

To:

All LIC EMPLOYEES, DEVELOPMENTS OFFICERS AND OFFICERS,

Dear Comrades,

Discussions with Chairman, LIC

A delegation comprising of the Presidents and General Secretaries of Federation of LIC Class I Officers' Association, National Federation of Insurance Field Workers of India and All India Insurance Employees' Association met Shri V.K.Sharma, Chairman LIC at Mumbai on 9th December, 2017. Shri Hemant Bhargava, M.D., Shri Sharad Srivastava, EDP and other officials of the personnel department were present.

The delegation pointed out that the three unions represent over 90 percent of the workforce of LIC. Being the major unions, they are concerned over developments that have potential to impact both the industry and the workforce. The delegation discussed the effect of the Financial Resolution and Deposit Insurance Bill on LIC. This Bill which is likely to be taken up for passage in the coming session of Parliament lays down a road map through which the public sector financial institutions can be merged, liquidated etc. The delegation wanted to know whether this Bill overrides some provisions of the LIC Act. The Chairman informed the delegation that LIC is studying the Bill in detail and will share its understanding with the Unions soon. The Chairman assured to take up with the Finance Ministry if the provisions of the proposed legislation adversely impact LIC. The delegation also discussed some investment decisions of the recent times and made it clear that there cannot be any compromise on the safety and security of the policyholders' monies. The issue of product development keeping in view the market expectations and aspiring clientele was also discussed in great detail. The delegation pointed out the effort of the unions in mobilising opinion against the imposing of GST on Life Insurance premiums and requested the Chairman to take up this issue with the Government when it is tweaking the rates on various items under popular pressure. The Chairman informed that this issue has been seriously taken up with the Government by LIC as also the Life Insurance Council.

The delegation discussed in details various issues and demands relating to the employees. Important among them are:

1. Final Option on Pension

The delegation expressed anguish and disappointment on this issue not finding an amicable solution despite passage of such a long time. The delegation pointed out the change in the material facts since the last option given in 1996 and said the growth of institution provides ample justification to favourably consider this demand. The Chairman informed that despite various difficulties, the LIC is serious on this demand and is seriously pursuing it with the government. The Chairman assured that all efforts would be made by LIC for a satisfactory solution to this demand.

2. 5 Day Week

It was pointed out that the inordinate delay in implementing 5 day week which was agreed to during the last wage revision raises serious doubts about the autonomy of LIC Board and the functional autonomy of the LIC Chairman. The delegation said it is unfair to delay implementation of this decision when the LIC Board had approved the same before the offer to the unions was made. The Chairman agreed that there is inordinate delay but said that efforts are not lacking from LIC in pursuing the government to approve this issue early. He promised to continue efforts with the government to secure early approval.

3. Mediclaim Scheme

The delegation demanded improvement in the Mediclaim Scheme including substantial increase in the basic sum assured from the existing limits. The Chairman assured to positively consider this

demand from the next renewal date. We also requested the Chairman to consider giving another option to retired employees who had withdrawn from the scheme to rejoin again. We also suggested that many more improvements desirable should be negotiated with the Insurer on renewal to ensure maximum facilities are extended under the Scheme.

4. PLLI for the year 2016-17

The Chairman informed that there is no eligibility of PLLI at the Corporate Level. However many individual divisions on the basis of their performance have become eligible for PLLI. We suggested that LIC can take it up with the Board for payment of ex-gratia at the corporate level considering the impressive performance registered by LIC. We also suggested the early release of PLLI to all those who have become eligible. The Chairman assured to consider the request.

5. Recruitment

The delegation pointed out the enormous increase in the workload, age profile in the corporation to impress the need to take immediate steps for recruitment. The delegation also pointed that due to unscientific recruitment of Development Officers, the attrition rate is very high and suggested for recruitment of Development Officers from our existing agents. The Chairman agreed that recruitment is necessary and advised the P&IR department to work out the details relating to the requirement of the Corporation. He said some positive steps will be taken in this regard by the end of the current financial year.

6. Diamond Jubilee Memento

The delegation expressed disappointment that despite the massive progress registered by the Corporation, the demand for a Diamond Jubilee Memento is yet to be conceded. We made it abundantly clear that the commitment of the workforce has made LIC the finest financial institution in the country and recognition of this contribution will go a long way in meeting the present day challenges. The Chairman said that the issue did not get any favourable response from the Board but he will make fresh efforts in the Board on this issue.

7. Wage Revision

The Chairman informed that LIC has received charter of demands for wage revision due from 1.8.2017 from all unions. The same are being assessed and analysed. Thereafter the demands will be discussed with the government. The delegation pointed out that the Charter has both monetary and non-monetary issues. We said that it is understandable that on monetary demands some guidance from the government is required by LIC, there need not be any delay in starting discussions on non-monetary issues. The Chairman assured to consider this suggestion.

The delegation also discussed the need to bring about industrial democracy by recognising the majority trade unions in the industry. Various other issues relating to different classes of employees were also discussed. The issue of termination of development officers under special rule was also raised and demanded that there should be proviso of redeployment of such development officers in administrative side with protection of wages. The discussions were positive and the unions would continue to make efforts to secure satisfactory solution to the issues represented.

With greetings,



S. Raj Kumar
General Secretary
Federation of LIC
Class-I Officers' Associations



Vivek Singh
Secretary General
NFIFWI



V. Ramesh
General Secretary
AIIEA