

Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Rules, 1985

UNION OF INDIA

India

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Rule

LIFE-INSURANCE-CORPORATION-OF-INDIA-CLASS-I-OFFICERS-REV of 1985

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Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Rules, 1985Published vide Notification No. G.S.R.794(E), dated 11.10.1985Last Updated 1st July, 2019G.S.R. 794(E) - In exercise of the powers conferred by Clause (cc) of Sub-Section (2) of Section 48 of the Life Insurance Corporation Act, 1956 (31 of 1956), the Central Government hereby makes the following rules regulating certain terms and conditions of service of Class-I Officers (other than the Managing Directors) of the Life Insurance Corporation of India, namely:-

1. Short title, commencement and application.

- 1. These rules may be called the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Rules, 1985.

2. They shall be deemed to have come into force on the 1st day of October, 1983.

3. They shall apply to every whole-time (salaried) Class-I Officer of the Corporation in India unless otherwise provided by the terms of any contract.

4. Notwithstanding anything contained in Sub-Rule (2), where any Class-I Officer gives a notice in writing to the Corporation, within thirty days of the date of publication of those rules in the Official Gazette, expressing his option to be governed by the provisions of these rules with effect from the date of such publication, then the Corporation may, by order, permit such Officer to be governed by the said rules with effect from the said date.

2. Definitions.

- In these rules, unless the context otherwise requires --a. "Act" means the Life Insurance Corporation Act, 1956 (31 of 1956);b. "Class-I Officer" means an employee of the Life Insurance Corporation of India (other than the Managing Directors) working in Class-I post and includes any person who became an employee of the Corporation on the appointed day under the Act and is so working;c. "Staff Rules" means the Life Insurance Corporation of India (Staff) Regulations, 1960;d. Words and expressions used in these rules and not defined herein but defined in the Staff Rules, shall have the meanings respectively assigned to them in the Staff Rules.

3. Conditions of service of Class-I Officers.

- Notwithstanding anything contained in the Staff Rules, the terms and conditions of service of Class-I Officers relating to matters covered by these rules shall be regulated in accordance with the provisions hereinafter contained in these rules.

4. [Scales of Pay of Class I Officers. [Notified in Gazette of India dated 08.10.2011 and came into force w.e.f. 1.8.2007.]

- The scale of pay of the Class I Officers shall be as under :-

- | | |
|---------------------------|--|
| 1 (i) Zonal Managers |) (a) Ordinary Scale:Rs. 46610-1400(5)-53610 |
| Chief | |
| (ii) Engineers/Chief |) (b) Selection |
| Architects | Scale:Rs.52210-1400(2)-55010-1500(1)-56510-1640(1)-58150-1700(1)-59850 |
| Deputy Zonal | |
| 2 (i) Managers/Senior |) Rs. 41660-1200(3)- 45260-1350(2)-47960 |
| Divisional Managers | |
| Deputy Chief | |
| (ii) Engineers/Deputy |) |
| Chief Architects | |
| 3 (i) Divisional Managers | Rs. 34460-1200(7)-42860 |
| (ii) Superintending |) |
| Engineers/Senior | |

- Surveyors
of Works/Senior
Architects
Assistant Divisional
- 4 (i) Managers/Senior) Rs.28160-840(1)-29000-910(6)-34460-1200(4)-39260
Branch Managers
Executive
Engineers/Surveyors
(ii) of)
Works/Deputy Senior
Architects
Administrative
- 5 (i) Officers/Branch) Rs.23120-840(7)-29000-910(6)-34460
Managers
Assistant Executive
(ii) Engineers/Assistant Surveyors
of Works/Architects
Assistant
Administrative
- 6 (i) Officers/Assistant Branch) Rs.17240-840(14)-29000-910(4)-32640
Managers
Assistant
(ii) Engineers/Assistant)
Architects

Note. - A separate seniority list shall be maintained in respect of Officers appointed to posts specified in entry (ii) under various serial numbers.]

4A. [Addition to basic pay after reaching maximum of scale. [Notified in Gazette of India dated 08.10.2010.]

