

LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFICE, MUMBAI
Department : Personnel/ER
‘Yogakshema’ Jeevan Bima Marg, Mumbai-400 021

Circular No. : ZD/1159 /ASP/2010

11th October, 2010

TO ALL OFFICES OF THE CORPORATION :

Re: Instructions for implementation of the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of service) Amendment Rules, 2010.

Whereas the scales of pay, dearness allowance and other service conditions applicable to Class-I Officers of the Corporation have been revised by the

1. Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Amendment Rules, 2010 (hereinafter referred to as the `Amended Revision Rules`),
2. Life Insurance Corporation of India (Special Area Allowance) Amendment Rules, 2010,

[Copies of the said Rules are appended as **Appendix-I(A to B)**.]

The Chairman in exercise of the powers conferred on him by sub-rule(2) of Rule 51 read with Rule 4 of the Life Insurance Corporation of India (Staff) Rules, 1960, has issued the following instructions providing for the method of fixation in the new scales of pay and other matters connected therewith or incidental thereto.

1. SHORT TITLE:

These instructions shall be called the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Instructions, 2010.

2. DEFINITIONS:

- a) "Date of Notification" means 08.10.2010.
- b) "Existing officer" means a whole time salaried officer in the permanent establishment of the Corporation who was in the service on the date of notification.
- c) "Existing Scales" or "pre-revised scales" means the scales which were applicable to the employees immediately before they were governed by the Amended Revision Rules.
- d) "New Scales" or "revised scales" means the scales as revised by the Amended Revision Rules.
- e) "Option under the Revision Rules" means the option referred to in sub-rule(2) of Rule 1 of the Amended Revision Rules to be governed by the provisions of the Revision Rules from a date not earlier than the date on which the said Rules come into force.

3. ELIGIBILITY:

- (1) These instructions shall apply to the Class-I Officers who were in the whole time salaried service in the permanent establishment of the Corporation as on 1.8.2007 and those who have joined the whole time salaried service in the permanent establishment of the Corporation after that date.
Provided, however, that those Class-I officers whose resignation had been accepted on or before the date of notification irrespective of whether they are relieved or not or whose services had been terminated under Rule 39 of Life Insurance Corporation of India (Staff) Rules, 1960, during the period between 1.8.2007 and 08.10.2010 (both days inclusive) shall not be eligible for the arrears on account of this revision.
- (2) For removal of doubts, it is clarified that these instructions shall **not** apply to –
- i) Officers who have been appointed on contractual basis, viz. Medical Officers, Assistant Medical Officers, Security Officers, Legal Advisers and other officers appointed likewise to whom the provisions of the LIC of India (Staff) Rules, 1960 do not apply.
 - ii) Officers whose services have been terminated under Rule 39 of the Life Insurance Corporation of India(Staff) Rules, 1960 on or before the date of notification.

4. METHOD OF FIXATION:

(1) (a) **For the limited period from 1.8.2007 to the date of notification :-**

Fitment in the new scales of pay set forth in the Amended Revision Rules shall be done w.e.f. 1.8.2007 with reference to the basic pay as on 1.8.2007 in the corresponding existing scale or as on the date of appointment, if later, as per the enclosed Fitment Chart (**Appendix-II**). Subsequently as and when there is a change in the pre-revised basic pay due to release of NGI, Stagnation Increment, Fitment on promotion etc., the fitment chart will have to be referred to and the revised basic pay shall be fitted corresponding to the pre-revised basic pay at every stage where change in the basic has occurred in the pre-revised scale.

(b) **After the date of notification :-**

There may be no need to refer to pre-revised scales. All the changes after the date of notification shall be effected in the revised scales of pay.

