

PROMOTION POLICY FOR OFFICERS - 2006

Introduction:

The Promotion Policy for Officers (hereinafter referred to as the '1990 Policy') adopted by the Company in February, 1990 has been in force since then, with amendments from time to time. In the meanwhile, a number of changes have taken place in the Insurance Industry, particularly, after the opening up of the sector resulting in creation of a competitive environment. These changes have called for a review of various systems and procedures being followed by the Company with a view to face the new environment effectively. Such a review, inter-alia, reveals that the 1990-Policy falls short of the expectations of the Organisation the current and the emerging scenario and, therefore, requires replacement by a new policy, which addresses the changing requirements of the Company while taking adequate care of the career prospects of its officers. Accordingly, the 1990-Policy is hereby replaced by the following Promotion Policy.

1. Preamble:

This Policy aims to provide requisite manpower competent to hold positions at various levels in the Company to meet the challenges of the contemporary scenario, while providing reasonable opportunities of career growth to its deserving and capable officers in various Scales by allowing them to move up in the hierarchy and should higher responsibilities commensurate with their caliber and competence relevant to the organizational needs from time to time.

2. Short Title and Commencement:

This Policy shall be known as the "Promotion Policy for Officers-2006" (hereinafter referred to as the Policy), and it shall come into force from the 2nd day of February 2007.

3. Definitions:

- (a) "GIC" means General Insurance Corporation of India, established under section 9 of General Insurance Business (Nationalisation) Act, 1972.
- (b) "GIPSA" means the Association of the four non-life Public Sector Insurance Companies known as General Insurers' (Public Sector) Association of India, having its office at 3rd Floor (Rear wing), Jeevan Vihar Building, Sansad Marg, New Delhi.
- (c) "GIPSA" Member Companies" means National Insurance Co. Ltd., The New India Assurance Company Limited, The Oriental Insurance Company Limited and United India Insurance Company Limited.
- (d) "Officer" means a person to whom the General Insurance (Rationalisation of Pay Scales and other Conditions of Service of Officers) Scheme, 1975 applies.
- (e) Other words and expressions used in this Policy and not defined herein but defined in the General Insurance (Rationalisation of Pay Scales and Other Conditions of Service of Officers) Scheme, 1975 shall carry the same meaning as assigned to them respectively thereunder.

4. Applicability:

The provisions of this Policy are applicable to promotions of Officers upto the cadre of Scale-VII

5. Seniority and Span of Promotion:

- 5.1** Promotions of officers from Scale V to Scale IV and from Scale-VI to Scale- VII shall be within the four GIPSA Member Companies and GIC taken together. For this purpose, all officers in Scale-V in all the five companies taken together shall be ranked in a single seniority list to be maintained by GIPSA. Similarly, a single seniority list of all officers in Scale-VI in all the five Companies taken together shall also be maintained by GIPSA.

5.2 Promotions of officers in the Company upto the Scale-V shall be within the company on all India Basis. For this purpose, all Officers in each Scale upto Scale IV shall be ranked in a single seniority list on all India basis for the Company.

6. Determination of Vacancies:

6.1 Promotional vacancies for every financial year shall be determined on the basis of the norms/guidelines adopted by the Company for determining the cadre strength in each Scale from time to time having regard to the organizational needs.

6.2 Promotional Exercise for promotion to each Scale shall ordinarily be conducted for each financial year against the number of vacancies available.

Provided however, in the event of sufficient number of vacancies not being available in any particular scale/year, it may not be necessary to conduct the promotional exercise for that particular scale/year.

7. Broad criteria for Promotion:

7.1 The organisational needs, by way of promotions of officers from one scale to another, shall be fulfilled in such a manner that merit is appropriately recognized while seniority is duly respected to the extent consistent with efficiency of the Organisation.

7.2 While promotions to Scale-VI and Scale-VII shall be based on the sole criterion of merit, promotions upto Scale-V shall be based on the overall ranking obtained under the various parameters for measuring merit and seniority amongst those qualifying the benchmark prescribed under Para 9.