- Subject to the work record being found satisfactory, -(a) an Officer in the scale of pay of Assistant Administrative Officer who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an addition to the basic pay equal to the last increment drawn by him in the scale of pay, subject to the maximum of three such additions: Provided that no officer shall be entitled to such addition to the basic pay before the first day of the month following completion of three years after reaching maximum of the scale of pay or after drawing such additions, as the case may be; (b) an Officer in the scale of pay of Assistant Administrative Officer who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an addition to the basic pay equal to the last increment drawn by him in the scale of pay, subject to the maximum of five such additions: Provided that no officer shall be entitled to such addition to the basic pay before the first day of the month following completion of three years after reaching maximum of the scale

of pay or after drawing such additions, as the case may be; (c) an Officer in the scale of pay of Assistant Divisional Manager who has reached the maximum of the scale of pay applicable to him, may be granted for every three completed years of service after reaching such maximum, an addition to the basic pay equal to the last increment drawn by him in the scale of pay, subject to the maximum of two such additions: Provided that no officer shall be entitled to such addition to the basic pay before the first day of the month following completion of three years after reaching maximum of the scale of pay or after drawing such additions, as the case may be; Provided that where an Officer is not granted such addition to the basic pay referred to in clause (a) or clause (b) or clause (c) on first day of the month following completion of three years of service from the date of reaching maximum of the scale of pay applicable to him or from the last such addition to the basic pay (such first day of the month following completion of three years of service from the date of reaching maximum of scale of pay or the last such addition to the basic pay being hereinafter referred to as "the relevant date", as the case may be), his case shall fall due for review in each calendar year in the month following that in which he completes twelve months of service as reckoned from the relevant date, or from the date of such review, so long as he has not been allowed such addition to the basic pay, and if it is decided to allow such addition subsequently, it shall take effect from the first of the month in which the review has fallen due in the calendar year in which the decision is taken. Explanation. - For the purposes of this rule, 'calendar year' means the period from the 1st day of January to the 31st day of December.]

5. [Dearness Allowance. [Rule 5 as amended by Amendment Rules 2010 notified on 08.10.2010.]

(1) The scale of dearness allowance applicable to Class I Officers shall be determined as under:-(a) Index : All India Average Consumer Price Index Number for Industrial Workers. (b) Base : Index No. 2944 in the series 1960=100. (c) Rate : For every four points in the quarterly average of the All India Consumer Price Index above 2944 points, a Class I Officer shall be paid dearness allowance at the rate of 0.15 % of Pay.] Explanation. - For the purposes of this rule, "Pay" means basic pay including additions to the basic pay after reaching maximum of the scale as provided under rule 4A of these rules. ; (2) [There shall be an upward revision of the dearness allowance payable for every four points rise in the quarterly average (hereinafter referred to as the "current average figure") of the All India Consumer Price Index above [2944 points in the sequence 2944-2948-2952-2956] and so on and there shall be a downward revision of the dearness allowance payable if current average figure falls by four points below the index figure in the above sequence with reference to which the dearness allowance has been paid for the last preceding quarter. On the downward revision, the dearness allowance payable shall correspond to the current average figure if such current average figure is a figure in the above sequence; and the dearness allowance payable shall correspond to the figure in the above sequence next preceding the current average figure if such current average is not a figure in the above sequence. For this purpose, quarter shall mean a period of three months ending on the last day of March, June, September or December. The final Index Figure as published in the Indian Labour Journal or the Gazette of India, whichever publication is available earlier, shall be the Index figure which shall be taken for the purpose of calculation of dearness allowance.] [As amended by notification dated 25.7.1989.] (3) For the purpose of calculating dearness allowance for a particular month, the quarterly average for the last quarter for which the final index figures are

available on the 15th day of that month shall be taken. Actual payment of this revised dearness allowance shall be made in the month following that in which the relevant index figures are available.

