

**COMMITTEE ON THE WELFARE
OF SCHEDULED CASTES AND
SCHEDULED TRIBES**

(FIFTH LOK SABHA)

FIFTEENTH REPORT

**MINISTRY OF FINANCE
(Department of Revenue and Insurance)**

**Reservations for, and Employment of, Scheduled
Castes and Scheduled Tribes in the Life Insurance
Corporation of India and facilities/Concessions
provided to Scheduled Castes and Scheduled
Tribes by the Life Insurance Corporation of India**



**LOK SABHA SECRETARIAT
NEW DELHI**

February, 1973 | Phalgun 1894 (Saka)

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CORRIGENDA

to the
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COMMITTEE ON THE WELFARE OF SCHEDULED CASTES AND
SCHEDULED TRIBES

(1971—73)

Sardar Buta Singh—*Chairman.*

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23. Shri Ganeshi Lal Chaudhary.

*Elected w.e.f., 19-12-72 *vice* Swami Ramanand Shastri died.

(iv)

24. Shri B. T. Kemparaj
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SECRETARIAT

Shri B. K. Mukherjee—*Deputy Secretary.*

Shri J. R. Kapur—*Under Secretary.*

**Elected w.e.f. 1-6-1972 vice Shri Gopal Barbora resigned.

INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes, having been authorised by the Committee to submit the Report on their behalf, present this Fifteenth Report on the Ministry of Finance (Department of Revenue and Insurance)—Reservations for, and employment of, Scheduled Castes and Scheduled Tribes in the Life Insurance Corporation of India and facilities| concessions provided to Scheduled Castes and Scheduled Tribes by the Life Insurance Corporation of India.

2. The Committee took the evidence of the representatives of the Ministry of Finance (Department of Revenue and Insurance) and Life Insurance Corporation of India on the 13th September, 1972. The Committee wish to express their thanks to the Additional Secretary, Ministry of Finance (Department of Revenue and Insurance) and the Chairman, Life Insurance Corporation of India and other officers of the Ministry of Finance (Department of Revenue and Insurance) and Life Insurance Corporation of India for placing before the Committee material and information the Committee wanted in connection with the examination of the subject.

3. The Report was considered on the 22nd and 23rd January, 1973 and adopted by the Committee on the latter date.

4. A summary of conclusions|recommendations contained in the Report is appended (Appendix III).

NEW DELHI;
February 23, 1973.
Phalguna 4, 1894 (S).

BUTA SINGH,
Chairman,
Committee on the Welfare of
Scheduled Castes and Scheduled Tribes.

CHAPTER I

INTRODUCTORY

A. Organisation

The Life Insurance Corporation of India is a Statutory Corporation established under the Life Insurance Corporation Act, 1956. The Insurance Wing of the Department of Revenue and Insurance, Ministry of Finance, deals with all matters relating to Insurance. Subject to the rules, if any made by the Central Government, it shall be the general duty of the Corporation to carry on life insurance business to the best advantage of the community. As provided in Section 21 of the said Act, in the discharge of its functions, the Corporation shall be guided by such directions in matter of policy involving public interest as the Central Government may give to it in writing and if any question arises whether a direction relates to a matter of policy involving public interest, the decision of the Central Government thereon shall be final.

1.2. In regard to the reservations for employment of Scheduled Castes and Scheduled Tribes in the Life Insurance Corporation of India, the Central Government have issued instructions to the Corporation for implementation of reservation orders although it is not a direction under Section 21 of the Life Insurance Corporation of India Act, 1956. Instructions issued by the Government of India from time to time on the reservations for, and employment of, the Scheduled Castes and Scheduled Tribes are sent by the Ministry of Finance to the Life Insurance Corporation. Enquiries from the Commissioner for Scheduled Castes and Scheduled Tribes and others are taken up with the Life Insurance Corporation of India and the information received from the Corporation is examined in the Ministry of Finance before a reply is sent to such an enquiry. Necessary information is also obtained by that Ministry from the Life Insurance Corporation of India for answering questions in Parliament, for furnishing it to Parliamentary Committees and for replying to letters from Members of Parliament.

1.3. Liaison is established between the Ministry of Finance and the Life Insurance Corporation of India on all matters of importance and the officials of the Ministry of Finance enter into correspondence with the Corporation and at times personal discussions are held with a view to resolving matters of common interest.

1.4. The representative of the Ministry of Finance (Department of Revenue and Insurance) has informed the Committee during evidence that the Ministry of Finance and the Life Insurance Cor-

poration of India are jointly responsible for the implementation of the orders of the Government of India, issued from time to time, in regard to the reservations for the Scheduled Castes and Scheduled Tribes and the implementation of the constitutional safeguards provided for these communities.

B. Reservation orders and issue of directive

1.5. The Committee have been informed that the Life Insurance Corporation of India introduced for the first time the following reservations for Scheduled Castes and Scheduled Tribes by their Circular of 21st January, 1965:

- (a) *Scheduled Castes*.—12½ per cent of the posts where recruitment is made by open competition and 16-2/3 per cent of the posts where recruitment is made otherwise than by open competition.
- (b) *Scheduled Tribes*.—5 per cent of the posts both for recruitment by open competition and for recruitment otherwise than by open competition.

1.6. Where the recruitment was on an All-India basis, the above reservations were kept in view. However, in regard to recruitment to posts pertaining to Class III, which was made on a Divisional basis, reservations for Scheduled Castes and Scheduled Tribes were made as under Government Departments i.e. on the basis of a 40-point roster. These instructions were issued on the 28th July, 1967 which also provided for carrying forward of un-filled reserved vacancies for the next two recruitment years.

1.7. The present percentages of the reservations made in favour of the Scheduled Castes and Scheduled Tribes in respect of posts filled by direct recruitment, posts filled by promotions and posts filled by deputation are as follows:—

(I) Posts filled by Direct Recruitment:	Percentage of reservation
(a) where recruitment is on an All-India basis:	
(i) Scheduled Castes (by open competition)	15
(ii) Scheduled Tribes (both by open competition and recruitment otherwise than by open competition.)	7½
(b) Recruitment to posts pertaining to Class III and Class IV	On the basis of 100 point roster.
 (II) Posts filled by promotions:	
(on an All-India basis)	
(a) Scheduled Castes	15
(b) Scheduled Tribes	7½
(III) Posts filled by deputation:	No such cases.

1.8. Unfilled reserved vacancies are carried forward for three subsequent recruitment years, instead of two recruitment years.

1.9. The Ministry of Finance have also informed the Committee that the various orders|instructions in this respect issued by that Ministry from time to time to the Corporation for compliance have been implemented by the Corporation. In May 1970, the Ministry of Finance forwarded to the Life Insurance Corporation of India copies of the Ministry of Home Affairs' O.M. and resolution No. 27|25|68-Estt (SCT), dated 25th March, 1970 increasing reservations for Scheduled Castes and Scheduled Tribes in services. The Corporation was asked to comply with the provisions of the aforesaid O.M. The said O.M. provided for (i) increase in the reservation of vacancies in the case of Scheduled Castes and Scheduled Tribes from 12½ per cent to 15 per cent and from 5 per cent to 7½ per cent respectively, (ii) for carrying forward un-filled reserved vacancies for three subsequent recruitment years instead of two subsequent recruitment years in the past, (iii) while vacancies reserved for Scheduled Castes and Scheduled Tribes may continue to be treated as reserved for the respective communities only, Scheduled Tribe candidates may also be considered for appointment against vacancies reserved for Scheduled Caste candidates where such vacancies could not be filled up by the Scheduled Caste candidates within the period of three subsequent recruitment years and (iv) for giving one grading higher than the grading assignable to the Scheduled Castes and Scheduled Tribes on the basis of their record of service in the matter of their promotion by selection method.

1.10. The Corporation has been observing the aforesaid provisions both in the matter of recruitment as also promotions by selection method where such promotions are effected on an all-India basis. The Corporation, however, has not so far been providing reservation in the matter of promotions effected on Zonal|Divisional basis, as the case may be.

1.11. With regard to the checks devised to ensure that the reservations made in favour of the Scheduled Castes and Scheduled Tribes are actually fulfilled, the Ministry of Finance have stated in a note that the Central Office of the Life Insurance Corporation of India has already advised all the Divisional and Zonal Offices to ensure that the instructions regarding the reservations for the Scheduled Castes and Scheduled Tribes are strictly followed. To

ensure that they do so, they have been requested to send a statement every year showing the particulars of recruitments made during the year and the numbers filled by members of the Scheduled Castes and Scheduled Tribes. The proforma of the statement is given in Appendix I. The statement is said to be exhaustive and it gives information in regard to the recruitment of Scheduled Castes and Scheduled Tribes, including number of reservations lapsed, number of reservations carried forward etc. After consolidating the information at the end of the financial year of the Corporation, the information is supplied to the Government of India.

1.12. The Committee have been informed that the Ministry of Finance (Bureau of Publication Enterprises) had requested the Secretaries of all administrative Ministries concerned with Public Enterprises *vide* their D.O. letter No. 2(115) |68-BPE(GM), dated the 18th September, 1969, to issue directives to the public undertakings under their control for the purpose of following reservation orders. The Ministry of Finance had also forwarded to them a copy of the draft directive to be issued by the Ministries concerned. This draft directive contained detailed instructions in regard to the implementation of the reservation orders issued by the Government of India from time to time.

1.13. During evidence, the Committee enquired about the procedure followed by the Ministry of Finance to ensure the implementation of the reservation orders by the Life Insurance Corporation of India. The representative of the Ministry of Finance has stated that a formal directive has not been issued to the Life Insurance Corporation of India as the then Chairman of the Corporation did not feel the necessity of issuing any such directive. The Chairman of the Life Insurance Corporation of India has added that instructions and circulars regarding reservations for Scheduled Castes and Scheduled Tribes have been sent to all the Divisional Offices, which are the recruiting offices, for compliance. In the various conferences attended by the Zonal Managers, discussions are held on the contents of those circulars and it is impressed upon the Zonal Managers even to go out of the way and see that the instructions of Government on this matter are followed

1.14. Explaining the reasons for the adoption of reservation orders by the Life Insurance Corporation of India as late as in 1965, the representative of the Ministry of Finance has stated:

“The instructions were first issued to the Corporation in 1964 because it was the belief of the Finance Ministry that prior to that these instructions did not apply. When we

were told by the Home Ministry for the first time in 1964 that the Corporation must do certain things, straightway, the Secretary to the Government of India in the Finance Ministry at that time wrote a personal D.O. letter dated the 7th December, 1964 (See Appendix II), to the Chairman of the Corporation setting out the directives of the Home Ministry in this regard and we straightway got an acceptance from the Corporation that so far as new recruitment is concerned, the reservations for Scheduled Castes and Scheduled Tribes will be in accordance with the instructions of the Home Ministry. So far as the Finance Ministry is concerned, the instructions were sent out in 1964 but before that, it was our understanding that these instructions did not apply."

1.15. The Chairman of the Life Insurance Corporation of India has added that from 1965, as per the Ministry of Finance letter dated the 7th December, 1964, the reservation orders had been followed by the Life Insurance Corporation of India. In 1970, new instructions about the increase in the percentages of reservations for Scheduled Castes and Scheduled Tribes in the services had been issued. The representative of the Ministry of Finance has added that promotions are also brought within the scope of this circular.

1.16. The Committee desired to know the action taken by the Ministry of Finance on the consolidated information giving the particulars of recruitments made during one year and the numbers filled by Scheduled Castes and Scheduled Tribes, furnished by the Life Insurance Corporation of India, at the end of the year. The Additional Secretary, Ministry of Finance, has stated that the Bureau of Public Enterprises, which is a part of the Ministry of Finance and is concerned with all the public enterprises, keep all such information and look into the information supplied to them.

1.17. In reply to a question, it has been stated by the Chairman, Life Insurance Corporation of India, that consolidated information regarding position of Scheduled Castes and Scheduled Tribes in Life Insurance Corporation of India will in future be incorporated in the annual reports of the Life Insurance Corporation.

1.18. The Committee are surprised to find that the reservations for Scheduled Castes and Scheduled Tribes were introduced in the services of the Life Insurance Corporation of India only in 1965 while the Corporation came into being as early as in 1956. The Committee are constrained to point out that the delay of nearly nine years in providing for reservations for Scheduled Castes and Sche-

duled Tribes in the Life Insurance Corporation of India after its coming into being has deprived many a Scheduled Caste and Scheduled Tribe his due opportunity of getting service in the Corporation. Be that as it may, the Committee hope that the Ministry of Finance will now scrupulously ensure that all the instructions issued by the Government of India from time to time in favour of the Scheduled Castes and Scheduled Tribes are fully implemented by the Life Insurance Corporation. The Committee would urge that the Government may issue a statutory direction to the Corporation under Section 21 of the Life Insurance Corporation Act, 1956 so that the relevant instructions are fully complied with.

