

## **ANNEXURE-10**

### **Life Insurance Corporation of India Class-III Employees (Special Allowance for Passing Examination) Rules, 1988**

**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 \*\***

S. No.	Professional or Technical Examination	Special Allowance
(1)	(2)	(3)
(i)	Examination of the Insurance Institute of India, Mumbai: (a) Licentiate (b) Associateship (c) Fellowship	(a) Rs. 915/- per month (b) Rs. 2,485/- per month (c) Rs. 4,245/- per month
(ii)	Examination of the Institute and Faculty of Actuaries, London.	Rs. 915/- per month on passing each subject.
(iii)	Examinations of the Institute of Actuaries of India	Rs. 915/- 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. 1,780/- per month (b) Rs. 3,045/- per month (c) Rs. 4,245/- per month.
(v)	Master of Business Administration of a recognised University or Institution	Rs. 4,245/- per month.
(vi)	Final examination of Institute of Company Secretaries of India	Rs. 4,245/- per month.

\* Principal rules were notified on 22.04.1988 w.e.f. 01.10.1986

\*\* Amended by GSR No. 259(E) dated 30.04.2024

### 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 the Institute of Cost and Works 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**

Sl. No.	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.

\*\*\*Amendment notified vide GSR No. 56(E) dated 22.01.2002

\* Clause (4) of Rule 3 deleted by notification dated 01.03.1986 w.e.f. 01.08.1996

@ Notified on 06.07.1990 effective from 01.07.1990

\*\* The payment of Special Allowance delinked from stagnation increment w.e.f. 01.07.1990 by notification dated 11.07.1991

**TABLE**

<b>Sl. No.</b>	<b>Date from which Allowance is payable</b>	<b>Amount</b>
†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.

Foot Note: The Life Insurance Corporation of India Class – III Employees (Special Allowance for Passing Examination) Rules, 1988 were published in the Gazette of India, Extraordinary Part II, section 3, sub-section (i) vide notification number G.S.R. 491(E), dated the 22nd April, 1988 and subsequently amended vide Notification numbers:

- (1) G.S.R. 516(E), dated the 12th May, 1989;
- (2) G.S.R. 621(E), dated the 6th July, 1990;
- (3) G.S.R. 339(E), dated the 11th July, 1991;
- (4) G.S.R. 109(E), dated the 1st March, 1996;
- (5) G.S.R. 556(E), dated the 22nd June, 2000;
- (6) G.S.R. 56(E), dated the 22nd January, 2002;
- (7) G.S.R. 563(E), dated the 5th September, 2005;
- (8) G.S.R. 828(E), dated the 8th October, 2010;
- (9) G.S.R. 32(E), dated the 14th January, 2016;
- (10) G.S.R. 271(E), dated the 15th April, 2021 and
- (11) G.S.R. 259(E), dated the 30th April, 2024.

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†Amendment notified on 11.07.1991

\*Rule 5 inserted by Notification dated 01.03.1993 w.e.f. 01.08.1994

\*\* Notified on 22.06.2000