

# **MINUTES OF THE 44<sup>th</sup> MEETING OF THE AUTHORITY**

held on 23<sup>rd</sup> March, 2006 at 11.30 a.m.  
in the Office of the IRDA at 3<sup>rd</sup> Floor, Parishram Bhavan, Basheer Bagh,  
Hyderabad.

<b>Present:</b>	<b>Chairman</b>	<b>Shri C. S. Rao</b>
	<b>Member</b>	<b>Shri C. R. Muralidharan</b>
	<b>Member</b>	<b>Shri K K Srinivasan</b>
	<b>Member</b>	<b>Shri T N Manoharan</b>
	<b>Member</b>	<b>Shri Vijay Mahajan</b>
	<b>Invitee</b>	<b>Dr. D V S Sastry</b>
	<b>Invitee</b>	<b>Shri P.A. Balasubramanian</b>

<b>Also present:</b>	<b>Executive Director</b>	<b>Shri K. Subrahmanyam</b>
	<b>Executive Director</b>	<b>Shri P C James</b>
	<b>Executive Director</b>	<b>Smt V. Vedakumari</b>
	<b>Consultant &amp; Special Officer</b>	<b>Shri M M Siddiqui</b>

Chairman extended a warm welcome to all including Shri T N Manoharan, President, ICAI who was attending the Authority Meeting for the first time.

The services of Shri Kamlesh Vikamsey, President, ICAI, New Delhi were appreciated and placed on record.

Leave of absence was granted to Part-time members Shri Ashok Chawla, Addl. Secretary, Ministry of Finance and Shri Gautam Hari Singhania, CMD, Raymonds Limited.

**Item # 1: Confirmation of Minutes of the 43rd Meeting of the Authority held on January 17, 2006.**

The meeting then took up for consideration and decided to confirm the Minutes of the 43<sup>rd</sup> Meeting of the Authority held on January 17, 2006.

**Resolution No: 44 : 1**

*Authority resolves to confirm the Minutes of the 43<sup>rd</sup> meeting of the Authority held on January 17, 2006.*

**Item # 2: Action Taken Report on the Minutes of 43rd Meeting of the Authority held on January 17, 2006.**

Shri Vijay Mahajan enquired about the status of amendments to Insurance Laws. Chairman elaborated that the draft recommendations of IRDA to Government of India would be forwarded soon under intimation to Members.

The Members discussed the Action Taken Report (ATR) and expressed satisfaction. It was suggested that in future the ATR would be cumulative and not be restricted to the Minutes of the immediate previous meeting.

**Item # 3: Revision of Pay Scales of Officers and Employees of the Authority.**

Members noted that the proposals are in broad conformity with the revised pay scales adopted by SEBI. They also noted that the formula adopted for HRA is reasonable. It was indicated that in case the proposed formula for HRA results in any officer/staff receiving HRA which is less than the amount now drawn, the amount being drawn would be protected. The existing and revised scales would be as appended to the Minutes.

**Resolution No: 44 : 3**

*IRDA resolves to approve in principle, as proposed, the scales of Pay, DA, HRA, CCA and FA of the officers and Employees of IRDA be revised effective from 1.11.2002 on the same pattern of SEBI as notified in their circular excepting that the housing allowance be limited to 40% of the basic pay drawn.*

**Item # 4: Consideration of IIRM's request to convert the ways and means advance given by IRDA into interest free term loan.**

The Members noted with appreciation the progress made by the Institute of Insurance and Risk Management (IIRM) as delineated by Chairman. It was decided that IRDA should extend complete support to IIRM in its endeavour to grow into a world class institution.

**Resolution No: 44 : 4**

*IRDA resolves to approve the proposal to convert the ways and means advance of Rs.1.67 crore as at 31 May, 2005 into an interest free long-term loan repayable in 10 annual installments starting from 2007-2008.*

**Item # 5: Reimbursement of Transportation charges for Members of the Authority.**

The note was considered and it was decided that the reimbursement of transportation costs be increased from present Rs.5,000 per month to Rs. 10,000 per month including the salary of Driver, if any, to the Whole time Members for the usage and maintenance of their personal cars for transportation between residence and office.

