

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

Cir.No.23/2009

24th November 2009

To all the Zonal/Divisional/State/Regional Units:

Dear Comrades,

We reproduce herein below the joint letter of the Unions/Associations submitted to the Chairman, LIC, this morning at 11.30 am in a joint delegation. Com. S.A. Nanal, Joint Secretary, WZIEA was part of the delegation representing AIIEA.

Comradely yours,



General Secretary.

16th November 2009

Chairman,
L.I.C. of India, Central Office,
Mumbai.

Dear Sir,

WAGE REVISION IN LIC

In the discussions convened on November 3, 2009, you made an offer of 17.5 percent wage rise on the wage bill as at 31st August 2007. Responding to your offer, the Unions representing all classes of employees made it clear that this offer coming nearly five months after the last round of discussions has disappointed the employees and officers. This offer neither reflects the prosperity of LIC nor meets the expectations of the employees and officers. The representatives of the unions, therefore, demanded re-commencement of discussions at an early date with meaningful offers that could lead to an early and satisfactory settlement.

The wage revision is pending since 1.8.2007. The Unions framed and submitted their charters for upward revision of wages in the background of the tremendous growth recorded by the Corporation in the preceding five years. The total premium income increased from Rs.48963 Cr. in 2001-02 to Rs.127782 Cr. in 2006-07. The success story continues. The total premium income for the year 2008-09 reached Rs.1,57,186 crores. During this period the number of individual policies rose to 26 crores from 12.58 crores. The growth of LIC during the first half of 2009-10 had been commendable viewed in the context of global recession which did not leave India unaffected. The total investments of LIC in the Indian economy stand at a massive Rs.10 lakh crores. What is more that this huge increase in productivity was achieved at a declining wage ratio as a percentage of total premium.

You will agree that the brilliant performances of LIC year after year in every aspect of its functioning have naturally made the employees expect a good wage revision in tune with the performance of the LIC. But the progress made after over two years of wage revision having fallen due is disappointing. The aspirations of the employees are totally justified as they are based on the performance of LIC to which all classes of employees have contributed in such great measure. Therefore, the LIC employees and officers have been looking forward to an improved offer which can form the basis for meaningful negotiations on the issue.

Hence, we request you to take immediate steps for calling the unions/associations at an early date with an improved offer leading to a satisfactory settlement so that the employees and officers respond to the challenges before LIC with continued commitment to advance the interests of this great institution and its policyholders.

Thanking You,

Yours faithfully,

R. Jayaprakash
NFIFWI

K Venu Gopal
AIIEA

Satish N. Jaokar
AILIEA

V.K. Sharma
AINLIEF (INTUC)

Sunil Shinde
BVKS

Atul Deshpande
NOIW

Ganesh Kamath
NOINO