- (2) In the cases of those Ex-Servicemen who have been re-appointed in the service of the Corporation on or after 1st August, 2007 but before the date of notification, the pay fixed in the pre-revised scales need not be reopened. Their basic pay in the revised scales will be fixed in the same manner as is done in the case of other employees recruited by the Corporation.
- (3) The Amended Revision Rules, 2010 provide for an option to the Officers to be governed by the said rules from any date not earlier than 1.8.2007 and not later than the date of publication of this notification in the official gazette. The option has to be exercised within the time limit specified by the Corporation.

Accordingly, it has been decided that the Officers may be allowed to exercise the option on or before 30.11.2010. The employees who wish to exercise the option may exercise the same in proforma prescribed in **Appendix-III**.

In case of Officers who exercise the option, the fitment of their salary in the new scales shall be done from the date so opted.

The Officers shall not be eligible for the arrears on account of revision upto the date so chosen.

(4) Officers promoted from Class-III and Class-II after 1.8.2007:

In case of any Class-III or Class-II employee promoted to the cadre of Class-I on or after 1.8.2007 but before the date of publication of this notification in the official gazette and whose salary has already been fixed in the pre-revised scale of Class-I, shall be given an option to be governed by the revised scales from any date between the date of promotion and the date of notification. In such cases, re-fixation of salary in the revised scales shall be done and they will not be entitled for any arrears on account of revision of scales in respect of Class-II Officers or Class-III and Class-IV employees, besides the arrears as a result of revision of scales of pay of Class-I Officers till the date of such option. Such an option has to be given in the proforma given in **Appendix-IV**.

5. ADDITION TO BASIC PAY AFTER REACHING MAXIMUM OF THE SCALE OF PAY:

Rule 4A of the Class-I Officers Revision Rules, 1985 provides for the additions to the basic pay after reaching maximum of the scale of pay to AAO and AO. This rule has been amended to provide for one more addition to their basic pay. The amended rule is as follows :

Addition to basic pay after reaching maximum of scale: 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 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.

Provided that where an Officer is not granted such addition to the basic pay referred to in clause (a) or clause (b) 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.

Competent authorities:

- a) Zonal Manager-In charge of the Zone in case of officers working in the offices coming under the Zone.
- b) Executive Director(Personnel) in case of officers working in Central Office and Zonal Inspection Centres.
- c) Executive Director(Audit) in case of officers working in Audit Department including Zonal Audit Centres.

Guidelines: As stated above, the grant of addition to the basic pay to the officers in the above cadre is subject to the work record being found satisfactory as per the guidelines issued by the Personnel Administration Department in this matter.

Note: There is no change in sub-rule (c) of Rule 4A which deals with addition to basic pay after reaching maximum of scale in Assistant Divisional Manager cadre.

6. DEARNESS ALLOWANCE:

- (1) Rule 2(iii) of the Amended Revision Rules substitutes sub-rule(1) of Rule 5 of the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Rules, 1985.
As a result of the same, the Dearness Allowance to the Class-I Officers shall be paid or recovered at the rate of 0.15% of pay for every 4 points increase or fall, as the case may be, in the quarterly average of All India Consumer Price Index above 2944 points.
- (2) The 'Pay' for the purpose of calculation of dearness allowance shall include Basic Pay and addition to the Basic Pay.
- (3) The number of slabs for which the dearness allowance becomes payable as per the pre-revised and revised rules has been shown in **Appendix-V**.
- (4) Additional dearness allowance, wherever drawn, will continue to be paid.

7. HOUSE RENT ALLOWANCE:

(1) The scales of HRA payable to Class-I Officers have been revised as under:

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

The population figures for the above purpose shall be as per the latest Census Report.

Further, the cities shall also include their urban agglomeration.