6. House Rent Allowance.

- [(1) The House Rent Allowance applicable to Class I Officers, except those who have been allotted residential accommodation by the Corporation shall be as under:

Place of posting	Rate of House Rent Allowance
i. Cities of Mumbai, Kolkata, Chennai, NewDelhi, Noida, Faridabad, Ghaziabad, Gurgaon ,Navi Mumbai,Hyderabad, Bengaluru and other cities with population of 45 lakhsand above.	10% of Pay, subject to the maximum of Rs. 3200/-per month
ii Cities with population exceeding 12 lakhs,butless than 45 lakhs and except those mentioned at (i) and any cityin the State of Goa	8% of Pay, subject to the maximum of Rs. 2700/-per month
iii Other places	7% of Pay, subject to the maximum of Rs. 2600/-per month

Notes. - for the purpose of this rule,i. the population figures shall be as per the latest Census Report;ii. cities shall include their urban agglomerations;iii. 'pay' means basic pay, additions to basic pay and Fixed Personal Allowance.](2)Class-I Officers who are allotted residential accommodation by the Corporation shall pay for such accommodation appropriate licence fee as may be decided by the Corporation from time to time and shall not be entitled to any house rent allowance in terms of sub- rule (1).] [Substituted by Amendment Rules 2010 notified on 08.10.2010 (came in force w.e.f. 01.08.2007).]

7. [City Compensatory Allowance. [Substituted by Amendment Rules 2010 notified on 08.10.2010 (came in force w.e.f. 01.08.2007).]

- The City Compensatory Allowance payable to Class I Officers shall be as under:-

Place of posting	Rate of CCA
i. Cities of Mumbai, Kolkata, Chennai, NewDelhi, Noida, Faridabad, Ghaziabad, Gurgaon ,Navi Mumbai,Hyderabad, Bengaluru and other cities with population of 45 lakhsand above.	3% of Pay, subject to the maximum of Rs. 800/-per month
ii Cities with population exceeding 12 lakhs,butless than 45 lakhs and except those mentioned at (i) and any cityin the State of Goa	2.5 % of Pay, subject to the maximum of Rs.760/- per month
iii Cities with population of five lakhs andabove but not exceeding twelve lakhs, States Capitals withpopulation not exceeding twelve lakhs.	2 % of Pay, subject to the maximum of Rs. 590/-per

Chandigarh, Mohali, Pondicherry, Port Blair and Panchkula. month

Notes. for the purposes of this rule, i. the population figures shall be as per the latest Census Report; ii. cities shall include their urban agglomerations; iii. "pay" means basic pay plus additions to basic pay under rule 4A.]

7A. Hill Allowance.

- The scales of Hill Allowance payable to Class I Officers shall be as follows :-

Serial No.	Places (1)	Rates (2)
1	Posted at places situated at a height of 1,500 meters and over above mean sea level	[at the rate of 2.5% of Basic Pay subject to maximum of Rs. 460/- per month] [Notified in Gazette of India, dated 08.10.2010 (GSR No.824(E)).]
2	Posted at places situated at a height of 1,000 meters and over but less than 1,500 meters above mean sea level, at Mercara and at places which are specifically declared as 'Hill Stations' by Central or State Governments for their employees.	[at the rate of 2% of Basic Pay subject to maximum of Rs. 370/- per month] [Notified in Gazette of India, dated 08.10.2010 (G.S.R. No. 824(E)).]
3	Posted at places situated at a height of not less than 750 meters above mean sea level which are surrounded by and accessible only through hills with height of 1000 meters and over above mean sea level.	[at the rate of 2% of Basic Pay subject to maximum of Rs. 370/- per month] [Notified in Gazette of India, dated 08.10.2010 (G.S.R. No.824(E)).]

7B. North-Eastern States Educational Allowance.

- A Class-I Officer posted in Assam, Meghalaya, Manipur, Tripura, Arunachal Pradesh, Nagaland or Mizoram shall be paid an allowance of [(Rs.300/-)] [Notified in Gazette of India, dated 08.10.2010 (G.S.R. No. 824(E))] per month for the period of his posting in State from the date of taking charge as long as the child of such officer is prosecuting study requiring regular attendance in a recognized school, college or university situated outside any of the aforesaid states. Explanation. - For the purpose of this rule -(1) Child includes step child or legally adopted child, who is wholly dependent on the officer, but does not include an earning child having income exceeding Rs.250/- per month. (2) A stipend or scholarship granted by a school, college, university or other educational institute is not income.