8. Eligibility and Zone of Consideration:

8.1 For empanelment for consideration of promotion to the cadres of Scale-VI & Scale VII, an officer should have completed a minimum two full years of continuous service in the existing cadre and should have minimum two full years of balance service remaining before attaining the age of superannuation*, subject to the provisions of Para 17;

*** the words "and should have minimum two full years of balance service remaining before attaining the age of superannuation" inserted vide Circular HO:PER:CIR-34 dated 05.10.2009**

Provided that depending upon the number of vacancies and number of officers eligible in terms hereof, the Committee of Chairman-Cum-Managing Directors of GIPSA Member Companies and GIC may, from time to time, restrict the number of eligible officers on the panel to be considered for promotion in order of seniority ranking upto certain multiple of vacancies and/or a batch to which they belong.

8.2 To be eligible for being included in the process of consideration of promotion to the cadres of Scale-V, Scale-IV, Scale-III and Scale-II, an officer should have completed minimum three years of continuous service from the date of selection to the existing cadre, as on 31st March of the year prescribed for this purpose from time to time:

Provided that out of such eligible officers, a number equal to

(a) five times the number of vacancies, in case of promotion to the cadre of Scale-V,

(b) four times the number of vacancies in case of promotion to the cadre of Scale-IV, and

(c) three times the number of vacancies in case of promotions to the cadres of Scale-III and Scale II

from the top of the respective seniority list shall constitute the zone of consideration, subject to the provisions of Para 17:

Provided further that, subject to the provisions of Explanation (3) to para 17, all eligible officers either belonging to same batch or selected on same date shall be considered even if the total number exceeds the above proportion:

Provided also that if the total number of eligible officers is less than the above proportion, all the eligible candidates shall be considered.

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

9. Qualifying Benchmarks for consideration of promotions to various cadres

9.1 Screening Interview for promotions to the cadres of Scale VI and Scale VII

9.1.1. All officers in the eligibility cadre in GIPSA Member Companies and GIC empanelled as per Para 8.1 for consideration of promotion shall be interviewed by a Screening Committee comprising of 4 or 5 outside experts in the field of, say Management, HR and Organisational Behaviour, Public Administration, Economics, Psychology etc.

9.1.2. The Screening Committee shall assess the officers under the parameters of conceptual level/vision, depth & range of overview of the Industry/economy, planning ability, decision making ability, management traits, positive attitude, problem solving ability including conflict resolution/management, overall leadership ability etc and submit their assessment/recommendations to the Promotion Committee.

9.2 Written Test for promotions upto the cadre of Scale-V:

9.2.1. All officers included in the zone of consideration in terms of Para 8 above for promotion from Scale-I to Scale-II, Scale-II to Scale-III and Scale-IV to Scale-V shall be required to qualify in a Written Test to be conducted by an independent, professional Examining Body of repute (for example, National Insurance Academy, Pune), before being included in further process for consideration of promotion for the year concerned

9.2.2. The nature of the Written Test shall be objective or descriptive or both, and it shall carry a maximum of 100 marks.

9.2.3. An officer shall be declared as having qualified the Written Test provided he secures 50 (45 for SC/ST Officers with effect from Promotion Exercise 2008-09)* or more marks, as per the evaluation done by the Examining Body. Officers securing marks below the minimum qualifying marks shall not be considered in the further process of promotion for the year concerned.

*** the words in bracket, i.e. '45 for SC/ST Officers with effect from Promotion Exercise 2008-09' inserted vide Notice dated 28.01.2008**

9.2.4. The Examining Body shall have absolute discretion with regard to adopting an appropriate technique/methodology for evaluation and the decision of the Examining Body in this regard as also on the results of evaluation shall be final and binding.

10. Criteria for promotions upto Scale V:

10.1 Selection for promotion up to Scale-IV shall be based on the overall ranking obtained under the parameters of Merit as judged by the score in the Written Test (subject to the provisions of Para 14.2), Insurance Qualification (for promotions upto Scale-III) and Work Record (as per the annual performance appraisal system in force) as well as Seniority.