- (2) Pay for the purpose of House Rent Allowance shall include basic pay, additions to basic pay referred to in Rule 4A and Fixed Personal Allowance.
- (3) House Rent Allowance is not payable to any officer occupying staff quarters/leased accommodation.
- (4) Officers who are allotted staff quarters/leased accommodation are required to pay such licence fee as may be decided by the Corporation from time to time. At present it is being deducted at the rate of 1.75% of the minimum of the scale. The revised rate of deduction shall be 1.20% of the minimum of the scale with effect from 1.11.2010. Till 31.10.2010, the amount of licence fee which is being deducted at present shall continue to be deducted.
- (5) Where the husband and wife are employee(s)/officer(s), whether posted at the same station or not, House Rent Allowance may be paid to both of them as hitherto, if they are not in staff quarters or leased accommodation.
- (6) If they are at the same station, they shall be allotted only one staff quarter and the licence fee shall be recovered at the appropriate rate from the employee to whom the staff quarter is allotted but his/her spouse may be paid the House Rent Allowance.
- (7) If any officer has been allowed, as a matter of concession, to retain or have any staff quarter at his/her previous place of posting or elsewhere, HRA will not be admissible to

him/her and the licence fee payable by him/her in respect of the staff quarter which he/she has been allowed to retain or to have at any other place as a matter of concession shall be determined in accordance with such instructions as may be issued by the Corporation from time to time in this regard.

The charts showing classification of cities have been enclosed as **Appendix-VII(A)** for HRA. Hyderabad, Bengaluru, Ahmedabad and Gandhinagar cities have been upgraded from Category II to Category I and Meerut from Category III to Category II w.e.f. 01.08.2007 for the purpose of HRA.

8. CITY COMPENSATORY ALLOWANCE:

The revised Rule 7 lays down the rates of city compensatory allowance which will be payable on the basis of revised pay. The city compensatory allowance at the revised rates shall be payable w.e.f. 1.8.2007. The rates are as under:-

Place of posting	Rate of CCA
i. Cities of Mumbai, Kolkata, Chennai, New Delhi, Noida, Faridabad, Ghaziabad, Gurgaon, Navi Mumbai, Hyderabad, Bengaluru and other cities with population of 45 lakhs and above.	3% of Pay, subject to maximum of Rs. 800/- p.m.
ii. Cities with population exceeding 12 lakhs, but less than 45 lakhs and, except mentioned at (i) and any city in the State of Goa.	2.5% of Pay, subject to maximum of Rs.760/- p.m.
iii. Cities with population of five lakhs and above but not exceeding twelve lakhs, State Capitals with population not exceeding twelve lakhs, Chandigarh, Mohali, Pondicherry, Port Blair, and Panchkula.	2% of Pay, subject to maximum of Rs.590/- p.m.

The population figures for the above purpose shall be as per the latest Census Report. Further, the cities shall also include their urban agglomeration.

Pay for the purpose of City Compensatory Allowance shall be the basic pay plus addition to basic pay referred to in Rule 4A.

The charts showing classification of cities have been enclosed as **Appendix-VII(B)** for CCA. Hyderabad, Bengaluru, Ahmedabad, Gandhinagar cities have been upgraded from Category II to Category I and Meerut from Category III to Category II w.e.f. 01.08.2007 for the purpose of CCA. Whereas Ajmer is upgraded to Category III w.e.f. 01.02.2008 for the purpose of CCA.

9. FUNCTIONAL ALLOWANCE AND HILL ALLOWANCE :

(1) Functional Allowance:

Under the revised rule 7C, Programmers or System Analysts or Programmers-cum-System Analysts in the scale of pay of AAO, AO or ADM shall be paid functional Allowance of Rs. 680/- per month.

(2) Hill Allowance:

Rule 7A of the Class-I officer's Revision Rules, as amended, lays down the revised rates of hill allowance with effect from 1.8.2007, which are as under:

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
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
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

Pay for the purpose of grant of Hill Allowance shall include basic pay and additions to the basic pay referred to in Rule 4A of the Revision Rules, 1985.

10. NORTH EASTERN STATES EDUCATION ALLOWANCE:

At present, a Class-I Officer posted in Assam, Meghalaya, Manipur, Tripura, Arunachal Pradesh, Nagaland or Mizoram are being paid an allowance of Rs.150/- per month for the period of his posting in the State from the date of taking charge as long as the child of such officer is prosecuting study requiring regular attendance in a recognised school, college or university situated outside any of the aforesaid States.