7C. Functional Allowance.

- Programmers or System Analysts or Programmers-cum-System Analysts in the scale of pay of Assistant Administrative Officer, Administrative Officer or Assistant Divisional Manager shall be paid a Functional Allowance of Rule [Rs.680/-] [7C is amended by Amendment Rules, 2010, notified on 08.10.2010] per month.

7D. Kit Allowance.

- Every Class-I Officer of the Corporation, on his transfer to any of the hill stations at which hill allowance is payable in terms of rule 7A of the said Rules, shall be paid a kit allowance of Rs.2,000/-. Provided that no kit allowance shall be payable if such Officer has drawn such allowance at any time earlier.

7E. [Special Allowance. [Notified in Gazette of India, dated 02.09.2009 (G.S.R. No. 631(E))]

- Special Allowance shall be paid for In-charges of Career Agents' Branches at the rate of Rs.2500 per month and for Assistant Branch Manager (Sales), other than In-charge at the rate of Rs.2000 per month which shall not count for any other purpose.]

8. [Provident Fund. [Rule 8 substituted by Amendment 96 came into effect from 1.11.1993.]

(1) Every Class-I Officer of the Corporation other than an officer on probation or an officer appointed on a temporary basis or an officer appointed on or after 01.04.2010 or a transferred employee of the Oriental Government Security Life Assurance Company Limited, who is contributing to the Pension Fund of that Company, shall contribute every month to the Provident Fund established by the Corporation at the rate of ten percent of his pay. The Corporation shall contribute to the Provident Fund an amount equal to the actual contribution of each such officer. Provided that the Corporation shall not be required to make any such contribution to the Provident Fund in respect of an officer governed by the Life Insurance Corporation of India (Employees) Pension Rules, 1995. (2) Class-I Officers who are transferred employees of the Oriental Government Security Life Assurance Company Limited and who are contributing to the Pension Fund of that company, shall be permitted to contribute to the Provident Fund established by the Corporation but the Corporation shall not be required to make any contribution to the Provident Fund in respect of such officers.]

9. Gratuity.

(1)(a) A permanent Class-I Officer who has been in continuous service of the Corporation (including regular salaried service with the Insurer) for not less than 15 years (excluding period of probation or temporary service in respect of employees recruited on or after the 1st September, 1956) and i. whose services are terminated by the Corporation for any reason whatsoever; or ii. who voluntarily resigns from the services of the Corporation; OR (b) a permanent Class-I Officer - i. who dies while in service of the Corporation; OR ii. who retires from the service of the Corporation; OR iii. whose service is determined either due to continued illness or accident incapacitating him from the proper discharge of his duties; OR iv. whose services are dispensed with owing to reduction of staff or re-organisation of establishment; shall be eligible for the payment of gratuity. (2) The gratuity admissible to Class-I Officer under sub-rule (1) shall be at the rate of one month's terminal basic pay for each completed year of continuous service or part thereof in excess of six months (inclusive of regular salaried

