

**ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION**  
**LIC BUILDINGS SECRETARIAT ROAD HYDERABAD 500 063**  
**(E-mail: aiieahyd@gmail.com)**

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19<sup>th</sup> July 2023

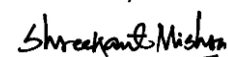
To  
All the Zonal /Divisional /State /Regional Units

Dear Comrade,

We reproduce herein below a letter addressed to Chairperson, LIC today by the Joint Front of Unions in LIC over the indifferent attitude of the management towards the resolution of pending issues. The letter is self-explanatory. Please ensure wide circulation of the circular amongst our members. The Secretariat of the AIIEA meeting at Jodhpur in Rajasthan on 28-29 July 2023 will also come out with a blueprint of struggle to realise our long pending demands.

With Greetings,

Comradely Yours



General Secretary

July 19, 2023

The Chairperson  
L.I.C. of India  
Central Office  
MUMBAI

Dear Sir,

**SIMMERING DISCONTENT OVER INDIFFERENCE TOWARDS RESOLUTION OF PENDING ISSUES**

The Joint Front of Unions, consisting of the above-mentioned Unions, had an online meeting day before yesterday, i.e., on the 17<sup>th</sup> of July 2023, to discuss issues related to the industry and the employees.

The meeting noted with utter dismay that there was no headway on long pending issues of the employees and officers. The meeting was particularly unhappy over the inordinate delay in the notification of the Board's recommended improvements in family pension. It has been almost four years since the LIC sent its recommendation to the government on the issue of improvements in family pension. For the last four years, the constant refrain of the management has been that LIC has given all clarifications sought by the Ministry. And the delay is particularly perplexing because of the fact that the same improvement in pension has already been extended to employees and officers of public sector banks and the RBI. Of late, the same benefit was extended to RRBs also. We fail to understand why there is so much delay in extending the benefit to LIC. Many pensioners have passed away, leaving their families in the lurch. The delay in giving clearance to the Board recommended improvements also raises fundamental questions about the functional autonomy of the management of a systemically important institution like the LIC.

Recently, the Government has approved the revision of the Pension of those RBI employees who retired from the services before 01.11.2017, effective June 2023. The meeting felt that LIC should also seriously consider, in the true spirit of a model employer, the upgradation of pensions to the senior citizens who have been bearing the brunt of escalating prices and consequent erosion in their real income.

We have also been demanding, without any prejudice to our demand of scrapping the NPS, the enhancement of management's contribution under the Defined Contribution Pension Scheme (DCPS) from the existing 10% of pay plus dearness allowance to 14% thereof as is applicable to central government employees under the National Pension System (NPS). The meeting was critical that even though the DCPS beneficiaries of LIC have now been made a part of the institutional architecture of the NPS, the management's contribution to the fund continues to be at the old rate of 10%.

The Department of Pension and Pensioners' Welfare under the Ministry of Personnel, Public Grievances and Pensions of the Government of India have recently come out with an Office Memorandum, No. 57/05/2021- P&PW (B) dated 03 March 2023, giving a one-time option to all central government employees appointed against a post or vacancy advertised/ notified prior to the date of notification of NPS (22.12.2003) to be covered under the Old Pension Scheme i.e., the CCS Pension Rules, 1972. In LIC also, quite a few employees have joined the institution after the date of notification of DCPS, i.e., 01.04.2010, against posts/vacancies advertised /notified prior to this date. The meeting of the Joint Front strongly felt that a similar one-time option be extended to such employees of the LIC in the interest of justice and fair play.

Apart from these three important issues, other issues like the promised improvements in leave matters, LTC matters, Recruitment and Mediclaim have been hanging fire for long. With many exits in all cadres, we must start the recruitment process. There is an urgent need to change the recruiting pattern of development officers to face the challenges in marketing. The meeting was unhappy that even though all unions submitted the Charters of Demands in August 2022, no discussions have started on the issue, even after a lapse of almost one year. Balancing work and life has become a big stress for all classes of employees, especially class-1 officers who are invariably called to the office on almost all holidays.

The meeting expressed serious concern over the myriad challenges confronting our institution post-IPO period. The insuring public is confusing the performance of LIC stock with its real business performance, creating doubts about the institution's integrity. We have failed to convince the people that the intrinsic value of LIC is many times more than what is reflected in the stock market. There are clear and visible signs that the business model of LIC is also changing. The regulatory changes being mooted by the regulator are bound to hurt the interests of LIC in the future. The concept of multiple agencies, kept aside now, may come anytime under pressure from private players and will be injurious to the interests of LIC. So many impractical ideas are mooted by IRDA, which will be neither regulatory nor developmental. Amidst all these challenges, the meeting lamented that no communication and information were shared with the employees' unions on these pressing issues. The meeting was particularly unhappy that repeated requests of the Joint Front for a meeting with the Chairman/ Chairperson have gone unheeded till now. The management should know that the institution's challenges cannot be met without the support and allegiance of the workforce, both in the administration and the field.

It has always been our endeavour, being responsible stakeholders of the institution, to maintain industrial harmony while safeguarding the interests of the employees and the institution. Unfortunately however we find that there is a lack of appreciation of this important aspect by our Central Office.

We do hope that you will spare some time for a constructive dialogue with the Joint Front to thrash out the genuine issues of the employees and maintain industrial harmony in the institution.

Thanking You,

Yours faithfully

**S. Rajkumar**  
General Secretary  
Federation of LIC  
Class I Officers'  
Associations

**Vivek Singh**  
Secretary General  
NFIFWI

**Shreekant Mishra**  
General Secretary  
AIIEA

**Rajesh Kumar**  
General Secretary  
AILICEF