

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

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21st December, 2020

To
All Zonal/Divisional/State/Regional Units,

Dear Comrades,

LIC INCREASES THE WAGE OFFER TO 16 PERCENT
INTEREST ON EXTENDED CADRE HOUSING LOAN REDUCED BY 1 PERCENT

The LIC Management called the Unions for a virtual Information Sharing Session today (21st December 2020) afternoon. This was in the background of a very successful agitation program carried out by the Joint Front which was to culminate in a two hour walk-out strike on 22/12/2020. Earlier on 18th December, Executive Director had telephonically requested the Joint Front to call off the two hour strike. In response, the leadership of Joint Front met on the evening of 20/12/2020 and decided to defer the strike to create a congenial atmosphere for discussions.

In the meeting held today afternoon, the LIC was represented by Shri M. R. Kumar, Chairman; Shri Mukesh Gupta, MD; Smt. Pratibha Kher, ED (Personnel); Sri R.K. Dubey, Chief (Personnel) and other officials of Personnel Department. Com. Amanulla Khan, former President; Com. V. Ramesh, President and Com. Shreekant Mishra, General Secretary represented the AIIEA. The meeting began with the ED (Personnel) giving a brief presentation on the business performance of LIC.

The Managing Director, Shri Mukesh Gupta, congratulated the employees for their magnificent co-operation for the all round growth of the institution and pointed out to the challenges arising from the decision of the government on LIC IPO. He also gave details about the increasing challenges arising from the regulations framed by the IRDA. He requested the employees for their further cooperation in improving the performance of LIC.

Shri M.R. Kumar, Chairman, LIC complimented the employees for their support and co-operation. He pointed out that LIC had done extremely well even in the most trying situation. He was happy that LIC had crossed the important milestone of 1 crore policies and was expected to achieve the target on Single Premium this evening. He also expressed happiness that LIC had achieved 76.22% of the target on First Year Renewal Premium Income. The Chairman pointed out that LIC had earned a record income on Equity investment. The Chairman said that the Covid 19 pandemic had thrown up new challenges and businesses had to attune themselves to new technologies. He pointed out that Ananda, an initiative of LIC on new business would be a 'Game Changer'. He elicited co-operation of the employees on the issues of improvement in Claims performance, widening the customer base and 'Shift System' of operations. The Chairman informed that there was lot of pressure from the Central Vigilance on filing of Property Returns and therefore filing of the same from this financial year would be mandatory to receive clearance for issue of Passport and Visa.

The Chairman concluded his address by announcing that the Rate of Interest on Extended Cadre Loan of HFL would be brought down by 100 basis points with effect from 1.1.2021 and made a Wage Offer of 16%. He requested the unions to appreciate the offer and take the process of wage revision forward.

Responding on behalf of AIIEA, the General Secretary said that AIIEA shares the concerns expressed by the Chairman and Managing Director on the issues related to the industry. The General Secretary said that LIC had shown remarkable growth even in difficult times. LIC was showing positive growth even when the entire Indian economy was going through severe contraction. He said that the wage offer of 16%, though an improvement over the earlier offer, was not in keeping with the growth and paying capacity of the institution or the aspirations of the employees. He said that the management should sincerely make efforts with the government to secure an improved mandate. He said that the reduction of interest rate on HFL Loan was 'too little- too late' and needed to be brought down further.

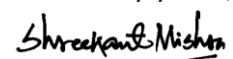
The AIIEA emphatically stated that we are opposed to the LIC IPO and are determined to resist through all forms of actions. While sharing the concerns of the industry, we wondered why these concerns should be discussed only at the time of wage negotiations. The AIIEA, for a long time, has been demanding an exclusive discussion on the challenges confronting LIC. The AIIEA demanded that such discussions should be held at an early date. The AIIEA also was critical of the delay and procrastination by the Central Office in dealing with issues of the employees. Even simple issues like correction of DA slabs and decisions on quarantine leave remain pending for long. The AIIEA pointed out that the improvements recommended by LIC Board on family pension and other issues are still pending for approval and this is beyond comprehension when the Finance Minister has been exhibiting empathy in public about the issues relating to pension. The AIIEA said in view of the developments in RBI, the demand for updation of pension in LIC cannot be negated. The AIIEA demanded a vigorous follow up with the government and an early resolution of these issues. Since the issue of 5 day week is a commitment of LIC in the last wage talks, AIIEA said it is the moral responsibility of LIC to secure its approval.

The AIIEA forcefully demanded continuous negotiation on the basis of improved offers so as to reach a settlement which is pending for 40 months. It was also pointed out that the Charter of Demands presented by AIIEA had many other important demands apart from the major demand of wage revision. The AIIEA suggested that LIC should initiate discussions on these issues immediately so that a comprehensive settlement can be reached as early as possible. It was pointed out that this is necessary to help concentrate our collective energies in facing the huge institutional challenges.

The struggle for wage revision has entered a crucial stage. The agitation of Joint Front has succeeded in bringing about some improvements in the wage offer. The AIIEA will continue its efforts to secure a good wage revision and resolution of other important demands at an early date.

With greetings,

Comradely yours,



General Secretary.