



**M.P PASCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED**

**G.P.H CAMPUS, POLOGROUND ,INDORE-452003**

**Fax no.-0731-2423300, Website- [www.mpwz.org](http://www.mpwz.org)**

No : MD/WZ/01/HR/ .....131.....

Indore,dated.....31/03/2015.....

**CIRCULAR**

The Group Term Insurance Scheme has been introduced by Company vide circular No. CMD/WZ/01/HR/141 dt. 21/02/2013 for the company cadre officers/employees. This scheme was being presently dealt by HR Department of company which has now been handed over to CEC Cell w.e.f. the date of order. This Scheme will be compulsory for all regular company cadre employees (Gazetted and Non-Gazetted) including trainees, employee on deputation and those who are on Leave Without Pay. Every regular/trainee employee of the Company cadre shall be required to pay the premium (including Service Tax) at a uniform rate.

In view of this, all previous orders are superseded now onwards.

As the LIC has provided revised rates for insurance for the year 2015-16, new premium amount for the employees class wise will be as follows:-

Sr No	Class of employee	Sum assured	Annual premium amount
1	Class 1	Rs 500000/-	Rs 800
2	Class II	Rs 400000/-	Rs 640
3	Class III	Rs 300000/-	Rs 480
4	Class IV	Rs 125000/-	Rs 200

**Service tax will be charged extra as applicable.**



Since the LIC shall renew the Group Term Insurance Scheme policy of company employees every year from 1<sup>st</sup> April and it would require size and age distribution of the group, therefore following responsibilities of all stakeholders have been assigned as under:

## **1. CEC Cell**

- a) Prior to Annual Renewal of the policy in April every year, the LIC shall require the list of company employees covered under this scheme. This list shall be provided to LIC by CEC Cell in the beginning of March every year for defining the premium.
- b) LIC would require the list of employees under this scheme every year for actual assessment of premium chargeable under the scheme. Therefore, CEC Cell shall verify the data of employees which have been retrieved through ERP system before providing the list to LIC for defining the premium of scheme in the 1<sup>st</sup> week of March every year.
- c) CEC Cell shall get the premium rates from LIC and intimate to all DDOs or Sr. A.O. for deduction from the pay bill of March every year .
- d) As per scheme, the recovery for all eligible employees shall be effected from the pay bill of March every year for making payment to LIC on due date. CEC Cell shall compile the deduction of GTIS of all RAOs and ensure the deduction as per defined premium.
- e) CEC cell shall raise the bill through ERP for making payment to LIC in the month of April every year to get the policy renewed for the next financial year.

## **2. DDOs**

- a) As per scheme, all DDOs are responsible to get the employees insured for the whole year under their jurisdiction.
- b) All DDOs have to ensure that premium deduction of eligible employees must be made from the salary of March every year only when amount of premium is intimated by CEC Cell. If no salary is drawn due to L.W.P., the premium dues shall be paid from company's account and further shall be recovered from the employees.
- c) All employees recruited in mid financial year, their premium amount shall be different depending on the time of inclusion. In such type of cases, it is proposed that DDOs/R.A.Os have to deduct the premium amount only when amount of premium along with employee information is provided by CEC Cell and not to deduct assumed premium on their own as observed in last two years which lead to discrepancies.
- d) For the employees, whose information is not provided by RAOs in deduction list of the March, deduction is to be done from the pay bill of April invariably and name has to be provided before 10th May to get the employee insured for the whole year.



### **3. RAOs**

- a) As per the scheme, all RAOs shall have to deduct GTIS premium from the pay bill of March every year instead of April from all the company recruited employees/officers who so ever come under their jurisdiction only when amount of premium is intimated by CEC Cell.
- b) All RAOs have to provide the deduction list to CEC cell as per monthly deduction in the first week of April every year as per attached format.

### **Procedure For Processing Death Claim Settlement Cases**

Under this scheme, the L.I.C. has guaranteed payment of sum assured on the death of employees while in service covered under this scheme. The responsibilities of concerned shall be as under:

#### **1. DDOs**

- a) The DDO's have to collect the nomination form from the employee and keep in service records of the employee for further use. Nomination form is available on the company website.
- b) In case of death of any employee, while in service and who is covered under the scheme, the concerned department head shall be responsible to collect the death certificate of the officer/employee and submit the same to CEC Cell for lodging claim with the L.I.C along with the LIC claim form available on the website.
- c) The death claim amount of GTIS shall be released to the nominee on production of nomination form of GTIS duly filled in and counter signed by the controlling officer. If no nomination form of GTIS is available, the claim amount shall be released on production of succession certificate by the legal heir.



## 2. CEC Cell

- a) CEC Cell shall verify the case received from DDO and send the requisition to LIC for settlement of death claims.
- b) LIC shall pay the sum assured to the company which will be provided to the beneficiary through Guarantor (i.e. MPPKVVCL). As per circular no. CMD/WZ/01/HR/141 dt 21/02/2013, LIC will issue the claim cheque in the name of the company.
- c) After getting the sum assured from LIC, CEC Cell shall make payment to beneficiary of the insured officer/employee through concerned DDOs.

By Order



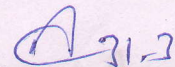
**Chief General Manager  
(HR & Admin)**

No. MD/WZ/MD/HR / 5694

Indore, dated.....31/03/2015

Copy to:

1. The Chief Engineer(IR/UR),MPPKVVCL, Indore/Ujjain.
2. The Chief Vigilance Officer, MPPKVVCL, Indore.
3. The Chief Engineer (Civil), MPPKVVCL, Indore.
4. The Chief Engineer(Comm/Pur/Works/ADB/FSP),Corporate Office, MPPKVVCL, Indore.
5. The CFO, MPPKVVCL, Indore
6. All Superintending Engineer (City/O&M/Civil, Stores),MPPKVVCL,.....
7. All Executive Engineer (City/O&M/Civil),MPPKVVCL.....
8. All Sr./Regional Accounts Officer, MPPKVVCL.....For information and necessary action



**Deputy Secretary (WZ)**

o/c WZ 31/03/15