminal benefits.

### III. DEARNESS ALLOWANCE:

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(1) The rate of dearness allowance applicable to the employees 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 : For every four points in the quarterly average of the All India Consumer Price Index above 2944 points, employees shall be paid dearness allowance at the rate of 0.15 per cent of basic salary.

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 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.
- (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 purpose 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. ALLOWANCE FOR TECHNICAL QUALIFICATIONS:

- (1) A confirmed employee who qualifies or has qualified in an examination mentioned in column (2) of the Table below shall be paid with effect from the date of publication of the results of the examination or the 1<sup>st</sup> day of August, 2007, whichever is later, the allowance for technical qualifications mentioned in column (3) of the said table, namely, -

**Table**

<b>Sr. No.</b>	<b>Examination</b>	<b>Allowance for Technical Qualification (per month)</b>
(1)	(2)	(3)
1.	Insurance Institute of India Or Chartered Insurance Institute: On completion of: i) Licentiate ii) Associateship iii) Fellowship	courtsey, NICOA  Rs.180/- Rs.490/- Rs.820/-
2.	Institute of Actuaries: On passing each subject	Rs.180/-
3.	Institute of Chartered Accountants or Institute of Cost and Works Accountant: On completion of: i) Intermediate Examination ii) Final Group A or Group B iii) Final Group A and Group B	Rs.350/- Rs.600/- Rs.820/-
4.	On completion of Master of Business Administration of a recognised University or Institution (AICTE approved course)	Rs.820/-

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

- (2) The grant of allowance for technical qualifications shall not affect the seniority of the employee concerned.
- (3) Where the employee has already been given an advance increment or any other recurring monetary benefit for having qualified in any of the said examinations, the amount of allowance for technical qualification shall be suitably reduced or may not be admissible depending on the quantum of benefit already received.
- (4) Such employee on completion of service of one year after reaching the maximum of the scale shall receive the allowance for technical qualification amounting to not less than one-half of the full rate and after a further service of one year, the said allowance for technical qualification shall be paid in full.
- (5) The allowance for technical qualification as mentioned in column (3) of the table above, or any part thereof, shall not be counted for the purpose of any allowance or for any service or terminal benefit.

Explanation: For the purpose of entry mentioned at serial number 4, in column (2), "recognised University or Institution" shall mean a University or Institution recognized by the University Grants Commission.

## V. GRADUATION INCREMENT OR ALLOWANCE:

### (1) GRADUATION INCREMENTS OR ALLOWANCE TO ASSISTANT:

With effect from the 1<sup>st</sup> day of August, 2007, the Graduation Increments or Allowance to employees in the scale of Assistant shall be paid as under: -

(a) 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 20210/-**, only **one** increment for graduation shall be granted to him.

(b) an employee in the scale of Assistant who has qualified as a graduate from a recognised University before the 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 the 1<sup>st</sup> day of August, 2007, as per column (2) of the table below :-

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**Table**

Stage	Revised Graduation Allowance per month with effect from 01-08-2007
(1)	(2)
One year after reaching the maximum of the scale	Rs.300/-
Two years after reaching the maximum of the scale	Rs.530/-

(c) The Graduation Allowance, or any part thereof, shall not be counted for the purpose of any Allowance or for any service or terminal benefit:

### (2) GRADUATION ALLOWANCE TO RECORD CLERKS:

An employee in the scale of Record Clerk, who has qualified as Graduate from a recognised University before the 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 purpose of this item "recognised university" means a University recognised by the University Grants Commission.

## VI. HOUSE RENT ALLOWANCE:

(1) With effect from the 1<sup>st</sup> day of August, 2007, House Rent Allowance payable to Supervisory, Clerical and Subordinate Staff employees shall be as shown in the Table below:-

Table		
Sl. No. (1)	Place of posting (2)	Rate per month (3)
1.	Cities of Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bengaluru, Hyderabad, Pune, Faridabad, Ghaziabad, Noida and Gurgaon	10% of pay, subject to minimum of Rs.700/- and maximum of Rs.3200/- per month
2.	Cities with population exceeding 12 lacs, except cities mentioned at serial number 1, 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
3.	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 as per sub-paragraph 2 of paragraph 7

Note 4: Payment of House Rent Allowance to employees transferred under the Transfer and Mobility Policy under Paragraph 18 shall be subject to provisions of sub-paragraph (1), clause (c) of the said paragraph.

(2) Employees, who are allotted residential accommodation or staff quarters, shall not be entitled to any House Rent Allowance, but they shall pay to the Corporation or Company, for such accommodation, the appropriate License Fee as may be decided by the Board of the Corporation or Company from time to time. Provided that an employee who has been allotted residential accommodation or staff quarters before the 1<sup>st</sup> 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 said Scheme shall continue to receive such House Rent Allowance so long as he continues to occupy the same residential accommodation or staff quarters allotted by the Corporation or Company.

## VII. CITY COMPENSATORY ALLOWANCE:

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

Sl. No. (1)	Place of posting (2)	Rate per month (3)
1.	Cities of Mumbai, Navi Mumbai, Kolkata, New Delhi, Chennai, Ahmedabad, Bengaluru, Hyderabad, Pune, Faridabad, Ghaziabad, Noida and Gurgaon	3% of pay subject to minimum of Rs.205/- per month and maximum of Rs.635/- per month
2.	Cities with population exceeding 12 lacs, except cities mentioned at serial number 1, 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
3.	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 as per the latest Census Report.

Note 2: Cities shall include their Urban Agglomerations.

Note 3: 'Pay' means basic salary and stagnation increments as per sub-paragraph (2) of paragraph 7.

Note 4: Payment of City Compensatory Allowance to employees transferred under the Transfer and Mobility Policy under Paragraph 18 shall be subject to provisions of sub-paragraph (1), clause (c) of the said paragraph.

