

**COMMITTEE ON THE WELFARE  
OF SCHEDULED CASTES AND  
SCHEDULED TRIBES  
(1986-87)**

(EIGHTH LOK SABHA)

(TWENTY-FIRST REPORT)

MINISTRY OF FINANCE

(DEPARTMENT OF ECONOMIC AFFAIRS— INSURANCE  
DIVISION)

**RESERVATIONS FOR, AND EMPLOYMENT OF,  
SCHEDULED CASTES AND SCHEDULED TRIBES IN  
LIFE INSURANCE CORPORATION OF INDIA**

*Presented to Lok Sabha on 20.4.1987*

*Laid in Rajya Sabha on 20.4.1987*



**LOK SABHA SECRETARIAT  
NEW DELHI**

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*April, 1987/Chaitra, 1909 (Saka)*

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# C O R R I G E N D A

to the

21st Report of Committee on Scheduled Castes  
and Scheduled Tribes (1986-87) (Ministry of  
Economic Affairs - Insurance Division)

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

**(1986-87)**

**Shri K. D. Sultanpuri—Chairman**

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29. Shri Suraj Prasad
- \*30. Vacant

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2. Shri M. G. Agrawal—*Chief Legislative Committee Officer*
3. Shri Kuldip Sahai—*Senior Legislative Committee Officer.*

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\*Vice Shri Shantimoy Ghosh died on 31.10.86

## 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 Twenty First Report on the Ministry of Finance (Department of Economic Affairs—Insurance Division)—Reservations for, and employment of Scheduled Castes and Scheduled Tribes in the Life Insurance Corporation of India.

2. The Committee took the evidence of the representatives of the Ministry of Finance (Department of Economic Affairs—Insurance Division) and Life Insurance Corporation of India on the 24th and 25th November, 1986. The Committee wish to express their thanks to the officers of the Ministry of Finance (Department of Economic Affairs—Insurance Division) and the 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 and adopted by the Committee on 9th April, 1987.

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

NEW DELHI;  
April 15, 1987  
Chaitra 25, 1909 (S).

K. D. SULTANPURI,  
*Chairman,*  
*Committee on the Welfare of*  
*Scheduled Castes and Scheduled Tribes*

## CHAPTER I

### INTRODUCTORY

#### A. *Organisational set up*

The Life Insurance Corporation of India is a statutory corporation established under the LIC Act, 1956. Section 18 of the LIC Act, 1956 lays down the organisational set up of the LIC. It provides for a Central Office with Zonal Offices at Bombay, Calcutta, Delhi, Kanpur and Madras and such other places as LIC thinks fit subject to the previous approval of the Central Government.

1.2. Section 19(1), (2) and (3) of the LIC Act provide for an Executive Committee, Investment Committee and constitution of such other Committees as the LIC may think fit for the purpose of discharging such of its functions as may be delegated to them. Section 21 of the LIC Act, 1956 provides that in the discharge of its functions, the Corporation shall be guided by such directions in matters of policy involving public interest as the Central Government may give to it in writing.

1.3. As regards the organisational set up of the Ministry of Finance and its functions *vis-a-vis* the Life Insurance Corporation of India in so far as reservation orders made in favour of Scheduled Castes and Scheduled Tribes are concerned, the Committee have been informed in a note furnished by the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) that the Ministry consists of the following three Departments *viz* :—

- (1) Deptt. of Expenditure
- (2) Deptt. of Revenue
- (3) Deptt. of Economic Affairs

1.4. The Department of Economic Affairs in the Ministry of Finance have been following strictly of the Government of India instructions relating to the implementation of reservation orders for Scheduled Castes and Scheduled Tribes issued by the Ministry of Home Affairs/Ministry of Personnel, Training and Administrative Reforms/Bureau of Public Enterprises etc. from time to time.

1.5. The Committee have been informed that the Insurance Division is one of the thirteen Divisions of the Department of Economic Affairs. This Division is administratively responsible for the control and supervision of the activities of insurance industry—both Life and general, which is totally nationalised. The functions of the Division include policy formulation and administration of the Insurance Act, 1938; constant review and monitoring of the performance of LIC; framing of rules and regulations in respect of service conditions of the employees of LIC; coordination of vigilance activities in the insurance industry; and appointment of Chief Executives and Directors on the Board of LIC.

1.6. In the Insurance Division, there is a separate Section viz. Insurance V, which is responsible *inter-alia* for watching the implementation of Government of India orders regarding reservations for and employment of Scheduled Castes and Scheduled Tribes in the LIC. The work of this Section, which is under the control of an Under Secretary, is supervised by a Deputy Secretary. The overall supervision of the Section vests in a Joint Secretary and an Additional Secretary.

#### B. Board of Directors

1.7. The Life Insurance Corporation Act of 1956 provides for not exceeding 16 Members of the Board of Directors. The Chairman and the Managing Directors also are Members of the Board. At present, there are 8 Members on the Board of Directors and their names are as under :—

##### *Functional Members*

1. Shri R. Narayanan, Chairman, LIC
2. Shri C. R. Thakore, Managing Director, LIC
3. Vacant w.e.f. 1-12-1986 (Mg. Director, LIC)

##### *Ex-Officio Members*

4. Shri A. K. Pandya, Addl. Secy. (Insurance)
5. Shri Ashok Goenka, Chairman, General Insurance Corpn.
6. Shri M. J. Pherwani, Chairman, Unit Trust of India.
7. Shri S. S. Nadkarni, Chairman, Industrial Development Bank of India.



*Non-Official Members*

8. Shri Alak Ghosh, Professor of Economics, Calcutta University, Calcutta.
9. Shri G. Ramanujam, President, INTUC.
10. Vacant
11. Vacant
12. Vacant
13. Vacant
14. Vacant
15. Vacant
16. Vacant

1.8 It has been stated that out of 7 posts of non-official Members on the Board, 2 posts are reserved for the employees of the Corporation but the Government is not considering to fill up these posts at present. Action is in hand to fill the remaining 5 vacancies of non-official Members and 1 vacancy of the Managing Director.

1.9. The Committee have been informed that in the present Board of Directors of the Corporation there is no member belonging to Scheduled Caste/Scheduled Tribe community. However, the matter relating to suitable representation from Scheduled Caste and Scheduled Tribe communities as non-official Members in the Board of Directors is under active consideration of the Government.

1.10. It has been further stated that in considering nominations for appointments to the vacancies on the Board of Directors of LIC, due consideration is given *inter-alia* to the representation of SC/ST candidates subject to the availability of suitable nominees. The Committee have been informed that there have been SC/ST nominations on the Board of Directors of the Corporation between 1974 and 1980. Elaborating it further, the Ministry of Finance (Deptt. of Economic Affairs) have stated that in the context of reorganisation of LIC, there were only official Directors on the Board during 1981-83. The Department of Economic Affairs, Ministry

of Finance had considered certain SC/ST names in 1984 but these were not approved by the Government finally. The Government were considering some names for inclusion in the Board of Directors of the Corporation.

1.11. When the Committee desired to know the reaction of Government to the suggestion that one SC/ST member should be appointed in the Board of Directors of LIC, the Secretary, Ministry of Finance replied during evidence as under :—

“We personally and as a Department do believe that there should be a Scheduled Caste and Scheduled Tribe Member. We agree to your suggestion. It is a very good suggestion.”

1.12. The Committee note that the Life Insurance Corporation Act of 1956 provides for not exceeding 16 Members on the Board of Directors of the Corporation. At present there are 8 Members on the Board of Directors but none of them belongs to SC/ST. The Committee have been informed that in 1984 the Department of Economic Affairs of the Ministry of Finance had considered names of certain SC/ST persons for appointment on the Board of Directors but these names were not approved by the Government finally. The Committee were also informed that the Government were considering some names for inclusion in the Board of Directors of the Corporation. During evidence, the Secretary, Ministry of Finance also agreed to the suggestion of the Committee that one SC/ST member should be appointed in the Board of Directors of the Life Insurance Corporation.

The Committee recommend that as a matter of policy at least one person belonging to SC/ST must be appointed on the Board of Directors of Life Insurance Corporation of India with a view to safeguard the interests of SC/ST employees. The Committee are surprised to note that in 1984 names of certain SC/ST persons were considered by the Ministry of Finance for appointment on the Board of Directors but finally no one was appointed by the Government. The Committee firmly believe that with sincere and concerted efforts it should not be difficult to find a suitable nominee from amongst Scheduled Castes/Scheduled Tribes for appointment on the Board of Directors.

The Committee, would, therefore, like the Government to ensure that at least one Director from amongst the Scheduled Castes/Scheduled Tribes is appointed on the Board of Directors of LIC at the earliest opportunity.

## CHAPTER II

### RESERVATIONS

#### A. *Reservation Orders and Issue of Directives*

2.1. The Department of Economic Affairs in the Ministry of Finance have been following strictly the Government of India instructions relating to the implementation of reservation orders for SCs/STs issued by the Ministry of Home Affairs/Ministry of Personnel, Training & Administrative Reforms/Bureau of Public Enterprises etc. from time to time.

2.2. The Committee have been informed in a note that the instructions regarding reservations in the matter of recruitment of SC/ST candidates at 12½% and 5% respectively were issued to all offices of LIC by their Central Office in the year 1965 following advice received to this effect from the Ministry of Finance. The communication from the Ministry was not in the nature of a Directive but was a suggested course of action and was not very strictly complied by the LIC, in 1971 after receiving Cabinet approval, the Home Ministry issued instructions to the Bureau of Public Enterprises which in turn sent out a circular exhorting all public sector undertakings to adopt the Government policy regarding reservations and maintenance of the roster system in recruitment and promotion. The Directive received from Government was, however, not clear on the application of the roster to the Divisions of LIC comprising more than one State. For this reason, clarification was sought on this and similar matters from BPE. The instructions for maintenance of rosters finally came to be issued by the LIC after obtaining the approval of their Services and Budget Committees in the year 1972.

2.3. When the Committee desired to know as to when the LIC received instructions regarding the implementation of reservation orders and the maintenance of rosters etc and when these instructions were issued by them to the various Zonal and Divisional offices of the Corporation, the Chairman, Life Insurance Corporation of India replied during evidence as under :—

“On 7-12-1964 we had received a letter from the Ministry telling us about the reservations that we should have. But it was

indicated that we should give preference to Scheduled Castes and Tribes candidates for the reservations—12½% and 5% respectively. These instructions had been issued by us in January, 1965. This was, I must say, not strictly complied with because, no special efforts were made, but only preference was to be given. In 1971, we received the draft directive from the Government. We have sought clarification you may call it a directive because the terminology used here is "Draft Directive". When we received the clarification, we issued our instructions on 2-9-72. We started implementing it from 1972, because roster points started from 1972 only."

2.4. In this context, another witness informed the Committee that the Question of issuing directives to the public Undertakings was decided in 1968. It was decided that the exact wording of the directive should be framed by the Bureau of Public Enterprises in consultation with the Ministries concerned. The witness stated that the Ministry of Finance received the Presidential Directives from the Bureau of Enterprises in February, 1971. The Ministry then sent these directives to the LIC of India on 9-3-1971 and the Life Insurance Corporation received these directives on 17th March, 1971.

2.5. When asked what action was taken by LIC after they received these instructions, the Chairman, LIC of India informed the Committee during evidence that though the Corporation received these instructions in March, 1971 but some clarifications were made because of overlapping of boundaries of some States and then the detailed instructions were issued to the various offices of the corporation on 2-9-72 laying down the roster forms and the procedure to be followed.

2.6. During evidence the Committee pointed out that the Ministry of Finance received a letter regarding the implementation of reservation orders from the Ministry of Home Affairs in 1964 but the Ministry issued these instructions to LIC in 1972 i.e. after a lapse of about 8 years. The Committee also pointed out that during this period a large number of SC/ST employees in LIC were deprived of the reservation benefits available to them. In this regard the Secretary, Ministry of Finance has stated as under :—

"The 1964 instructions were not clear. In 1968, the Cabinet took a clear decision. Instructions in the nature of a directive

were issued only in 1971 by Government. I think there is a lapse there. I am not defending it. But in 1971, after receiving the directive, LIC took some time. The reference to 1964 is valid. Instructions were sent to BPE by Home Ministry in 1971. On the final Cabinet decision it is the Home Ministry which issued the instructions. After getting clarifications from Government, LIC issued detailed guidelines in 1972. About the lapse occurring between 1964 and 1972, I am not trying to offer an excuse."