10.2 In addition to the above, promotion from the cadre of Scale-IV to Scale-V shall be subject to Interview.

10.2.1. The system of Interview may be introduced for promotion to other cadres also, subject

to suitable adjustment of Weightage in numerical marking,s from a date as may be deemed necessary and approved by the Board of the Company.

Note: For the purpose of this paragraph, 'interview' shall include an interview conducted through video conferencing, wherever the Promotion Committee so allows.

11. Scheme of weightage to various parameters in the criteria for promotions upto Scale V

11.1 In assessment, maximum Weightage in terms of numerical marks for various criteria shall be worked out as under

Parameter		Scale I to Scale II	Scale II to Scale III	Scale III to Scale IV	Scale IV to Scale V
(a)	Written Test	30	30	30	25
(b)	Insurance Qualification	5	5	-	-
(c)	Work Record	30	35	45	45
(d)	Seniority	35	30	25	15
(e)	Interview	-	-	-	15
Total		100	100	100	100

11.2 Written Test

For the purpose of assigning weightage of scores in the Written Test under Para 11.1, for every mark scored in the Written Test, the following weightage shall be granted:-

- (a) For Promotions upto Scale-IV : 0.3
- (b) For promotions to Scale-V : 0.25

Example:

An Officer in Scale-III scoring 60 marks in the Written Test shall be assigned 18 marks (out of 30) in the scheme of weightage.

An Officer in Scale-IV scoring 60 marks in the Written Test shall be assigned 15 marks (out of 25) in the scheme of weightage.

11.3 Insurance Qualifications

11.3.1. The Insurance Qualification marks are to be allotted only for Scale I and Scale II officers. For promotion to the cadre of Scale IV and above, no weightage will be given for Insurance Qualification.

11.3.2. For promotion from Scale I to Scale II & from Scale-II to Scale-III, marks for Insurance Qualification shall be allotted as under:-

- (a) For Licentiate of I.I.I. NIL
- (b) For completion of A.I.I.I. or A.C.I.I. 2 Marks
- (c) For completion of F.I.I.I. or F.C.I.I. 5 Marks

11.3.3. For first two promotional exercises to be conducted under the provisions of this Policy, the weightage of Insurance Qualification marks shall be available only once (in conjunction and continuation with similar provisions under 1990 Policy). Thereafter, this restriction shall not be applicable.

Part of C.R	Scale-I	Scale-II	Scale-III	Scale-IV
Traits	10	10	10	10
Performance	12.5	12.5	17.5	17.5
Growth Potential	7.5	12.5	17.5	17.5
Total	30	35	45	45

11.4 Work Record:

The work record shall be assessed through the annual confidential reports, the three parts of which shall carry maximum marks in various Scales as under:-

11.5 Seniority:

Evaluation for the parameter of seniority shall be done as under:-

11.5.1. The marks for completed years of service will be allotted as under:-

(a) For the first three completed years of service (i.e. The minimum eligibility period in the existing Scale: NIL

(b) For each completed year of service (beyond the first three years) in the existing Scale, as per the following table:-

Scale	Marks of each completed year of service (beyond the first three years) in the existing Scale as on 31st March of the year referred to in Para 8.2	Maximum Marks
Scale I	5	35
Scale II	3	30
Scale III	3	25
Scale IV	2	15

11.5.2. To give weightage to inter-se seniority amongst the officers belonging to the same batch, 0.01 mark will be added in the ascending order, starting with 0.00 for the last officer in the list. If there is more than one batch in the same year, all such batches of officers shall be arranged according to the date of selection and marks will be allotted as above.

11.6 Interview:

Promotion Committee shall interview candidates and allot appropriate marks, the maximum being 15.

12. Promotion Committees:

12.1 The Promotion Committees shall comprise of, as under:-

(a) For promotion to the cadre of Scale VI and Scale VII:

CMDs of GIPSA Member Companies and GIC, besides one nominee of Government of India.

(b) For Promotion to the cadre of Scale-V:

CMD, One Director on the Board of the Company, GM (Personnel), one SC/ST representative and one outside expert.

