

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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Cir. No. 32 / 2019

1st November, 2019

To

All the Zonal/Divisional/State/Regional Units

Dear Comrades,

AIIEA DELEGATION MEETS LIC CHAIRMAN

Coms Amanulla Khan, President, V.Ramesh, General Secretary and H.I.Bhatt, Joint Secretary, AIIEA visited the LIC Central Office on October 31, 2019 at Mumbai and held discussions with Shri M.R.Kumar, Chairman and Shri T.C.Suseel Kumar, Managing Director on some important issues relating to the industry and the employees. Shri Mukesh Kumar Gupta, Executive Director (Personnel), Shri G.S. Wanwar, Chief (Personnel), Smt. Aruna Seth, Secretary (Personnel) and other officials of Personnel Department were present.

The delegation expressed happiness on the performance of LIC in the current financial year and regaining of the market share. Despite this sterling performance certain concerns remain relating to Non-Single Premium and number of policies. The AIIEA pointed out that hard efforts are required to increase the share of Non-single premium in the business of LIC and to meet the target set for number of policies. The Chairman agreeing with the AIIEA said all efforts are being taken in this direction and hoped that these efforts would start yielding results in due course. The Managing Director joined to inform that the number of policies are likely to cross 1 crore by the close of the day. The AIIEA appreciated the efforts of the Chairman to counter the negative perception on LIC deliberately being created by vested interests and present the strength and successes of LIC both through Print and Electronic Media. The delegation discussed the following issues:

Wage Revision

More than 7 months have passed since the last round of negotiations on wage revision held in March 2019. This inordinate delay in settling wage revision taking into consideration the strength of the institution and aspirations of the employees is making the employees restive. The AIIEA demanded early commencement of negotiations so as to reach a successful conclusion within a time frame. The Chairman informed of the efforts LIC is making with the government for a mandate on this issue. Agreeing to the importance of an early settlement on wage issue, he assured a vigorous follow up with the government.

Improvements in Pension

It is a matter of satisfaction that overwhelming numbers of eligible in-service employees have exercised option to join the 1995 Pension Scheme with less than 100 employees across the country deciding to remain with the Contributory PF Scheme. The response from the eligible retired employees and family pensioners too has been very good with nearly 80% of them opting to join the scheme. While thanking LIC for its proactive role on this issue, we said serious consideration should now be given for certain improvements in the Pension Scheme. The Chairman said that LIC Board has already approved the increase in the family pension and the same has been sent to the government for approval and notification. Similarly LIC has also sent recommendations for determining the Basic Pension on the basis of the last drawn pay or the average of the last ten months whichever is beneficial. These two issues are being pursued with the government and he is hopeful of early decision. The AIIEA also demanded updation of Pension as done in RBI and the government.

The AIIEA pointed out that some **Regular Part Time Employees** who could not join the scheme framed for them in 1999 should be given an opportunity to join the scheme now. The AIIEA was informed that this is under active consideration. The representation for another pension option to some **ex-servicemen and professionally qualified employees** joining LIC at a higher age has been taken up with the government and being pursued.

The AIIEA pointed out to the decision of the government to enhance the employer's contribution to 14% in case of employees covered under National Pension Scheme and to a similar action by the RBI. The AIIEA demanded LIC to increase its contribution to 14% in case of employees covered by **Defined Contribution Pension Scheme**. This demand is raised without any prejudice to our stand that all employees in LIC should be covered by the 1995 Pension Scheme. The Chairman agreed to look into this demand.

Absorption of Temporary Employees

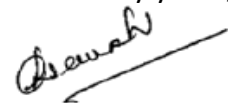
There are some employees recruited through employment exchanges on temporary basis and are in continuous service for the last 15 to 20 years. We said that there cannot be a temporary employment on a permanent basis and LIC must regularise them. We also pointed out that this issue is being agitated in different High Courts and in Supreme Court. A section of the employees have also obtained favourable decision from the Supreme Court and LIC has regularised their services. This favourable decision must be extended to all such similarly placed employees. The LIC informed that legal issues relating to this problem is being examined. The issue has to be further pursued. The delegation also demanded bringing to a close the **CGIT issue by accepting the findings of the Delhi CGIT** without prolonging the legal battle.

The delegation also discussed a number of other issues. It was informed that instructions for **restoration of deferred increment** due to participation in strike on 8-9 January 2018 will be issued soon. The LIC has agreed to take up the issue of reduction in interest rates on **Housing Loan with LICHFL** on the basis of the RBI and government favouring linking of Housing Loans with the Bank interest rates. We pointed out to the difficulties that would come in **booking air tickets for LTC** purposes and demanded a relook at the instructions. It was informed that this is done on the instructions of the Central Vigilance Commission. However, it was agreed to revisit the issue. The LIC also agreed to follow up with the government on the issue of **ex-servicemen pay fixation**. The AIIEA also raised the issue of revision of **Handicap Allowance and Special Area Allowances**. The issues relating to **vigilance cases and Education loan** were also raised. The demand for allowing retired employees another **opportunity to join the Mediclaim scheme** and automatic inclusion of dependents on revision of income criterion was also raised. The AIIEA also suggested introduction of a **cash medical benefit to the pensioners**. The Chairman assured to look into this demand. The proposal for **ex-gratia in lieu of Bonus for the year 2018-19** for eligible employees has also been sent to the government for approval.

The AIIEA will vigorously pursue all these issues.

With greetings,

Comradely yours,



General Secretary.