

7.2 Best Practice *Ex-gratia*

Subject: Ex-gratia payment to the dependent family members of the deceased employee

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Ex-gratia payment to the dependent family members of the deceased employees

There have been requests from some Departments to have a scheme whereby an employee's family is given some financial relief in case of an untimely demise of the employee while in service. This is more so in case of field employees.

As a good will gesture and to keep the system objective, it is decided to extend some financial help to the families of the employees who die during the service. The quantum of financial help is kept relatively low, considering that this is not a Life Insurance scheme. For this purpose, employees are classified into 5 categories based on annual CTC (excluding incentive payments, if any). The amount of financial relief proposed to be granted to the family of the deceased employee is given below:

Sl #	Category	Annual CTC Range (Rs. in lakhs)	Amount of Financial Relief (Rs. in lakhs)
1	A	>6.00	4.00
2	B	>4.00 and <5.99	3.00
3	C	>2.50 and <3.99	2.00
4	D	>1.50 and <2.49	1.50
5	E	<1.49	1.00

However, employees who have put in less than 3 months of service may be considered eligible for 50% of the financial relief indicated above.

Under the proposed scheme, the financial relief will be paid to the nominees in case of the death of the employee due to any cause except the following:

1. Suicide.
2. Self inflicted injury: intentional self-inflicted injury.
3. Drug abuse: Alcohol or solvent abuse, or the taking of drugs except under the direction of a registered medical practitioner.
4. War and civil commotion: war, invasion, hostilities (whether, war is declared or not), civil war, rebellion, revolution or taking part in a riot or civil commotion.
5. Breach of law.
6. Criminal acts: taking part in any criminal acts.

7. Aviation: taking part in any flying activity, other than a passenger in a commercially licensed aircraft.
8. Hazardous sports and pastimes: taking part or practicing for any hazardous hobby, pursuit or any race not previously declared to and accepted by the insurance company.
9. Venereal disease, AIDS.

Procedure for payment:

1. In the event of death of the employee during the service, the concerned Head of the Department will forward to the Registrar with his recommendation for the payment of financial relief along with the following documents:
 - Original Death Certificate
 - Certified copy of the attending Doctor's certificate
2. The amount of financial relief will be determined and paid to the nominee of the deceased employee by cheque.

— *sd* —

E N Murthy
Registrar

