

Life Insurance Corporation of India Chief Executive (Revision of Certain Terms and Conditions of Service) Rules, 1998

UNION OF INDIA

India

Life Insurance Corporation of India Chief Executive (Revision of Certain Terms and Conditions of Service) Rules, 1998

Rule

LIFE-INSURANCE-CORPORATION-OF-INDIA-CHIEF-EXECUTIVE-REVI of 1998

- Published on 5 March 1998
- Commenced on 5 March 1998
- [This is the version of this document from 5 March 1998.]
- [Note: The original publication document is not available and this content could not be verified.]

Life Insurance Corporation of India Chief Executive (Revision of Certain Terms and Conditions of Service) Rules, 1998Published vide Notification No. G.S.R. 124(E), dated 5th March, 1998Last Updated 23rd July, 2021Ministry of Finance(Department of Economic Affairs)(Insurance Division)G.S.R. 124(E). - In exercise of the powers conferred by clause (a) 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 the Chairman of Life Insurance Corporation of India, namely:-

1. Short title and commencement.

(a)These rules may be called the Life Insurance Corporation of India [Chief Executive] [Substituted 'Chairman' by Notification No. G.S.R. 479(E), dated 7.7.2021 (w.e.f. 5.3.1998).] (Certain Terms and Conditions of Service) Rules, 1998.(b)Save as otherwise provided in these rules, they shall be deemed to have come into force with effect from the 1st day of January, 1996.

2. Definitions.

- In these Rules unless the context otherwise requires:-(a)'Act' means the Life Insurance Corporation Act, 1956 (31 of 1956).(b)'[Chief Executive] [Substituted 'Chairman' by Notification No. G.S.R. 479(E), dated 7.7.2021 (w.e.f. 5.3.1998).]' means a person appointed as such by the Central

Government under section 4 of the Act.(c)'Corporation' means the Life Insurance Corporation of India, established by virtue of section 3 of the Act.(d)'(Staff) Rules' means the Life Insurance Corporation of India (Staff) Regulations, 1960.(e)Words and expressions used in these Rules but not defined herein shall carry the meaning respectively assigned to them in the Life Insurance Corporation Act, 1956 and Life Insurance corporation of India (Staff) Regulations, 1960.

3. Terms and Conditions of Service.

- Notwithstanding anything contained in the Act, or in the (Staff) Regulations, 1960, the terms and conditions of service of the [Chief Executive] [Substituted 'Chairman' by Notification No. G.S.R. 479(E), dated 7.7.2021 (w.e.f. 5.3.1998).], relating to matters covered by these rules shall be regulated in accordance with the provisions hereinafter contained in these rules.

4. [Scale of pay. [Substituted by Notification No. G.S.R. 29(E), dated 13.1.2017 (w.e.f. 5.3.1998).]

- With effect from the 1st day of January, 2016 , the scale of pay of the [Chief Executive] of the Corporation shall be Level 17 in the Pay matrix [Rs. 2,25,000 per month (Fixed)].Note 1. - The fixation of pay in the revised scale has been done on the basis of the Central Civil Services (Revised Pay) Rules, 2016.Note 2. - The arrears on account of revised scale of pay shall be paid during the Financial Year 2016-2017.Note 3. - The decision on the revised rates and the date effect of all allowances (other than Dearness Allowance) based on the recommendations of Seventh Central Pay Commission shall be notified subsequently and separately and until then, all such allowances shall continue to be reckoned and paid at the existing rates under the terms and conditions prevailing in the prerevised pay structure as if the existing pay structure has not been revised under the Central Civil Services (Revised Pay) Rules, 2016.

4A. [Dearness Pay. [Inserted by Notification No. G.S.R. 629(E), dated 22.9.2004 (w.e.f. 5.3.1998).]

- With effect from 1st day of April, 2004, the Chairman shall be entitled to Dearness Pay that is Dearness Pay that is Dearness Allowance equal to fifty per cent of the basic pay merged with the basic pay:Note The dearness pay shall be counted for the purpose like payment of allowances, transfer grant, retirement benefits, contribution to general provident fund, license fee, monthly contribution for Central Government Health Scheme, various advances, etc. However, the entitlement for Leave Travel Concession, Traveling Allowance or Daily Allowance while on tour and transfer and Government accommodation shall continue to be governed on the basis of the basic pay alone without taking into account the Dearness Pay.]

