

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

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08th February, 2018,

To

All the Zonal/Divisional/Regional/State Units,

Dear Comrades,

DISCUSSIONS WITH THE MANAGING DIRECTOR

A delegation of AIIEA comprising of Coms Amanulla Khan, President, V.Ramesh, General Secretary and H.I.Bhat, Joint Secretary visited the Central Office of LIC on 7th February 2018 and held discussions with Shri Hemant Bhargava, MD and Shri Sharad Shrivastava, ED (P). Shri G.S. Wanwar, Chief (P) was also present.

The delegation expressed concerns over certain policies which have the potential to impact the functioning and future of LIC and stressed upon the need to work together to meet the present day challenging environment. The AIIEA also expressed its dissatisfaction over not implementing some commitments made during the last wage revision talks. The Managing Director informed the delegation that LIC is continuously pursuing the **issue of five day week both with the Minister** and the officials of the Ministry. He also said that on the issue of **a final option on pension**, the LIC has been following up with the ministry for a favourable decision. The M.D assured the delegation that LIC will continue to pursue these issues with the ministry.

WAGE REVISION

The AIIEA pointed out that six months have elapsed since the wage revision became due and the submission of the charter for upward revision but there are no indications as to when the discussions on this very important issue would commence. The LIC has been performing impressively despite adverse market and economic conditions and therefore there should not be any delay on meeting the legitimate aspirations of the employees. The M.D said that the charters submitted have been analysed and the copies have also been sent to the Government and efforts are being made to begin the process of negotiations soon.

RECRUITMENT

Referring to the discussions AIIEA had on this issue with the Chairman, the delegation wanted to know the progress. The AIIEA stressed the importance of recruitment to adequately staff the offices to meet the increasing service expectations of the policyholders. Agreeing with the concern of AIIEA, the MD informed that the administration is studying the staff requirement and necessary steps towards recruitment would be taken thereafter.

Welcoming this stand, the AIIEA pointed out that LIC cannot be in ever legal agitation mode

on the disputes raised relating to recruitment. A judgement of the Court in one case should be made applicable to all similarly placed employees to avoid continuous litigations. We informed the MD that LIC had recruited employees through Employment Exchanges on temporary basis. These employees fulfilled all conditions of recruitment. These temporary appointments continued and are continuing for more than a decade. The Supreme Court directed LIC for absorption of such employees on a batch of petitions as a result of which 98 such temporary employees were recruited. There are around 170 similarly placed employees and it is only fair to extend the benefit of this judgement to such employees. The M.D assured to look into our suggestion. We also said instead of prolonging the legal battle on CGIT issue, the LIC must work to bring this issue to a close accepting in true spirit the judgement of the Supreme Court.

Ex-Servicemen Fixation

We strongly contested the action of LIC to re-fix the salaries of Ex-Servicemen appointed by LIC and effect recoveries on the basis of a circular issued by the Finance Ministry. We pointed out that the terms of the employment contract cannot be altered from a retrospective date. It is unfair and also bad in law. We suggested that the LIC should take up this issue with the Finance Ministry with all relevant facts and till then action in this regard should be kept in abeyance. The LIC agreed to take up this issue with the government and the matter needs further follow up both with LIC and on the legal front.

Mediclaim

The AIEA demanded some improvements in the mediclaim scheme and inclusion of certain diseases. We pointed out that with upward revision of the income ceiling to determine the dependency, the eligible dependent parents and parents-in-law should automatically be brought under the coverage of mediclaim scheme. Welcoming the increase in the basic sum assured, the AIEA demanded that an option should be given to join the scheme to the pensioners who are not covered at present. The M.D assured to consider this suggestion.

HFL Interest Rates

We reiterated our demand that LIC should discuss with LICHFL to reduce the interest rates on housing loan in line with the rates existing in the market. We were informed that LIC is discussing this issue with LICHFL.

Education Advance

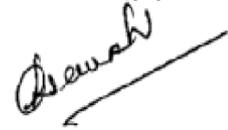
We have been demanding that Education Advance introduced as a benefit has become unattractive as interest payment does not qualify for exemption under Section 80 (E) of the Income Tax Act. We pointed out that the Oriental Insurance Company has found a method to overcome this problem and on the basis of this LIC should once again take up the issue with IT authorities. The M.D said they will consult the Oriental Insurance Company on this issue and take up the matter with the IT authorities.

The delegation also discussed the issues relating to compassionate appointments with a special reference to the pending cases of some RPT employees dying in harness. We also pointed out that a large number of employees could not qualify for PLLI for the financial year

2016-17 and therefore, the LIC Board should be approached for an ex-gratia payment on corporate level.

With greetings,

Comradely yours

A handwritten signature in cursive script, appearing to read "Aswathi", written over a diagonal line that slopes downwards from left to right.

General Secretary.