1.19. The Committee recommend that the employment position of the Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation of India and the steps taken by the Corporation to fill the quotas reserved for these communities be included in the annual reports of the Corporation.

CHAPTER II

RECRUITMENT

A. Recruitment Procedure

The Ministry of Finance have stated in a note furnished to the Committee that the following grades are available in the Life Insurance Corporation of India and for which direct recruitment is made:

Class I Officers:

Assistant Administrative Officers: Rs. 530—40—1050. (No direct recruitment for the present).

Class II (Development) Officers:

Grade I . Rs. 230—15—320—20—360—EB—20—400—25—550—EB—30—760.
Grade II . Rs. 170—10—220.

Class III Posts :

1. Stenographers	. Rs. 196—12—220—15—325—20—385—EB—20—545.
2. Assistants	} Rs. 170—7—177—8—209—10—269—12—305—15—380—EB—20—500
3. Receiving and Paying Cashiers	
4. Typists	
5. Telephone Operators	
6. Addressing Machine & Punch Card Optrs.	
7. Projectionists receiving an allowance.	

Note:

- (i) Stenographers in the Stenographers' Scale will receive a special pay of Rs. 20/- per month. If they are attached to Divisional Manager, they will receive Rs. 30/- per month. If they are attached to Officers of the rank of Deputy Zonal Managers and Senior Officers at the Central

Office, they will receive Rs. 40|- per month. If they are attached to the Zonal Manager or Director, they will receive Rs. 55|- per month and if they are attached to Chairman, they will receive a special pay of Rs. 65|- per month.

- (ii) Receiving and Paying Cashiers receive in addition a Special Pay of Rs. 25|- per month.
- (iii) Typists, Telephone Operators, Addressing Machine and Punch Card Operators and Projectionists receiving an allowance receive in addition a functional allowance of Rs. 25|- per month.

Class IV Posts (Subordinate Staff):

1. Sweepers & Cleaners: Rs. 111—3—132—4—176—6—220.
2. Sepoys, Hamals, Liftmen & Watchmen: Rs. 116—3—137—4—181—6—205.
3. Drivers: Rs. 161—5—206—6—230.

Note: Liftment and Watchmen receive a Special pay of Rs. 10|- per month.

2.2. In a note furnished to the Committee by the Ministry of Finance, the procedure for recruitment of personnel for all categories of posts in the Life Insurance Corporation of India, has been stated as follows:

“Class I: Assistant Administrative Officers:

Generally, graduates with First Class or higher Second Class in the Degree Examination are eligible for these posts. The selected persons have to appear for a competitive examination held on an All-India basis. The persons coming out successful in the written test are summoned for an interview by a Committee constituted by the Chairman for the purpose. A person who comes out successful in the written test and interview will be appointed as an Apprentice Officer and has to undergo theoretical and practical training for one year. On successful completion of the training, he is put on probation for one year and subject to his work record, he is confirmed in the service on the expiry of the probationary period.

Class II: Development Officers: In cities with a population of over one lakh, generally graduate applicants are appointed for the post of a Development Officer. In cities with a population of less than one lakh, generally candidates with

intermediate qualifications are considered for appointment and in rural areas, candidates who are at least matriculates are appointed for this post. Eligible candidates are first interviewed by the Selection Committee and if they are found fit, their names are recommended to the Divisional Manager who makes final appointments.

Class III and IV:—The recruitment is made by inviting applications through advertisements in local newspapers and by intimating the Regional Employment Exchanges/ Director General, Employment and Training, Ex-Servicemen Cell, New Delhi only against sanctioned vacancies. Relaxations in the matter of age and/or educational qualifications are mentioned in the advertisements. The fact that some posts are reserved for S.C./S.T. candidates/Ex-servicemen (disabled or otherwise) and dependents of personnel killed in action also are mentioned in advertisement. The Selection Committee appointed in accordance with the provisions of Regulation 7(1) of the Staff Regulations 1960 by the appointing authority assist the appointing authority in making selection. A preliminary ranking list of candidates getting the requisite percentage of marks is prepared. The Committee thereafter examines the position of the candidates belonging to the Scheduled Castes and Scheduled Tribes in accordance with the special provisions for reservations of posts for them (100 point roster). The final ranking list is thereafter prepared. The names of candidates recommended by the Committee and accepted by the appointing authority will form the panel for appointment. The immediate vacancies are filled in from the candidates from the panel in the order of ranking. The panel thus prepared is regarded as valid normally for a period of one year as recruitment is generally made every year. The appointments of the candidates are made subject to their being found medically fit. Candidates for the posts of Assistants are required to undergo theoretical training for a period of two weeks in the Divisional Training Centre and 2½ months' practical training in the offices in which they are to be posted. Following three months' period of training, the candidates are put on probation and if their work record is found satisfactory they are confirmed in the service at the end of three months of probation. Candidates for other posts in Class III such as Typists, Stenographers, Machine Operators do not have to undergo any training and they are put on probation for a period of six months at the end of

which they are confirmed subject to their work record being found satisfactory.”

2.3. During evidence, the Committee asked the reasons for stopping direct recruitment in Class I posts. The representative of the Life Insurance Corporation of India has stated that as a result of a reference made before the National Industrial Tribunal in the matter of proper promotion procedure, the Life Insurance Corporation had agreed to discuss the rules regarding promotion with the employees' associations which were parties to the proceedings before the Tribunal. The employees' associations had raised a demand that the Life Insurance Corporation should stop direct recruitment and provide for promotional opportunities to a large number of young and qualified employees marking their time for promotion, the bulk of whom had passed the professional examination also. In response to this demand, on an experimental basis, the Corporation had agreed to stop direct recruitment to the cadre of Assistant Administrative Officers which was the starting point in the Officer grade, under a settlement dated the 15th October, 1971. The agreement would expire in December, 1974. The representative of the Life Insurance Corporation has added that direct recruitment to Class I posts has now been stopped and that in the last recruitment held in the year 1969, 25 candidates were selected, of which five were from Scheduled Castes and Scheduled Tribes. He has further stated that under the existing rules, Scheduled Caste and Scheduled Tribe employees in employment in Class III posts will be able to compete for promotion through normal channels as also through competitive examination.

2.4. The Committee enquired whether it was specifically put to the Employees' Associations that the constitutional provisions for the Scheduled Castes and Scheduled Tribes in the matter of employment had to be safeguarded and that there could not be any bar on direct recruitments of Scheduled Castes and Scheduled Tribes to Class I posts. The Chairman, Life Insurance Corporation of India, has stated that these questions were not specifically put to the Employees' Associations.

2.5. During evidence, the Committee desired that a copy of the agreement reached by the Life Insurance Corporation of India with the employees' associations regarding ban on direct recruitment to the cadre of Assistant Administrative Officers might be furnished. The Ministry of Finance have furnished a copy of the Memorandum of Settlement in the matter of Promotion Procedure applicable to

Class III and Class IV employees of the Life Insurance Corporation of India. The terms of the settlement *inter se* are as follows:

“(i) *Mode of Promotion*: All vacancies to be filled by promotion during the financial year will be declared in advance once every year before selection for promotion to such vacancies is made.

Selection of candidates for promotion will be made in accordance with the eligibility conditions and the criteria for selection laid down hereinafter on the basis of the recommendations made by the appropriate Promotion Committee.

The Promotion Committees will be duly constituted for this purpose in accordance with the provisions of the LIC of India (Staff) Regulations, 1960.

“(ii) *Promoting Authority*: Promotion to the cadre of Assistant Administrative Officers with the exception of those who may be promoted through competitive examinations shall be made by the competent authority on Zonal basis. Promotion to the cadre of Assistant Administrative Officers through competitive examinations shall be made by the competent authority on an all-India basis.

All promotions in Class III and Class IV shall be made by the competent authorities on a Divisional basis.

“(iii) *Ranking List*: As soon as the number of vacancies is announced, selection for promotion to fill these vacancies will be taken on hand and a ranking list showing the names of the employees selected for promotion will be finalised within a period of three months and published. The ranking list shall contain the names of the employees selected for promotion equal to the number of vacancies plus 20 per cent for exigencies. Candidates who have not been offered promotions during the year shall continue to remain on the ranking list.

“(iv) *Competitive examination*: A scheme of competitive examination will be introduced for promotion to the cadre of Assistant Administrative Officers on an experimental basis in lieu of direct recruitment. This scheme will continue to remain in force for the period of this agreement, at the end of which the scheme may be discontinued if the experience is not found satisfactory. Direct recruitment to posts requiring technical qualifications or skill such as Actuaries, Chartered Accountants, Engineers and Architects will, however, continue.

- (v) *Superintendents*: Subject to the transitional arrangement in the manner hereinafter laid down, all the existing Superintendents shall be placed in the cadre of Assistant Administrative Officers."

2.6. During evidence, the Chairman, Life Insurance Corporation of India, has stated that there are four categories of posts, viz. Classes I, II, III and IV.

He has further stated:

"Class II are development officers and Class I are like any other Class I Government servant. Class III are assistants and clerks. There are two promotions to Class I: One is Assistant Administrative Officers, who are promoted from Class III. The other Class I is: Assistant Branch Managers, that is the development side of it. Recruitment to Assistant Administrative Officers used to be by direct competition, written test and interviews. Now it is promotion from Class III. Class II Development Officers are a category by themselves and they are promoted as Assistant Branch Managers. Recruitment to Class II, Development Officers, is from the agents only."

The representative of the Ministry of Finance has added:

"If for some reason direct recruitment to Class I is completely stopped, we would have the question of the impact on the recruitment of Scheduled Castes and Tribes specifically examined and take suitable steps. We will refer the matter to the Home Ministry."

2.7. In reply to a question, it has been stated by the Chairman, Life Insurance Corporation of India, that any agreement entered into by the Life Insurance Corporation of India with any association does not require the concurrence of the Home Ministry. In reply to another question, the representative of the Ministry of Finance has stated:

"There was never any rule in the Life Insurance Corporation of India for direct recruitment or against direct recruitment. From 1956 to 1961, all Class I appointments were by promotion from Class III. Only in 1961, for the first time, they tried the idea of direct recruitment. For some reason or other, it was stopped. But the main point is whether this decision to discontinue direct recruitment would affect the interests of the Scheduled Castes and Tribes. Supposing we want 50 Class I officers. Whether

they are appointed by promotion or by direct recruitment, in either case, the reservation granted by the Home Ministry will apply."

2.8. The Committee enquired whether the Scheduled Castes were appointed in the vacancies reserved for Scheduled Tribes and *vice versa* when suitable Scheduled Tribe|Caste candidates were not available. The representative of the Life Insurance Corporation of India has replied in the affirmative. In a note furnished to the Committee, it has been stated that statistics are not available in the Life Insurance Corporation of India to indicate the number of Scheduled Caste candidates appointed in vacancies reserved for Scheduled Tribes and *vice versa* during the year 1971.

2.9. The Ministry of Finance have stated in a note furnished to the Committee that direct recruitment in Class II posts has been stopped since September, 1967 due to the following reasons:

"The Corporation's experience of direct recruitment to the Development Officers' cadre in the past had not been very happy and the performance of a number of Development Officers so recruited was subsequently found to be below par. Furthermore, the Corporation has recently agreed to absorb on the administrative side in suitable posts such of the Development Officers as are not found successful in the field. It is in the background of this decision and the past experience that the Corporation has decided not to have recourse to direct recruitment of Development Officers.

The Corporation now allows direct recruitment to the Development Officers' cadre on a limited scale. Such recruitment is generally restricted only to Agents, as one of the essential conditions for appointment as Development Officer is adequate sales experience as a Life Insurance Agent. Having regard to the nature of job, *viz.*, selling life insurance policies it was felt that only those persons who are familiar with insurance business would prove successful."

2.10. The Committee asked about the constitution and status of the Federation of Insurance Institutes which conducted classes for the candidates taking technical examinations for the purpose of increments and promotions in Life Insurance Corporation of India. The Additional Secretary, Ministry of Finance, has stated:

"This was founded in early fifties by persons working in insurance industry on the lines of Chartered Insurance

Institute of London, because the feeling was that we should not depend upon examination held in London but must have our own institute. There are local centres. There are various persons interested in the dissemination of insurance knowledge and education. They hold classes. It is joint effort of persons interested in insurance education. All of them join and do it voluntarily. It is not a profit making body."

