

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

Cir. No. 30/2021

18th November, 2021

To,
All the Zonal/Divisional/State/Regional Units

Dear Comrade,

Today we have addressed a letter to the Chairperson of LIC on the issue of ACL, in the background of the circular issued by LIC yesterday treating Saturdays as holidays under NI Act for the purpose of calculating ACLs. The letter is self-explanatory. This may please be brought to the notice of all our members.

With Greetings,

Comradely Yours



General Secretary

The Chairperson
LIC of India,
Central Office,
MUMBAI

Date: 18.11.2021

Dear Sir,

Re: Erroneous Interpretation of ACL clause - Holidays on Saturdays

This has reference to the Circular issued by LIC marked CO/Per/ER-A/282/2021 dated 17.11.2021, wherein it has been mentioned that Saturday shall be treated as holiday declared under NI Act for the purpose of calculating Additional Casual Leaves. Apart from being unilateral, this circular takes away a hard earned benefit of the employees through a wrongful interpretation of the leave rules.

It is true that the Government of India notified vide order SO 1630 (E) dated 15.4.2021 that every Saturday has been declared as a Public Holiday as per the powers conferred by section 25 of Negotiable Instruments Act, 1881. But that does not mean that we should consider Saturdays as holidays under the NI Act while calculating ACL. Under Regulation 62(2) of the Staff Regulations, the ACLs will be $23 \frac{1}{2}$ minus Holidays declared under 60A (1) in a calendar year. The key words in the Regulation 62(2) are "in a calendar year". These holidays declared by the State/Central Govt. keep changing in each calendar year and are not constant. The present

holidays on Saturdays are declared as Public Holiday similar to Sunday as Holiday. The Government will not declare these Saturdays / Sundays as holidays every calendar year.

Moreover, the Gazette notification clearly states that it is declared as Public Holiday – and not as Holidays under NI Act. The declaration by the government was only on the basis of its powers conferred u/s 25 of NI Act. This does not mean that Saturday is declared as Holiday under NI Act. If that were so, even public sector banks would be entitled to having all Saturdays as holidays. Moreover, since the Corporation has changed from 6-day working week to 5-Day working week, the working hours have been suitably increased and the supposed loss of working hours on Saturdays has been made good.

It is to be noted that every Sunday is also a Public Holiday declared by the government under the same provisions of the NI Act. But we do not take into account Sundays as holidays under NI Act while calculating ACLs. Section 25 of NI Act says: “...The expression Public Holiday includes Sundays and any other day declared by the Central Government by notification in the Official Gazette to be a Public Holiday.” This clearly shows that, the Saturday declared as public holiday by the Government under NI Act is similar to Sunday which is also a Public Holiday.

We, therefore, request you to withdraw the circular Ref: CO/Per/ER-A/282/2021 dated 17.11.2021 thereby rectifying the erroneous interpretation of the provisions of the Gazette Order.

Thanking You,

Yours faithfully
Sd/-
General Secretary