2.7. The Committee have been informed during evidence that the LIC received the Presidential Directive regarding implementation of reservation orders in March, 1971 but implemented the same w.e.f. 2-9-72. The Committee pointed out that during this period a large number of SC/ST employees had been deprived of seeking employment and getting promotion in the LIC. The Committee desired to know as to how the LIC of India will clear the backlog of SC/ST vacancies for the aforesaid period.

2.8. In this connection, the Secretary, Ministry of Finance gave an assurance that they will calculate the number of SC/ST vacancies lost during the period from March, 1971 to September, 1972 and will give that number of vacancies to SC/ST as one time measure.

2.9. The Committee further wanted to know who was responsible for not calculating the backlog from March, 1971 to September, 1972 and in not clearing the same. The Secretary, Ministry of Finance stated as under :

"We will ask the LIC to go into that and fix responsibility and take action. Though this happened long back, it is our duty to see that those who are responsible are asked to explain and the action is taken."

2.10. The Committee desired to know whether the SC/ST vacancies lost during the period from March, 1971 to September, 1972 had since been calculated and if so, what was the number of such posts and how these posts were proposed to be filled up. In a subsequent note furnished by the Ministry of Finance (Deptt. of Economic Affairs - Insurance Division) the Committee have been informed in a written note that during the recently held joint discussions between the officials of the LIC and the Ministry of Finance, the methods proposed to be adopted for calculating the shortfall of SC/ST were examined. It was decided in the joint discussion that in

Life Insurance Corporation the shortfall for the years 1971-72, and 1972-73 should be arrived at by applying the percentage reservation of 15% and 7½% respectively for SCs/STs to the total recruitment. From the figures so obtained, the actual number of SC/ST recruited during the said period should be deducted and the residue would constitute the shortfall for which special recruitment would be resorted to. This would be a one time exercise.

2.11. The Committee have further been informed that LIC has calculated the shortfall for the period 1971-72 and 1972-73 which is as under :—

Class of Post	Total Shortfall	
	SC	ST
I	7	4
II	111	57
III	524	366
IV	—	57

2.12. It has also been stated in the note that LIC has apportioned the aforesaid shortfall to its five zones and has instructed each Zonal Office to undertake special recruitment exercises to fill up the shortfall of SC/ST in each category of posts in their respective Zones.

2.13. The Committee have been informed in a note that the present percentages of the reservations made in favour of the SC/ST in respect of posts filled by direct recruitment on all India basis and posts filled by promotions are as follows :—

(i) Posts filled by direct recruitment :

	Percentage of reservation	
	SC-	ST
By open competition	15%	7½% As per 40 point Roster.

Direct Recruitment to Group B, C & D (Class II, Class III & IV) posts normally attracting candidates from a locality or a region.

As per the 100 point roster (in proportion to the population of SC/ST in the respective States/Territories).

<i>(ii) Posts filled by promotion :</i>	SC	ST
(a) Through limited departmental competitive examination, in Groups C and D (Class III, IV) in Grades or Services in which the element of direct recruitment, if any, does not exceed 66 $\frac{2}{3}$ %.	15%	7 $\frac{1}{2}$ %
(b) By selection from Group B (Class II) to the lowest rung or category in Group A (Class I) and in Groups B, C and D (Class II, III, IV) posts, in grades or services in which the element of direct recruitment, if any, does not exceed 66 $\frac{2}{3}$ %.	15%	7 $\frac{1}{2}$ %

2.14. As regards the categories of posts which have been exempted from the purview of the reservation orders in the LIC of India, the Committee have been informed in a written reply that in case of promotion within Class I posts i. e. above the Cadre of A.A.O. reservation orders are not applicable in the Corporation. The scales of pay of Class I posts which have been exempted from the purview of reservation orders are as under :

- |   |   |
|---|---|
| 1. (i) Zonal Managers/Chiefs of Department at Central Office  | (a) <i>Ordinary Scale</i><br>Rs. 3725-125-4350  |
| (ii) Chief Engineer/ Chief Architect  | (b) <i>Selection Scale</i><br>Rs. 4100-125-4600 |
| 2. (i) Deputy Zonal Manager/ Senior Divisional Managers and Secretaries/ Actuaries/Accountants at Central Office  | Rs. 3245-110-3685<br>115-3800                   |
| (ii) Deputy Chief Engineers/ Deputy Chief Architects  |   |
| 3. (i) Divisional Managers and Secretaries/Actuaries/Accountants at the Zonal Offices/Deputy Secretaries (A & I)/ Deputy Secretaries/ Deputy Accountants at the Central office. | Rs. 2715-105-3450                               |
| (ii) Superintending Engineers/Senior Surveyors of Works/Senior Architects.  |   |
| 4. (i) Assistant Divisional Managers/Senior Branch Managers and Assistant Secretaries/Assistant Actuaries/Assistant Accountants at the Central Office and Zonal Office.         | Rs. 2250-100-3250                               |



(ii) Executive Engineers/ Surveyors of Works/ Deputy Senior Archi- tects.	}	
5. (i) Branch Managers/Admini- strative Officers.	}	Rs. 1625,100-2925
(ii) Assistant Executive Engineers/Assistant sur- veyors of Works/Archi- tects.	}	

2.15. The Committee have further been informed that there are no posts in the LIC of India to which reservation orders have not been made applicable on account of any agreement or understanding with the Employees Unions or any other reasons.

2.16. The committee note that the LIC received the Presidential Directives regarding implementation of reservation orders in March, 1971 but these orders were made applicable w.e.f. 2 September, 1972. The Committee wanted to know who was responsible for not calculating the backlog from March, 1971 to September, 1972, and in not clearing the same. To this, the Secretary, Ministry of Finance stated during evidence, "We will ask the LIC to go into that and fix responsibility and take action." The Committee feel that the delay of nearly 1½ years in implementing the reservation orders by the Life Insurance Corporation of India after the receipt of the Presidential Directives has deprived many SC/ST employees of their due opportunity of getting service/promotion in the Corporation. The Committee recommend that as per the assurance given by the Secretary, Ministry of Finance during evidence, responsibility should be fixed on the defaulting officers and action taken against those who were responsible for delaying the implementation of reservation orders both for recruitment and promotion in LIC.

2.17 The Committee note that the Secretary, Ministry of Finance gave an assurance during evidence that they will calculate the number of SC/ST vacancies which were lost during the period from March, 1971 to September, 1972 during which period presidential Directives regarding reservation orders were not implemented and will give that number of vacancies to Scheduled Castes/Scheduled Tribes as one time measure. The Committee have been informed in a subsequent note furnished by the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) that the number of the afore said SC/ST vacancies to be filled have already been calculated on the

basis of 15% reservation for Scheduled Castes and 7½% for Scheduled Tribes to the total recruitment made during that period. It has also been stated that the net shortfall of SC/ST vacancies for the period 1971-72 and 1972-73 after deducting the number of SC/ST persons recruited during this period is as under :

Class of Post	Total Shortfall	
	SC	ST
I	7	4
II	111	57
III	524	366
IV	—	57

The Committee have further been informed that the LIC has now apportioned this shortfall to all its Zonal Offices and each Zonal Office has been instructed to hold special recruitment to fill up the shortfall of SCs/STs in each category of posts in their respective Zones.

The Committee recommend that the Corporation should take immediate measures to ensure that its Zonal Offices fill up these vacancies immediately by making special recruitment. The outcome of the measures taken to fill up these vacancies including special recruitment by each Zonal Office of the Corporation may be intimated to the Committee.

#### B. *Liaison officer and Cell*

2.18. In a note submitted by the Ministry of Finance Deptt. of Economic Affairs—Insurance Division) the Committee have been informed that a reservation cell has been set up in the life Insurance Corporation of India to look after the interests of SC/ST employees. Similarly, these Cells have also been set up in all the five Zonal Offices of the life Insurance Corporation.

2.19. The reservation Cell working in the LIC is performing all the functions related to the matters concerning Scheduled Castes and Scheduled Tribes. The main functions of this Cell are as under :—

- (i) To ensure due compliance of orders of reservation issued from time to time in favour of SCs and STs ;

- (ii) To ensure prompt disposal of the grievances of SC/ST employees ;
- (iii) To scrutinise and consolidate statewide data in respect of all offices under their control in the prescribed proforma circulated by the Government from time to time :
- (iv) To assist the Liaison Officer to discharge his duties effectively.

2.20 Regarding the number of persons working in the reservation Cell in the Central Office of the Corporation, the Committee have been informed that at present the Cell consists of 4 persons. There is one Assistant Administrative Officer, one Higher Grade Assistant (HGA), one Record Clerk and one Typist in the Cell. The Assistant Administrative Officer (AA/O) working in this Cell belongs to Scheduled Caste.

2.21 Each of the cells functioning in the Western Zonal office and the Southern Zonal office of the Corporation is manned by one officer of the rank of AAO and one Higher Grade Asstt. The AAO working in the Western Zonal office belongs to the Scheduled Caste Community.

2.22 The Eastern Zonal office of the Corporation consists of one AAO, two H.G.As and one Assistant. Out of them one H.G.A. belongs to Scheduled Caste.

2.23. In so far as the composition of the Cells in the Northern Zonal office and Central Zonal office of the Corporation is concerned, the Committee have been informed that each of these cells are manned by one A.A.O., one H.G.A. and one Record Clerk. The A.A.O. working in the Central Zonal office of the Corporation belongs to Scheduled Caste.

2.24 In reply to a question, the Committee have been informed that Liaison officers have been appointed both in the Central office as well as in the Zonal office of the Corporation.

2.25 The Liason officer appointed to look after the reservation work in the LIC is responsible for :

- (i) Ensuring due compliance by the appointing authorities of 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) Submission of the Statement showing the total number of employees and the number of Scheduled Castes and Scheduled Tribes amongst them and the statement showing the number of reserved vacancies filled by members Scheduled Castes/- Scheduled Tribes in L.I.C. of India by each appointing authority in the Corporation;
- (iii) Scrutinising and consolidating the above annual statements;
- (iv) Issuing a certificate to the effect that the proposal for dereservation has been made with his full knowledge and concurrence;
- (v) 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 and in the collection of information for his annual report.
- (vi) Conducting annual inspection of the rosters maintained in all the Offices under the control of the office to which the Liaison Officer belongs with a view to ensure proper implementation of the reservation orders.
- (vii) Supplying other information, answering questions and queries and clearing doubts in regard to the matter by reservation orders;
- (viii) Attending to the grievances of SC/ST employees.

2.26 When asked how many times the Liaison Officers in the LIC met during the last 3 years to discuss the matters of common interest, the Committee have been informed that no formal meeting of the Liaison Officers has been convened at the Central Office of the Corporation. However, when the Zonal Liaison Officer visits Central Office and the Divisional Offices, all problems relating to SC/ST are discussed by him with his counterparts in these offices.

2.27 Regarding the periodical meetings of the Liaison officers, the Chairman, LIC informed the Committee during evidence as under:—

"In the past no formal meetings of the Liaison Officers have taken place but in the future we will ensure that formal meetings of the liaison officers take place."

2.28 In this context, the Secretary, Ministry of Finance has stated as under :—

“I think that this is a point on which we have periodical meetings. This is the statutory responsibility that once in a quarter, The General Management should have a meeting to review and work.”

2.29 The Committee have been informed in a written note as under :  
 “In the Insurance Division, there a separate section viz. Insurance V. which is responsible *inter-alia* for watching the implementation of Government of India orders regarding reservations for and employment of Scheduled Castes and Scheduled Tribes in the LIC.”

2.30 During evidence, the Committee enquired about the staff strength of the Section looking after the implementation of reservation orders in the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division). They also enquired whether some other duties had also been assigned to this section. In this context, the Secretary Ministry of Finance explained the position as under :—

“ This section has got one Section officer, one dealing Assistant, one UDC, one LDC and one peon. The Section does handle other duties also, for example, official language and personnel matter of GIC. Because of the shortage of staff, it does handle other functions. If there are instructions that there should be separate staff only for watching reservation, the same will be examined.”

2.31 In reply to a question whether one SC or ST officer had been included in the reservation Section, the representatives of the ministry of Finance informed the Committee that until recently one Under Secretary was in-charge of this Section who belonged to the reserved community. But now a Deputy Secretary who also belongs to the reserved community has been entrusted to look after the reservation work.