2.11. The Chairman of the Life Insurance Corporation of India has stated:

"It is not Government or quasi-Government body. The erst-while Insurance had started the examination body and anybody can go and there is no restriction. Reservation of posts does not arise. There are some evening classes; some LIC people go and give lectures; anybody can go; reservation does not arise. It is a private body like a school and anybody can join it."

2.12. The Ministry of Finance have furnished the following constitutional and organisational set up of the Federation of Insurance Institutes, Bombay:

- (i) *Object:* (a) To provide and maintain a central organisation for promotion of efficiency, progress and general development amongst persons engaged or employed in insurance and wishing to make insurance a career with a view not only to their own advantage but also to render the conduct of insurance business more effective, safe and scientific thus justifying confidence of the employers and the insuring public.
- (b) Promotion, development and spread of insurance education and training.
- (c) The Federation's syllabus provides for teaching in 16 subjects and awards diplomas in Associateship and Fellowship.
- (ii) *Council and Board of Education:* (a) The governing council comprises elected representatives of Corporate Members (general insurance companies and Life Insurance Corporation of India) and Associated Institutes.
- (b) Board of Education appointed by the Council lays down and carries out educational policies and programmes.
- (iii) *Admission:* (a) Any member of the Associated Institute (Federation has no direct individual membership) who

has passed SSC or equivalent examination and/or is engaged in insurance is eligible for admission to the diploma courses.

(b) Oral tuitions and library facilities are provided by Associated Institutes to their members.

(iv) *Financial Sources:* (a) Membership fees.

(b) Examination entry fees.

There are no outside agencies supporting the Federation financially or otherwise."

2.13. The Committee enquired why a private body should be given the facility of influencing employment and service conditions in the Life Insurance Corporation of India. The Additional Secretary, Ministry of Finance has said:

"It has never arrogated to itself anything of that sort. It is purely an examining body. They examine persons. They award certificate. That is all. Anybody can go and get it. What happens later is the concern of the candidate and his employer. The Institute does not concern itself with such matters."

2.14. In reply to a question, it has been stated:

"All over the world, whether it is in England or USA or Australia, these insurance educational bodies are run by a band of voluntary workers. In fact, persons who are willing to do hard work—they may be in LIC or even they may be Government servants or they may be retired professors—hold the classes in the evening and teach students, all for love of work and there is no payment made for this. This is the system prevailing all over the world.

* * * *

All of them will be taking this examination. They would be either employees of Life Insurance Corporation or the General Insurance. We want our people to work in these institutions; because we take persons from the general list also, these persons should require some technical knowledge also but on voluntary basis. Some officers from Insurance side, some professors and scholars all of them go and give lectures and conduct classes, etc. Those persons who take advantage of this facility are doing so purely on voluntary basis. I am not in a position to give the exact number of SC/ST persons who are taking this

advantage but I can say that it is on purely voluntary basis.

A certificate is given for passing the examination. It is not given for having attended the classes or having paid the fees. It is a written examination which is completely personal. If he passes the examination, he gets a certificate. So there is no question of just attending classes and getting a certificate. The examinations are conducted all over India."

2.15. The Ministry of Finance have stated in a note that the Corporation has recognised the examinations conducted by the following institutions for the purpose of granting special increments and eligibility for promotions:

- (i) The Federation of Insurance Institute, Bombay;
- (ii) The Chartered Insurance Institute, London;
- (iii) The Institute of Chartered Accountants of India;
- (iv) The Institute of Costs & Works Accountants of India;
- (v) The Institute of Actuaries, London.

2.16. The Committee have noted that the Employees' Associations had raised a demand following a reference before the National Industrial Tribunal that the Life Insurance Corporation of India should stop direct recruitment to Class I posts and provide for promotional opportunities to their own employees who possessed requisite professional experience and that as a result of this demand the Corporation had agreed, as an experimental measure, to stop direct recruitment to the cadre of Assistant Administrative Officers (Class I posts) and also Development Officers (Class II posts) under a settlement dated the 15th October, 1971 with the Employees' Associations. The agreement would be valid till December, 1974. The Committee had enquired from the representative of the Life Insurance Corporation of India, during evidence, whether it was specifically put to the Employees' Associations that the Constitutional provisions for the Scheduled Castes and Scheduled Tribes in the matter of employment had to be safeguarded and that there could not be any bar on direct recruitment of Scheduled Castes and Scheduled Tribes to Class I posts. The Committee had understood from the representative of the Life Insurance Corporation that these questions had not been specifically put to the Employees' Associations. The Committee had also asked the representative of the Life Insurance Corporation of India whether the agreement with the Employees' Associations had been discussed with the Ministry of Home Affairs before finali-

sation. The Chairman of the Life Insurance Corporation of India had stated that any agreement entered into by the Corporation with any association did not require the concurrence of the Home Ministry. The representative of the Ministry of Finance had, however, stated during evidence that whether appointment was done by promotion or by direct recruitment, the reservations granted by the Home Ministry would apply.

2.17. The Committee regret to note that the Life Insurance Corporation has stopped direct recruitment to Class I (Assistant Administrative Officers Cadre) posts as per the agreement with the Employees' Associations. They also regret to note that the direct recruitment to Class II (Development Officers Cadre) posts has been stopped. This arrangement has deprived Scheduled Caste and Scheduled Tribes candidates to join Class I and Class II posts in the Life Insurance Corporation of India. The Committee do not agree with the views expressed by the representative of the Life Insurance Corporation of India that under the existing rule Scheduled Caste and Scheduled Tribe employees in Class III posts will be able to compete for promotion through normal channel as also through the competitive examination, as the actual number of Scheduled Caste and Scheduled Tribe employees in Class III posts is insignificant.

2.18. The Committee would strongly urge that before any agreement of this nature is concluded with the Employee's Associations, the concurrence of the Ministry concerned should invariably be obtained and a detailed study should be made before hand so as to ascertain its possible impact on the recruitment of Scheduled Castes and Scheduled Tribes in the organisation.

2.19. As regards the present agreement, the Committee would urge that the Management of the Life Insurance Corporation of India should immediately initiate negotiations with the representatives of the Employees' Associations with a view to amend or revise the Agreement which prevents the Life Insurance Corporation of India from providing for reservations for Scheduled Castes and Scheduled Tribes in direct recruitment. The Committee would like to be informed of the results of such efforts.

2.20. The Committee note that direct recruitment to Class II posts (Development Officers Cadre) has been stopped and the staff agents are offered these posts. The reason advanced for such a course is that the performance of a number of Development Officers (Class II Officers) recruited earlier was below par. In the opinion of the Committee, it is not a valid reason as this argument may be advanced in respect of all recruitments made throughout the country.

2.21. The Committee recommend that direct recruitment to Class I (Assistant Administrative Officers Cadre) and Class II (Development Officers Cadre) posts should be restarted so that the Scheduled Caste and Scheduled Tribe candidates become entitled to be selected on the basis of the percentages of the vacancies reserved for them in all direct recruitments.

2.22. The Committee suggest that the Life Insurance Corporation of India should devise a scheme by which it may select Scheduled Caste and Scheduled Tribe candidates and give them training as insurance agents so that they may become eligible for appointment as Development Officers.

2.23. The Life Insurance Corporation of India should also maintain statistics of the numbers of Scheduled Castes and Scheduled Tribes working as insurance agents for it and include this information in its annual reports.

2.24. The Committee note that the Federation of Insurance Institutes, Bombay, has been recognised to conduct classes for the candidates taking examinations for the purposes of increments and promotions in Life Insurance Corporation of India. This Institution also examines candidates and awards certificates to them. While Committee appreciate the need for such an institute, they would suggest that the Life Insurance Corporation of India, in co-operation with General Insurance, should set up such training institutes in every Zone of the Life Insurance Corporation of India and provide for the prescribed reservations for Scheduled Castes and Scheduled Tribes in the admissions to those institutes.

B. Concessions/Relaxations

2.25. The Ministry of Finance have furnished to the Committee a note describing the concessions/relaxations provided to the Scheduled Caste and Scheduled Tribe candidates by the Life Insurance Corporation of India, which is as follows:

- “(i) Candidates applying for direct recruitment for Class III posts have to give an application fee of Rs. 2/-. This fee has been reduced to 50 paise in the case of Scheduled Caste and Scheduled Tribe candidates.
- (ii) The upper age limit in the case of candidates belonging to other communities for appointment in the Corporation is 25 years. This upper age limit is relaxed by 5 years in the case of Scheduled Caste and Scheduled Tribe candidates.

- (iii) The minimum marks at the SSC|Inter|Degree examinations required under the recruitment rules are reduced by 5 per cent in the case of Scheduled Castes/Tribes candidates.
- (iv) At the pre-recruitment test also, minimum marks for eligibility for interview are again 5 per cent less than for other candidates, viz., 45 per cent in English and|or Arithmetic as against the requirement of 50 per cent for others.
- (v) The minimum qualifying marks at the interview are also only 45 per cent for candidates belonging to Scheduled Castes or Scheduled Tribes as against the requirement of 50 per cent for others.
- (vi) *Reservations where recruitment is on an All-India Basis:*
 - (a) *Scheduled Castes:* 15 per cent of the posts reserved where recruitment is made by open competition.
 - (b) *Scheduled Tribes:* 7½ per cent of posts reserved both for recruitment by open competition and for recruitment otherwise than by open competition.
- (vii) *Reservation for recruitment to posts pertaining to Class III & IV:* Reservation on the basis of 100-point roster.
- (viii) Where promotion is on an All-India basis to apply the increased percentage of reservations to promotions, viz., 15 per cent in the case of Scheduled Castes and 7½ per cent in the case of Scheduled Tribes.
- (ix) Unfilled vacancies are carried forward to three subsequent recruitment years.
- (x) Employees belonging to Scheduled Castes and Scheduled Tribes are given in the matter of promotion by selection on an All-India basis, one grading higher than the gradings otherwise assignable to them on the basis of their record of service."

2.26. The Committee enquired whether the Scheduled Caste|Scheduled Tribe Development Officers were given one grading higher at the time of promotion to Class I posts. The Chairman of the Life Insurance Corporation has replied in affirmative. He has added:

"Those persons who come from within the zone of eligibility are interviewed. If an employee's basic salary has

reached a particular point in the time scale, if his performance in the last two years is good, and working record is good, he is supposed to be coming within the zone. All those who come from within the zone of selection are called for interview and they are appointed on the basis of interview."

2.27. Asked to state whether the Scheduled Caste|Scheduled Tribe candidates were called for interview on the basis of a relaxed standard, the Chairman, Life Insurance Corporation, has quoted the following directive:

"If within the zone of consideration there are any Scheduled Caste or Scheduled Tribe employees, those amongst them who are considered unfit for promotion by the departmental promotion committee will be excluded from consideration. Thereafter, the remaining Scheduled Caste and Tribe employees will be given by the Departmental promotion committee one grading higher than the grading otherwise assignable to them on the basis of their record of service. If any Scheduled Caste or Tribe employee has been categorised by the Committee on the basis of antecedents and length of service as 'good', he will be categorised by the Committee as 'very good'. Likewise, if any Scheduled Caste or Tribe candidate is categorised "very good" on the basis of record of service, he will be re-categorised by the Committee as 'outstanding'."

2.28. The Committee pointed out during evidence that in the written note furnished to the Committee it was stated that the Scheduled Caste|Scheduled Tribe employees were given one grading higher in the matter of promotion by selection on all-India basis and enquired whether this concession was not available in promotions otherwise than on all-India basis. The Chairman, Life Insurance Corporation, has said:

"If I may elaborate the procedure a little, regarding Class III posts, the promotions are done by Divisional Officers. For Class I, they are done on all-India basis. But the interviews, etc. are conducted in Zonal Offices. When we say all-India basis, it is not that people from all over India come to a particular place. The interviews are conducted by local headquarters."

2.29. In reply to a question, the Chairman, Life Insurance Corporation, has stated that promotion to Class I posts is on all-India

basis. In the case of Class III posts, it is on divisional and zonal basis.

2.30. The Committee asked whether the Scheduled Caste and Scheduled Tribe candidates were interviewed separately as per orders of the Government of India on the subject. The Chairman, Life Insurance Corporation of India, has replied:

“They are not interviewed separately. The procedure for employment is laid down in the Staff Regulations and the recruitment procedure framed by the Corporation. Similar is the case for promotion. It is, therefore, not possible to lay down a separate procedure for selection of candidates belonging to Scheduled Castes and Scheduled Tribes.”

2.31. On the suggestion of the Committee, the representative of the Life Insurance Corporation of India has agreed that in future the Scheduled Caste/Scheduled Tribe candidates will be interviewed separately from others as provided in the Government of India orders on the subject.