5. Dearness Allowance.

(1)Dearness Allowance payable to the [Chief Executive] [Substituted 'Chairman' by Notification No. G.S.R. 479(E), dated 7.7.2021 (w.e.f. 5.3.1998).] shall be as follows, namely: -(a)From 1st January,

2016 to 30th June, 2016 - No Dearness Allowance(b)From 1st July, 2016 onwards - As declared by the Central Government from time to time.}]

4. Scale of Pay.- The scale of pay of the Chairman shall be Rs. 26,000/- per month (Fixed).5. Dearness Allowance.- (1) The scales of Dearness Allowance payable to the Chairman shall be determined as under:-{[

(a) From 1-1-1996 to 30-6-1996	-No Dearness Allowance
(b) From 1-7-1996 to 31-12-1996	-4% of Basic Pay
(c) From 1-1-1997 to 30-6-1997	-8% of Basic Pay
(d) From 1-7-1997	-13% of Basic Pay
(e) [From 1-4-2004 [Inserted by Notification No. G.S.R. 629(E), dated 22.9.2004 (w.e.f 5.3.1998).]	-11% of Basic Pay and dearness pay.]
(2)Notwithstanding anything contained in sub-rule (1) above, the Central Government may be order vary the rate of Dearness Allowances from time to time.}]	

6. House Rent Allowance.

- The [Chief Executive] [Substituted 'Chairman' by Notification No. G.S.R. 479(E), dated 7.7.2021 (w.e.f. 5.3.1998).] shall be provided by the Corporation with rent-free unfurnished residential accommodation:[Provided that the Chairman who has not been provided with such accommodation, shall be paid with effect from 1st July, 2017 house rent allowance at the rate of 24 per cent of basic pay in a city classified as 'X' by the Central Government:Provided further that the rate of house rent allowance shall be revised to 27 per cent when dearness allowance crosses 25 per cent and further revised to 30 per cent when dearness allowance crosses fifty per cent.] [Substituted by Notification No. G.S.R. 1008(E), dated 8.10.2018 (w.e.f. 5.3.1998).]

7. [City Compensatory Allowance. [Substituted by Notification No. G.S.R. 819(E), dated 26.11.2008 (w.e.f. 5.3.1998).]

- With effect from 1st September, 2008, City Compensatory Allowance shall be abolished.]

8. Other Terms and Conditions of Service.

- The [Chief Executive] [Substituted 'Chairman' by Notification No. G.S.R. 479(E), dated 7.7.2021 (w.e.f. 5.3.1998).] of the Corporation appointed by the Central Government in accordance with section 4 of the Act shall be governed by terms of any contract, agreement or letter of appointment or directions issued by the Central Government in respect of his other terms and conditions of service:Provided that where such Chairman immediately preceding such appointment was an employee of the Corporation, then, he shall be deemed to be an employee of the Corporation in respect of other matters relating to the terms and conditions of his service and the same will be as regulated under the provisions of the (Staff) Rules as amended from time to time:Provided further

that such Chairman's Provident Fund, Gratuity and Pension shall be governed by the following Rules notified by the Central Government under Section 48 of the Act and as amended from time to time, namely :-

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

2. Life Insurance Corporation of India (Payment of Gratuity to the Chairman and Managing Directors) Rules, 1997;

3. Life Insurance Corporation of India (Employees) Pension Rules, 1995.

The other matters not covered by these rules relating to the terms and conditions of service of the Chairman shall be regulated by the provisions of the (Staff) Rules. 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.

8B. [Children Education Allowance and Hostel Subsidy. [Inserted by Notification No. G.S.R. 819(E), dated 26.11.2008 (w.e.f. 5.3.1998).]

- [with effect from 1st July, 2017], Children Education Allowance shall be reimbursed upto the maximum of [Rs. 2250] [Substituted 'Rs. 1000' by Notification No. G.S.R. 1008(E), dated 8.10.2018 (w.e.f. 5.3.1998).] per child per month subject to a maximum of two children and Hostel Subsidy shall be reimbursed upto a maximum limit shall [Rs. 6750] [Substituted 'Rs. 3000' by Notification No. G.S.R. 1008(E), dated 8.10.2018 (w.e.f. 5.3.1998).] per child per month subject to a maximum of two children. The limits shall be automatically raised by 25% every time the Dearness Allowance on the revised Basic Pay goes up by 50%. [Provided that the Children Education Allowance shall be double for differently abled children.] [Inserted by Notification No. G.S.R. 1008(E), dated 8.10.2018 (w.e.f. 5.3.1998).]

8C. Transport Allowance.

- [with effect from 1st July, 2017] [Substituted 'With effect from 1st September, 2008' by Notification No. G.S.R. 1008(E), dated 8.10.2018 (w.e.f. 5.3.1998).], the Chairman of the Corporation shall have an option to draw transport allowance at a higher rate of [Rs. 15750] [Substituted 'Rs. 7000' by Notification No. G.S.R. 1008(E), dated 8.10.2018 (w.e.f. 5.3.1998).] p.m. plus dearness allowance provided he does not use the official car for travel between residence and office.] Explanatory Memorandum The Central Government has decided to extend the benefit of certain revised allowances, namely, the house rent allowance, Children Education Allowance and Transport Allowance based on the recommendations of the Seventh Central Pay Commission to the Chairman, Life Insurance Corporation of India, with effect from 1st July, 2017. It is certified that no Chairman of Life Insurance Corporation of India is likely to be affected adversely by the notification being given retrospective effect.