2.32 When asked whether a separate cell had been set up in the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) to look after the reservation work, the Secretary, Ministry of Finance has stated that at present no such Cell existed in the Ministry. The Secretary has further stated as under :—

"We should have a separate section fully devoted to that. We are under the impression that LIC should have the strength. We will have to recruit a separate section."

2.33 When the Committee wanted to know why no separate cell had been set up in the Ministry of Finance when there were clear instructions of the Government in this regard, the Secretary, Ministry of Finance has stated as under :—

"There is no separate section. We plead guilty. That is all I can say."

2.34 The witness gave an assurance to the Committee that if the instructions provides for creating a separate cell to look after the implementation of reservation orders then a Cell will be set up in the Ministry of Finance also.

2.35 When the Committee desired to know from which date the Government of India instructions regarding the creation of a separate Cell would be implemented by the Ministry of Finance, the Secretary of the Ministry has stated as under :

"In the Banking Division, there is separate cell. We have to review the position in the regard to the Insurance Division. I have to verify the position. I admit that I have not verified the position."

The Secretary, Ministry of Finance further added :

"We will have to consult the Cabinet because for every post we will have to go to the Cabinet. We will go to the Cabinet get it cleared. I am now taking this decision because of your instructions. We did not interpret it previously as "exclusive" job. We will have to take orders. There is a shortage of staff because we have been asked to cut 10% of the staff."

2.36. The Secretary has given the following assurance to the Committee during evidence :

"The proposal will go tomorrow. I think, you will kindly leave me the discretion of how many people that we should have. We may not require all the people. This is a matter of internal management."

2.37 In a subsequent note furnished to the Committee, the Ministry of Finance (Deptt. of Economic Affairs -Insurance Division) have informed that the process of setting up a separate cell in the Insurance Division to look after the implementation of reservation orders relating to SCs/STs in the Insurance industry has already been set in motion. Since this involves creation of additional posts, consultations are being initiated with the concerned Departments. It has been stated that it is not possible to indicate the exact date when the cell will start functioning. The rank of the Liaison Officer to be Incharge of this Cell will be that of a Deputy Secretary.

2.38 The Committee are surprised to note that during the last 3 years the Liaison Officers of the Central Office, Bombay and those of the five Zonal Offices of the LIC had not held even a single meeting to discuss the matters of common interest on reservations like interpretation of reservation rules and the problems concerning implementation of the reservation orders. Even no formal meeting of the Liaison Officers has ever been convened by the Central Office of the Corporation to discuss the problems relating to Scheduled Castes and Scheduled Tribes.

The Committee, therefore, recommend that the Liaison Officers of the various offices of the LIC should hold meetings frequently and at least once in six months to discuss the matters of common interest relating to the implementation of the policy of reservation.

2.39 The Committee note that in the Insurance Division of the Ministry of Finance, Deptt. Of Economic Affairs, there is a separate section which is responsible *inter-alia* for watching the implementation of Government of India orders regarding reservations for, and employment of, Scheduled Castes and Scheduled Tribes in the LIC.

In reply to the question why no separate Cell had been set up in the Ministry of Finance when there were clear instructions of the Government in this regard, the Secretary, Ministry of Finance conceded during official evidence that "there is no separate section. We plead guilty." He further stated that in this regard he will have to consult the Cabinet, as no post can be created unless the proposal therefor is cleared by the Cabinet. He assured the Committee to send the proposal for creation of the posts to set up a separate cell to the Cabinet on the following day. The Committee hope that the Ministry of Finance must have got cleared the proposal for creation of posts for the cell from the Cabinet now. The Committee earnestly feel that

the interests of SC/ST employees of the Corporation can better be safeguarded only when a separate cell is set up in the Ministry.

The Committee, therefore, recommend that a separate cell under the charge of a Deputy Secretary preferably belonging to SC/ST should be set up in the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) as early as possible to ensure due compliance of the orders of reservation for SC/ST issued from time to time and to look into the grievances of SC/ST in the Life Insurance Corporation of India. The aforesaid cell may be carved out from among the existing staff without putting it off on the plea of creating new posts.



## CHAPTER III

### RECRUITMENT AND PROMOTIONS

#### A. *Recruitment Procedure*

3.1. About the procedure followed for recruitment of personnel in various categories of posts in the Life Insurance Corporation of India, the Committee have been informed as under :—

“Recruitment to the lowest rung of class I posts (AAO) is made on all India basis and is undertaken at the Central Office, Bombay. Recruitment to class II posts (Apprentice Development Officers) is done at the Divisional level. Recruitment to Class III and IV posts is done at the Divisional level. The procedure for recruitment to all these posts is as follows :

- (1) Determination of the number of vacancies in each cadre;
- (2) Inviting applications through Advertisement in the newspapers and through Employment Exchanges. Where the recruitment is of All India nature (such as recruitment of Assistant Administrative Officers), advertisements are given in papers having All India circulation. Where the number of vacancies is very small, the recruitment is made by inviting applications through Employment Exchanges only.
- (3) A written pre-recruitment test is conducted and the candidates who are successful in the written test are called for an interview.
- (4) The Candidates, after qualifying in the interview are required to undergo medical examination. The selected candidates who are found medically fit, are appointed to the respective posts.
- (5) In Class IV, only for the post of Peons, a test in the regional language is held followed by the interview and medical examination. For other posts, in Class IV, only interview and medical examination are held to select suitable

candidates. If a round of recruitment does not yield sufficient number of SC/ST candidates to fill the reserved vacancies, a special recruitment drive is conducted for SC/ST candidates exclusively”.

3.2. In reply to a question whether the appointing authorities indicated the precise reasons for the rejection of the Scheduled Caste and Scheduled Tribe candidates to the Employment Exchanges so as to facilitate the latter in sponsoring the right type of candidates belonging to these communities, the Committee have been informed that this was not being done in the LIC.

3.3. When a similar question was asked by the Committee during evidence, the Chairman, LIC of India stated as under :—

“My reply initially is ‘No’ and I will give you the reasons. The eligibility conditions for recruitment are communicated to the Employment Exchanges. For these candidates we give 10 per cent weightage also, that is to say, the eligibility conditions or standards are lowered than that of the general candidates. Interviews are also held separately. Now, we can communicate to the candidates, as to how many of them did not qualify in the written test, the number of candidates who could not qualify in the interview and the total number of people who could not qualify and so on. This might help in improving their sponsorship of the candidates. But we have so far not done it but I do understand that this is the desire of the Committee. We shall do it.”

3.4. In this context, the Secretary, Ministry of Finance has stated as under :—

“The point you have made is correct. These instructions have to be issued to all the undertakings, so that whenever they reject SC/ST candidates, they state the reasons, and inform the Employment Exchanges, so that the latter take action accordingly. I think Home Ministry also should be informed. We should tell the Labour Ministry as well, because normally they are rejecting people in a routine manner. Many people come for these jobs, but in the case of SC and ST candidates, we should pinpoint their deficiencies, so that they may come back, after correcting them.”

3.5 The Committee have been informed in a note furnished by the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) that LIC have instructed their recruiting offices to undertake an analysis of the reasons for the rejection of SC/ST candidates pinpointing the deficiencies noted in them and to keep the sponsoring employment exchanges apprised in this regard so as to enable them to sponsor the right type of candidates for vacancies to be filled in later:

3.6. The Committee pointed out that in Life Insurance Corporation of India the appointment/interview letters issued to the candidates were not sent by registered post. The Committee wanted to know as to how it was ensured that all candidates received these letters in time and no such letter was lost in transit. In this connection, the Ministry of Finance (Deptt. of Economic Affairs) have informed that for recruitment to Class I cadre, interview letters are posted under certificate of posting. Appointment letters are sent by registered post.

However, for recruitment to other categories, initially, the letters for interview/appointment are sent by ordinary post. In case of non-response from SC/ST candidates, to such letters, then, letters are sent by Registered Post.

3.7. About sending the interview/appointment letters by registered post, the Chairman, Life Insurance Corporation of India has informed the Committee during evidence that the Corporation has now decided to send these letters to the candidates, by registered post. In this context, the Secretary, Ministry of Finance has stated as under :—

“It is because some cost of postage is involved that we are not doing it. Now for all candidates, we will do it.”

3.8. The Committee pointed out that out of 150 candidates to whom appointment letters were sent by LIC only 130 candidates joined the services of the Corporation and the remaining candidates may not have received the appointment letters. The Committee enquired whether the Corporation tried to ascertain the reasons as to why the remaining 20 candidates did not join the service. The Chairman, LIC has stated in this regard that the reason for not joining the service may be because either the post may not be suitable for them or they may have got some other job elsewhere.

3.9. The Committee suggested that all interview/appointment letters should be sent to the general candidates as well as the SC/ST candidates by registered post only.

3.10. It has been stated in a subsequent note furnished to the Committee that all the recruiting offices have been directed to send letters of interview/appointment for all posts by registered mail to all the candidates including Scheduled Castes and Scheduled Tribes.

3.11. When asked what was the minimum period of notice given to the Scheduled Caste/Scheduled Tribe candidates for appearing in an interview as well as for joining the assignment after selection, the Committee have been informed that normally, for recruitment to Class III and IV cadres, a minimum period of 15 days notice is given from the date of receipt of call letter for interview/appointment. For recruitment to Class I (AAO), the period of notice varies from 15 to 30 days or sometime even more if requests are made by the selected candidates to extend the period for joining the service. If the request is made for postponement of interview, such requests are granted provided it fits in with the subsequent dates of interview and a candidate is interviewed accordingly.

3.12. Regarding holding of separate interview of SC/ST candidates, the Committee have been informed that Scheduled Caste and Scheduled Tribe candidates are interviewed on separate dates and in separate blocks, i. e. other than the day on which general candidates are interviewed.

3.13. However, in reply to another question the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) informed the Committee subsequently as follow :-

“SC/ST candidates are interviewed separately either at the beginning or at the end of the programme for interview. If the number of SC/ST candidates to be interviewed is large, separate day for interview is fixed.”

3.14. In this connection, the Committee asked the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) during evidence to reconcile both the aforesaid replies which were contradictory in nature. The Secretary, Ministry of Finance gave the following assurance to the Committee :

“We will have it on a separate day. The spirit of the instructions is that we should have a sitting on a separate day. We will follow it.”

3.15. The Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) informed the Committee in a note subsequently that by way of implementation of the above assurance given to the Committee, the LIC have issued orders that interviews for SC/ST candidates, both in the matter of recruitment as well as promotion must be held on separate days i.e. on days other than those during which general candidates are interviewed for recruitment/promotion.

3.16. The following statement showing the total number of candidates recruited during 1-4-1971 to 31-3-1972 and 1-4-1972 to 31-3-1973 and the number of SC/ST candidates among them has been furnished to the Committee :

Class of post	1-4-1971 to 31-3-1972			1-4-1972 to 31-3-1973		
	Total appointment	SC appointment	ST appointment	Total appointment	SC appointment	ST appointment
Class I.	48	—	—	—	—	—
Class II	521	4	—	246	—	—
Class III	2494	127	6	2611	115	11
Class IV	500	89	11	658	130	19

3.17 When asked to state the number of Sportsman/women who were given preference in recruitment in LIC in each category of post during each of the last 3 years and the number of SC/ST among them, the following information has been furnished to the Committee :—

<i>Year</i>	<i>SC</i>	<i>ST</i>
1983-84	—	—
1984-85	1	—
1985-86	—	—

3.18 The Chairman, LIC of India has informed the Committee during evidence that there is no set procedure in the Corporation for recruiting casual labour. It has been stated that these casual labourers are recruited in case of emergency. Any person who is found suitable is recruited as a casual labour. If necessary, the same person can be appointed again as a casual labour. The LIC do not maintain any panel of the casual labourers. The Committee have been informed that the casual labourers are appointed for a period of 45 days or more. According to a decision given by the Industrial Tribunal if a casual labour works for more than 89 days then his services are to be regularised. The Committee have been informed that some SC/ST persons were also appointed against the temporary posts. However, the practice of recruiting casual labour in LIC was stopped in 1979.

3.19 The Committee inquired regarding the total number of persons recruited on temporary basis for a period of 45 days and those whose services were regularised after a period of 89 days from 1972 to 1979 and the number of SC/ST appointed in each year in the Corporation. The Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have stated that the statistics in this regard have not been maintained by the offices of the LIC.