2.32. The Committee regret to note that the Scheduled Caste and Scheduled Tribe candidates have not hitherto been interviewed separately from others as per the Government of India orders on the subject. The Committee desire that the Government of India Orders on the matter should be strictly followed by the Life Insurance Corporation of India and the interviews of the Scheduled Caste and Scheduled Tribe candidates should be held on a day or sitting of the Selection Committee other than on which general candidates are interviewed so that the Scheduled Caste and Scheduled Tribe candidates are not judged in comparison with general candidates and the Interviewing Authority/Board is/are prominently aware of the need for judging the Scheduled Caste/Tribe candidates by the relaxed standards.

C. Staff Strength and Shortfalls

2.33. At the instance of the Committee, the Ministry of Finance have furnished the employment position of the Scheduled Castes and Scheduled Tribes before the adoption of the reservation orders by the Life Insurance Corporation of India. The following statement shows the total number of employees and the number of

Scheduled Castes and Scheduled Tribes amongst them as on the 31st March, 1964:

Classification of Posts/Service	Total on 31st March, 1964	Number of			
		Sch. Castes		Sch. Tribes	
		No.	%	No.	%
1	2	3	4	5	6
<i>Permanent</i>					
Class I—Officers	2,751	3	0.11	1	0.04
Class II—Development Officers	8,585	15	0.17	7	0.08
Class III—Supervisory & Clerical Staff	31,416	152	0.48	13	0.54
Class IV—Sub-staff (including sweepers)	6,409	627	9.78	35	0.54
<i>Temporary</i>					
Class I—Officers . . . . .				..	..
Class II—Development Officers				..	..
Class III—Supervisory & Clerical Staff	208				
Class IV—Subordinate Staff (including Sweepers)	256	13	5.07	..	..

2.34. The total number of employees (Class I to Class IV posts) recruited and the number of Scheduled Castes and Scheduled Tribes respectively among them since 1965 is as follows:

Category	Total No. of vacancies filled during the year	Number of S/Castes appointed during the year	Number of S/Tribes appointed during the year
1	2	3	4
Year 1965-66:		5*	
Class I	110		
Class II	24	1*	..

1	2	3	4
Class III	913	6*	
Class IV	383	53*	
Year 1966-67			
Class I	119	6*	
Class II	198	2*	
Class III	1026	7*	..
Class IV	457	118*	
Year 1967-68			
Class I	113		
Class II	95	..	..
Class III	555	50	4
Class IV	293	152	8
Year 1968-69			
Class I	21	1	1
Class II	..	..	..
Class III	547	33	5
Class IV	109	37	4
Year 1969-70:			
Class I	27	3	1
Class II	..	..	..
Class III	626	56	7
Class IV	232	53	4
Year 1970-71			
Class I	18**		
Class II	28***	..	
Class III	1124	167*	
Class IV	417	100*	
Year 1971-72:			
Class I	48		

I	2	3	4
Class II	521***	..	..
Class III	2494	156	10
Class IV	500	69	14

2.35. In reply to Unstarred Question No. 1643 in Rajya Sabha on the 19th December, 1972, the Deputy Minister of Finance gave the figures of the total number of employees in Class I to Class IV posts in Life Insurance Corporation of India and the number of Scheduled Castes and Scheduled Tribes amongst them as on the 31st March, 1972. These figures are as follows:

Classification of posts/service	Total on 31st March 1972	Number of			
		Scheduled Castes		Sch. Tribes	
		No.	%	No.	%
I	2	3	4	5	6
<i>Permanent</i>					
Class I—Officers	3641	3	0·08	1	0·03
Class II—Development Officers	7900	17	0·22		
Class III—Supervisory & Clerical Staff	34897	554	1·59	37	0·11
Class IV—Sub-staff (including Sweepers)	7166	1013	14·14	78	1·21
<i>Temporary</i>					
Class I—Officers					
Class II—Development Officers					
Class III—Supervisory & Clerical Staff	616	1	0·16	1	0·16
Class IV—Sub-Staff (including Sweepers)	43	10	23·26	1	2·33

*This figure includes candidates belonging to Scheduled Tribes also.

**Recruitment of Chartered Accountants—no application from Scheduled Castes or Scheduled Tribes.

***Direct recruitment stopped since September, 1967. These vacancies are filled by promotion from Staff Agents.

Note: Separate figures in respect of Sweepers and scavengers are not available.

2.36. The Committee asked during evidence the reasons for the measure representation of Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation of India. The Chairman of the Life Insurance Corporation of India has replied:

“Fairly substantial portion of the employees of the Corporation are those whose services were transferred to the Corporation under the LIC Act of 1956 on nationalisation. It was not the practice of the erstwhile Insurance to allow reservation for Scheduled Castes and Scheduled Tribes. Sufficient number of suitable candidates did not either apply or they did not pass the prescribed tests for recruitment. A number of them resigned after entry into service for better opportunities outside. I am very grateful to the Committee which met us at Bombay. They asked a question as to why is it that this is happening. It gave us an opportunity to make a study and we made a study in one of our divisional offices. I will give you the example of Bombay Divisional Office where we conducted a study and I will tell you as to what the results were. In one case, the number of posts to be filled up was 205. The number of candidates eligible candidates of the Scheduled Castes was 310 and of Scheduled Tribes was 26. There were 3160 persons of the remaining categories. Then, Sir, out of these 310 persons, who were eligible, only 220 appeared for the test. Ninety were absent. The number of successful candidates at the test was 22 and the number called for interview was 22. The number present at the interview was 16. Six did not come for the interview. The number absent from the interview was six. The number selected for appointment was 15 and one was kept in the waiting list. Why I am quoting these figures is because the Committee pointed out why we have not looked into these matters and when we looked into these matters, we found that whereas 310 candidates were eligible for appearing in the test, only 220 appeared and out of the 22 persons who were successful in the test, 16 came and all the 16 were selected. For this, one of the reasons adduced was that because they were eligible, they must have got offers from other places also. That is the one conclusion that we can arrive at.”

2.37. In reply to a question, the Chairman of the Life Insurance Corporation has stated that he proposes to write letters to all candidates who did not appear for test|interview, under certificate of posting, enquiring the reasons for not appearing for the test|interview. The replies sent by such candidates would enable them to find out the reasons why the candidates did not appear for test|interview.

2.38. In reply to another question, the Chairman of the Life Insurance Corporation has stated that the interview cards were sent to the candidates at least ten days before the date of interview. No complaint had been received by the Life Insurance Corporation from any candidate about the non-receipt of the interview cards. If any candidate had complained that he did not receive the interview card, that candidate would have been interviewed at a later date. In reply to a query, it has been stated that Caste|Tribe identity of every candidate is kept secret.

2.39. In reply to a further question, the Chairman, Life Insurance Corporation of India, has stated that during 1970-71, 18 Chartered Accountants were appointed in Class I posts and 28 Development Officers in Class II posts. None among them was from the Scheduled Castes|Scheduled Tribes. He has added:

“These Development Officers are recruited from persons who have been working as agents. The Development Officers are those persons who are trained as Salesmen, who have first to work in the field. Their job is to go and select and appoint agents, go out in the field and work with them and try to develop the organisation. So, this is the specialised type of job. Therefore, persons who have to be appointed to this class, have essentially got an experience of salesmanship behind them before they are appointed. After 1969, we have been consistently following this policy. We shall only appoint those persons as Development Officers who have worked as agents. Out of 1124 Class III employees 167 persons were appointed from Scheduled Castes and Scheduled Tribes. The break-up is: 149 from Scheduled Castes and 18 from Scheduled Tribes.”

2.40. The Committee desired to know the number of Scheduled Castes and Scheduled Tribes amongst the staff agents. The Chairman, Life Insurance Corporation, has stated that a staff agent is a Class III or Class IV employee of the Life Insurance Corporation, who, in his spare time, does agency work and gets a commission

for it in addition to his usual salary as an employee. There are about 5,000 employees who are working as agents. Class II employees are not allowed to do insurance business. He has added that on the administrative side, the promotions are from Class III to Class I posts and on the development side it is from Class II to Class I posts. Class III employees are not promoted to Class II posts but to Class I posts. In some cases on requests, Class III employees are transferred to Class II posts. As on 31st March, 1972, out of 7,900 Development Officers, 17 belonged to Scheduled Castes. Promotions to Class I posts are on all-India basis and in the case of Class III posts, it is on Divisional and Zonal basis.

2.41. In a written note furnished to the Committee by the Ministry of Finance, it has been stated that the information regarding the number of Staff Agents belonging to Scheduled Castes and Scheduled Tribes and the business given by the Scheduled Castes and Scheduled Tribes is not available with the Life Insurance Corporation of India.

2.42. On being asked whether the Life Insurance Corporation of India intended to make *ad hoc* recruitment exclusively for Scheduled Castes and Scheduled Tribes, the Chairman of the Life Insurance Corporation of India has replied that at present there is no such proposal. He has added that in every recruitment held in the year 1970, a good percentage of Scheduled Caste/Tribe candidates came out successfully.

2.43. In a note furnished to the Committee, the Ministry of Finance have stated that the following remedial measures have been taken by the Life Insurance Corporation of India to augment the intake of Scheduled Caste/Scheduled Tribe employees:

- “(i) Administrative instructions have been issued to the offices of the Corporation to strictly adhere to the instructions in the matter of reservation of posts for Scheduled Castes and Scheduled Tribes. For this purpose detailed advice has been given which should ensure adequate representation to the communities provided sufficient number of them qualify for appointment even after allowing relaxations on various counts.
- (ii) Wide publicity is given by inviting applications through important local dailies. Also notifications are given to the employment exchanges.
- (iii) With a view to improving the chances for employment of the candidates belonging to Scheduled Castes and Sche-

duled Tribes, who are otherwise qualified for the reserved posts, Government of India have started what are called 'Pre-examination Training Centres'. Accordingly, Government have undertaken to coach at the centres those candidates so that adequate number of candidates belonging to these communities qualify in the Examinations held by the Life Insurance Corporation of India for recruitment of various posts. We have advised all our offices to intimate in future the vacancies and the probable date of examination to the centres in the respective Divisional areas where recruitment is proposed to be made. We have also advised them to forward to these centres specimen question papers so that centres may have guidance as to what standard is expected of the candidates. These steps have been taken only recently and it is expected that this training will ensure that more and more candidates of these communities will come out successful. This kind of training will create confidence in themselves."

2.44. The Committee pointed out that during a visit of one of their Study Groups to the Divisional Office of the Life Insurance Corporation of India at Trivandrum, the following was brought to their notice:

"After the issue of the directive of the Central Office in January, 1965, only one test was held for recruitment to the cadre of Assistants and typists under Class III. As a result of the recruitment test which was held in the year 1967 to the cadre of Assistants, 37 candidates were called for interview. Out of those, three belonged to Scheduled Castes and Scheduled Tribes. However, none from the ranking list would be considered for appointment for want of vacancies. The vacancies were said to have been filled by employees on transfer from Madras Zone."

2.45. The Committee enquired whether in view of the position stated, it was not considered necessary to hold *ad hoc* recruitment in the Life Insurance Corporation for Scheduled Caste and Scheduled Tribe candidates to clear the back-log. The Chairman of the Life Insurance Corporation of India has said:

"I wish to assure you that in this particular case, or for that matter in any case, no step had been taken to deny a Scheduled Caste or Scheduled Tribe candidate by bring-

ing a person from outside. What happens in such a vast organisation like the Life Insurance Corporation of India which is spread from Assam on the one side to Travancore on the other is this. You would appreciate that there are employees who have worked for a large number of years in the north and who, because of family difficulties etc. would like to be transferred to their home-town and similarly there may be employees from the north who may be working in the south and who may like to be transferred to their home-towns. Everyday, we receive a large number of such requests for transfer on compassionate grounds. If there are vacancies there, and if a person belongs to that area, then on compassionate grounds, we give the transfer it becomes impossible for us to say 'No' to him.

As far as the particular instance which you have mentioned is concerned, unless I go into the background, I cannot say anything definite. But this kind of requests have been coming to us for the last sixteen years for transfer on compassionate grounds.

Regarding the second question in regard to making up such a large gap. I hope I have understood your question regarding some *ad hoc* arrangement to be made. It is a national policy; not only the L.I.C. but every other public sector undertaking and Government Organisation will be affected by this. Whatever national policy is evolved in this behalf will certainly be followed by the L.I.C., because it concerns not only the L.I.C. but every other public sector as well as Government organisation."

2.46. The representative of the Ministry of Finance has added:—

"I most respectfully submit that the Ministry of Finance in the Revenue and Insurance Wing have been in charge of only technical aspects of Life Insurance. So far as recruitment and the policy aspects are concerned, we have been the faithful implementers of whatever the Home *Ministry which is charged with the responsibility of implementing the safeguards granted to the Scheduled Castes and Scheduled Tribes asks us to do. So, I also feel, as my colleague the Chairman of the L.I.C. feels, that this point should be taken up with the Home Ministry.* You know that we are Government servants and

*Now cabinet Secretariat (Department of Personnel)

we never try to encroach into the domain of some other Ministry.”