(c) For Promotion from Scale-I to Scale II, Scale-II to Scale-III and Scale III-Scale-IV

CMD, two Gms (including the one in-charge of Personnel) and one SC/ST representative.

12.2 The Promotion Committee shall also be the Interview Committee for promotion to the cadre, in respect of which Interview is prescribed.

13. Promotion from the cadres of Scale-V to Scale VI and Scale-VI to Scale-VII:

13.1 Eligible officers, after being interviewed by the Screening Committee, as per 9.1, shall appear for an interview by the Promotion Committee. The Promotion Committee shall, after taking into account the assessment/recommendations of the Screening Committee, overall merit, suitably, growth potential, length of balance service, qualifications, service experience in various functional areas and seniority of the candidates, as may be assessed from the performance appraisal records as well as personal interview, prepare a list of officers selected for promotion. The list shall be so prepared as to maintain the inter-se seniority of the concerned officers in the existing cadres. Such selection of officers for promotion by the Committee shall be final. The list shall be to the extent of the vacancies available for the year concerned.

13.2 Once the list of officers selected for promotion Committee is available, the Committee of CMDs of GIPSA Member Companies and GIC shall decide upon the postings of these officers on promotion amongst the five companies having regard to the availability of vacancies and other exigencies. Wherever necessary, the Chief Executive, GIPSA shall be required to forward to the Central Government the details of officers to be transferred from one company to another, whereupon the Central Government, in exercise of its authority under section 22 of the General Insurance Business (Nationalisation) Act, 1972, shall issue the requisite transfer orders.

13.3 In cases, where an officer is required to join another company in the promoted cadre, upon the officer concerned joining the said company, in pursuance to such transfer orders, the Appointing Authority for Promotion in the said company shall issue the promotion-cum-posting order.

14. Promotion from Scale-I to Scale-II, Scale-II to Scale-III, Scale-III to Scale-IV and Scale-IV to Scale-V:

14.1 The Promotion Committee shall examine the information about the officers who have qualified the Written Test under the reckoning parameters contained in the summary sheets and also give suitable weightage either plus or minus for the inconsistencies and/or exaggerated remarks, as may be observed from the confidential reports / work records of the officers concerned. Thereafter, the total marks shall be suitably moderated and recorded by the Committee, taking into account the marks secured in interviews, where applicable, provided that while giving such weightage, the Committee shall also take into account regional imbalances noticed, if any.

14.2 The Committee, on the above basis, shall select officers for promotion in the following

manner:-

- (a) The officers shall be ranked in descending order of total marks obtained under the reckoning parameters and from the top of the said list a number equivalent to 75% (fraction of 0.5 and above being taken as 1) of the vacancies available shall be taken out to constitute one part of the Promotion List.
- (b) Thereafter, the remaining officers shall be re-ranked in descending order of total marks obtained under the reckoning parameters (excluding the score in the Written Test) and from the top of the said list a number equivalent to the balance number of vacancies available shall be taken out to constitute the other part of the Promotion List.
- (c) The two parts of the Promotion List shall thereafter be joined together, maintaining the inter-se seniority of the concerned officers in the existing cadres, so as to constitute the complete Promotion List to the extent of the vacancies available for the year concerned.
- (d) The Committee shall then forward the complete Promotion List so prepared to the Appointing Authority. Such selection of officers for promotion by the Committee shall be final.

15. Special provisions for SC/ST officers:

The guidelines / directives / administrative instructions issued by the Department of Personnel and Training, Government of India on the subject, as received by the Company from its administrative Ministry, from time to time shall be deemed to be a part of this policy and given effect accordingly, *mutatis-mutandis*.

16. Appointing Authority for promotion:

The Appointing Authority for various cadres of officers shall be as under:-

Sl. No.	Promotion to the cadre of	Appointing Authority
(i)	Scale-VII & Scale-VI	Chairman-cum-Managing Director
(ii)	Scale-V & Scale-IV	General Manager (Scale-VII)
(iii)	Scale-III & Scale-II	Deputy General Manager (Scale-VI)

17. Effect of supercession:

Officers who are superceded in promotion in three consecutive promotional exercises shall not be included in the Zone of consideration for two immediately succeeding promotional exercises. If, as a result of such exclusions, the condition of the requisite multiple number of vacancies for constituting the zone of consideration as per Para 8 is violated, a number equal to such shortfall shall be included in the zone consideration from the immediately lower order of the seniority list, subject to such officers in lower order being otherwise eligible.