service with the Insurer) subject to a maximum of 15 months' basic pay upto 30 years of service, and for service over 30 years, half-a-month's terminal basic pay for each completed year of service or part thereof in excess of six months :Provided that any period spent by such Class-I Officer on extra-ordinary leave exceeding 12 months during the entire period of his service shall be excluded.(2A)[The gratuity admissible to a class-I Officer shall be determined in accordance with the provisions of sub-rule(2)or calculated under the Payment of Gratuity Act, 1972 (39 of1972), whichever is more favourable to him.] [Notified in Gazette of India dated 30.8.1999 and has come into force w.e.f. 24.5.1994.](3)[In the case of a Class-I Officer who has been promoted from Class-III cadre on or after the 1st day of April, 1973 and dies or retires after promotion the gratuity payable to him shall be] [9(3) as amended by Amendment Rules, 1989 notified on 25.7.1989 (came into force w.e.f. 1.8.1987).](a)[the amount of gratuity admissible under sub-rule (2) or sub-rule (2A); [Notified in Gazette of India dated 30.8.1999 and has come into force w.e.f. 24.5.1994.]or(b)the amount of gratuity which such employee would have been entitled to had he continued as a Class-III employee when the gratuity become due and payable;]whichever is higher.(4)Subject to any lien the Corporation may have on the amount of gratuity admissible to a Class-I Officer, the Corporation shall pay the Officer or his nominee or nominees or if no nomination is made or is subsisting, his heirs, the amount of gratuity admissible under this rule.(5)[Notwithstanding anything contained in the forgoing sub- rules -(i)Where the penalty of dismissal is imposed on a Class-I Officer for any act involving violence against the management or other employees or any riotous or disorderly behaviour in or near the place of employment or for an offence involving moral turpitude provided that such offence is committed by him in the course of his employment, the gratuity payable to him shall stand wholly forfeited.(ii)Where the penalty of compulsory retirement, removal from service or dismissal is imposed on a Class-I Officer for any act involving the Corporation in a financial loss, the gratuity payable to him shall be forfeited to the extent of such loss.]

9A. Fixed Personal Allowance.

(1)A Class-I Officer other than an Officer on probation on first appointment or who has reached the maximum of the scale of pay applicable to him or who has been in receipt of one or more addition to the basic pay referred to in rule 4A on the first day of November, 1993, shall be paid on account of computerisation one increment in the scale of pay applicable to him on the 1st day of November, 1993:Provided that a Class-I Officer who on his first appointment in the Corporation's service was on probation on the 1st November, 1993 shall be paid one such increment on completion of one year of service after confirmation.(2)A Class-I Officer who has reached the maximum of the scale of pay applicable to him or who has been in receipt of one or more additions to the basic pay referred to in rule 4A on the first day of November, 1993, shall be paid, a fixed personal allowance on account of computerisation equal to the last increment in the scale of pay applicable to him on the first day of November 1993.(3)A Class-I Officer who is in receipt of an increment on account of computerisation and who has reached the maximum of the scale of pay applicable to him shall be paid the fixed personal allowance referred to in sub- rule (2) on the expiry of a period of one year after reaching the maximum of scale of pay.(4)Fixed Personal Allowance shall count for the purposes of House Rent Allowance, Provident Fund, Pension, Gratuity and Encashment of Privilege leave.(5)Additional Increment for Computerisation for Officers who have joined the services of the Corporation after

1.11.1993 but before the date of the notification: The Class-I Officers who have joined the services of the Corporation after 1.11.1993 but before the date of publication of this notification shall be granted one increment in the scale of pay applicable to them on the date of publication of this notification, with effect from the first day of the month following the date of publication of this notification, subject to the following conditions: i. Such of those officers who on their first appointment in the Corporation's service were on probation on the date of publication of this notification shall be granted the said increment only on completion of 365 days of service after the date of confirmation; ii. A Class-I officer who is in receipt of the said increment and who reaches maximum of the scale of pay applicable to him shall be paid the Fixed Personal Allowance, which shall be equal to the last increment in the scale of pay applicable to him on the first day of the month following the date of publication of this notification, on the expiry of a period of one year after reaching the maximum of the scale of pay, and such Fixed Personal Allowance shall count for the purposes of House Rent Allowance, Provident Fund, Pension, Gratuity and Encashment of Privilege Leave. [iii. Any officer who has joined the services of the Corporation after 22nd June, 2000 shall not be eligible for this increment;] [Substituted vide Notification dated 05.09.2005 G.S.R. No. 559(E).]

9B. [Transport Allowance. [Substituted vide Notification dated 08.10.2010 G.S.R. No. 824(E).]

- Every Class I Officer, other than an Officer who is in receipt of any Conveyance Allowance under any of the Schemes of the Corporation, shall be paid Transport Allowance of Rs. 800/- per month;] [9(5) as amended by Amendment Rules, 1989 notified on 25.7.1989.]

9C. [Productivity Linked Lumpsum Incentive (PLLI). [Substituted vide Notification dated 08.10.2010 G.S.R. No. 824(E).]