2.47. In reply to a question, the Chairman of the Life Insurance Corporation of India has stated:

“We shall see that such a thing does not happen in future, and we shall make a note of it and see that in future the Scheduled Caste vacancies should be filled up first before other things are done.”

2.48. In the following note furnished to the Committee, the Ministry of Finance have further explained the position:

“The transfer of any employee from one office to other should not, ordinarily, affect the chances of any Scheduled caste or Scheduled Tribe candidate getting employment. If vacancy at one place is filled it is created at another place, where the reservation is also made. If it is the case of excess staff at some place the Corporation cannot but effect the transfer for the optimum utilisation of existing staff. Although every employee of the Corporation is liable to transfer from one office of the Corporation to another, normally employees belonging to Class III and Class IV are not transferred from one station to another except on promotion to higher cadre. Sometimes, however such transfers are allowed on humanitarian grounds.”

2.49. The Committee are distressed to note that the representative of Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation of India is, miserably low. They are surprised to find that even after the adoption of the reservation orders by the Life Insurance Corporation there is no perceptible improvement in the recruitment of Scheduled Castes and Scheduled Tribes. From the statements made available to the Committee, it is noticed that before the adoption of the reservation orders, the percentage of the Scheduled Caste Officers as on 31 March, 1964 in Class I, II, III, and IV posts was 0.11, 0.17, 0.48 and 9.78 respectively and the percentage of Scheduled Tribe Officers in Classes I, II, III, and IV posts was 0.04, 0.08, 0.54 and 0.54 respectively. The percentage of Scheduled Caste Officers on the 31st March, 1972, in Classes I, II, III and IV posts was 0.8, 0.22, 1.59 and 14.14 respectively. In temporary service, the percentage of Scheduled Castes in Class IV posts was 23.26. The Sche-

duled Caste staff in Class IV posts includes sweepers also. The percentage of Scheduled Tribe Officers on the 31st March, 1972, in Classes I, II, III and IV posts was 0.03, 0.00, 0.11 and 1.21 respectively. The Committee regret that although recruitments were made in the Life Insurance Corporation from year to year after the adoption of the reservation orders but required number of Scheduled Castes and Scheduled Tribes were not recruited in the Corporation. The Committee are perturbed to note the rapid decline in the intake of Scheduled Caste and Scheduled Tribe candidates in the services of the Corporation.

2.50 The Committee are also unhappy to note that knowing the poor representation of the Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation, the Corporation does not intend to make ad hoc recruitments exclusively for Scheduled Castes and Scheduled Tribes. The Committee would urge that in order to make up shortfall of Scheduled Caste and Scheduled Tribe employees, the Life Insurance Corporation should make ad hoc recruitments exclusively for Scheduled Castes and Scheduled Tribes at the earliest possible.

D. Employment Notices/Advertisements

2.51. The Committee have been informed *vide* Para 26(iii) of the Brochure on Reservations for Scheduled Castes and Scheduled Tribes in Services (1972) brought out by the Cabinet Secretariat (Department of Personnel) that simultaneously with the advertisement, the vacancies should be brought to the notice of the Scheduled Castes/Scheduled Tribes organisations as the case may be. When doing so, it should be made clear to such organisations that their function is limited to advising the Scheduled Caste/Scheduled Tribe candidates about the recruitment proposed and that it will not be for them to recommend or press the names of any individuals. The candidates should apply to the appointing authority either direct or through the Employment Exchanges, as the case may be.

2.52. During the evidence, the Committee enquired whether the vacancies in the Life Insurance Corporation were notified to the Departments of Social Welfare of the State Governments as well as the various Scheduled Castes and Scheduled Tribes Associations. The Chairman of the Life Insurance Corporation has replied in the negative. He has added that before recruitment is made, intimation is sent to the Regional Employment Exchanges. In reply to a question, the representative of the Life Insurance Corporation has

stated that the Divisional Office is the recruiting authority. The posts are advertised in the local and the regional newspapers. The advertisements are sent to the national newspapers as well. If the local Employment Exchanges are not able to sponsor suitable candidates, the local Employment Exchanges refer the vacancies to the Director-General of Employment and Training.

2.53. The Committee enquired whether the exact number of posts reserved for Scheduled Castes/Scheduled Tribes was mentioned in the advertisements. The Chairman, Life Insurance Corporation of India, has stated:

“The question is, whether we send intimation of the exact number of persons that are to be recruited or not. We do not, because ours is a growing organisation and by the time we advertise and people begin applying, our needs may be more. By the time we start recruiting, our need may go up from 100 to 200. If we advertise, say, in 1972-73 the recruitment takes place only next year.

The other difficulty we are facing is that, supposing we advertise for 200 posts out of which 30 or 40 are reserved for this category, at the time of recruitment we may come to the conclusion that we do not want 200 but only 150 and then the number comes down. It is not possible for us to indicate the number because we do not want to be accused that we deliberately reduced the number of vacancies. All we can do is to give a directive that the total percentage of Scheduled Castes and Scheduled Tribes may be indicated. For example, last year it was decided to recruit ‘X’ number of people but by the end of the year we found that our need was less; that is why the exact number is not indicated. But we will in future indicate the percentage of Scheduled Castes and Scheduled Tribes.”

2.54. In reply to a question, the Chairman of the Life Insurance Corporation of India has said:

“We could do one thing and that is we would say approximately the number of vacancies is expected to be 200. Out of which 30 are reserved for Scheduled Castes and 15 for Scheduled Tribes. If that serves the purpose, we will certainly do that.”

2.55. The Committee desired to know if the reasons for rejection of candidates, if any, sponsored by the Employment Exchanges are

communicated to the Employment Exchanges. The Ministry of Finance in a note submitted to the Committee have replied in the negative. It has also been stated that so far as the Life Insurance Corporation of India is concerned, recruitment is made on the basis of established procedure and only those who qualify in the written test are considered for selection based on interview.

2.56. The Committee are unhappy to find the following lapses on the part of the Life Insurance Corporation of India in the matter of employment notices/advertisements, contrary to the Government of India orders on the subject:

- (a) **The numbers of vacancies reserved for Scheduled Castes and Scheduled Tribes respectively, out of the total number of vacancies notified are not indicated in the requisitions sent to the Employment Exchange/advertisements published in the newspapers.**
- (b) **Vacancies are not notified to the Scheduled Castes/Tribes organisations.**
- (c) **When a vacancy reserved for Scheduled Castes or Scheduled Tribes is not filled by a candidate of the concerned communities sponsored by the Employment Exchange, specific reasons therefor are not communicated to the Employment Exchange.**

2.57. The Committee desire that the Life Insurance Corporation of India should take immediate steps to follow meticulously the Government of India Orders on the subject.

E. Dereservation

2.58. The Ministry of Finance have sent the following note to the Committee stating the procedure followed by the Life Insurance Corporation of India in dereservation of posts:

"If sufficient number of suitable candidates eligible for the reserved vacancies is not available from the respective classes in a particular year even after following the 100-point roster, such vacancies are treated as unreserved and filled by candidates belonging to other communities. Such under recruitment in the number of Scheduled Castes and Scheduled Tribes is carried forward upto three subsequent recruitment years before the reservation is finally treated as lapsed. The total number of vacancies reserved, including carried forward, should not exceed 45 per cent* of the vacancies in any year."

Appointing authority is the authority which gives final orders for the dereservation of a particular vacancy.

No intimation prior to the de-reservation of the vacancies is sent to the Ministry concerned, Ministry of Home Affairs or the Commissioner for Scheduled Castes and Scheduled Tribes for their information."

2.59. At the instance of the Committee, the Ministry of Finance have furnished the following figures of vacancies dereserved during the last two years:

Year	Class of posts	Number of posts dereserved
1969-70	Class I .	Nil.
	Class II .	Nil.
	Class III.	22
	Class IV	1
1970-71	Class I .	Nil.
	Class II .	Nil.
	Class II .	37
	Class IV	8

2.60. The Committee are unhappy to note that a number of vacancies were dereserved in Class III and Class IV posts. The Committee feel that in view of the poor representation of the Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation of India, the Corporation should explore all possible avenues for filling the reserved vacancies before dereservation. The Committee suggest that, before dereserving a particular vacancy, the Employment Exchange should be approached again to nominate Scheduled Caste and Scheduled Tribe candidates. The Committee also desire that reasons for dereservation of vacancies should be intimated to the Ministry of Finance and the Commissioner for Scheduled Castes and Scheduled Tribes for their information. The number of vacancies dereserved during a year should also be included in Annual Reports of the Life Insurance Corporation of India.

F. Liaison Officer and Complaints Cell

2.61. The Committee have been informed that as per orders of the Government of India, Liaison Officers are to be appointed in each Ministry/Department/Public Undertaking etc. The Liaison Officer will be specifically responsible for:

- (i) ensuring due compliance by the subordinate appointing authorities with the orders and instructions pertaining to the reservation of vacancies in favour of Scheduled Castes and Scheduled Tribes and other benefits admissible to them;
- (ii) ensuring:
 - (1) Submission by each appointing authority under the Ministry/Department to the Ministry/Department an annual statement showing total number of Government servants and number of Scheduled Castes and Scheduled Tribes amongst them as on 1st January;
 - (2) Submission by each appointing authority under the Ministry/Department to the Ministry/Department and to the Department of Personnel, an annual statement showing particulars of recruitment made during the calendar year and the numbers filled by Scheduled Castes and Scheduled Tribes; and
 - (3) Scrutiny and consolidation of the above annual statements in respect of all establishments and services in and under the control of the Ministry/Department and sending the consolidated statements to the Department of Personnel;
- (iii) Specially watching that cases of supersession, if any, in promotion on the basis of seniority subject to fitness of Scheduled Caste and Scheduled Tribe officers in Class I and II appointments are submitted for prior approval to the Minister or the Deputy Minister concerned and cases involving supersession Class III and IV appointments are reported within a month to the Minister or the Deputy Minister concerned for information.
- (iv) ensuring the extension of necessary assistance to the Commissioner for Scheduled Castes and Scheduled Tribes in the investigation of complaints received by the Commissioner in regard to service matters.

- (v) conducting annual inspection of the rosters maintained in the Ministry/Department/Office under the control of the Ministry/Department with a view to ensuring proper implementation of the reservation orders.
- (vi) acting as Liaison Officer between the Ministry/Department and the Department of Personnel for supply of other information, answering questions and queries and clearing doubts in regard to matters covered by the reservation orders.

Ministries/Departments should set up a Cell within the Ministry/Department under the direct control of the Liaison Officer. The functions of the Cell will mainly be to assist the Liaison Officer to discharge his duties effectively.

A note about the activities of the Cell should be included in the Annual Report of the concerned Ministry/Department.

In offices under the control of each Head of Department also, a Liaison Officer will be nominated for work relating to representation of Scheduled Caste and Scheduled Tribes in such offices. The duties of Liaison Officers for offices under such Heads of Departments will be similar to those mentioned above, in respect of offices under their charge."

2.62. The Committee have been informed that the Ministry of Finance (Bureau of Public Enterprises) *vide* their D.O. letter No. 2(115)/68-BPE(GM) dated the 18th September, 1969, requested all the Ministries to issue a directive containing orders on reservations made in favour of the Scheduled Castes and Scheduled Tribes to the public undertakings under their control. The Ministry of Finance had also forwarded a copy of the draft directive to be issued by the controlling Ministries to the undertakings under them. With regard to the appointment of Liaison Officers, it has been stated therein:

"In each undertaking, the officer in charge of administration (or any other officer designated for the purpose) will act as Liaison Officer in respect of matters relating to representation of Scheduled Castes and Scheduled Tribes. He will be specifically responsible for—

- (i) ensuring the compliance with the orders and instructions pertaining to the reservation of vacancies in favour of Scheduled Tribes and other benefits admissible to them under this directive.

- (ii) collecting, consolidating and despatching the annual returns relating to representation of Scheduled Castes and Scheduled Tribes.
- (iii) acting as a Liaison Officer between the Undertaking and the Ministry concerned for supply of other information, answering questions and queries and clearing doubts in regard to matters covered by these orders.

The name of the Liaison Officer appointed for your company may be intimated to this Ministry. Under the control of the Liaison Officer, a Cell consisting of suitable number of assistants should also be constituted to ensure the prompt disposal of the grievances and representations of the employees of Scheduled Castes and Scheduled Tribes. The Cell would mainly assist the Liaison Officer to discharge his duties effectively."