3.20 As regards the procedure followed in regard to the Confirmation of employees in the LIC, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee that staff regulations of LIC stipulate that an employee promoted to a higher cadre is treated on probation in that higher post for a period of one year in the case of promotions to posts belonging to Class I and II and 6 months in other cases provided, however, that the competent authority may in its discretion

extend the period of probation, but in no case the total period of probation exceed :—

- |  |              |
|--|--------------|
| (i) in the case of promotion to posts belonging to Classes I and II. | ... 2 years. |
| (ii) in other cases.   | ... 1 year.  |

3.21 When asked how much time was normally taken in the confirmation of employees, the Committee have been informed that confirmation depends upon satisfactory performance as reflected in periodical Confidential Reports obtained during the probationary period and specific recommendations of the reporting and reviewing authorities.

3.22 Regarding the normal time taken in LIC for the confirmation of employees, the Chairman of the Corporation has informed the Committee as under :—

“In the case of Class I officers, the probationary period is one year. If the reports are not satisfactory, the probationary period can be extended by another six months or one year or to a maximum of two years. After two years, either the man gets confirmed in that cadre or goes back. In the case of class III, the probationary period is six months. If it is found that his work record is not alright, his probationary period is extended to one year. After one year, a positive decision is taken whether he continues in the promotion cadre or goes back.”

He further added :—

“There are different authorities laid down who are the appointing authorities. Those office bearers who are designated as the appointing authorities only can confirm them. These cases go to the respective authorities.”

3.23 The Committee have been informed that the Life Insurance Corporation of India is implementing orders of the Government of India [Ministry of Home Affairs O. M. No. 1/1/70 Estt. (SCT) dated 31-7-70] in regard to exchange of vacancies between SC/ST in the last year to which the reserved vacancies are carried forward.

3.24 In reply to a question as to how many Scheduled Caste candidates were appointed in vacancies reserved for Scheduled Tribes and vice-versa during the years 1983, 1984 and 1985, the following information has been furnished to the Committee :—



	ST candidates appointed against SC vacancies.	SC candidates appointed against ST vacancies
1983-84	10	25
1984-85	13	9
1985-86	1	23

3.25 In reply to a question whether there was any agreement between the Management of the Life Insurance Corporation of India and the employees associations unions in regard to recruitment/promotions etc. and, if so, whether it affected the implementation of reservation orders or otherwise affected the interests of SC/ST employees of the Corporation, the Committee have been informed that the Corporation does not enter into any agreement with any of the Unions/Associations in the matter of recruitment or promotions.

3.26 In so far as the special recruitment is concerned, the following statement indicating the number of special recruitments made for Scheduled Castes and Scheduled Tribes in the LIC and the number of posts filled on the basis of such recruitments during 1983-84, 1984-85 and 1985-86 has been furnished to the Committee :—

Class	1983-84		1984-85		1985-86	
	No. of special recruitments made	No. of posts filled	No. of special recruitments made	No. of posts filled	No. of special recruitments made	No. of posts filled
Class I	Nil	Nil	Nil	Nil	Nil	Nil
Class II	8	31	2	Nil	10	81
Class III	18	138	23	178	33	240
Class IV	1	9	2	2	7	19

3.27 Regarding the immediate and effective steps taken by the Ministry of Finance to augment the representation of Scheduled Castes and Scheduled Tribes in the services of Life Insurance Corporation of India according to the quotas reserved for them in various categories of posts, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee in a note as follows :—

“The following steps have been taken by the Insurance Division to augment the representation of Scheduled Castes and Scheduled Tribes in the services of the LIC according to the quotas reserved for them in various categories of posts, namely :

- (i) All policy circulars regarding implementation of reservation received from Ministry of Home Affairs etc. are circulated to the LIC for speedy implementation. The LIC are asked to acknowledge receipt of these instructions.
- (ii) The LIC are sending periodical statements regarding the recruitment and reservations for SCs/STs in their offices.
- (iii) The representations received from the SC/ST employees, their associations or the Honourable Members of Parliament are examined expeditiously by this Division and wherever necessary, LIC is directed to take the remedial action.
- (iv) A representative of the Insurance Division is generally present during the course of visits of the Parliamentary Committee on the Welfare of SCs/STs to the various Offices of the LIC to ascertain the position of reservations.
- (v) The Life Insurance Corporation of India have been asked to appoint Liaison Officers of a high level in all the Zonal Offices whenever this was not done by them earlier. This is being done to enable the Insurance Division to keep a close watch for proper implementation of the Government orders in the matter.
- (vi) Instructions have been issued to LIC to include an officer from SC/ST category in all the DPCs and Selection Committees constituted/proposed to be constituted, while processing any recruitments/interviews etc.”

3.28 In this connection, the Additional Secretary, Ministry of Finance informed the Committee during evidence as under :—

“In addition to the steps that have earlier been indicated, we have now drawn up a complete programme of different divisional offices and zonal offices of LIC who will go and check the roster maintenance and compliance of instructions on a periodic basis; and whatever defects will come to our notice will be pointed out to the management for rectification. This programme will start from the second half of the December and this will be on a continuing basis.”

3.29 The Committee note that the appointing authorities in Life Insurance Corporation of India do not indicate the precise reasons for the rejection of SC/ST candidates to the Employment Exchange which could facilitate the latter in sponsoring in future the right type of candidates belonging to these communities. During evidence, the Chairman, LIC expressed certain difficulties in giving the reasons for the rejection of SC/ST candidates to the Employment Exchanges. However, the Committee have been informed subsequently that the LIC have now issued instructions to their recruiting offices to undertake an analysis of the reasons of the rejection of SC/ST candidates pinpointing the deficiencies noted in them and to keep the sponsoring Employment Exchanges apprised in this regard so as to enable them to sponsor the right type of candidates for the vacancies which are to be filled in future.

The Committee hope that in future the recruiting offices in the Life Insurance Corporation of India will strictly adhere to the instructions issued by Central office of the Corporation and the appointing authorities will invariably convey to Employment Exchanges the precise reasons for the rejection of Scheduled Castes/Scheduled Tribe candidates so as to enable them to sponsor for future vacancies right type of candidates from these communities.

3.30 The Secretary, Ministry of Finance assured the Committee during evidence that the Ministry of Finance will issue instructions to all the Public Undertakings under its control that whenever the appointing authorities reject the SC/ST candidates they should convey reasons for rejection of these candidates to the Employment Exchanges so that the latter may sponsor for future vacancies the right type of SC/ST candidates.

The Committee, recommend that as promised by the Secretary, during evidence the Ministry of Finance should issue, if not already done the aforesaid instructions immediately to all the public undertakings under its control and furnish a copy thereof to the Committee.

3.31 The Committee are unhappy to note that in Life Insurance Corporation of India the appointment/interview letters issued to the candidates were not sent by registered post due to which receipt of letters in time by all the candidates could not be ensured. There was also possibility of some of the letters being lost in transit resulting in the loss of opportunity to many deserving SC/ST candidates to get the employment for no fault on their part. The Ministry of Finance (Department of Economic Affairs—Insurance Division) have informed the Committee in a subsequent note that all the recruiting offices of the Corporation have since been directed to send letters of appointment/interview for all posts by registered mail to all the candidates including the Scheduled Caste/Scheduled Tribe candidates. The Committee hope that in future all the recruiting offices of the Corporation will strictly adhere to the instructions issued to them in this regard and all appointment/interview letters would be sent to the Scheduled Caste/Scheduled Tribe candidates only by registered post.

3.32. Secretary, Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) assured the Committee during evidence that in future in LIC, SC/ST candidates will be interviewed on separate dates and in separate blocks, i.e. on a day other than the day on which general candidates are interviewed. The Committee have also been informed that by way of implementation of the aforesaid assurance given to the Committee the LIC have already issued orders that interviews of SC/ST candidates, both in the matter of recruitment as well as promotion must be held on separate days (and not mere by separate sittings) i.e. on days other than those during which general candidates are interviewed for recruitment/promotion.

The Committee trust that as per the assurance given to the Committee the SC/ST candidates in the Life Insurance Corporation of India will invariably be interviewed on separate dates and in separate blocks i.e. on a day other than the day on which general candidates are interviewed so that interviewing body is prominently aware of the need for judging the SC/ST candidates by relaxed standards.

#### *B. Recruitment Boards/Departmental Promotion Committees*

3.33 The Committee has been informed that the Composition of the Recruitment Boards/Departmental Promotion Committees in Life Insurance Corporation of India has been provided in Regulation 7(ii) of LIC

Staff Regulations, 1960. According to this Regulations, in making selection and promotion, the appointing authority assisted by the Committees prescribed herein below :

(i) *Posts belonging to Class I :*

- (a) Posts in the cadre of Zonal Managers and above or equivalent cadres—Executive Committee.
- (b) Posts in the cadres of Deputy Zonal Manager/Sr. Divisional Manager, Divisional Manager and equivalent cadres—Chairman and three Officers not below the rank of Zonal Manager.
- (c) Posts in the cadres of Assistant Divisional Manager/Sr. Branch Manager and equivalent cadres—Managing Director and three Officers not below the rank of Zonal Manager.
- (d) Posts in the cadres of Administrative Officer/Branch Manager and equivalent cadres—Three Officers not below the rank of Zonal Manager.
- (e) Other posts in Class I—One Officer not below the rank of Dy-Zonal Manager and two Officers not below the rank of Divisional Manager—at least one of whom will be from the Central Office. But in case of A.A.O's cadre which is the lowest Officer's cadre in the hierarchy, Chairman constitutes a Committee of experts like retired Executives, retired IAS Officers etc. One SC/ST member is also included in the Committee drawn from retired IAS cadre or Senior Government Officials, retired or existing if available.

(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 Offices.

(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) Post in Class IV .**

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

3.34 In reply to a question the Committee have been informed that one SC/ST is included in all Recruitment Boards/Departmental Promotion Committees. It has been stated that instructions have been issued to all the offices of LIC to ensure that a SC/ST Officer of the requisite rank must be included in all such Recruitment Boards/DPCs by recruiting/promoting authorities to posts to which reservation apply.

3.35 In response to a specific query regarding inclusion of one SC/ST officer in all Interview Committee/Recruitment Boards, the Ministry of Finance (Department of Economic Affairs—Insurance Division) have informed the Committee in a note that they had issued a directive to LIC in May, 1986 requiring them to include the SC/ST member in all Interview Boards whether SC/ST candidates are interviewed or not.

3.36 In this connection, when the Committee asked during evidence whether one member from SC/ST Community was included in the interview Board while interviewing the SC/ST candidates, the Chairman Life Insurance Corporation of India replied in the affirmative. He informed the Committee that earlier the SC/ST member was included only at the time of interviewing the candidates belonging to the reserved communities but from February, 1986 onwards the Corporation has started having one SC/ST member in the interview Board even when the general category candidates are interviewed.

3.37 The Ministry of Finance (Department of Economic Affairs—Insurance Division) have further intimated the Committee that on 20th

February, 1986 the Central Office of the LIC issued a circular containing the instructions issued to all Zonal and Divisional Offices of LIC to ensure that one SC/ST officer of the requisite rank must be included in all the Recruitment Boards/Departmental Promotion Committees.

When asked how many sittings of DPC were held during the last 3 years and in how many such sittings a SC/ST officer was associated with the DPC and what was his rank; the Committee have been informed in a note that one sitting of DPC for each category of employees is generally held annually and a member from the SC/ST of the appropriate rank according to the promotion regulations is co-opted in the Committee.

3.38 The Committee note that in Life Insurance Corporation of India one person belonging to Scheduled Caste/Scheduled Tribe is invariably included in all Recruitment Boards/Departmental Promotion Committees. The Chairman, LIC of India informed the Committee during evidence that earlier such SC/ST member was included only at the time of interviewing the candidates belonging to the reserved communities but from February, 1986 onward the Corporation has started having one SC/ST member in the interview Board even when only the general category candidates are interviewed.

The Committee need hardly emphasise that the LIC should strictly adhere to the directive issued by the Ministry of Finance and ensure that at least one person belonging to Scheduled Caste/Scheduled Tribe is always included in all Recruitment Boards/Departmental Promotion Committees in their Central/Zonal and Divisional offices, irrespective of the fact whether they are interviewing SC/ST candidates or general candidates so as to ensure that SC/ST candidates are judged by relaxed standards and not by the standards by which the general candidates are judged.