- The Class I Officers of the Corporation shall be paid Productivity Linked Lumpsum Incentive as under : (i) For the period from 1st April, 2009 to 31st March, 2010 Productivity Linked Lumpsum Incentive shall be payable based on the performance of the Corporation as a whole on the basis of parameters based on Statement of Intent as approved by the Board; (ii) For the period from 1st April, 2010 onwards Board shall be empowered to formulate the parameters and performance norms of the Productivity Linked Lumpsum Incentive for its officers based on Statement of Intent every year subject to following conditions: (a) Productivity Linked Lump Sum Incentive shall be payable at the levels of 1%, 2%, 3%, etc. up to a maximum of 6% of the pre-revised annual pay of individual Class I officers as on 1st August, 2007. (b) Productivity Linked Lump Sum Incentive shall be payable to officers in Corporate Office based on the performance of the Corporation as a whole. (c) Productivity Linked Lump Sum Incentive shall be payable to officers in Zonal Office based on the performance of the Zone as a whole. (d) Productivity Linked Lump Sum Incentive shall be payable to officers in Divisional/Branch Office based on the performance of the Division as a whole. (e) The threshold minimum Productivity Linked Lump Sum Incentive for Zonal Office / Divisional Office / Branch Office shall be 50% of the Corporate level Productivity Linked Lump Sum Incentive .] Notes. For the purpose of this rule annual pay means - (1) pre-revised basic pay, Dearness Allowance and Fixed Personal Allowance as on 1st August, 2007 in respect of existing officers; (2) pre-revised basic pay

and Dearness Allowance as on 1st August, 2007 which corresponds to the stage where his pay has been fixed on appointment in respect of those officers appointed after 1st August, 2007";

9D. [Paradeep Port Allowance. [Substituted vide Notification dated 08.10.2010 G.S.R. No. 824(E).]

- Every Class I officer working in office(s) at Paradeep shall be paid "Paradeep Port Allowance" of Rs.110/- per month with effect from the first of the month following the date of publication of this notification or the date of joining at Paradeep, whichever is later. This allowance shall not rank for any benefits;]

9E. [Maternity Leave. [Substituted by Notification No. G.S.R. 402(E), dated 31.5.2019.]

- The competent authority may grant maternity leave to a female officer for a period which may extend upto six months at a stretch subject to a maximum of fifteen months during the entire period of her service:Provided that the maternity leave to a female officer having two or more surviving children shall be granted for a maximum period of three months at a stretch:Provided further that the leave may be granted once during the service to a childless female officer for adopting a child who is below one year age through a proper legal process and on submission of a certified true copy of adoption deed to the corporation and the maximum period of leave shall be twelve weeks or till the child attains the age of one year, whichever is earlier:Provided also that leave of maximum twelve weeks may be granted once during the service to a childless female commissioning mother (a biological mother who uses her egg to create an embryo implanted in any other woman) from the date of birth of the child, and such leave may be availed for one child till the child attains the age of one year.]

9F. [Sick Leave. [Substituted vide Notification dated 22.06.2000 Part-III Section 3 G.S.R. No. 550(E).]

- A Class-I Officer shall be entitled to sick leave on medical certificate at the rate of one month for each completed year of service subject to a maximum of sixteen months throughout the service in the Corporation:Provided that the casual leave and the additional casual leave admissible to an officer under sub-rules (1) and (2) of rule 62 of Life Insurance Corporation of India (Staff) Rules, 1960 and not availed of by him shall be converted into additional sick leave on full pay upto a maximum of two months or on half pay upto a maximum of four months during the entire period of his service to be availed of by him on medical certificate:Provided further that if an officer is suffering from any of the major diseases of cancer, leprosy, T.B., paralysis, mental diseases, brain tumor, cardiac ailments, AIDs or kidney diseases he may be allowed special sick leave on half pay for a period not exceeding six months if he has to his credit no sick leave including additional sick leave admissible to him.]

10. Interpretation.

- Where any doubt or difficulty arises as to the interpretation of these rules, it shall be referred to the Central Government for its decision.