2.63. In a written note submitted to the Committee, the Ministry of Finance have stated that the Life Insurance Corporation of India has not yet finalised the question of appointing a Liaison Officer between the Life Insurance Corporation of India and the Ministry of Finance for ensuring due compliance with the orders and instructions pertaining to reservations for Scheduled Caste and Scheduled Tribe candidates. During evidence, the Chairman of the Life Insurance Corporation of India has stated that there is no formal Liaison Officer in the Life Insurance Corporation of India. He has assured the Committee that a Liaison Officer would be nominated by the Corporation. He has assured that if a senior Scheduled Caste/Tribe Officer is available in Life Insurance Corporation of India, he would be appointed as a Liaison Officer.

2.64. In a written note furnished to the Committee, the Ministry of Finance have stated that no Cell has been set up in the Life Insurance Corporation of India to collect the statistical information regarding representation of Scheduled Castes in Zonal/Divisional Offices. However, a Cell has been set up to collect statistical information regarding all employees of the Corporation. The function and duties of the Cell are to collect information from various centres, collate it and supply information to various bodies, including various Departments within the Corporation. This Cell keeps control over recruitment and staff strength in each of the offices of the Corporation.

2.65. The Committee wanted to know if there was any complaints cell in the Central/Zonal/Divisional Offices of the Life Insurance

Corporation of India to attend to the complaints and grievances of of the Scheduled Caste and Scheduled Tribe employees. The Ministry of Finance have stated as follows:

“No separate cell is set up to attend to the grievances of only Scheduled Castes and Scheduled Tribes. However, every employee of the Corporation is entitled to represent his grievances in accordance with the procedure laid down in the Staff Regulations, 1960. Whenever any complaints/representations are received from the employees, they are attended to by the Department concerned.”

2.66. The Ministry of Finance have also opined that it is not considered necessary to set up a separate Cell for Scheduled Castes and Scheduled Tribes only.

2.67. The Committee are unhappy to note that no Liaison Officer has been appointed in the Life Insurance Corporation so far. They hope that a Liaison Officer would be appointed by the Life Insurance Corporation without delay. They also trust that as laid down in the Government of India orders on the subject, a separate Cell will be set up in the Life Insurance Corporation to ensure strict compliance of the orders on reservations for the Scheduled Castes and Scheduled Tribes and to look into the complaints and grievances of the Scheduled Caste and Scheduled Tribe employees.

G. Maintenance of Rosters

2.68. The Ministry of Finance have furnished to the Committee the following note on the maintainance of Rosters by the Life Insurance Corporation of India:

“Direct recruitment to the cadre of Assistant Administrative Officer has been suspended since 1969. In 1970, some Chartered Accountants of India were recruited. However, there was no application from any Scheduled Caste/Scheduled Tribe candidates. Therefore, the question of any reservation for Scheduled Caste and Scheduled Tribe candidates does not arise, for the present.

As regards Class II, recruitment is generally being made from among successful Agents and members of the staff who have done good business in the past. The question of any reservation, therefore, does not arise.

As regards recruitment for Class III and Class IV posts attracting candidates from a locality or region, Corporation fol-

lows 100-point roster and takes into account points reserved for Scheduled Castes and Scheduled Tribes as shown in the roster. For fixing the points, reserved for Scheduled Castes and Scheduled Tribes the Corporation has issued the following instructions.

If, according to their normal positions in the final ranking list prepared after the interview, candidates belonging to Scheduled Castes and Scheduled Tribes obtain less vacancies than the number reserved for them, candidates of such Castes or Tribes who have secured lower positions but who have qualified at such examination should be selected by the appointing authority to make up the deficiency.

For example, if there are 40 vacancies of which five are reserved for Scheduled Castes and two for Scheduled Tribes and there are as many as 60 candidates (belonging to all castes) who have come out successful at the pre-recruitment test, or exempted therefrom, the procedure of selection will be as follows. First, all the 60 candidates will be interviewed and ranked in the order of merit. Normally, the first 40 candidates would be selected for appointment against the 40 vacancies. However, if the first 40 includes only two Scheduled Caste and one Scheduled Tribe candidates, the appointing authority has to go down the list beyond 40 to see whether there are any Scheduled Caste/Tribe candidates who were interviewed but ranked below 40. If there are such candidates, they are to be selected for appointment even though their rank may be 59 or 60. For instance, in the above example, candidates ranked 10, 15, 45, 59 and 60 belong to Scheduled Castes and candidates ranked 35 and 56 belong to Scheduled Tribes, then the Scheduled Caste candidates with ranks 10, 15, 45, 59 and 60 and the Scheduled Tribes with rank 35 and 56 will be selected to fill up the five reserved vacancies reserved for Scheduled Castes and two vacancies reserved for Scheduled Tribes. Since the total number of vacancies are only 40 and four candidates belonging to Scheduled Castes/Tribes who have been ranked below 40 have been selected to make up the deficiency, it will be necessary to drop four candidates (with ranking Nos. 37, 38, 39 and 40) who belong to other communities who have come within the first 40.

If, even after following the above procedure, it is found that all the reserved vacancies are not filled in, then those reserved vacancies which could not be filled in by candi-

dates for whom they were reserved can be treated as unreserved and filled by others but, such under recruitment should be carried forward to the next recruitment year."

2.69. The Committee asked, during evidence, whether the Scheduled Caste and Scheduled Tribe candidates were appointed strictly according to the rosters prescribed under the relevant orders and whether such rosters were inspected periodically. The Chairman of the Life Insurance Corporation of India has replied in the affirmative and has added that it is the responsibility of the appointing authority to ensure that, as far as possible, rosters are followed.

2.70. The Committee note that the Life Insurance Corporation of India maintains rosters as prescribed under the relevant orders.

H. In-service Training

2.71. The Ministry of Finance have furnished to the Committee the following note on in-service training for Scheduled Caste and Scheduled Tribe employees in the Life Insurance Corporation of India:

"With a view to improving the chances for employment of the candidates belonging to Scheduled Castes and Scheduled Tribes who are otherwise qualified for the reserved posts, Government of India have started what are called 'Pre-Examination Training' Centres. Government have undertaken to coach at these Centres, Scheduled Castes, Scheduled Tribe candidates so that adequate number of candidates belonging to these communities qualify in the examinations held by the Life Insurance Corporation for the recruitment of Assistants, Typists, Stenographers, etc. and the posts reserved for these communities do not remain unfilled. Accordingly, we have advised all our offices to intimate, in future, the vacancies and the probable dates of examination to the centres in the respective Divisional areas where recruitment is proposed to be made. We have also advised them to forward to these Pre-Examination Training Centres a specimen question paper so that the Centres may have guidance as to what standard is expected of the candidates.

For new recruits in the cadre of Assistant, there is a training programme both practical and theoretical lasting over three months during which they are encouraged to be conversant with the theory of insurance and official pro-

ture. For the purpose of their theoretical training, the trainees are given free of cost some relevant literature. While theoretical training is given at the Divisional headquarters, practical training is given at the places where the trainees are likely to be posted after successful completion of training. This in-service training is for all the recruits in the cadre of Assistants and there is no separate such training for Scheduled Caste and Scheduled Tribe recruits. Neither there is any other in-service training for Scheduled Caste/Scheduled Tribe employees. In view of the training referred to above, no need is felt for any other in-service training.

The Corporation has recognised some of the technical examinations for the purpose of increments and promotions. Employees aspiring for better prospects for promotion, take these examinations. Institutions like the Federation of Insurance Institutes conduct classes for the candidates taking such examinations. These examinations help the employees to get better knowledge of the insurance industry. .

So far as Class II (Field) personnel are concerned, to increase the efficiency and production capacity, the Corporation has been imparting training at the Development Training Centre.

There is an Officers' Training College set-up at Bombay to give training to the Officers and Superintendents upto and including A.D.M.'s cadre."

2.72. During the course of evidence, the representative of the Life Insurance Corporation of India has stated that all Class III employees, after their appointment, are given training for a period of six to twelve weeks by the Corporation.

2.73. The Committee asked whether, as per orders of the Ministry of Home Affairs issued in September, 1968, the best among the available candidates belonging to Scheduled Castes and Scheduled Tribes were appointed to non-technical and quasi-technical Class III and Class IV posts and given in-service training to make them proficient in their work. The Chairman, Life Insurance Corporation of India, has replied in the negative. The Additional Secretary, Min-

istry of Finance, has added:

“The Department of Personnel is concerned both with Government departments and with public sector enterprises. So far as the public sector enterprises are concerned, the directives that the Ministry have been asked to issue are contained in a circular issued by the Bureau of Public Enterprises. In that circular it so happens that this particular matter which the hon. Member has mentioned is not included.”

2.74. The Committee recommend that, as in the case of Government of India Departments, the best among the available candidates belonging to Scheduled Castes and Scheduled Tribes should be appointed to non-technical and quasi-technical Class III and Class IV posts in the Life Insurance Corporation of India and given in-service training to make them proficient in their work.

I. Selection/Promotion Committees

2.75. The Ministry of Finance have furnished to the Committee the details of the composition, functions etc. of Selection|Promotion Committees:

“Following are the Appointing Authorities for recruitment and promotions upto the Assistant Administrative Officers post:

<i>Post:</i>	<i>Appointing Authority</i>
--------------	-----------------------------

- | | |
|--------------------|---|
| (1) Class I— | Zonal Manager Director (Pers.)
Asstt. Administrative Officer. |
| (2) Class II— | Divisional Manager |
| (3) Class III & IV | (a) Superintendent—Zonal Manager Director (Pers.).
(b) Other employees—Divisional Manager. |

Direct Recruitment & Promotions

All recruitment and promotions shall be made against the vacancies in sanctioned posts.

In making selections and promotions, the appointing authority shall be assisted by Committees herein prescribed:

- (i) *Posts belonging to Class I—Assistant Administrative Officer—One officer not below the rank of Deputy Zonal Manager and two Officers not below the rank of Divisional Manager at least one of whom will be from the Central Office.*

(ii) *Posts belonging to Class II*—One Officer of the Zonal Office not below the rank of Assistant Divisional Manager and two Officers not below the rank of Administrative Officers from the Divisional Office.

(iii) *Posts belonging to Class III:*

(a) Superintendents—One Officer not below the rank of a Divisional Manager and two Officers not below the rank of Assistant Divisional Managers.

(b) Higher Grade Assistants and Section Heads—One Officer not below the rank of Assistant Divisional Manager and two Officers not below the rank of Administrative Officers.

(c) Assistants, Record Clerks and other similar posts—Three Officers not below the rank of Administrative Officers.

(iv) *Posts in Class IV:*

One Officer not below the rank of Administrative Officer and two Officers not below the rank of Assistant Administrative Officers.

Provided, however, the appointing authority may nominate on the aforesaid Committee additional members, if necessary.

Promotion shall be based on merit, suitability of the candidate for a particular post and seniority, merit and suitability may be judged by confidential reports and/or interviews and/or examinations.

Where an appointing authority subordinate to the Corporation is unable to accept the recommendation of the Committee it shall record in writing the reasons for disagreeing with the recommendation of the Committee and pass such orders as it may deem fit."

2.76. The Committee desired to know whether any representative of the Scheduled Castes and Scheduled Tribes was included in the various Selection|Promotion Committees set up by the Life Insurance Corporation of India as per Government of India Orders on the 3112 LS—4.

subject. In a written note supplied to the Committee, the Ministry of Finance have replied in the negative.

2.77. The Committee regret to note that no Scheduled Caste/Tribe Officer/Person is included in the Selection/Promotion Committees set up by the Life Insurance Corporation of India. The Committee recommend that the Government of India orders in this regard should be followed by the Life Insurance Corporation of India also.

CHAPTER III

PROMOTIONS AND SUPERSESSIONS

A. Promotions

3.1. In a note furnished to the Committee, the Ministry of Finance have stated that for the purpose of promotions, the following percentage of posts is reserved for Scheduled Castes and Scheduled Tribes:

Posts filled by promotions (on an All-India basis):

Scheduled Castes—15 per cent.

Scheduled Tribes—7½ per cent.

3.2. The Committee desired to know the rules regarding promotion of employees in the Life Insurance Corporation of India. The Ministry of Finance have stated as follows in a written note:

“So far as Class III and Class IV employees are concerned, these are set out in the Memorandum of Settlement dated 15-10-1971. So far as the Class II and Class I Officers are concerned, selection is based on seniority, merit, suitability and other relevant factors.”

3.3. It has also been stated that the numbers of employees promoted and the numbers or percentages of Scheduled Castes and Scheduled Tribes among them during each of the last three years in respect of various categories of posts in the Life Insurance Corporation are not available.