#### *C. Concessions/Relaxations*

3.39 In a note furnished by the Ministry of Finance (Department of Economic Affairs—Insurance Division) it has been stated that the following concessions/relaxations are provided to the SC/ST Candidates by the Life Insurance Corporation of India at the time of recruitment :—

- |                             |   |
|-----------------------------|---|
| (1) <i>Age limit :</i>      | Relaxation in upper age limit by 5 years. |
| (2) <i>Application fees</i> | No application fees for SC/ST candidates. |



(3) *Relaxation of experience/Qualification :*

Relaxation of 10 percent marks on each of the three counts of eligibility, viz., educational qualifications, pre-recruitment test and interview. While minimum percentage of marks are fixed for being eligible to apply say, 50% in Graduation post graduation for general Candidates only pass Class is allowed for SC/ST.

(4) For recruitment to Class I in AAO's cadre, a mere pass in Graduation/Post Graduation is sufficient for SC/ST candidates to be considered eligible to apply.

(5) *Number of candidates to be called for the pre-recruitment test/interview in relation to the vacancies :—*

All eligible SC/ST candidates as per the relaxed standards are called for interview/test. In case of general category candidates, only limited number as decided by the competent authority (say 10 times the number of vacancies for test and five times the number of vacancies for interview), are called.

(6) *T. A For SC/ST Candidates :* All SC/ST candidates called for interview are paid Second Class Railway fare for to and fro journey provided the place of interview falls outside the candidates' headquarters.

3.40 In reply to a question what concessions/relaxations were given to Scheduled Castes/Scheduled Tribes while considering them for promotion, the Committee have been informed that all eligible SC/ST employees as per relaxed standards are called for interview. In case of general category candidates, only five times the number of vacancies are called for interview. The minimum marks prescribed for a pass in the Departmental Test in respect of SC/ST candidates is 40 marks in a Section/Paper as against the 50 marks for general category candidates.

3.41 The Committee have also been informed that for the purpose of selection of SC/ST candidates, a separate panel of eligible SC/ST candidates is prepared on the basis of marks obtained for qualifications, seniority, and work record. Thereafter, candidates in this panel are interviewed separately. On the basis of the marks obtained by the

SC/ST candidates the qualifications, seniority, work record and interview, the promotion Committee prepares a select list for those who have secured not less than 47 marks on the aforesaid four counts, or not less than the aggregate marks gained by the last candidate selected in the general category if his marks are less than 47, without insisting on any minimum marks under any of selection including interview. However, the candidate's work record must not be below average.

3.42 The Committee note that in Life Insurance Corporation of India Scheduled Caste/Scheduled Tribe candidates are given certain concessions/relaxations both in case of direct recruitment and promotions. These concessions/relaxations include relaxation in age and qualification, assessment with relaxed standards and payment of second Class railway return fare whenever they come for written test/interview. The Committee have no doubt that if these concessions/relaxations are implemented by the LIC both in letter and spirit a good number of Scheduled Caste and Scheduled Tribe Candidates would be available for the reserved vacancies.

#### *D. Employment Notices/Advertisements*

3.43 The Committee have been informed in a note furnished by the Ministry of Finance (Department of Economic Affairs-Insurance Division) that the LIC invites applications for filling up the vacancies in its various categories of posts (i) through Employment Exchanges and (ii) through advertisements in newspapers on all India level. It has been stated that all reserved vacancies including the carried forward vacancies are notified in the advertisement. If the response to the first notification/advertisement was inadequate from the SC/ST candidates, the Corporation makes a fresh reference to the Employment Exchange and the recognised Associations for the welfare of SC/ST. Besides, if the number of carry forward vacancies is large or if it is more than 20 in the case of recruitment of Assistant Administrative Officers cadre, a fresh advertisement is made exclusively for SC/ST candidates.

It has been stated that in computing the number of Vacancies reserved for Scheduled Castes and Scheduled Tribes both the current as well as carry forward vacancies are taken into account.

3.44. The Committee have been informed that normally all the reserved posts are advertised through Newspapers and the concerned Employ-

ment Exchanges and the number of reserved vacancies so notified includes the carried forward SC/ST vacancies from the previous recruitment years.

3.45. It has been stated that the exact number of posts reserved for Scheduled Castes and Scheduled Tribes are specified in the advertisement or in the requisitions sent to the Employment Exchanges.

3.46. A statement indicating the total number of posts advertised in each category of posts in the LIC during each of the last three years, the total number of candidates recruited on the basis of such advertisements and the number of SC/ST candidates among them has been furnished to the Committee and is as under :-

Year	Cadre	Total vacancies advertised	Total No. Recruited	SC Recruited	ST Recruited	Remarks
(1)						
1983-84	I	85	40	10	5	
	II	1767	798	136	44	
	III	2691	2532	424	126	
	IV	522	615	108	47	
(2)						
1984-85	I	170	150	23	11	
	II	1396	948	203	38	
	III	2755	2669	370	223	
	IV	697	819	187	61	
(3)						
1985-86	I	198	81	32	12	
	II	1465	1531	144	38	
	III	3147	2965	418	171	
	IV	668	763	141	57	

- SR. (1) 25 vacancies advertised in Feb. 1982 (CAAO-CAS)  
60 vacancies advertised in June, 1982 (AAOS)
- (2) 120 vacancies advertised in June, 83 (+additional vacancies sanctioned by administrative decision) (AAOS)
- 28 vacancies advertised in March' 84 (Actuarially qualified AAOS)
- (3) 120 vacancies advertised in Nov. '84 (+additional vacancies sanctioned by administrative decision) (AAOS)
- 50 vacancies advertised in June '84 (+additional vacancies of CAS increased by admn. decision (AAO-CAS))
- 5 vacancies advertised in Nov. '84 (+an additional vacancies of Asstt. Engineer) was increased by adman. decision (Asst. Engineers).

3.47. The another statement furnished to the Committee showing the dates when the last advertisements for filling up the technical posts like Chartered Accountants and Engineers etc. in the Life Insurance Corporation of India was issued and the number of Scheduled Castes and Scheduled Tribes recruited on the basis of these advertisements is as under :—

Technical Posts in Class I	Date of Last Advertisement	SC Recruited	ST Recruited
Chartered Accountants	June, 1984	1	—
Assistant Engineers (AAO)	Nov., 1984	1	—

Actuarially  
qualified  
(AOS)

Sept., 1985

3.48. The Ministry of Finance (Department of Economic Affairs-Insurance Division) have informed the Committee in a note that the vacancies reserved for Scheduled Castes and Scheduled Tribes are not announced over All India Radio. It has been stated that the suggestion made by study Group II of the Committee which visited the LIC on 28th June, 1986 to announce the vacancies reserved for Scheduled Castes and Scheduled Tribes over the All India Radio and Television was still being examined.

3.49. However, subsequently, the Committee was informed that the aforesaid suggestion made by the Study Group II of the Committee has since been accepted and the Central Office of LIC has now issued instructions to their all recruiting offices to endorse the copies of advertisements to the Director of Doordarshan and to the authorities of AIR to give publicity to the recruitment of SC/ST candidates and to the all India and local SC/ST NB LIC Employees Welfare Association *vide* Circular Ref. Pers/A. No. 3705/ASP/86 dated 10th September, 1986.

3.50 The Chairman, LIC of India informed the Committee during evidence that advertisements for filling up various posts are issued in Newspapers. Earlier, copies of advertisements were not sent to local MPs/MLAs but very recently the Corporation had taken a decision that copies of Advertisements should also be sent to them.

3.51 In reply to a question the Committee have been informed that copies of advertisements are also sent to the recognised All India Associations of Scheduled Castes and Scheduled Tribes.

3.52 The Committee are happy to note that suggestion made by Study Group II of the Parliamentary Committee on the Welfare of Scheduled Castes and Scheduled Tribes to announce the vacancies reserved for Scheduled Castes/Scheduled Tribes over the All India Radio and Television has since been accepted and the decision has been communicated to all offices of the Corporation on 10.9.86 *vide* Circular Ref : PER/A.N. 3705/ASP/86 The Committee further note that all the Recruiting Offices of the Corporation have also been asked to endorse copies of the advertisement to the Director of Doordarshan and to the authorities of All India Radio to give publicity to the recruitment of Scheduled Caste/Scheduled Tribe candidates. The Chairman, LIC informed the Committee during evidence that earlier copies of advertise-

ments were not sent to local MPs/MLAs but very recently the Corporation has taken a decision that copies of advertisements should also be sent to them.

The Committee recommend that with a view to give wide publicity of vacancies reserved for Scheduled Castes/Scheduled Tribes, the LIC should also send copies of advertisements to Members of the Parliamentary Committee on the Welfare of Scheduled Tribes besides the local Scheduled Caste/Scheduled Tribes MPs, MLAs as already decided. The Committee do hope that after such wide publicity of reserved vacancies and their announcement over AIR and Television SC/ST candidates living in remote areas of the country would also respond to these advertisements in good number.

#### *E. Promotions*

3.53. In regard to the procedure followed for promotion of employees to various categories of posts in the Life Insurance Corporation of India, the Ministry of Finance (Department of Economic Affairs—Insurance Division) have informed the Committee in a note that for promotion of staff in Class III and Class IV posts in LIC a panel of all eligible employees is prepared on the basis of total marks obtained on all the three counts viz. (i) qualification (15 Marks) (ii) seniority (15 Marks) and work Record (40 Marks). Out of this panel, candidates in order of merit equal to not more than five times the number of vacancies are called for interview before the Promotion Committees formed by the competent authority for selection of candidates.

3.54. It has also been stated that the promotion Committee, after interviewing the candidates, prepares a ranking list on the basis of total marks secured by the candidate for qualification, seniority, Confidential Report and interview. Maximum marks for interview is 30. Actual selection and appointment against the sanctioned vacancies made by the promoting authority from the ranking list in order of merit.

3.55. About the methods adopted for promotion of employees in the LIC, the Chairman, LIC of India has informed the Committee during evidence that in LIC promotions are made by two methods, one by seniority and the other by test. Promotions by seniority are made only in the officers' category. In case of other categories, promotions are made by holding tests. In these categories of posts there is no automatic promotion and certain standards are applied for promotion. For the posts other than the officers category, interview, work-record and qualification are taken into consideration for promoting the employees. The Chairman, LIC stated further that by and large the reserved posts are filled up on the basis of promotion. While filling these posts the roster points are being followed in the Corporation. The Chairman, LIC has further clarified the point regarding promotion by test as follows :—

“Even in the General category, those who do not pass are not promoted. Similarly, some may not pass in the Scheduled Castes and Scheduled Tribes category and they would not be promoted. Whenever the question of dereservation comes, we order a fresh interview and some are eligible and we have promoted them.”

3.56 Regarding the procedure followed for promotion of employees in the Corporation in Class II cadre the Committee have been informed as follows :—

“Promotion relates to the number of sanctioned vacancies. Applications from eligible Development Officers are invited by notification. The eligible Development Officers are considered for promotion in the following three categories :—

- (i) Those belonging to SC/ST;
- (ii) Those Officers who have completed a service of twenty years and above;
- (iii) Other eligible Development Officers.”

3.57. The following

Statement showing the number of persons promoted during 1983-84, 1984-85 and 1985-86 in various categories of posts in the Life Insurance Corporation of India and the number and percentage of scheduled Castes/Scheduled Tribes amongst them.

	Total No. of Employees promoted		Scheduled Castes Number Percentage		Scheduled Tribes Number Percentage	
	1	1983-84	2	3	4	5
<b>Class I</b>						
Other than lowest rung*	—		—	—	—	—
Lowest rung in the rank of AAO/ABM (D)	745		44	5.9	2	0.3
<b>Class II</b>						
Class III	2536		194	7.6	139	5.5
Class IV (Excluding Sweepers)	38		11	28.9	1	2.6
		<b>1984-85</b>				
<b>Class I</b>						
Other than lowest rung*	—		—	—	—	—
Lowest rung in the rank of AAO/ABM (D)	353		6	1.7	5	1.4
<b>Class II</b>						
Class III	1548		178	11.5	56	3.6
Class IV (Excluding Sweepers)	1		1	100	—	—
Class IV (Sweepers)	—		—	—	—	—



1985-86

Class I							
Other than lowest rung*	—	—	—	—	—	—	—
Lowest rung in the rank of AAÖ/ABM (D)	616	46	7.5	7	1.1		
Class II	—	—	—	—	—	—	—
Class III	2405	172	7.2	46	1.9		
Class IV (excluding sweepers)	77	13	16.9	3	3.9		
Class IV (Sweepers)	—	—	—	—	—	—	—

\*Reservation do not apply to these categories.