**Resolution No: 44 : 5**

*IRDA resolves to accord approval for increasing the transportation charges for Members from the present level of Rs.5,000 per month to Rs.10,000/- per month with effect from the salary for the month of January 2006.*

**Item # 6: Any other item with the permission of Chair.**

There was no other item for discussion and the meeting concluded with vote of thanks to the Chairman.

## APPENDIX

Consequent to the revision of pay scales effective from 1.11.2002 the comparative position of the existing and revised scales in IRDA will be as below:

<b>Cadre</b>	<b>Existing Scale</b>	<b>Revised Scale</b>
<b>Class-II Junior Officer</b>	7350-425-7775-475-12525-475-14900 (16Y)	11250-700(11)-18950-EB-700(4)-21750-750(1)-22500 (17 Y)
<b>Grade "1" Assistant Director</b>	7825-475-17325 (20 Y)	13700-700(9)-20000-EB-700(2)-21400-750(4)-24400 (16 Y)
<b>Grade "1" Sr. Asst. Director</b>	11200-475-17325 ( Recently introduced)	17525-700(5)-21025-800(4)-24225-EB-800(3)-26625 (13 Y)
<b>Grade "2" Deputy Director</b>	15675-475-18050-500-21050 ( 11Y)	24875-800(5)-28875-900(5)-34275 (11 Y)
<b>Grade "3" Joint Director</b>	19200-500-21700 (5Y)	28900-900(3)-31600-1000(1)-32600 (5Y)
<b>Sr. Joint Director</b>	21275-525-23900 (5Y)	32600-1000(3)-35600 (4Y)
<b>Grade "4" Executive Director</b>	22850-525-25475 (5Y)	Revision pending
<b>Class-III General Assistant</b>	7100-340-12540 (15Y)	10000-470(6)-12820-500(3)-14320-560(7)-18240
<b>Class-IV Record Keeper</b>	4300-275-5125-320-5445-325-5770-350-6470-370-7950 (11Y)	4550-110-4660-150-5110-190-5680-240-6400-300-7000-360-8080-480-10000 (20Y)

### 1. Dearness Allowance

- i) The rates of Dearness Allowance for every rise or fall of 4 points over 2288 points of the All India Working Class Consumer Price Index (Base 1960 = 100) shall be as follows:

<b>Pay</b>	<b>Rate of D.A. for every 4 points</b>
a) Upto Rs.9650	0.18% of pay
b) Rs. 9651 to Rs.15350	0.18% of Rs.9650 plus 0.15% of pay in excess of Rs.9650

<b>Pay</b>	<b>Rate of D.A. for every 4 points</b>
c) Rs.15351 to Rs.16350	0.18% of Rs.9650 plus 0.15% of difference between Rs.15350 and Rs.9650 plus 0.09% of pay in excess of Rs.15350
d) Above Rs.16350	0.18% of Rs.9650 plus 0.15% of difference between Rs.15350 and Rs.9650 plus 0.09% of difference between Rs.16350 and Rs.15350 plus 0.04% of pay in excess of Rs.16350

ii) On and from February 01, 2005, the rate of Dearness Allowance for every rise or fall of 4 points over 2288 points of the All India Working Class Consumer Price Index (Base 1960 = 100) shall be 0.18% of pay.

2. **House Allowance** : 40% of the Pay drawn in the revised scales subject to the condition that it will not be less than the amount presently drawn in the pre-revised scale.

3. **Local Allowance:**

Local Allowance will be paid @5% of pay (rounded off to the next higher rupee), subject to a maximum of:

- a) Rs.320/- p.m. for Class-IV
- b) Rs. 1000/- p.m. for Class-III, Class-II, and Grade "1" in Class-I
- c) Rs. 1200/- p.m. for Grades "2" and "3" in Class-I.

4. **Family Allowance**

Family Allowance will be paid @ 4 % of pay (rounded off to the next higher rupee subject to a maximum of:

- a) Rs.285/- p.m. for Class-IV
- b) Rs.900/- p.m. for Class-III, Class-II, and Grade "1" in Class-I
- c) Rs.1000/- p.m. for Grades "2" and "3" in Class-I.

Pay in the revised scales will be drawn from 1.4.2006. Arrears will be worked out and paid separately.

(C S Rao)  
Chairman