3.4. The Ministry of Finance were asked to state the reasons for not providing for reservations for Scheduled Castes and Scheduled Tribes in the matter of promotions effected on Zone/Division-basis, as the case may be. The Ministry of Finance have stated as follows in a written note:

“The whole issue of rules regarding promotion was under negotiations with the Employees' Associations after the Ministry issued the draft directive for compliance in regard to reservation of posts for recruitment and reservation of posts for promotion. After strenuous negotiations,

a Settlement on Promotion Procedure was reached only on 15th October, 1971. Unfortunately, we have not been able to implement this procedure fully in view of the writ petitions filed by some of the employees before three different Courts. At the moment the matter is *sub judice*. However, all officers have been advised that as and when promotions are effected in terms of the Promotion Procedure not only reservation in favour of Scheduled Castes and Scheduled Tribes should be provided for but also such candidates should be allowed one grade up marking for their work record (i.e. where work record is 'average' for a year, it will be classified as 'above average' which is the next higher step and so on.)”

3.5. The Committee recommend that reservation for Scheduled Castes and Scheduled Tribes in the matter of promotion in the services of the Life Insurance Corporation of India should be made on the same lines as is made in respect of the services under the Government of India as per the orders on the subject issued by the cabinet Secretariat (Department of Personnel) from time to time.

B. Supersessions

3.6. The Ministry of Home Affairs in their O.M. dated the 31st October, 1969, have stated:

“.....Case involving supersession of Scheduled Castes and Scheduled Tribes Officers in Class I and II appointments are required to be submitted for prior approval to the Minister or Deputy Minister concerned and cases involving supersession of officers belonging to these categories in Class III and IV appointments are required to be reported within a month to the Minister or Deputy Minister concerned for information. It has been brought to the notice of this Ministry that some cases of supersession of Scheduled Caste/Tribe officers were not submitted or reported to the Minister as required under the instructions referred to above. It is, therefore, requested that all the Ministries and Departments may enjoin on the authorities under their control to ensure that the prescribed procedure in this regard is strictly observed. The Liaison Officers who have been nominated in the Ministries/Departments and in the Offices under the Heads of Departments for the purpose of ensuring proper compliance of the orders relating to reservation for Scheduled Castes and Scheduled

Tribes may specially watch proper implementation of the aforesaid orders in the offices under their charge."

3.7. The Committee desired to be informed whether full reasons for supersession are recorded in each case and such cases submitted to the Board of Directors or other competent authority. The Ministry of Finance have furnished the following note:

"The procedure prescribed for selection especially in the case of Class III and Class IV employees is that all eligible candidates are ranked in the order of merit by the Promotion Committee on the basis of the total marks gained on four different counts, viz., seniority, qualification, work record and interview. In view of the system of numerical rating adopted, there will be little possibility of any conscious non-selection and reasons are not separately recorded. However, under the procedure it is open to every candidate to appeal against his non-selection".

3.8. The Committee have been informed *vide* the Cabinet Secretariat (Department of Personnel) O.M. dated the 3rd September, 1970, that the Ministries/Departments are required to send to the Cabinet Secretariat (Department of Personnel) and to the Commissioner for Scheduled Castes and Scheduled Tribes by 31st March every year a consolidated statement showing the cases of supersession of Scheduled Castes and Scheduled Tribes in posts filled by promotion on the basis of seniority subject to fitness during the preceding year.

3.9. The Ministry of Finance have stated in a written note that no data are maintained by the Life Insurance Corporation of India indicating the number of Scheduled Castes and Scheduled Tribes superseded by others. It has also been stated that the Life Insurance Corporation of India does not furnish annual statements showing details of cases of supersession of Scheduled Caste/Scheduled Tribe employees in promotion to the Ministry of Finance or to the Commissioner for Scheduled Castes and Scheduled Tribes.

3.10. The Committee are surprised to find that no data are maintained by the Life Insurance Corporation of India showing the number of Scheduled Caste and Scheduled Tribe employees superseded by other employees. It seems that supersession of Scheduled Caste and Scheduled Tribe employees is treated as a matter of no consequence in the Life Insurance Corporation of India. The Committee would urge that proper procedure should be followed in

dealing with cases of supersession of Scheduled Caste and Scheduled Tribe employees and that such cases should be submitted to the highest authorities in the Corporation for approval/information. The Ministry of Finance should also obtain annual statements showing details of cases of supersession of Scheduled Caste/Tribe employees in promotion. A copy each of such statement should also be sent to the Commissioner for Scheduled Castes and Scheduled Tribes for his information. Such a course will keep a check on supersession of Scheduled Caste/Tribe employees in the Life Insurance Corporation of India.

CHAPTER IV

GENERAL

A. Housing facilities for Scheduled Caste and Scheduled Tribe employees

4.1. The Committee enquired during evidence, whether the Life Insurance Corporation of India offered any special housing facilities for Scheduled Caste and Scheduled Tribe employees, especially in the lower categories of posts. The Chairman, Life Insurance Corporation, has stated:

“We do not distinguish and discriminate between one employee and another. When allotment of any accommodation category-wise, is to be done, it is done within the salary range of those categories and no discriminatory procedure is adopted by the Life Insurance Corporation of India.”

4.2. In reply to a question, the representative of the Life Insurance Corporation of India has stated that staff quarters are being constructed and would be allotted to employees without any discrimination.

4.3. In reply to another question, it has been stated that house building loans are liberally given to such employees who form housing cooperative societies.

4.4. The Committee would like that the Life Insurance Corporation of India should provide for some percentage of reservation in allotment of accommodation to its Scheduled Caste and Scheduled Tribe employees, particularly in the lower categories, as is being done by the Government of India.

B. Facilities/concessions provided to Scheduled Castes and Scheduled Tribes in General

4.5. At the instance of the Committee, the Ministry of Finance have furnished the following note on the role played by the Life Insurance Corporation of India to ameliorate the conditions of Scheduled Castes and Scheduled Tribes:

“Life Insurance Corporation of India has granted sizeable assistance of Rs. 10 crores for financing constructions of houses

for Scheduled Tribes in the State of Andhra Pradesh to State Scheduled Castes and Tribes Co-operative Housing Societies Federation Ltd. So far a sum of Rs. 8 crores has been released against the sanctioned loan of Rs. 10 crores to the said Federation. As per the progress report submitted by the Federation, it is observed that so far (i.e. as on 31st August, 1972 for which information is available) 17906 houses have been completed and 37224 houses are under construction.

We have also sanctioned a loan of Rs. 40 lakhs to Mysore State Scheduled Tribes Co-operative Housing Corporation, Bangalore, for financing the construction of houses for Scheduled Castes and Scheduled Tribes in the State of Mysore. The above loan was fully disbursed in the month of March, 1972.

We had also sanctioned a loan of Rs. 3.50 crores earlier in the year 1965 to the Government of Mysore for financing the construction of houses for Scheduled Castes and Scheduled Tribes which loan was passed on by the State Government to the said Corporation. As per the progress reports submitted by the said Corporation, 13589 houses were completed and 9203 houses were under construction as on 31st March, 1972.

In addition to the aforesaid specific assistance for Scheduled Castes and Scheduled Tribes, Life Insurance Corporation of India is granting every year sizeable loans to State Governments and Apex Co-operative Housing Financing Societies in various States. The loans advanced to State Governments are utilised by them for construction of houses under their Low Income Group Housing Scheme, Middle Income Group Housing Scheme, Rental Housing Scheme for State Government employees, Land Acquisition and Development Scheme and Village Housing Projects Scheme. Inasmuch as members of Scheduled Castes and Scheduled Tribes might be covered under Low Income Group Housing Scheme and Village Housing Projects Scheme, a part of the benefit of these loans to the State Governments for their various housing schemes would have gone to them. Similarly, funds of the Apex Co-operative Housing Financing Societies, to which LIC grants loans are passed on to primary co-operative housing societies for construction of houses. Inasmuch as in some of the States, members

of Scheduled Castes and Scheduled Tribes might have formed their primary co-operative housing societies and would have availed of housing loans from Apex Societies, the benefit of such loans would have been derived by them. No details would, however, be available giving specific amounts utilised by State Governments and Apex Societies for the benefit of Scheduled Castes and Scheduled Tribes out of the loans advanced by Life Insurance Corporation of India."

4.6. The Committee enquired during evidence whether any concessions or facilities were given to Scheduled Castes and Scheduled Tribes in the matter of premia etc. for policies or loans and advances needed by Scheduled Caste and Scheduled Tribe policy holders and the role played by the Life Insurance Corporation of India to ameliorate the conditions of Scheduled Castes and Scheduled Tribes by giving loans to State Governments/individuals. The Chairman, Life Insurance Corporation of India, has stated that all the policy holders are treated alike. Previously, Sweepers working in textile industry, municipalities, etc., had to pay premia for life insurance by about rupees two to four per thousand sum assured more than the normal rates as the mortality rate among these workers was considered to be higher. Since last year, they are not charged the extra premia. He has added that the Life Insurance Corporation of India has started a new scheme of group insurance for sweepers and Class IV staff. The Gujarat and Rajasthan Governments have taken advantage of group insurance. In reply to a question, the Chairman, Life Insurance Corporation of India, has stated that they are trying to build 50,000 houses for Scheduled Castes/Scheduled Tribes in Andhra Pradesh and for this purpose Rs. 10 crores have been sanctioned.

4.7. The Committee pointed out that some of the States had recently set up Financial Corporations to help the people belonging to Scheduled Castes and Scheduled Tribes, especially in matters of house-building and starting of cottage industries, small scale industries, etc. and enquired whether the Life Insurance Corporation of India would examine the question of giving financial aid to such Corporations. The Chairman, Life Insurance Corporation, has said:

"Certainly we will examine. We will examine every proposal on merit."

4.8. The Committee would like the Life Insurance Corporation of India, with its vast financial resources, to play a much greater part

in the amelioration of the conditions of the Scheduled Castes and Scheduled Tribes than it has done hitherto. The Committee desire that the Life Insurance Corporation should give liberal financial assistance at low interest rates to all such bodies/institutions which desire to start different trades or industries for the benefit of Scheduled Castes and Scheduled Tribes or come up with other proposals or schemes for the social, educational or economic uplift of these Communities.

NEW DELHI;

February 23, 1973.

Phalguna 4, 1894 (Saka).

BUTA SINGH,

Chairman,

Committee on the Welfare of
Scheduled Castes and Scheduled
Tribes.

APPENDIX I

(Vide Para I-II of Report)

Name of Office.....Year.....
Statement showing the particulars of recruitments made during the year and the numbers filled by members of the Scheduled Castes and Scheduled Tribes

Class of Posts	Total No. of Vacancies filled during the year	Reservation for Sch. Castes			Reservation for Sch. Tribes			No. of reservation carried forward	REMARKS			
		B/F from previous year	Vacancies reserved during the year of report	No. of Sch. Castes appointed during the year	B/F from previous year	Vacancies reserved during the year of report	No. of S.Ts. appointed during the year					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Permanent Posts												
Class I												
Class II												
Class III												
Class IV												
Temporary Posts												
Class III												
Class IV												

APPENDIX II

(Vide para 1.14 of Report)

D.O. No. 13(21) Ins. II/64
Secretary, Ministry of Finance, Department
of Company Affairs & Insurance, New Delhi.

7th December, 1964.

My dear Kaul,

Will you please refer to the correspondence resting with d.o. dated the 31st August, 1964 from Assistant Secy. (P) to our Under Secretary, S. S. Sharma in which we were informed that the LIC were already giving preference to candidates belonging to Scheduled Castes and Scheduled Tribes and that they felt that the interests of these candidates were adequately safeguarded and there was no need to reserve any post for them?

2. You will recall that I discussed this matter last week in Bombay. The reservation of posts for Scheduled Castes and Scheduled Tribes has been accepted as a matter of principle not only in the government but in government undertakings also. This has been done, obviously, because it has been felt that giving preference, as has been done by the LIC, is, by itself, not sufficient. I am sure you will agree if such preference was considered sufficient Government would not have gone in for reservation of posts.

3. LIC is a very large employer and Government would be open to criticism if the principle of reservation accepted elsewhere is not adopted by the LIC. I would therefore, request you to have the matter reconsidered by the Corporation. I shall be grateful for an early reply.

Yours sincerely,

Sd/- (R. C. DUTT)

7-12-1964

Shri B. K. Kaul,
Chairman,
Life Insurance Corporation of India,
Central Office,
Yogakshema,
Bombay.