The said allowance has been increased from Rs.150/- to Rs.300/- per month with effect from 1.8.2007. There is no change in other instructions in this regard.

11. TRANSPORT ALLOWANCE:

Transport Allowance shall be payable to every Class-I Officer, other than an Officer who is in receipt of any Conveyance Allowance under any of the Schemes of the Corporation. Transport Allowance shall be payable at the rate of Rs.800/- per month with effect from 1.8.2007.

12. PROVIDENT FUND:

The rate of provident fund shall continue to remain at 10% of pay. Pay for the purpose of provident fund shall include basic pay, additions to basic pay referred to in Rule 4A and Fixed Personal Allowance (FPA).

For Officers who are not governed by the Life Insurance Corporation of India (Employees) Pension Rules, 1995, the difference in the employer's contribution to provident fund has to be remitted to the provident fund authorities.

For Officers who are governed by the Life Insurance Corporation of India (Employees) Pension Rules, 1995, the employer's contribution is to be credited to the Life Insurance Corporation of India (Employees) Pension Fund.

As far as additional provident fund is concerned, an Officer may be allowed to make or discontinue any additional contribution or vary the rate thereof, subject, however, to the rules of the provident fund or to adjust towards the dues of his regular contribution as a result of revision of scales, any additional contribution made by him from the first day of August, 2007, or from a later date if he is governed by the new scales of pay from a date later than the first day of August, 2007, provided that no part of any contribution already made shall become refundable as a result thereof.

Provided that these rules shall not be applicable to the officers joining the service of the Corporation on or after 01.04.2010 and they shall be covered by a defined contribution pension scheme to be framed by the Corporation. Separate instructions will be issued in this regard.

13. GRATUITY:

There is no change in the rules regarding Gratuity. However, the officers who have retired or expired on or after 1.8.2007 shall be eligible for the difference on account of gratuity on the basis of revised salary. It may please be noted that since the amended revision rules are not applicable to the officers whose resignation had been accepted or whose services had been terminated under Rule 39 of LIC of India (Staff) Rules, 1960, between the period from 1.8.2007 to the date of notification, they shall not be eligible for arrears on account of gratuity.

14. ENCASHMENT OF UNAVAILED PRIVILEGE LEAVE:

There is no change in the Rule of Encashment of Privilege Leave. However, the officers who have retired or expired on or after 1.8.2007 shall be eligible for the difference on account of leave encashment on the basis of revised salary. It may please be noted that since the amended revision rules are not applicable to the officers whose resignation had been accepted or whose services had been terminated under Rule 39 of LIC of India (Staff) Rules, 1960, between the period from 1.8.2007 to the date of notification, they shall not be eligible for arrears on account of leave encashment.

15. FIXED PERSONAL ALLOWANCE :

The revised rates of Fixed Personal Allowance payable under Rule 9A of Amended Revision Rules, 2010 are shown in **Appendix-VI**. Other conditions in this regard remain unchanged. These revised rates shall be effective from 1.8.2007. It may please be noted that a Class I Officer who has joined the services of the Corporation after 22.06.2000 shall not be eligible for additional increment for computerization and Fixed Personal Allowance.

16. PARADEEP PORT ALLOWANCE:

Every Class-I officer posted at office(s) in Paradeep shall be paid "Paradeep Port Allowance" at the increased rate of Rs.110/- p.m. from 01.11.2010, which shall not rank for any purposes as per Rule 9D. This allowance shall be paid as long as the officer is posted in Paradeep and shall be discontinued on his transfer to another place.

17. SPECIAL AREA ALLOWANCE:

The Central Govt. has vide a separate notification dated 08.10.2010, also amended the Life Insurance Corporation of India (Special Area Allowance) Rules, 1988 revising the rates of Special Area Allowance. The amendment has also come into force w.e.f. 1.8.2007. The conditions regarding release of the said allowance shall remain unchanged.