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## VIII. HILL STATION ALLOWANCE:

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, the Hill Station Allowance payable to Supervisory, Clerical and Subordinate Staff employees shall be as under:-

Sl. No. (1)	Place of posting (2)	Rate per month (3)
1.	Posted at places situated at a height of 1500 metres and over above mean sea level	2.5% of Basic Salary subject to maximum of Rs.370/- per month
2.	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 or State Governments for their employees	2% of Basic Salary subject to maximum of Rs.290/- per month
3.	Posted at places situated at a height of not less than 750 meters 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	2% of Basic Salary subject to a maximum of Rs.290/- per month

Note: Basic Salary includes stagnation increments, if any, as per sub-paragraph (2) of paragraph 7.

#### **IX. KIT ALLOWANCE:**

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme, employees transferred to any of the hill stations listed in item VIII of this Schedule shall be paid a Kit Allowance of Rs.1000/-. The Kit Allowance shall not be payable on transfer from one hill station to another if the same was drawn at any time during the preceding three years.

#### **X. 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 (3) of the Table given below:-

**Table**

<b>Sl. No.</b>	<b>Employees in the Scale of Pay (as on 1.11.1993) of</b>	<b>Revised Fixed Personal Allowance (FPA)</b>	<b>Increment portion of Fixed Personal Allowance as per the Altered Terms (Sixth Schedule)</b>	<b>Dearness Allowance on Increment portion of Fixed Personal Allowance as per the Altered Terms as on 01-11-1993</b>
(1)	(2)	(3)	(4)	(5)
		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 (3) of the table above shall not qualify for any Allowance or for any service or terminal benefits. However, the increment portion of FPA as per the Altered Terms as shown in column (4) 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> day of November, 1993, as shown in column (5) of the table above shall rank for Gratuity and Encashment of Earned Leave.

#### **XI. TRANSPORT ALLOWANCE:**

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With effect from the 1<sup>st</sup> day of August, 2007, the Transport Allowance payable to employees at the rate of Rupees One Hundred and Fifty per month as per Item XI of the Eighth Schedule shall stand revised to Rupees Two Hundred and Seventy-five per month.

#### **XII. PARADEEP PORT ALLOWANCE:**

With effect from the 1<sup>st</sup> day of the month following the date of publication of this Scheme or date of appointment, whichever is later, every confirmed employee 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 salary for any purpose.”.

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

(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 employees in the Corporation and Companies with effect from the dates specified in the notification. The General Insurance (Rationalisation and Revision of Pay Scales and Other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Scheme, 1974 is amended accordingly with effect from the dates as specified in the notification.
2. Further, consequent upon the amendment in the General Insurance (Employees') Pension Scheme, 1995 in respect of employees joining on or after the 1<sup>st</sup> day of January, 2004, the General Insurance (Rationalisation and Revision of Pay Scales and other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Scheme, 1974 is amended accordingly with effect from the 1<sup>st</sup> day of January, 2004.
3. It is certified that no employee 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.326(E) dated 27<sup>th</sup> May, 1974 and subsequently amended vide notifications No. S.O. 472(E) dated 5<sup>th</sup> September 1975, S.O. 5415 dated 22<sup>nd</sup> December 1975, S.O 390(E) dated 1<sup>st</sup> June 1976, S.O 4466 dated 11<sup>th</sup> November 1976, S.O 2443 dated 30<sup>th</sup> July 1977, S.O 1046 dated 29<sup>th</sup> March 1978, S.O 1049 dated 29<sup>th</sup> March 1978, S.O 1410 dated 26<sup>th</sup> April 1978, S.O 3429 dated 16<sup>th</sup> November 1978, S.O 314(E) dated 12<sup>th</sup> May 1980, S.O 729 (E) dated 21<sup>st</sup> September 1984, S.O 769(E) dated 15<sup>th</sup> October 1985, S.O 884(E) dated 9<sup>th</sup> December 1985, S.O 729(E) dated 3<sup>rd</sup> October 1986, S.O 441(E) dated 27<sup>th</sup> April 1987, S.O 1038 (E) dated 7<sup>th</sup> December 1987, S.O 780(E) dated 22<sup>nd</sup> August 1988, S.O 783(E) dated 22<sup>nd</sup> August 1988, S.O 1160(E) dated 9<sup>th</sup> December 1988, S.O 180(E) dated 10<sup>th</sup> March 1989, S.O 356(E) dated 12<sup>th</sup> May 1989, S.O 405(E) dated 24<sup>th</sup> May 1990, S.O 542(E) dated 6<sup>th</sup> July 1990, S.O 593(E) dated 27<sup>th</sup> July 1990, S.O 754 dated 4<sup>th</sup> October 1990, S.O 797(E) dated 25<sup>th</sup> November 1991, S.O 909(E) dated 23<sup>rd</sup> December 1991, S.O 83 dated 2<sup>nd</sup> February 1994, S.O 594(E) dated 30<sup>th</sup> June 1995, S.O 139 (E) dated 22<sup>nd</sup> February 1996, S.O 759(E) dated 1<sup>st</sup> November 1996, S.O 465 (E) dated 27<sup>th</sup> May, 1998, S.O 731(E) dated 27<sup>th</sup> August, 1998, S.O 694(E) dated 30<sup>th</sup> August, 1999, S.O 589(E) dated 22<sup>nd</sup> June, 2000, S.O 782 (E) dated 30<sup>th</sup> August, 2000, S.O.225(E) dated 15<sup>th</sup> March, 2001, S.O 633(E) dated 4<sup>th</sup> May, 2005 and S.O. 1793(E) dated 21<sup>st</sup> December, 2005.

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