APPENDIX III

(Vide para 4 of Introduction)

Summary of Conclusions/Recommendations contained in the Report

Sl. No.	Reference to para No. in the Report	Summary of Conclusions/Recommendations
1	2	3
1.	1.18.	The Committee are surprised to find that the reservations for Scheduled Castes and Scheduled Tribes were introduced in the services of the Life Insurance Corporation of India only in 1965 while the Corporation came into being as early as in 1956. The Committee are constrained to point out that the delay of nearly nine years in providing for reservations for Scheduled Castes and Scheduled Tribes in the Life Insurance Corporation of India after its coming into being has deprived many a Scheduled Caste and Scheduled Tribe his due opportunity of getting service in the Corporation. Be that as it may, the Committee hope that the Ministry of Finance will now scrupulously ensure that all the instructions issued by the Government of India from time to time in favour of the Scheduled Castes and Scheduled Tribes are fully implemented by the Life Insurance Corporation. The Committee would urge that the Government may issue a statutory direction to the Corporation under Section 21 of the Life Insurance Corporation Act, 1956 so that the relevant instructions are fully complied with.
2.	1.19.	The Committee recommend that the employment position of the Scheduled Castes and Scheduled Tribes in the services of the Corporation of India and the steps taken by the Corporation

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to fill the quotas reserved for these communities be included in the annual reports of the Corporation.

3. 2.16.

The Committee have noted that the Employees' Associations had raised a demand following a reference before the National Industrial Tribunal that the Life Insurance Corporation of India should stop direct recruitment of Class I posts and provide for promotional opportunities to their own employees who possessed requisite professional experience and that as a result of this demand the Corporation had agreed, as an experimental measure, to stop direct recruitment to the cadre of Assistant Administrative Officers (Class I posts) and also Development Officers (Class II posts) under a settlement dated the 15 October, 1971 with the Employees' Associations. The agreement would be valid till December, 1974. The Committee had enquired from the representative of the Life Insurance Corporation of India, during evidence, whether it was specifically put to the Employees' Associations that the Constitutional provisions for the Scheduled Castes and Scheduled Tribes in the matter of employment had to be safeguarded and that there could not be any bar on direct recruitment of scheduled Castes and Scheduled Tribes to Class I posts. The Committee had understood from the representative of the Life Insurance Corporation that these questions had not been specifically put to the Employees' Associations. The Committee had also asked the representative of the Life Insurance Corporation of India whether the agreement with the Employees' Association had been discussed with the Ministry of Home Affairs before finalisation. The Chairman of the Life Insurance Corporation of India had stated that any agreement entered into by the Corporation with any Association did not require the concurrence

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		of the Home Ministry. The representative of the Ministry of Finance had, however, stated during evidence that whether appointment was done by promotion or by direct recruitment, the reservations granted by the Home Ministry would apply.
4.	2.17.	The Committee regret to note that the Life Insurance Corporation has stopped direct recruitment to Class I (Assistant Administrative Officers Cadre) posts as per the agreement with the Employees' Associations. They also regret to note that the direct recruitment to Class II (Development Officers Cadre) posts has been stopped. This arrangement has deprived Scheduled Caste and Scheduled Tribe candidates to join Class I and Class II posts in the Life Insurance Corporation of India. The Committee do not agree with views expressed by the representative of the Life Insurance Corporation of India that under the existing rule Scheduled Caste and Scheduled Tribe employees in Class III posts will be able to complete for promotion through normal channel as also through competitive examination, as the actual number of Scheduled Caste and Scheduled Tribe employees in Class III posts is insignificant.
5.	2.18	The Committee would strongly urge that before any agreement of this nature is concluded with the Employees' Associations, the concurrence of the Ministry concerned should invariably be obtained and a detailed study should be made before hand so as to ascertain its possible impact on the recruitment of Scheduled Castes and Scheduled Tribes in the Organisation.
6.	2.19.	As regards the present agreement, the Committee would urge that the Management of the Life Insurance Corporation of India should immediately initiate negotiations with the representatives of the Employees' Associations with a view to amend or revise the Agreement which

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		prevents the Life Insurance Corporation of India from providing for reservations for Scheduled Castes and Scheduled Tribes in direct recruitment. The Committee would like to be informed of the results of such efforts.
7.	2.20.	The Committee note that the direct recruitment to Class II posts (Development Officers Cadre) has been stopped and the staff agents are offered these posts. The reason advanced for such a course is that the performance of a number of Development Officers (Class II Officers) recruited earlier was below par. In the opinion of the Committee, it is not a valid reason as this argument may be advanced in respect of all recruitments made throughout the country.
8.	2.21.	The Committee recommend that direct recruitment to Class I (Assistant Administrative Officers cadre) and Class II (Development Officers Cadre) posts should be restarted so that the Scheduled Caste and Scheduled Tribe candidates become entitled to be selected on the basis of the percentages of the vacancies reserved for them in all direct recruitments.
9.	2.22.	The Committee suggest that the Insurance Corporation of India devise a scheme by which it may select Scheduled Caste and Scheduled Tribe candidates and give them training as insurance agents so that they may become eligible for appointment as Development Officers.
10.	2.23.	The Life Insurance Corporation of India should also maintain statistics of the numbers of Scheduled Castes and Scheduled Tribes working as insurance agents for it and include this information in its annual reports.
11.	2.24	The Committee note that the Federation of Insurance Institutes, Bombay, has been recog-

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nised to conduct classes for the candidates taking examinations for the purposes of increments and promotions in Life Insurance Corporation of India. This Institution also examines candidates and awards certificates to them. While the Committee appreciate the need for such an institute, they would suggest that the Life Insurance Corporation of India in co-operation with General Insurance, should set up such training institutes in every Zone of the Life Insurance Corporation of India and provide for the prescribe reservation for Scheduled Castes and Scheduled Tribes in the admissions to those institutes.

12. 2.32.

The Committee regret to note that the Scheduled Caste and Scheduled Tribe candidates have not hitherto been interviewed separately from others as per the Government of India orders on the subject. The Committee desire that the Governemnt of India Orders on the matter should be strictly followed by the Life Insurance Corporation of India and the interviews of the Scheduled Caste and Scheduled Tribe candidates should be held on a day or sitting of the Selection Committee other than on which general candidates are interviewed so that the Scheduled Caste and Scheduled Tribe candidates are not judged in comparison with general candidates and the Interviewing Authority|Board is|are prominently aware of the need for judging the Scheduled Caste/Tribè candidates by relaxed standards.

13. 2.49.

The Committee are distressed to note that the representation of Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation of India is miserably low. They are surprised to find that even after the adoption of the reservation orders by the Life Insurance Corporation

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there is no perceptible improvement in the recruitment of Scheduled Castes and Scheduled Tribes. From the statements made available to the Committee, it is noticed that before the adoption of the reservation orders, the percentage of the Scheduled Caste Officers as on 31st March, 1964 in Classes I, II, III and IV posts was 0.11, 0.17, 0.48 and 9.78 respectively and the percentage of Scheduled Tribe Officers in Classes I, II, III, and IV posts was 0.04, 0.08, 0.54 and 0.54 respectively. The percentage of Scheduled Caste Officers on 31st March 1972, in Classes I, II, III, and IV posts was 0.08, 0.22, 1.59 and 14.14 respectively. In temporary service, the percentage of Scheduled Castes in Class IV posts was 23.26. The Scheduled Caste staff in Class IV posts includes sweepers also. The percentage of Scheduled Tribe Officers on the 31st March, 1972, in Classes I, II, III and IV posts was 0.03, 0.00, 0.11 and 1.21 respectively. The Committee regret that although recruitments were made in the Life Insurance Corporation from year to year after the adoption of the reservation orders but required number of Scheduled Castes and Scheduled Tribes were not recruited in the Corporation. The Committee are perturbed to note the rapid decline in the intake of Scheduled Caste and Scheduled Tribe candidates in the services of Corporation.

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2.50.

The Committee are also unhappy to note that knowing the poor representation of the Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation, the Corporation does not intend to make *ad hoc* recruitments exclusively for Scheduled Castes and Scheduled Tribes. The Committee would urge that in order to make up the short fall of Scheduled Caste and Scheduled Tribe employees, the Life Insurance Corporation should make *ad hoc* recruitments exclusively for Sche-

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		<p>duled Castes and Scheduled Tribes at the earliest possible.</p>
15	2.56	<p>The Committee are unhappy to find the following lapses on the part of the Life Insurance Corporation of India in the matter of employment notices/advertisements, contrary to the Government of India orders on the subject.</p> <ul style="list-style-type: none"> (a) The number of vacancies reserved for Scheduled Castes and Scheduled Tribes respectively, out of the total number of vacancies notified are not indicated in the requisitions sent to the Employment Exchange/advertisements published in the newspapers. (b) Vacancies are not notified to the Scheduled Castes/Tribes Organisations. (c) When a vacancy reserved for Scheduled Castes or Scheduled Tribes is not filled by a candidate of the concerned communities sponsored by the Employment Exchange, specific reasons therefore are not communicated to the Employment Exchange.
16.	2.57.	<p>The Committee desire that the Life Insurance Corporation of India should take immediate steps to follow meticulously the Government of India orders on the subject.</p>
17.	2.60	<p>The Committee are unhappy to note that a number of vacancies were dereserved in Class III and Class IV posts. The Committee feel that in view of the poor representation of the Scheduled Castes and Scheduled Tribes in the services of the Life Insurance Corporation of India the Corporation should explore all possible avenues for filling the reserved vacancies before dereservation. The Committee suggest that, before de-</p>

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reserving a particular vacancy, the Employment Exchange should be approached again to nominate Scheduled Caste and Scheduled Tribe candidates. The Committee also desire that reasons for derservation of vacancies should be intimated to the Ministry of Finance and the Commissioner for Scheduled Castes and Scheduled Tribes for their information. The number of vacancies derserved during a year should also be included in the Annual Reports of the Life Insurance Corporation of India.

18. 2.67. The Committee are unhappy to note that no Liaison Officer has been appointed in the Life Insurance Corporation so far. They hope that a Liaison Officer would be appointed by the Life Insurance Corporation without delay. They also trust that as laid down in the Government of India orders on the subject, a separate Cell will be set up in the Life Insurance Corporation to ensure strict compliance of the orders on reservations for the Scheduled Castes and Scheduled Tribes and to look into the complaints and grievances of the Scheduled Caste and Scheduled Tribe employees.
19. 2.70. The Committee note that the Life Insurance Corporation of India maintains rosters as prescribed under the relevant orders.
20. 2.74. The Committee recommend that, as in the case of Government of India Departments, the best among the available candidates belonging to Scheduled Castes and Scheduled Tribes should be appointed to non-technical and quasi-technical Class III and Class IV posts in the Life Insurance Corporation of India and given in-service training to make them proficient in their work.
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21. 2.77. The Committee regret to note that no Scheduled Caste/Tribe Officer/Person is included in the Selection/Promotion Committees set up by the Life Insurance Corporation of India. The Committee recommend that the Governemnt of India orders in this regard should be followed by the Life Insurance Corporation of India also.
22. 3.5. The Committee recommend that reservation for Scheduled Castes and Scheduled Tribes in the matter of promotion in the services of the Life Insurance Corporation of India should be made on the same lines as is made in respect of the services under the Government of India as per orders on the subject issued by the Cabinet Secretariat (Department of Personnel) from time to time.
23. 3.10. The Committee are surprised to find that no data are maintained by the Life Insurance Corporation of India showing the number of Scheduled Caste and Scheduled Tribe employees superseded by the other employees. It seems that supersession of Scheduled Caste and Scheduled Tribe employees is treated as a matter of no consequence in the Life Insurance Corporation of India. The Committee would urge that proper procedure should be followed in dealing with cases of supersession of Scheduled Caste and Scheduled Tribe employees and that such cases should be submitted to the highest authorities in the Corporation for approval/information. The Ministry of Finance should also obtain annual statements showing details of cases of supersession of Scheduled Caste/Tribe employees in promotion. A copy each of such statements should also be sent to Commissioner for Scheduled Castes and Scheduled Tribes for his information. Such a course will keep a check on supersession of Scheduled Caste/Tribe employees in the Life Insurance Corporation of India.
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24.	4.4	The Committee would like that the Life Insurance Corporation of India should provide for some percentage of reservation in allotment of accommodation to its Scheduled Caste and Scheduled Tribe employees, particularly in the lower categories, as is being done by the Government of India.
25.	4.8.	The Committee would like the Life Insurance Corporation of India, with its vast financial resources, to play a much greater part in amelioration of the conditions of the Scheduled Castes and Scheduled Tribes than it has done hitherto. The Committee desire that the Life Insurance Corporation should give liberal financial assistance at low interest rates to all such bodies/institutions which desire to start different trades or industries for the benefit of the Scheduled Castes and Scheduled Tribes or come up with other proposals or schemes for the social educational or economic uplift of these Communities.