18. PRODUCTIVITY LINKED LUMP SUM INCENTIVE(PLLI):

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 performance parameters based on Statement of Intent as approved by the Board;
- (ii) For the period from 1st April, 2010 onwards Board shall 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 this purpose the 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;
- (iii) The instructions regarding the payment of PLLI, if any, for the financial year 2009-2010 shall be issued separately.
- (iv) For the Financial Year 2010-2011 and subsequent years, once the accounts of the Corporation are finalized, the Corporation shall decide about the quantum of the benefit payable, if any, for the said financial year to the employees on or after 1st August of the next year for which separate instructions shall be issued on year to year basis.

19. EMPLOYEES PROMOTED FROM CLASS-III AND CLASS-II TO CLASS-I OFFICERS CADRE AFTER 1.8.2007:

The Development Officers or Class-III employees who were promoted and fixed in the scale of pay of Class-I after 1.8.2007 may be paid the arrears from the date of fixation in Class-I scale. Provided, however, that where such Class-I Officer has exercised the option to be governed by the Class-I Officers Revision Rules from the date of such promotion or any date later than the date of promotion, he shall not be paid the arrears on account of revision of Class-II/Class-III and Class-I Revision Rules up to the said date.

20. SUBSISTENCE ALLOWANCE:

There is no change in the rules governing Subsistence Allowance. However, in view of the revision in the scales of pay and allowances the Subsistence Allowance paid on or after 1.8.2007 may be reviewed and difference, if any, paid.

21. OFFICERS ON DEPUTATION TO THE OFFICE OF OMBUDSMAN:

The arrears payable to the officers who have been deputed to the office of Ombudsman shall be calculated by the parent office and the calculation sheet shall be sent to the office of Ombudsman for payment.

22. OFFICERS WHO HAVE DIED, RETIRED AFTER 1.8.2007:

Officers who have died or retired (retirement includes Voluntary Retirement under Rules 19(2A) of (Staff) Rules, 1960, Rule 31 of LIC of India (Employees) Pension Rules, 1995 and Compulsory Retirement under Rule 19(3) of (Staff) Rules, 1960) after 1.8.2007 may be paid the arrears due on account of revision up to the date of cessation of their service.

23. STRIKES, WALK-OUTS, ETC.:

Suitable recovery on account of strikes, walk-outs, etc. may be made while paying the arrears.

24. MEDICLAIM, GROUP TERM INSURANCE SCHEME(GTIS), 1997 AND GROUP SAVINGS LINKED INSURANCE SCHEME(GSLI):

As a consequence of the revision of pay scales, the categories of Medclaim Benefit, Group Term Insurance Scheme (GTIS) and Group Savings Linked Insurance Scheme (GSLI) have been revised as under:

a) Group Medclaim:

Category	Pre-revised Pay	Revised Pay
I	Rs. 19,770/- and above	Rs. 30,750/- and above
II	Rs. 14,241/- to Rs. 19,769/-	Rs. 22,146/- to Rs. 30,749/-
III	Upto Rs. 14,240/-	Upto Rs. 22,145/-

Effective Date of revised categories: 1.4.2010.

b) Group Term Insurance Scheme(GTIS):

Category	Pre-revised Pay	Revised Pay
I	Rs. 30,960/- and above	Rs. 50,810/- and above
II	Rs. 22,570/- to Rs. 30,959/-	Rs. 35,300/- to Rs. 50,809/-
III	Rs. 15,970/- to Rs. 22,569/-	Rs. 24,800/- to Rs. 35,299/-
IV	Rs.8,415/- to Rs.15,969/-	Rs.12,855/- to Rs.24,799/-
V	Rs.4,730/- to Rs 8,414/-	Rs.7,115/- to Rs 12,854/-
VI	Below Rs.4,730/-	Below Rs.7,115/-

Effective Date of revised categories: 1.2.2011.