Explanations:

- (1) For the purpose of this paragraph, an officer "A" shall be deemed to have been superceded, if in a particular year, another officer junior to him in the seniority list for that cadre has been promoted to the higher cadre, but "A" has not been promoted.

Provided however, in case of promotions upto Scale-V, an officer who has qualified in the Written Test in a particular year, but not included in the final selection list for promotion, shall not be deemed to have been superceded for that year;

Provided further, in case of promotions to Scale-VI and Scale-VII, an officer who applies for being excluded from the process of promotion for a particular year sufficiently in advance before holding of interviews by the Screening Committee and has accordingly been so allowed, shall not be deemed to have been superceded for that year, and the shortfall, if any, in the zone of

consideration as a result of excluding such officers from the process of promotion in that particular year may be made up by including officer(s) from the immediately lower order of Seniority as per the discretion of the Committee referred to in the proviso to para 8.1.

(1A) ** From 2009-10 Promotional Exercise and onwards, in case of promotions upto Scale V, an officer shall have an option for being excluded from the process of promotion for a particular year/exercise provided such an option is exercised within the time limit prescribed for such purpose by the Company, in which event the particular year/exercise for the promotional process of which such an option has been availed shall be excluded from the counting of 3 consecutive promotional exercises for the purpose of this paragraph:

Provided however, that such an option can be availed by an officer not more than once while a particular Scale for promotions upto Scale V;

Provided further, that such exclusion of officers from the process of promotion in any particular year/exercise shall not affect the constitution of the zone consideration for that particular process of promotion already constituted in terms of Para 8.2

**** Paragraph (1A) inserted vide Notice dated 27.05.2009**

- (2) For the purpose of counting three occasions under this paragraph, the first supersession to be reckoned shall be under the promotional exercise conducted under the provisions of this Policy.
- (3) The inclusion of Officers in the zone of consideration from the lower order of the Seniority List in terms of this paragraph is limited only for the purpose of filling up the shortfall in the requirement of requisite multiple of number of vacancies, and shall not be applicable for the purposes of second proviso to Para 8.2 relating to batch consideration.

18. Probation on Promotion:

Officers promoted to the cadre of Scale-V and above shall be on probation for a period of one year.

19. Seniority in promoted cadre:

Promotion shall take effect only after the officer takes charge of the post in the promoted cadre at the place of posting. However, the date of taking charge of the post shall not affect the seniority in the promoted cadre which shall be reckoned from the date of selection, provided such date of taking charge is not later than the 31st of March of the promotion year.

20. Fixation of salary on promotion:

20.1 Fixation of salary on promotion shall be governed by the provisions of General Insurance (Rationalisation of Pay Scales and other Conditions of Service of Officers) Scheme, 1975, as amended from time to time.

20.2 The officers shall have option to select a date, ranging between the date of taking charge in the higher cadre and the date of next annual increment, from which his/her salary is to be fixed in higher scale. Such an option shall be required to be exercised within one month from taking charge in the higher cadre, failing which the fixation of salary shall be done from such date of taking charge.

21. Effect of non-acceptance of promotion:

Where an officer declines to accept promotion, such refusal shall be taken into account when considering his/her case for promotion for subsequent two years.

Explanation:

Notwithstanding anything contained herein to the contrary, for the purpose of this paragraph, similar provisions appearing under Para 16 of the 1990 Policy shall be deemed to have continuous effect, in conjunction with the provisions of this Paragraph.

22. Removal of doubts and Clarifications:

In case of any doubt on any provision requiring clarification, Chairman-cum-Managing Director of the Company is authorised to issue necessary clarification/s.

23. Overriding effect:

Unless expressly so specified herein, the provisions of this policy shall have effect notwithstanding anything to the contrary in any rules, or policy, framed by the Company for the time being in force.
