

## MANUAL – 10

### DIRECTORY OF MONTHLY REMUNERATION RECEIVED BY EACH OF ITS OFFICERS AND EMPLOYEES, INCLUDING THE SYSTEM OF COMPENSATION AS PROVIDED IN ITS REGULATIONS

#### SERVICE CONDITIONS OF THE EMPLOYEES

**ni-msme** has adopted the pay scales and other service conditions as applicable to the Central Government employees to its employees. Accordingly, each employee in addition to the pay is entitled for Dearness Pay (DP), Dearness Allowance (DA), House Rent Allowance (HRA), and Transport Allowance (TA) at such rates as applicable to the employees of Central Government from time to time.

#### OTHER BENEFITS

- Reimbursement of Medical Expenses incurred by the employee and /or spouse / children and dependant parents, etc. as admissible in terms of CS (MA) Rules.
- Leave Travel Concession Rules as applicable to GoI employees.
- Non-productivity Linked Bonus at such rates to the non-gazetted Group-B, Group-C and Group-D employees as approved by the Central Government from time to time.

#### RETIRMENT BENEFITS

As part of retirement benefits to the employees, **ni-msme** has implemented Employees Provident Fund (earlier known as Contributory Provident Fund) of which rules are approved by the Commissioner of Income Tax, Andhra Pradesh and the said fund is administered through a Committee as provided in the rules.

With effect from 1<sup>st</sup> April 1982, the **ni-msme** has been brought under the purview of Employees Provident Fund & Miscellaneous Provisions and accordingly the rules under these rules made applicable. However, the Regional Provident Fund Commissioner, Andhra Pradesh has exempted the EPF Trust of **ni-msme** and allowed to continue to administer the fund through the said committee subject to investment of its funds in the approved investments at the rates as specified from time to time.

According to these rules, every employee has to subscribe towards his/her share of subscription at not less than 12% and not more than 20% of his / her basic pay, dearness

pay and dearness allowance every month. Employer shall also provide Employer's share at 12% of basic pay, dearness pay and dearness allowance in respect of each employee to the credit of individual employee.

The employee shall be paid the accumulated amounts together with employer's share to the employee on his/ her superannuation, resignation and death, in which case to the declared nominee or to the legal heir.

## **B) DEATH-CUM-RETIREMENT GRATUITY**

- 1) An employee, who has completed five years' qualifying service and has become eligible for service gratuity on his retirement, be granted [retirement gratuity] equal to one fourth of his emoluments for each completed six monthly period of qualifying service, subject to a maximum of 16 ½ times the emoluments.
- 2) If an employee dies while in service, the death gratuity shall be paid to his family in the manner indicated in (1) at the rates given in the Table below, namely: -

<b>Length of qualifying service</b>	<b>Rate of death gratuity</b>
(i) Less than 1 year ...	2 times of emoluments
(ii) One year or more but less than 5 years ...	6 times of emoluments
(iii) 5 years or more but less than 20 years...	12 times of emoluments
(iv) 20 years or more...	Half of emoluments for every completed six-monthly period of qualifying service subject to a maximum of 33 times of emoluments.

Provided that the amount of retirement gratuity or death gratuity payable under this rule shall in no case exceed Ten lakhs.

## **C) ENCASHMENT OF EARNED LEAVE**

Each employee on his superannuation or death while in service shall be paid equivalent amount at last drawn towards encashment of earned leave at his / her credit in the account subject to maximum of 300 days.