c) Group Savings Linked Insurance (GSLI):

Category	Pre-revised Pay	Revised Pay
I	Rs. 30,960/- and above	Rs. 50,810/- and above
II	Rs. 22,570/- to Rs. 30,959/-	Rs. 35,300/- to Rs. 50,809/-
III	Rs. 15,970/- to Rs. 22,569/-	Rs. 24,800/- to Rs. 35,299/-
IV	Rs.8,415/- to Rs.15,969/-	Rs.12,855/- to Rs.24,799/-

V	Rs.4,730/- to Rs 8,414/-	Rs.7,115/- to Rs 12,854/-
VI	Below Rs.4,730/-	Below Rs.7,115/-

Effective Date of revised categories: 1.11.2010.

'Pay' for the purpose of determining the above categories shall include –

- i) Basic Pay
- ii) Addition to the Basic Pay
- iii) Fixed Personal Allowance
- iv) All other allowances which rank for the purpose of Provident Fund contribution.

25. CASH MEDICAL BENEFIT:

The Cash Medical Benefit has been revised with effect from 1.8.2007, which is as under:
The officer drawing basic pay upto Rs.31,655/- Rs.8,000/- per annum;
The officer drawing basic pay beyond Rs.31,655/- Rs.12,000/- per annum.
The Cash Medical Benefit will be paid along with July salary every year.
For the year 2007, the proportionate cash medical benefit for 11 months only may be paid.

26. PROJECT ALLOWANCE:

At present, the officers in Class-I cadre attached to the Engineering Department, if posted at project sites, are eligible for the payment of Project Allowance of Rs.175/- per month, which does not count for any purpose. The said Project Allowance has been increased to Rs.240/- p.m. w.e.f. 1.8.2007. There shall be no change in the existing eligibility conditions.

27. AUDIT ALLOWANCE PAYABLE TO THE OFFICERS:

At present, the officers who are posted in the Audit or Inspection Department and entrusted with the touring duties are paid the Audit Allowance of Rs.630/- per month, subject to satisfying the eligibility conditions laid down in this regard. The said allowance has been increased to Rs.850/- per month. The revision shall take effect from 1st August 2007.

28. MID ACADEMIC YEAR TRANSFER ALLOWANCE:

Mid academic year transfer allowance has been revised to Rs.700/- per month with effect from the date of notification. All the terms and condition for payment of this allowance shall remain unchanged.

29. TRANSFER GRANT:

As a result of the revision in the basic pay, the arrears on account of Transfer Grant in respect of eligible officers may be settled. There is no change in other instructions in this regard.

30. PENSION:

With regard to the Dearness Relief, Family Pension and Minimum Pension provided by the Life Insurance Corporation of India (Employees) Pension Rules, 1995, instructions shall be issued separately.

31. INSTRUCTIONS FOR PAYMENT OF ARREARS:

The revision of various items comes into force with effect from different dates as prescribed in the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Amendment Rules, 2010. It has now, therefore, become necessary to make payment of arrears on account of the revision in the scales of pay and other benefits from the relevant due dates. While calculating the House Rent Allowance, City Compensatory Allowance, care has to be taken to ensure that the instructions contained herein are strictly followed. Broadly, payment of arrears/recoveries would arise in respect of the following:-

- a) Arrears arising out of fixation in the revised scale of pay and allowances;
- b) Change in the basic pay and allowances because of grant of Normal Grade Increment/Stagnation Increment/Promotion to the higher cadre;
- c) Subsistence Allowance;
- d) Difference in Encashment of Privilege Leave;
- e) Fixed Personal Allowance/Difference in Fixed Personal Allowance;
- f) Recovery on account of EOL, strike, walk-out, etc.;
- g) Employees on sick leave on half-pay;
- h) Gratuity;
- i) Project Allowance;
- j) Audit Officers Allowance;
- k) Transfer Grant;
- l) Revision of Special Area Allowance.
- m) North-Eastern States Educational Allowance
- n) Functional Allowance for Programmers or System Analysts etc.
- o) Cash Medical Benefit
- p) Revision of Hill Allowance.