Note :- (1) The figures in respect of promotions in Class III and IV include promotions within the classes as well.

(2) Figures for 1985-86 given earlier were provisional. Data now furnished is final.

3.58. The Committee wanted to know in how many cases adverse remarks made in the Annual Confidential Reports of SC/ST employees in Groups B and C have come to notice during the last 3 years and whether these adverse remarks were communicated to the SC/ST employees of the Corporation. The Committee also desired to know as to how many SC/ST employees in Group B and C have been denied promotion in LIC during the last 3 years because of adverse remarks in their Confidential Reports. In this connection, the Ministry of Finance (Department of Economic Affairs—Insurance Division) have informed the Committee in a note as follows :—

“LIC has so far not been following the practice of communicating adverse remarks in the character role entries of its employees and it would be time consuming to compile the information after the necessary analysis as the same would be available in the Divisional Offices of the Corporation which number 58 and are spread through out the country.”

3.59. The Committee desired to know whether those SC/ST candidates who competed with the general candidates in the test were treated against the reserved category or their names were included in the general select list. To this, the Chairman, LIC of India has replied that two separate selection lists are prepared, one for the general candidates and the other for SC/ST candidates. If a SC/ST candidate competes with the general category candidates he will be considered against the reserved vacancy according to the roster point.

3.60 The Committee are constrained to note that there is a big shortfall in the matter of promotion of SC/ST employees in different categories of posts in the LIC of India. The number and percentage of SC/ST employees promoted during the last 3 years i.e. 1983-84, 1984-85 and 1985-86 is not satisfactory. In 1983-84 in Class I posts out of a total number of 745 employees who are promoted the number of Scheduled Caste and Scheduled Tribe candidates was only 44 and 2 respectively. The percentage of promotion of these candidates to the total promotions made in this category was only 5.9 and 0.3 respectively. In the same year in Class III, the number of SC/ST candidates who were promoted was also negligible. In this category out of 2536 employees promoted only 194 were Scheduled Caste and 139 Scheduled Tribe employees and their percentage was only 7.6

and 5.5 respectively. During 1984-85 also the number of SC/ST employees who were given promotion is much below the required percentage. In Class I, out of 353 candidates only 35 Scheduled Castes and 5 Scheduled Tribes were promoted, their respective percentages being 1.7 and 1.4 only. During the same year in Class III, out of 1548 employees only 178 Scheduled Castes and 56 Scheduled Tribes were promoted and their percentage was 11.5 and 3.6 respectively. Similarly during 1985-86, out of 616 total employees promoted, 46 were Scheduled Castes and 7 Scheduled Tribes which comes to only 7.5% and 1.1% only. Similarly, in Class III, out of 2405 employees who were given promotion only 172 Scheduled Castes and 46 Scheduled Tribes were promoted and their respective percentage was 7.2 and 1.9. The Committee are surprised to note that even in Class IV categories (excluding sweepers), out of 77 employees who were given promotion, only 13 Scheduled Castes and 3 Scheduled Tribes were promoted with a percentage of 16.9 and 3.9 respectively.

The Committee recommend that the LIC should ensure that the orders of reservation in promotions issued from time to time by the Department of Personnel and Administrative Reforms/Bureau of Public Enterprises are rigidly followed and liberal concessions/relaxations given to SC/ST employees at the time of promotion so that all the vacancies reserved for them are actually filled by the SC/ST employees and the shortfalls are obliterated at the earliest.

3.61 The Committee are surprised to note that the LIC has so far not been following the practice of communicating adverse remarks made in the Annual Confidential Reports of its employees. The Committee fail to understand as to how the SC/ST employees in the LIC will come to know about their deficiencies unless the same are communicated to them. The practice of communicating adverse remarks made in the Annual Confidential Reports of the employees is well established everywhere and is invariably followed by all the Ministries/Departments of the Government of India.

The Committee recommend that the adverse remarks made in the Annual Confidential Reports of all SC/ST employees of the LIC should invariably be communicated to them so that they may come to know about their deficiencies and then try to make improvements in the fields in which they are lacking.

The Committee feel that this will help in increasing the chances of promotion of SC/ST employees, particularly in those cases where promotion is made on the basis of seniority subject to fitness and where the Annual Confidential Reports earned by the employees are of great importance.

F. *Supersessions*

3.62 Regarding the supersession of SC/ST employees by the general candidates in the matter of promotion on the basis of seniority subject to fitness, the Chairman, LIC of India stated during the evidence as under :—

“The seniority plays its part only in the matter of eligibility. It determines who are the people who are eligible. But the promotion takes place on the basis of examination and of course, some people are exempted from tests. Basically it is not a question of promoting people only on the basis of seniority. Secondly, the roster points are all fixed. It is not that the general candidates supersedes anybody else. We have to honour the roster system. If the Scheduled Castes/Scheduled Tribes people are available they should be taken. Otherwise, there is no question of supersession on the basis of seniority.”

3.63 The Committee pointed out that there might be some cases in which LIC might have given promotion on the basis of promotional tests and in this process some senior SC/ST candidates might have been by passed by the general category candidates. The Chairman, LIC has clarified the point as under :—

“There are two categories. One is those who are very senior and who are either not willing to appear in the test or have not passed the test. For them, there is a provision to exempt them from the test after a number of years' service. Even SC/ST candidates are eligible to appear on the basis of interview and work record.”

3.64 In reply to a question asked by the Committee as to how many Scheduled Castes and Scheduled Tribes candidates have been superseded by the general candidates during each of the last three years in the matter of promotion on the basis of seniority subject to fitness, and in which categories of post, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed that in the last three years no SC/ST candidates were superseded by the general candidates in promotional posts for Class III because there was a procedure according to which a second interview was held for candidates of SC/ST community not recommended by the first committee for promotion. By this process, it was ensured that the candidates who were not recommended by the first Committee for promotion, were given a fair chance to prove their merit at the second interview. The question of any supersession based on seniority did not

also because of the relaxation provided to SC/ST candidates in allotment of marks.

### G. Maintenance of Rosters

3.65. The Committee have been informed that rosters are being maintained in the Life Insurance Corporation of India both for direct recruitment and promotion.

3.66. The Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee in a note that instructions regarding maintenance of rosters of various categories of posts in LIC were received from the Ministry with their covering letter No. 2(9)-Ins. 18/70 dated 9th March, 1971 addressed to the then Managing Director of LIC from the Under Secretary, Department of Revenue and Insurance, Ministry of Finance. This letter was received by LIC on 17th March, 1971.

3.67. The Committee wanted to know the exact date when the Life Insurance Corporation of India received instructions from the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) regarding maintenance of rosters for various categories of posts in the Corporation. In this connection, the Secretary, Ministry of Finance stated during evidence as follows:—

“The instructions were received by the Life Insurance Corporation of India on 17th March, 1971 and following that, these instructions were issued to all the offices of the LIC. They were issued earlier also. The Home Ministry issued instructions to the Bureau of Public Enterprises and following that, the directive was sent. The directive was not clear on the application of rosters in respect of some of the LIC Divisions. Therefore, the clarifications were sought by the Life Insurance Corporation and the instructions for the maintenance of rosters were finally issued by the LIC in 1972.”

3.68. It has been stated that the rosters maintained for recruitment/promotion to all cadres depict the reservations made in favour of SCs and STs. The Liaison officers for SCs/STs at the Zonal level ensure that all the authorities in charge of the Divisions under their jurisdiction inspect the rosters periodically and follow the rules laid down in this regard. Central Office of LIC has issued instructions to the Recruiting/promoting

authorities to make the roster position known to the representatives/office bearers of the SC/ST Welfare Association of the Corporation. The Audit and Inspection Department of LIC submits the Report on the Inspection of rosters to the respective Zonal Offices and instructions on corrective action in respect of the irregularities pointed out by the Audit and Inspection Department are given by the Zonal Offices. The Zonal Offices follow up with the Divisional Offices under their control so that the irregularities pointed out are corrected.

3.69 As regards the inspection of rosters by the Liaison Officer the Committee have been informed that the rosters were inspected by the Liaison Officer either after each recruitment/promotion is completed or annually, depending on the number of recruitments/promotions conducted by the Corporation. The Liaison Officer signed the rosters after going through the summary statement at the end.

3.70 When asked what discrepancies/shortcomings have been found in the maintenance of rosters in the LIC as a result of inspection by Liaison Officer, the Committee have been informed in a note that generally the following discrepancies/shortcomings were found in the maintenance of rosters in the Corporation:—

- (i) Rosters for temporary appointments of 45 days and more were not maintained ;
- (ii) Appointments of dependants of the deceased employees were not shown in the rosters ;
- (iii) Entries in the rosters were not signed by the Liaison Officer immediately at the end of the entries.

3.71 The Committee have been informed subsequently that Insurance Division proposes to make an on the spot sample checking of rosters maintained by the Zonal/Divisional Offices of the LIC to verify physically that the Government of India instructions on reservations for SC/STs, are followed by them strictly, and to suggest corrective measures wherever necessary.

3.72 The Committee wanted to know whether the proposal to make on the spot sample checking of rosters being maintained by the Zonal/ Divisional offices of L.I.C. by Insurance Division has since been materialised and if so, what deficiencies were found and what corrective measures

have been suggested by the inspecting authority. In this regard the Committee have been informed that the Department of Economic Affairs (Insurance Division) of the Ministry of Finance has drawn up a programme for the next six months for the inspection of rosters at the different offices of the LIC.

3.73. The Committee invited the suggestions of the LIC/Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) on the point as to how the shortcomings noticed in the maintenance of rosters should be overcome. In this regard, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have suggested that the Higher Grade Assistants maintaining the roster in the Divisional/Zonal Offices should be given a training regarding the maintenance of rosters by the Zonal Liaison Officers once in a year.

3.74 The Committee note that rosters are being maintained in the Life Insurance Corporation of India both for direct recruitment and promotions. As regards the inspection of rosters by the Liaison Officers, the Committee have been informed that the rosters are inspected by the Liaison Officers either after each recruitment/promotion is completed or annually, depending on the number of recruitments/promotions conducted by the Corporation. The Liaison Officer signs the rosters after going through the summary statement at the end. The Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee that Insurance Division proposed to make an on the spot sample checking of rosters maintained by the Zonal/Divisional Offices of the LIC to verify physically that the Government of India instructions on reservations for Scheduled Castes/Scheduled Tribes are followed by them strictly and to suggest corrective measures wherever necessary. The Insurance Division of the Ministry of Finance has already drawn up a programme for the next 6 months for the inspection of rosters at different offices of the LIC.

The Committee hope that by now the Insurance Division of the Ministry of Finance might have started on the spot sample checking of rosters maintained by the Zonal/Divisional Offices of the LIC to verify physically that the Government of India instructions on reservations for Scheduled Castes, Scheduled Tribes are followed by them strictly and the corrective measures suggested in their maintenance wherever necessary have already been taken by the concerned offices of the Corporation. The Committee desire that they should be apprised of the latest position regarding the on the spot sample checking of rosters by the Insurance Division of the Ministry of Finance and the outcome thereof within next three months.

3.75 The Committee note that generally discrepancies/shortcomings, found in the maintenance of rosters in the Corporation, pertained to the non-maintenance of rosters for temporary appointments for a period of 45 days or more and non-inclusion of appointments of dependents of the deceased employees in the rosters. Besides, entries in the rosters were not signed by the Liaison Officer immediately at the end thereof.

The Committee need hardly stress that rosters are the only mechanism through which a watch is kept on the proper placement of Scheduled Castes/Scheduled Tribes in services against the vacancies reserved for them. In fact they are the kingpins on which the whole system of implementation of reservation orders rests and their proper maintenance keeps authorities concerned informed of the representation of Scheduled Castes and Scheduled Tribes at the various points in different posts and the shortfalls, if any, can be detected immediately. The Committee, therefore, stress that rosters should be maintained strictly in accordance with the instructions on the subject by the Life Insurance Corporation of India and checked regularly by the competent authority and duly signed in token of such checking. Discrepancies, if any, noticed during the inspection of rosters should be rectified immediately and also brought to the notice of the Head of the Department.

