

LIFE INSURANCE CORPORATION OF INDIA
CLASS-III EMPLOYEES (SPECIAL ALLOWANCE FOR PASSING
EXAMINATION) RULES, 1988*

G.S.R. 491(E).— In exercise of the powers conferred by Section 48 of the Life Insurance Corporation Act, 1956 (31 of 1956), the Central Government hereby makes the following rules, namely :

1. Short title, commencement and application :

- (1) These rules may be called the Life Insurance Corporation of India Class-III Employees (Special Allowance for Passing Examination) Rules, 1988.
- (2) They shall be deemed to have come into force on the 1st day of October, 1986.
- (3) They shall apply to all the Class-III employees of the Corporation.

2. Special Allowance :

Subject to the conditions specified in rule 3, a Class-III employee of the Corporation who has successfully completed the period of probation and passed the professional or technical examination set out in column (1) of the Table below shall be paid a special allowance at the rate specified in the corresponding entry in column (2) of the said Table :

Provided that no such employee shall be entitled to the payment of special allowance for more than one such examination.

TABLE **

Sr.No.	Professional/Technical Examination (1)	Special Allowance (2)
(i)	Examination of the Insurance Institute of India, Mumbai: (a) Licentiate (b) Associateship (c) Fellowship	(a) Rs. 180/- per month. (b) Rs. 490/- per month. (c) Rs. 840/- per month.
(ii)	Examination of the Institute of Actuaries, London.	Rs. 180/- per month on passing each subject.
(iii)	Examinations of the Actuarial Society of India.	Rs. 180/- per month on passing each subject.
(iv)	Examinations of the Institute of Chartered Accountants of India and the Institute of Cost and Works and Accountants of India: (a) Intermediate (b) Final Group 'A' or 'B' (c) Final Group 'A' and 'B'	(a) Rs. 350/- per month. (b) Rs. 600/- per month. (c) Rs. 840/- per month.
(v)	Master of Business Administration of a recognised University/Institution:	Rs. 840/- per month.
(vi)	Final examination of Institute of Company Secretaries of India	Rs. 840/- per month.

* Notified on 22.4.1988 effective from 1.10.1986

** Revised by notification dated 08.10.2010 and came into force w.e.f.1.8.2007 (G.S.R. NO. 828 (E)).

3. Conditions :

The payment of the special allowance under rule 2 shall be subject to the following conditions, namely:

- (1) the employee is not in receipt of any special increment for passing any of the examinations specified in rule 2 or the examinations of the Chartered Insurance Institutes, London, or of the Indian Life Offices Association;
- (2) an employee who fails to keep alive his membership of the concerned Institute, shall not be paid the special allowance on and from the last date on which the renewal of membership is to be effected under the rules of the Institute;
- (3) the special allowance shall be discontinued on and from the date the employee ceases to be a Class-III employee;

*** (3A) notwithstanding anything contained in these rules, a Class-III employee governed by the provisions of the Life Insurance Corporation of India (Special Allowances for In-House Development of Actuarial Capability) Rules, 2002 shall not be entitled to any allowance in respect of passing of examination of the Institute of Actuaries, London or Actuarial Society of India as the case may be.

*(4) [Deleted]

@4. A Class-III employee who was in receipt of any special increment for passing the examination of the Federation of Insurance Institutes or the Institute of Actuaries, London or the Institute of Chartered Accountants of India and had reached the maximum of the scale of pay referred to in sub-rule (1) of Rule 4 [or had drawn the first of the increments referred to in rule 7] of the Life Insurance Corporation of India Class-III and Class-IV Employees (Revision of Terms and Conditions of Service) Rules, 1985 shall be paid subject to the provisions of sub-rules (2), (3) & (4) of Rule 3, allowance for passing such examination in accordance with the Table below :**

TABLE

	Date from which Allowance is payable	Amount
(1)	(a) Where the employee has reached the maximum of the scale of pay referred to in sub-rule (1) of Rule 4 of the Life Insurance Corporation of India Class-III and Class-IV Employees (Revision of Terms and Conditions of Service) Rules, 1985 on or before the 1st day of July, 1989, then on and from the 1st day of July, 1990.	Half of the amount of special allowance referred to in column (2) of the Table under Rule 2.
	(b) Where the employee has reached the maximum of scale of pay referred to in sub-rule (1) of Rule 4 of the Life Insurance Corporation Class-III and Class-IV Employees (Revision of Terms and Conditions of Service) Rules, 1985 on any day after the 1st July, 1989, then from the 1st day of the month following the completion of one year from that date.	Half of the amount of special allowance referred to in column (2) of the Table under Rule 2.

* Clause (4) of Rule 3 has been deleted by Notification dated 1.3.1996 w.e.f. 1.8.1996.

@ Notified on 6.7.1990 effective from 1.7.1990

** The payment of Special Allowance delinked from stagnation increment w.e.f. 1.7.1990 by Notification dated 11.7.1991.

*** Amendment notified on 22.1.2002 vide GSR No. 56(E).

	Date from which Allowance is payable	Amount
†2.	(a) Where the employee has on before the 1st day of July, 1990 completed one year or more of service after reaching the maximum of the scale of pay applicable to him, then, on and from the 1st day of July, 1991.	The amount of Special Allowance referred to in column (2) of the Table under Rule 2 of these Rules.
	(b) Where the employee has on a date after the 1st day of July, 1990, completed one year of service after reaching the maximum of the scale of pay applicable to him then from the 1st day of the month following the completion of one year of service from that date.	The amount of Special Allowance referred to in column (2) of the Table under Rule 2 of these Rules.

***5.** The special allowance referred to in rule 2, or as the case may be, rule 4 of these rules, shall not be treated as part of the basic pay:

** Provided that it shall be counted for the purposes of calculation of dearness allowance, house rent allowance, provident fund, gratuity, fixation of salary on promotion to a post in Class-I and encashment of privilege leave.

† Amendment notified on 11.7.1991

* Rule 5 has been inserted by Notification dated 1.3.1996 and has come into force w.e.f. 1.8.1994.

** Notified in Gazette of India, Part-III, Section 3 dated 22.6.2000

Foot Note: The principal rules were published under Notification No.GSR 491(E) dated 22.4.1988, and subsequently amended vide Notification No. GSR 516(E) dated 12.5.1989, No. GSR 621(E) dated 6.7.1990, GSR No. 339(E) dated 11.7.1991, GSR No. 109(E) dated 1.3.1996, GSR No. 556(E) dated 22.6.2000 , GSR No. 563(E) dated 05.09.2005 and GSR No.828(E) dated 08.10.2010