32. INCOME-TAX DEDUCTION:

In respect of Income-tax to be deducted from the arrears, the instructions issued by the Finance & Accounts Department in this regard may be followed.

33. INFORMATION TO BE FURNISHED TO THE CENTRAL OFFICE:

After payment of arrears, the Divisional Office should furnish the information in respect of total amount paid by the offices under their control under various components mentioned in the proforma to the controlling Zonal Office. Information only in respect of consolidated amounts paid by way of arrears under each head should be furnished and not the amount paid to the individual employees. The Zonal Offices shall, in turn, furnish the consolidated information in respect of the zone as a whole to the Personnel/ER Department, Central Office. All other offices not covered by the above shall directly furnish the information to the Personnel/ER Department, Central Office.

34. DATE OF PAYMENT:

The arrears may be paid as early as possible.

35. INTERPRETATION:

Where any doubt or difficulty arises as to the interpretation of these instructions it shall be referred to the Chairman for his decision.

EXECUTIVE DIRECTOR (P)

Appendix-III

**Form of option to be exercised by the Class-I Officers
under Rule 1 of the Life Insurance Corporation of
India Class-I Officers (Revision of Terms and
Conditions of Service) Amendment Rules, 2010**

To,

Life Insurance Corporation of India,
_____ Office,

In accordance with sub-clause(3) of Clause 4 of the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Instructions, 2010, I hereby opt to be governed by the provisions of the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Amendment Rules, 2010 with effect from _____. I hereby understand and agree that no arrears shall be paid to me for the period from 1.8.2007 to _____ on account of Amendment Rules, 2010.

(Signature)

Date :

Full Name :

Designation :

S.R.No. :

Office :

Place :

Appendix-IV

**Form of option to be exercised by an officer under
Clause 4(4) of the Life Insurance Corporation of
India Class-I Officers (Revision of Terms and
Conditions of Service) Instructions, 2010**

To,

Life Insurance Corporation of India,
_____ Office,

In accordance with Clause 4(4) of the Life Insurance Corporation of India Class-I Officers (Revision of Terms and Conditions of Service) Instructions, 2010, I hereby opt for fixation in the revised scales of pay applicable to the cadre to which I was promoted from _____ (indicate the date of option) .

I hereby understand and agree that no arrears shall be paid to me for the period prior to the above date. I also undertake to refund the amount of arrears, if any, that I have received as a result of revision of Class-II/Class-III and Class-IV employees.

(Signature)

Date :

Full Name :

Designation :

S.R.No. :

Office :

Place :

Appendix-V

**NO. OF SLABS FOR WHICH DEARNESS ALLOWANCE PAYABLE AS PER THE
PRE-REVISED AND REVISED RULES**

Period	As per the pre-revised rules (Scales linked to 2328 Points)	As per the revised rules (Scales linked to 2944 Points)
August 2007 to October 2007	154	0
November 2007 to January 2008	175	21
February 2008 to April 2008	182	28
May 2008 to July 2008	190	36
August 2008 to October 2008	211	57
November 2008 to January 2009	243	89
February 2009 to April 2009	260	106
May 2009 to July 2009	262	108
August 2009 to October 2009	281	127
November 2009 to January 2010	340	186
February 2010 to April 2010	372	218
May 2010 to July 2010	391	237
August 2010 onwards	399	245

Appendix-VI

Fixed Personal Allowance payable to Class-I Officers on revision

Category	Existing Rs.	Revised Rs.
AAO	560	910
AO	560	910
ADM	650	1200
DM	650	1200
SDM	725	1350
ZM(O)	785	1400
ZM(S)	995	1700