3.76. The Committee are happy to note the suggestions made by the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) for overcoming the shortcomings noticed in the maintenance of rosters *viz.* that the Higher Grade Assistants maintaining the rosters in the Divisional/Zonal Offices of the Corporation should be given a training regarding the maintenance of rosters by the Zonal Liaison Officers once in a year. The Committee, however, feel that merely the maintenance of rosters and their periodical inspection by the concerned Liaison Officers is not sufficient. It is more important that the rosters are maintained by the LIC in a proper manner. For this purpose some training should also be given to the officers and staff entrusted with the work relating to the maintenance of rosters. The Committee, therefore recommend that the training courses should be arranged for the officers and staff who are responsible for the upkeep and maintenance of rosters in LIC. An yearly conference of senior officers responsible for maintaining the rosters should be held at which the procedures may be discussed and any difficulties felt in interpretation of any instructions may be clarified for guidance of all the participants.

#### H. *De-reservations*

3.77. Regarding the actual procedure followed for de-reservation of



vacancies in the Corporation the Committee have been informed that de-reservation of reserved vacancies for SCs and STs was an ultimate step resorted to by the Corporation only when it was unavoidable, inescapable and inevitable due to the non-availability of SC/ST candidates against the reserved vacancies only after taking all the prescribed steps and applying the relaxed standards in their favour.

3.78 The power of de-reservation of unfilled reserved vacancies in recruitment was vested with the Managing Director in respect of posts in Class III and IV. In cases where the appointing authority was unable to fill in the reserved vacancies by such candidates, inspite of making all the efforts therefor and where the appointing authority was of the opinion that it was absolutely necessary to fill in the reserved vacancies immediately in the interest of maintaining the efficiency of the office, it forwarded a proposal for de-reservation duly filed and complete in all respects as per the instructions to the respective Zonal Managers. The said proposal was examined by the Zonal Manager and the Liaison Officer at the Zonal Offices and after they had satisfied themselves that the proposals were fit for recommending de-reservation in respect of vacancies in Class III and IV, those proposals were forwarded to the Personnel Department of the Central Office. The proposal gave detailed information and reasons necessitating de-reservation and was accompanied by a note stating that the proposal was being made with the full knowledge and concurrence of the Zonal Liaison Officer concerned. In case of promotions if there were no SC/ST candidates to fill up the reserved vacancies or the number of SC/ST for promotion was less than the number of total reserved vacancies in a particular cadre then de-reservation of reserved vacancies was done by the promoting authorities themselves. However, if any SC/ST candidate included in the selection panel was not promoted for any reason whatsoever, the question of de-reservation of unfilled reserved vacancies was referred to the Central Office for a decision with full information such as the marks secured by the unsuccessful SC/ST candidate under each criterion. Such cases were reviewed by the Managing Director.

3.79. When asked what efforts were made to find a Scheduled Caste and Scheduled Tribe candidate before a reserved vacancy was de-reserved the Committee have been informed that before making a reference to the competent authority, the appointing authority ensured the following :—

- (i) that the Employment Exchanges had been approached for a second time to sponsor adequate number of suitable candidates belonging to SCs/STs to fill in the reserved vacancies;

- (ii) that where necessary, a special round of recruitment was resorted to exclusively for SC/ST candidates.

3.80. In this connection it has been stated further that every proposal for de-reservation sent to the competent authority had to contain the following information :—

- (i) The cadre and the total number of vacancies reserved for SCs/STs together with the number of reserved vacancies remaining unfilled;
- (ii) The response shown by the SC/ST candidates at the time of general recruitment indicating separately the number of SC/ST candidates admitted/appeared during each of the subsequent stages of selection, such as, prerecruitment test, interview, etc.
- (iii) Information in respect of requisition made to the Employment Exchanges for the *second time*.
- (iv) Any other effort made by the appointing authority to fill in the reserved vacancies; and
- (v) In the light of the efforts made by the appointing authority whether it was of the opinion that it was not possible to fill in the reserved vacancies by candidates belonging to the reserved communities without considerable delay.

3.81. The Committee have been informed in a note furnished by the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) that the appointing authority did not give effect to the dereservation unless specific approval thereto was received from the competent authority at Central Office. Where the de-reservation had been approved by the competent authority the appointing authority filled in the reserved vacancies by candidates belonging to general category but vacancies equal to the number of the de-reserved vacancies were carried forward to the subsequent recruitment year as per the rules in this regard. In the matter of promotional vacancies, if there were no SC/ST candidates to fill up the reserved vacancies or the number of SC/ST candidates in the selection panel selected for promotion was less than the number of total reserved vacancies in a particular cadre, de-reservation of reserved vacancies was done by the promoting authorities themselves. However, if any SC/ST candidate included in the selection panel was not promoted for any reason whatsoever, the question of de-reservation of unfilled reserved vacancies

was referred to the Central Office for a decision with full information such as the marks secured by the unsuccessful SC/ST candidates under such criterion. Such cases were reviewed by the Managing Director and in the light of the marks secured by such candidates, orders were passed in appropriate cases.

3.82 The following statement was furnished to the Committee indicating the number of posts which were de-reserved in LIC during the last three years in various categories of posts :—

CLASS OF PORT	1983-84		1984-85		1985-86	
	SC	ST	SC	ST	SC	ST
Class I (Lowest rung in the rank of AAO/ABM(D))	9	Nil	Nil	Nil	Nil	Nil
Class II		38*		90*		143*
Class III	17	82	10	132	22	77
Class IV	Nil	2	1	3	Nil	14

\* Break-up figures are not readily available.

3.83 The Committee wanted to know the reason why the number of posts which were de-reserved had been increasing every year. To this, the Chairman, LIC had replied during evidence as under :—

“This is mostly in the promotional cadre. The eligible number of persons available are smaller. That is why we are not able to adequately promote them”.

3.84 The Committee was furnished with the following statement showing the number of vacancies carried forward and lapsed during each of the last three years in each group of posts in the Corporation.

Class of Post	1983-84			1984-85			1985-86					
	No. of vacancies carried forward from the previous year	No. of reservation lapsed after carrying forward for three years	No. of vacancies carried forward from the previous year	No. of reservation after carrying forward for 3 years	No. of vacancies carried forward from the previous year	No. of reservation after carrying forward for 3 years	No. of vacancies carried forward from the previous year	No. of reservation lapsed after carrying forward for 3 years.				
	SC	ST	SC	ST	SC	ST	SC	ST	SC	ST		
Class I (lowest run in the rank of AAO/ABM)	2	2	Nil	Nil	1	2	Nil	Nil	11	3	Nil	Nil
Class II	79	74	Nil	1	69	74	7	1	90	147	1	3
Class III	93	206	12	9	72	239	4	1	95	230	Nil	2
Class IV (excluding sweepers)	19	19	Nil	1	2	28	1	1	25	15	Nil	Nil
Class IV	—	2	Nil	Nil	Nil	2	Nil	Nil	Nil	Nil	Nil	Nil

3.85 The Committee note that in Life Insurance Corporation of India a large number of posts have been de-reserved during 1983-84, 1984-85 and 1985-86 in various categories of posts. When the Committee wanted to know the reason why the number of posts which were de-reserved had been increasing year after year, the Chairman of LIC informed the Committee during evidence that the de-reservation has been done mostly in the promotional cadres as the number of eligible SC/ST persons for these posts was small. The Committee are not satisfied with this reply. They are surprised to note that the Corporation could not find suitable SC/ST candidates even for filling up the class III and Class IV posts. The Committee feel that earnest efforts have not been made by LIC authorities to induct SC/ST candidates particularly in Class III and IV categories which are feeder cadres.

The Committee are basically opposed to the principle of de-reservation and desire that the vacancies reserved for Scheduled Castes and Scheduled Tribes should not, as far as possible, be de-reserved. The Committee, therefore, recommend that sincere efforts should be made to induct as many Scheduled Caste/Scheduled Tribe candidates as possible in the feeder [cadres at the time of recruitment.

## CHAPTER IV

### STAFF STRENGTH AND SHORTFALLS

#### *A. Staff Strength and Shortfalls*

4.1. A statement furnished to the Committee showing the total number of employees in various categories of posts in the Life Insurance Corporation of India and the number of Scheduled Castes and Scheduled Tribes among them as on 1-4-1972 is reproduced below :—

	Total No. of employees	No. of		Percentage	
		SC	ST	SC	ST
Class I Officers	3,641	3	1	0.08	0.03
Class II Officers (Development Officers)	7,900	22	—	0.28	—
Class III—Supervi- sory & Clerical Staff	35,513	608	64	1.71	0.18
Class IV—Subordinate Staff	7,209	939	81	13.02	1.12
<b>Total</b>	<b>54263</b>	<b>1572</b>	<b>146</b>		

4.2. The Committee have been informed that the position regarding number of employees in LIC and the number of Scheduled Castes and Scheduled Tribes among them as on 1-1-1986 is as under :—



Group/ Class	Permanent/ Temporary	Total No. of emplo- yees	SCs	% to Total emplor yees	STs	% to Total emplo- yees	SHORTFALLS			
							Number S.Cs.	% age	Number S.Ts.	% age
1	2	3	4	5	6	7	8	9	10	11
Group 'A' (Class I)	Permanent	3269	20	0.61	16	0.49	470	14.39	230	7.01
(i) Other than lowest rung										
(ii) Lowest rung (in the rank of AAO/ABM (D)	Permanent	3186	109	3.42	28	0.88	368	11.58	210	6.62
Total :		6455	129	1.99	44	0.68	838	13.01	440	6.82
(i) Other than lowest rung	Temporary	—	—	—	—	—	—	—	—	—
(ii) Lowest rung in the rank of AAO/ABM (D)	Temporary	—	—	—	—	—	—	—	—	—
Total :		—	—	—	—	—	—	—	—	—

	1	2	3	4	5	6	7	8	9	10	11
Group 'B'	Permanent	7974	335	4.20	63	0.79	861	10.80	535	6.71	
Class II	Temporary	—	—	—	—	—	—	—	—	—	—
Group 'C'	Permanent	42136	3193	7.58	1017	2.41	3126	7.42	2144	5.09	
Class III	Temporary	756	76	10.05	28	3.70	37	4.95	28	3.80	
Group 'D'	Permanent	7778	1361	17.50	378	4.86	(- )195	(- )2.5	205	2.64	
Class IV (Excluding Sweepers)	Temporary	499	30	6.01	1	0.20	45	8.99	36	7.30	
Group 'D'	Permanent	568	311	54.75	12	2.11	(- )225	(- )39.75	30	5.39	
Class IV Sweepers	Temporary	2	2	100.00	—	—	—	—	NIL	—	

NOTE :- (-)Figure indicates an excess over the prescribed limits.

(2) Shortfalls, if any, are due by and large to the inherited deficiencies as on 1-4-1972.

4.3. When asked to give the reasons for shortfall in the employment of Scheduled Castes and Scheduled Tribes in the Corporation as against their reserved quota, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee in a note furnished to them as follows :—

“The Corporation had received a directive from the Government providing for reservations of posts and other concessions, etc. in favour of members belonging to SC and ST in the year 1971. Since then, the Corporation has been vigorously following the various instructions in this regard received from the Government from time to time. Apparently, it may be felt that, the number of SC/ST employees on the roll of the Corporation falls short of the expected percentage if related to the total number of employees. Some of the reasons for the shortfall are : (i) A fairly substantial portion of the employees of the Corporation are those whose services stood transferred to the Corporation from the erstwhile insurers under Section 11 (1) of the Life Insurance Corporation Act, 1956 with the advent of nationalisation; (2) It was not the practice of the erstwhile insurers to have reservation for Scheduled Caste and Scheduled Tribes; (3) Sufficient number of suitable candidates do not either apply or pass the prescribed test for recruitment particularly from amongst Scheduled Tribes; (4) Some of those recruited resign after entry into the service for better opportunities outside.”

