

**ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION**  
**LIC BUILDING SECRETARIAT ROAD HYDERABAD 500 063**  
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To

All the Zonal/Divisional/State/Regional Units

**LIC INCREASES WAGE REVISION OFFER TO 15%**  
**AIIEA CALLS IT INADEQUATE**  
**DEMANDS INCREASED OUTLAY**  
**INDIVIDUAL DISCUSSION WITH AIIEA HELD ON 01 OCTOBER 2020**

A delegation of AIIEA consisting of Com. Amanulla Khan, former President; Com. V. Ramesh, President; Com. Shreekant Mishra, General Secretary; Com. H.I. Bhatt, Joint Secretary and Com. B.S. Ravi, Treasurer met the LIC management through Video Conferencing on 01 October 2020 in the Individual Session. Smt. Pratibha Kher, ED (Personnel); Shri R. K. Dubey, Chief (Personnel); Ms. Lakshmy Kylas, Secretary (Personnel) and other officials of Personnel Department were present. The AIIEA Delegation raised the following issues in the discussions.

**Wage Revision:** The AIIEA termed the wage offer of 15% as inadequate and reiterated its demand for substantial improvement. The delegation justified the demand for improvement on the basis of higher productivity of the employees in comparison with the private life insurance industry. The AIIEA also pointed out the operating expenses of LIC are much lower than the private sector reflecting the higher levels of efficiency. Therefore, AIIEA said that the wage revision should reflect the strength of the Corporation and the higher productivity and efficiency levels achieved. The delegation pointed out in clear terms that LIC management should reconvene the discussions with improved offers and settle the wage revision early to help pooling the collective energies to meet the challenges confronting our institution. The management said that our views would be communicated to the government and they would make efforts for an early satisfactory conclusion of wage revision.

**Improvements in Family Pension and Pension Up-dation:** The AIIEA expressed its disappointment over the inordinate delay in securing approval of the government on recommendations of LIC Board to increase family pension and determining pension on the basis of last drawn pay or average of last 10 months whichever is beneficial. We said efforts must be made to secure approval and implement this decision without further loss of time. The Delegation also took up the issue of one final option for Pension to RPT employees, Ex-Servicemen and those technically qualified employees who were recruited at higher ages. **The Management informed that a favourable decision on the pension option to RPT employees was expected very soon.**

They assured to follow up the other issues with the government on an expeditious basis. The AIIEA delegation pointed out that consideration of the demand for up-dation of Pension can no longer be delayed considering the positive developments in this regard in RBI and NABARD. The ED (P) said that our suggestions on this issue will be communicated to the Chairman and the MD. We insisted that the LIC should make recommendations to the government on this issue and follow up for approval.

**Recognition to AIIEA:** The AIIEA expressed deep dissatisfaction over the inaction on the demand for recognition of the majority unions. The delegation pointed out that recognizing the representative union is fundamental for industrial democracy. It was pointed out that denying Recognition to AIIEA was not only unfair but also a serious infringement of industrial democracy in the premier financial institution of the country. This issue has to be pursued vigorously.

**Recruitment Related Issues:** The AIIEA demanded that One Final option for Biometric Authentication be given to all those eligible candidates selected for the posts of Assistant but could not clear the **Biometric authentication** for reasons beyond their control. The delegation also demanded that the Assistant **Recruitment Panels** should be moved without any further delay. The AIIEA raised the issue of the stalled recruitment process in the states of Kerala and Tamil Nadu. Since the **Kerala High Court** has already disposed off the petition clearing the way for recruitment, AIIEA demanded that the process should start immediately. The AIIEA also demanded **Recruitment to the Class IV cadre** in view of acute shortage of class IV employees all over the country. The AIIEA demanded that LIC should take immediate steps for the **absorption of temporary employees recruited through Employment Exchanges** and working continually for over a decade. The AIIEA demanded that these candidates should be absorbed early through a limited test as suggested by the Hon'ble Supreme Court of India. The AIIEA pointed out that it is **unfortunate the LIC has been indulging in a prolonged litigation on the issue of CGIT rather than implementing the verdict of the Supreme Court.** The AIIEA demanded that LIC should implement the orders of the Supreme Court without prolonging the litigation to bring the issue to a close by giving benefit of the judgement to the aggrieved workmen.