APPENDIX- VII (A)**CLASSIFICATION CITIES FOR THE PURPOSE
OF HOUSE RENT ALLOWANCE**

CATEGORY-I	CATEGORY-II	CATEGORY-III
CALCUTTA (including municipal areas comprising city of Calcutta (including Behala, Alipore, Cossipur Tollegunge) Howrah, Barrackpore (including N.Barrackpore) Garden Reach, Baranagore, South Suburban, Municipal Area, Dum Dum (including South Dum Dum) Kamarhatti, Panibati, Kharda, Titagarh, Garulia, Bhatpara, Naihati, Bally, Uttarpara, Konnagar, Rishara, Serampore, Baidyabati, Champdani, Bhadreswar, Chandranagar, Hoogly Chinsuria, Budge Budge, Habra, Baruipur, Barasat and Uluberia CHENNAI MUMBAI (including areas comprising within the limits of the Mumbai Municipal Corporation (Greater Mumbai) Dombvli, Kalyan, Thane, Bhivandi, Ulhasnagar and Bassein Municipalities) Navi Mumbai NEW DELHI Faridabad Ghaziabad Gurgaon Noida HYDERABAD BENGALURU AHMEDABAD Gandhinagar	Agra Bhopal Coimbatore (including Sulur) Goa (Entire State) Indore Jaipur Kanpur Kochi Lucknow Ludhiana Madurai (including Tirunagar) Meerut Nagpur Patna Pune (including Pimpri & Chinchwad) Surat Vadodara Varanasi Visakhapatnam (including Gajuvaka)	All other places

APPENDIX- VII (B)

**CLASSIFICATION CITIES FOR THE PURPOSE
OF CITY COMPENSATORY ALLOWANCE**

CATEGORY-I	CATEGORY-II	CATEGORY-III	
<p>CALCUTTA (including municipal areas comprising city of Calcutta (including Behala, Alipore, Cossipur Tollegunge) Howrah, Barrackpore (including N.Barrackpore) Garden Reach, Baranagore, South Suburban, Municipal Area, Dum Dum (including South Dum Dum) Kamarhatti, Panibati, Kharda, Titagarh, Garulia, Bhatpara, Naihati, Bally, Uttarpara, Konnagar, Rishara, Serampore, Baidyabati, Champdani, Bhadreswar, Chandranagar, Hoogly Chinsuria, Budge Budge, Habra, Baruipur, Barasat and Uluberia)</p> <p>CHENNAI</p> <p>MUMBAI (including areas comprising within the limits of the Mumbai Municipal Corporation (Greater Mumbai) Dombvli, Kalyan, Thane, Bhivandi, Ulhasnagar and Bassein Municipalities) Navi Mumbai</p> <p>NEW DELHI Faridabad Ghaziabad Gurgaon Noida</p> <p>HYDERABAD BENGALURU AHMEDABAD Gandhinagar</p>	<p>Agra Bhopal Coimbatore (including Sulur) Goa (Entire State) Indore Jaipur Kanpur Kochi Lucknow Ludhiana Madurai (including Tirunagar) Meerut Nagpur Patna Pune (including Pimpri & Chinchwad) Surat Vadodara Varanasi Visakhapatnam (including Gajuvaka)</p>	<p>Agartala Amravati Aizwal Aligarh Allahabad Amritsar Asansol Aurangabad Ajmer Bareilly Belgaum Bhavnagar Bhubaneshwar Bikaner Chandigarh Cuttack Dehradun Dhanbad (including Sindri and Katras) Durg-Bhilai Gangtok Gauhati Gorakhpur Guntur Gwalior Hubli- Dharwad Imphal Itanagar Jabalpur Jalandhar Jamnagar Jamshedpur Jammu Jodhpur Kohima Kolhapur Kota</p>	<p>Kozhikode Mohali Mangalore Moradabad Mysore Nashik Panchkula Pondicherry Port Blair Raipur Rajkot Ranchi Salem Shimla Shillong Sholapur Srinagar Thiruvananthapuram Tiruchirapalli Tiruppur Vijaywada Warngal</p>

