

**LIFE INSURANCE CORPORATION OF INDIA
CENTRAL OFFIC, MUMBAI**

**“Yogakshema”
Jeevan Bima Marg,
MUMBAI-400021.**

Ref: Mktg./ZD/8/2008

Date: 12.02.2008

**To,
ALL ZONAL MANAGERS & OFFICERS
IN-CHARGE OF DIVISIONAL OFFICES**

**Re: Amendment to Life Insurance Corporation of India
(Agents) Rules, 1972**

We have to inform you that the maximum amount of Gratuity payable to the Agents of the Corporation in terms of the (Agents) Rules, 1972 has been revised from Rs. 1,00,000/- to Rs. 2,00,000/- with effect from 01.04.2007.

The notification with regard to the above revision and consequent amendment to (Agents) Rules, 1972 is appearing in the part II – Section 3 Subsection (i) of the Gazette of India : Extraordinary published on 23.01.2008 and shall come into force with effect from 01.04.2007.

In view of the above, sub para (3) of para 2 in schedule VI of the (Agents) Rules, 1972 would now read as follows:

“Gratuity admissible to an agent shall be at the eligible rate for each qualifying year for the first fifteen qualifying years and at half the eligible rate for the subsequent ten qualifying years, provided the maximum amount of gratuity payable shall not exceed Rs. 2,00,000/-“.

You may issue suitable instructions to the Branch Offices with regard to this revision and inform them specifically that the revised limit of maximum gratuity would be applicable only in case of those agents who become eligible for gratuity in terms of para 2(1) & (2) of Schedule VI of the (Agents) Rules, 1972 on or after 01.04.2007. The agents who have been paid gratuity of Rs. 1,00,000/- in terms of the aforesaid provisions on or after 01.04.2007 may be paid the difference if they are otherwise eligible for the same. The Branch/Divisional Offices may be instructed to display the circular on the notice board for information of the agents and also to reproduce the same in the Branch and Divisional News letters.

Secretary(Mktg.)