**Treatment of Absence during Covid Lockdown:** The AIIEA expressed its strong disappointment over the silence of the LIC management to our repeated requests for a fair treatment to all those employees who were forced to remain absent from their respective headquarters during the Covid lockdown. The delegation pointed out that the newly recruited employees and those employees on the verge of their retirement have been particularly hit. The pandemic was an unusual and unprecedented crisis and therefore, the issue merits a sympathetic consideration of the management, averred our delegation. The stubborn refusal of some zonal level officials in various zones to sanction **Quarantine Leave** to the employees by misinterpreting the CO circular dated 26.5.2020, was also brought to the notice of the management. The ED (Personnel) assured to look into these issues.

**Reduction of Interest Rate on Housing Loans:** As already communicated in our previous circular about the assurance of the Managing Director in the Joint Session on 30<sup>th</sup> September, **the officials of the Personnel Department reiterated that a positive decision on reduction of rate of interest on HFL Loans was expected soon.**

**Restoration of Increment postponed due to 8<sup>th</sup> January 2020 Strike:** AIIEA expressed its unhappiness over the delay in restoration of the increment postponed due to participation in the one day Strike action on 8<sup>th</sup> January 2020. The management agreed to consider the issue at the earliest.

**PLLI:** As already informed, AIIEA took up the issue of PLLI for the year 2019-20 in the Joint Session itself. Responding to AIIEA's query, the Chairman said that PLLI was at an advanced stage of consideration and the decision would be communicated shortly.

**Problems in Statement of Account of DCPS (NPS) Optees:** The delegation pointed out that in spite of several rounds of discussions and follow up with Central Office, no proper statements of account were being given to the Defined Contribution Pension Scheme beneficiaries. The ED (Personnel) agreed with our understanding and assured to take up the matter at the appropriate level. We reiterated that this demand was without prejudice to our stand of scrapping the NPS Scheme.

**Group Insurance Scheme for Employees' Cooperative Societies:** AIIEA drew the attention of ED (personnel) to our discussion of 15<sup>th</sup> January 2020, subsequent letter dated 18<sup>th</sup> February 2020 and discussion of 13<sup>th</sup> March 2020 on the issue of denial of group insurance to various employees' cooperative societies by LIC's P&GS department. The delegation pointed out that this had created an unpleasant situation where private companies were making a beeline for insurance coverage to Members of LIC employees' cooperative societies while our own P&GS department is turning down the proposals. The officials of the Personnel department said that the issue had already been broached with P&GS Department and some technical issues needed to be sorted out. We demanded an early resolution of the issue.

**Issues Related to Mediclaim:** AIIEA drew the attention of the management to our long pending demand of giving an option to those who could not join the scheme earlier. The delegation demanded that this option be given to the existing employees, retired employees and their dependents. AIIEA also demanded that necessary instructions be issued for giving automatic entry into the scheme for those dependents who had to exit due to ineligibility of dependency clause based on the income limit.

The delegation also discussed certain other issues like **Five Day Week, Pay Fixation of Ex-Servicemen employees, Ex-Gratia in lieu of Bonus etc.** The AIIEA shall continue to pursue these issues.

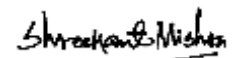
**AIIEA Secretariat Meets through Video Conferencing on 02 October:** The Secretariat of the AIIEA had a virtual meeting on 2nd October to take stock of developments in LIC and PSGI Companies. The Secretariat unanimously endorsed the line taken by our delegation in the wage revision negotiations. The Secretariat expressed its anguish that no wage related discussions had taken place in PSGI companies after the exploratory round of negotiations in April 2019.

The Secretariat felt that employees in PSGI companies deserved a good wage revision on the basis of the performance of the industry during the period of 2012-17. While appreciating the fact that all the unions in PSGI industry are meeting on 4<sup>th</sup> October 2020 to chalk out a common strategy, the Secretariat felt that struggle was the need of the hour to realize a good wage revision in PSGI companies. Accordingly, the Secretariat authorized the Standing Committee (General Insurance) to devise programs of action in consultation with other unions.

The Secretariat while noting the positive developments in LIC on wage issue, called upon the employees to remain prepared for a struggle to secure the desired improvements. The Secretariat called upon the PSGI employees to immediately prepare for struggles to force open the negotiations and secure the wage revision early. The Secretariat also called upon employees in LIC and PSGI companies to continue the struggle in defense of the public sector insurance industry without any let up.

With Greetings,

Comradely Yours



General Secretary