

**ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION**  
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Camp : New Delhi.

To  
All Zonal / Divisional / State / Regional Units,

Dear Comrades,

**Discussions with Secretary DFS, Finance Ministry**

A delegation of AIIEA comprising of Coms Amanulla Khan, President; Anil Bhatnagar, Vice President and V. Ramesh, General Secretary met Shri Rajeev Kumar, Secretary, Dept. of Financial Services, Ministry of Finance at New Delhi and held discussions on some important issues relating to the insurance employees. Com. T K Rangarajan, MP CPI(M) accompanied the delegation.

**Wage Revision:**

The delegation pointed out to the inordinate delay in commencement of negotiations on wage revision that fell due on 1.8.2017. We informed that the LIC and PSGI Companies have performed extremely well in the period since the last wage revision. Therefore, there is no reason to delay commencement and finalisation of the wage revision keeping in view the increased productivity and aspirations of the employees. The delegation stressed that the issue of wage in LIC should be decided on the basis of the financial strength of the institution without linking the same to external developments. The Secretary DFS appreciated our arguments and informed that the government is seized of the matter.

**Pension Option:**

We pointed out that the demand for pension option is pending for over a decade now. The delegation traced the history of introduction of pension scheme in LIC and PSGI companies in lieu of contributory Provident Fund in 1995. Since substantial number of employees chose to remain with the CPF, another option was extended immediately thereafter in 1997. Still some employees did not exercise the option to join the pension scheme since there was no material change in the interest regime nor there any improvements in the pension scheme. After the introduction of 100% DA neutralisation in the year 2010 effective from 1.8.1997 the pension scheme became more beneficial. Thereafter some more improvements in the form of pension eligibility to the dependent parents, widowed and divorced daughter were introduced. Unlike in RBI where options were extended whenever a new benefit was introduced, no such option was given to the employees of LIC and PSGI companies. We pointed out that the managements have sent their recommendations for another pension option. We requested Shri Rajeev Kumar to take a positive decision on this issue. The Secretary informed that the matter is in the consideration of the government.

**Improvement in Pension Scheme:**

We pointed out that improvements in the pension scheme like rate of family pension, number of completed years for full pension and fixing of pension on the basis of the last drawn pay have been extended to the government employees and the RBI. The same have not been extended to the employees of LIC and GIPSA companies. We informed the Secretary that there is no parity in the Dearness Allowance neutralisation between the employees retired before 1.8.1997 and thereafter. This is discriminatory and needs to be rectified. We also requested the Secretary to consider the periodical updation of pension on the lines of Central Government whenever a wage revision takes place as the pension scheme in LIC and PSGI companies is formulated on the lines of Central Govt. Pension Scheme.

**Delegation meets Additional Secretary DFS:**

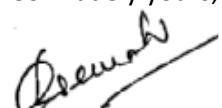
The Secretary advised us to meet Shri Debasish Panda, Addl. Secretary, DFS and explain all the issues in detail. We met Shri Debasish Panda and discussed all the above issues in detail. The Addl. Secretary informed the delegation that on wage revision the government is seized of the matter. On the issue of pension option he informed the delegation that the government is aware of the issue; certain details have been called from the institutions and the matter will be considered after getting all the details.

The issue of recruitment and recognition of Trade Unions in LIC were also discussed.

The discussions were positive. The AIIEA will continue all efforts to open up negotiations and secure a final option on pension.

With greetings,

Comradely yours,



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