4.4. The consolidated statement furnished by Life Insurance Corporation indicating the total number of employees in LIC as on 1-1-86 and SC/ST employees therein shows that the representation of Scheduled Castes/Scheduled Tribes in Class I, II and Class III was negligible. The Committee observed that out of 42,136 permanent employees in Class III, the number of Scheduled Caste employees was 1017 only. The percentage of Scheduled Caste and Scheduled Tribe employees in this category was 7.58 and 2.41 respectively. Similarly, in Class IV category (excluding sweepers), out of 499 temporary employees, the number of Scheduled Caste employees was 30 and the number of Scheduled Tribe employees was only one. The Committee observed that the percentage of Scheduled Caste/Scheduled

Tribe employees in this category was only 6.01 and 0.20 respectively. The Committee wanted to know the reasons for such meagre representation of Scheduled Castes/Scheduled Tribes and action taken or proposed to be taken to augment the intake of Scheduled Caste/Scheduled Tribe employees in the LIC. The Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee in a note as under :—

“Although the recruitments from 1970 onwards have been strictly made as per the directive of the Ministry, however, the LIC had at that point of time a substantial number of employees who had been recruited by the erstwhile insurance companies. At that time, the reservation policy of Government had not been implemented by them. This can be seen from the fact that the total strength of LIC on 1-4-1972 was 54,263 and the number of Scheduled Caste employees was only 1572 representing 2.89% while the number of Scheduled Tribe employees was 146 representing 0.27% of the total strength.

Since 1972, LIC has brought about a number of concessions and relaxations in their recruitment and promotion policies with the effect that the combined percentage of these two categories has gone up to 8.1% as on 31-3-83. Upto 31-3-86, the total number of employees of LIC had gone up to 66,476 and the SC ST employees numbered 7,339. In absolute terms, there has been an increase of 5,621 SC/ST employees as against a total increase in staff strength of 12,213 since the base year 1971-72. This represents 46.04% of the total additional vacancies filled by LIC. It will thus be seen that since 1972, LIC has substantially made up for the backlog for the previous years.

Apart from the many concessions given by LIC for recruitment of SC/ST employees under different categories such as relaxation in age limit, relaxation in experience and qualifications, modification of procedures for calling applications from employment exchanges, the Corporation has drawn up a scheme for pre-promotional coaching classes during office hours. Among many reservations and concessions already allowed and efforts made by them, mention may be made of the special recruitments that they have been undertaking for SC/ST candidates alone through newspaper drives, writing to the employment exchanges and contacting the SC/ST Associations/Commissions.

**In view of what has been stated above, the need to take further special steps for augmenting the SC/ST recruitment is not considered necessary."**

**4.5. The following statement furnished to the Committee indicates the year-wise recruitment made by the Life Insurance Corporation of India during 1983-84, 1984-85 and 1985-86 in various groups of posts :—**

Class of Post	Total vacancies filled	Reserved for SC at 15%	Vacancies filled by SC	Shortfall (+)/Excess (-)	%age shortfall/excess	Vacancies reserved for ST at 7½%	Vacancies filled by ST	Shortfall (+)/Excess (-)	%age shortfall Excess
Class I	40	6	10	(-) 4	(-)66.6	3	5	(-) 2	(-) 66.6
Class II	798	119	142	(-)23	(-)19.32	59	44	15	25.42
Class III	2532	380	438	(-)58	(-)15.26	190	135	55	28.94
Class IV	615	92	113	(-)21	(-)22.82	46	48	(-)2	(-)4.34
1984-85									
Class I	150	23	23	Nil	Nil	11	11	Nil	Nil
Class II	948	142	206	(-)64	(-)45.07	71	45	26	36.61
Class III	2669	400	376	24	6	200	228	(-)28	(-)14
Class IV	819	122	187	(-)65	(-)53.2	61	62	(-)1	(-)1.63

	1985-86									
Class I	188	28	32	(- )4	(- )14.28	14	12	2	14.28	
Class II	1215	182	146	36	19.78	91	37	54	59.34	
Class III	3100	465	468	(- )3	(- ) 0.64	232	209	-23	9.91	
Class IV	769	115	162	(- )47	(- )40.86	57	104	(- )47	(- )82.45	

Note :(-) Figures indicates an excess over the prescribed limits.

4.6 The above statement shows that in LIC 59 posts were reserved for Scheduled Tribes in Class II posts during the year 1983-84 but only 44 Scheduled Tribes were appointed against these posts and thus 15 posts reserved for them remained unfilled. Similarly, in Class III, posts also, as many as 55 posts for Scheduled Tribes remained unfilled during the year and the shortfall of ST candidates in Class II and Class III was 25.42 percent and 28.94 percent respectively. In 1984-85 while 71 posts were reserved for ST candidates in Class II but only 45 Scheduled Tribes were appointed against these vacancies and as many as 26 posts remained unfilled. In the same year in Class III posts, 400 posts were reserved for SC candidates but 376 Scheduled Castes were appointed against these posts and 24 posts remained unfilled. The position regarding the number of SC/ST candidates appointed against the posts reserved for them during 1985-86, is also not satisfactory. It may be seen that during this period out of 182 posts reserved for SC candidates in Class II, only 146 Scheduled Castes were appointed and as many as 36 posts remained unfilled, and the percentage of shortfall of these candidates is 19.78. In case of Scheduled Tribes also the position is not good and out of 91 posts reserved for them, only 37 Scheduled Tribes were appointed against the vacancies reserved for them and thus as many as 54 ST vacancies remained unfilled. During this period while the percentage of shortfall of SC candidates was 19.78 it was as high as 54.34 percent in case of ST candidates.

The recruitment of Scheduled Tribes in Class III posts in the same period is also below the prescribed percentage. While 232 posts were reserved for them, only 209 Scheduled Tribes were appointed in this category and 23 posts remained unfilled, creating a shortfall of 9.91 percent of Scheduled Tribes candidates.

4.7 In reply to a question, the Additional Secretary, Ministry of Finance has stated that they would calculate the backlog of SC/ST candidates in each category of post in the Corporation from the year 1972 and would try to fill up the backlog from 1977 to 1986 by making special recruitments. In this connection, the Secretary, Ministry of Finance stated as under :

“We will have to find out how to clear this backlog. After seeing the extent of backlog, we will endeavour to see that this backlog is cleared within a year. I am told that there is a case with the National Labour Tribunal. Keeping in view the legal difficulties, we will see that special recruitments go on throughout the year. This is our commitment.”



4.8 When enquired how the LIC intended to fulfill the backlog and by which date they will be in a position to do so, the Chairman, LIC of India stated during evidence as under :—

The backlog, we consider is in the roster points, which has not been fulfilled, since April, 1972. So considering only those roster points, so far as class I is concerned, barring the technical cadres, we have not got any backlog. There is no backlog in direct recruitment. In case of technical cadres like the Chartered Accountants, Engineers certainly there is a backlog of 9 for Scheduled Castes and 6 for Scheduled Tribes."

In this regard the witness added :—

"In general cadre, we have no problem. We have recruited already, what we could. There is no backlog at all." In the technical cadres, like Chartered Accountants, Engineers, there is a backlog. We could not make up, even though we have been advertising for it. There is a little bit of problem in recruiting people in these cadres. So far as class III is concerned, our percentage is 14.20% and we have already recruited whatever number we wanted."

4.9 About the measure proposed to be taken to wipe out the backlog in the Corporation, the Chairman, LIC of India has stated during evidence that the Corporation is approaching the Employment Exchanges and also the SC/ST organisations. Besides, *ad-hoc* recruitments were also made to clear the backlog.

4.10 The Committee regret to note from the figures furnished to them that the representation of Scheduled Castes and Scheduled Tribes in Classes I, II and III (as on 1-1-1986) is negligible. Out of 42136 permanent employees in Class III posts, the number of Scheduled Caste employees is 3193 and that of the Scheduled Tribe employees is 1017 only. The percentage of SC/ST employees in this category of posts comes to 7.58 and 2.41 respectively. Similarly, in Class IV category (excluding Sweepers), out of 499 temporary employees the number of Scheduled Caste employees is 30 and that of Scheduled Tribe employees only one. Thus, percentage of SC/ST employees in this category is only 6.01 and 0.20 respectively. While giving reasons for such meagre representation of Scheduled Castes and Scheduled Tribes and also the action proposed to be taken to augment the intake of SC/ST employees in the Corporation, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee that since

1972, LIC has introduced a number of concessions and relaxations in their recruitment and promotion policies which has resulted in increase of combined percentage of these two categories to 8.1% as on 31-3-83. The Committee have also been informed that upto 31-3-86 the total number of employees of LIC had gone up to 66,476 and the number of SC/ST employees to 7,339. There has also been an increase of 5,621 SC/ST employees as against a total increase in staff strength of 12,213 since the base year 1971-72 which represents 46.04% of the total additional vacancies filled by LIC. The Ministry have claimed that since 1972, LIC has substantially made up the backlog of SC/ST candidates over the previous years.

It has been stated that apart from giving concessions to the SC/ST employees such as relaxation in age limit, relaxation in experience and qualification etc. the Corporation has drawn up a scheme for pre-promotion Coaching Class for SC/ST employees. It has also been stated that in addition, the Corporation has been undertaking special recruitments to recruit SC/ST candidates only. As such, the need to take further special steps to augment the recruitment of Scheduled Castes and Scheduled Tribes in LIC of India is not considered necessary.

The Committee do not agree with the contention of the Ministry of Finance that there is no need to take any further special steps to augment the intake of SC/ST candidates in the Corporation. The Committee find that the statement showing the year wise recruitment made by the LIC during 1983-84, 1984-85 and 1985-86 indicates considerable shortfall in the representation of Scheduled Castes and Scheduled Tribes in Class I, II and III posts. While in 1983-84, 59 posts were reserved for Scheduled Tribes in Class II only 44 Scheduled Tribes were appointed against these posts and thus 15 posts reserved for them remained unfilled. Similarly, in Class III posts also, as many as 55 posts for Scheduled Tribes remained unfilled during the year. In 1984-85 as many as 26 posts in Class II reserved for Scheduled Tribes remained unfilled. In the same year in Class III, 24 posts reserved for Scheduled Castes candidates remained unfilled. The Committee are constrained to note that the position regarding the number of SC/ST candidates appointed against the posts reserved for them is also not satisfactory. During the same period in Class II, 36 Scheduled Caste posts and 34 Scheduled Tribe posts remained unfilled. Besides, the recruitment of Scheduled Tribes in Class III posts in the year 1985-86 is also below the prescribed percentage, and 23 posts reserved for Scheduled Tribe candidates remained unfilled during this period.

Considering the heavy shortfall in all categories of posts in the LIC, the Committee are led to believe that the LIC authorities are not implementing the reservation orders/instructions properly and adequate attention is not given to improve the intake of SC/ST candidates in the Corporation.

The Additional Secretary, Ministry of Finance, assured the Committee during evidence that they would calculate the backlog of SC/ST candidates in each category of post in the Corporation from the year 1972 to 1986 and would try to fill up this backlog by making special recruitments. He also assured that the LIC would make an endeavour to clear the backlog within one year and by resorting to special recruitments throughout the year (1987).

The Committee trust that as per the assurance given to them the backlog of SC/ST candidates in each category of post in the LIC from the year 1972 to 1986 would be calculated without any further delay and wiped out by the Corporation within one year i e. during 1987. The backlog so calculated in each category of post, details of special recruitment made for its clearance and the results achieved may be intimated to the Committee.

### *B. Training Scheme*

4.11 The Chairman, LIC of India informed the Committee during evidence that the pre-promotional coaching Scheme was first introduced by the Corporation in 1979. Its first session was held in Bombay. Initially, 9 candidates started attending this coaching but by the end of the session only 1 or 2 candidates remained. The Committee were also informed that as the training was imparted after office hours very few candidates came to attend this coaching.

4.12 As regards the pre-promotion training, Chairman, LIC of India has stated as under :—

“Pre-Promotion training, we have started. We are considering whether we should infrom the employment exchanges about the deficiency we come across so that may or the State Government may initiate some steps to give pre-recruitment coaching to the people generally.”

4.13 During the evidence the Committee drew the attention of the representatives of the Ministry of Finance and LIC of India to their reply that the SC/ST candidates emerged unsuccessful at the time of pre-promotion test even after applying the relaxed standards to them. The Committee desired to know the reasons for the mass failure of these candidates in the tests. The Chairman, LIC has stated that it is yet to be borne by their failures in pre-promotion tests. However, the percentage of pass candidates from SC/ST category was not very low. The Secretary, Ministry of Finance has further clarified the point as follows :—

"So far as promotional tests are concerned, whosoever goes through the test, he passes it. In my opinion, the fact that there is a reservation and the fact that they have a better chance, sometimes, SC & ST candidates are not that careful about the test. But it is not a criticism of reservations. I think, they take these things easily. I am sure, this training programme, if properly given will really benefit them."

4.14 The Chairman, LIC of India has informed the Committee during evidence that the pre-promotion coaching Scheme which was started in 1979 has been revived recently. Regarding restarting the scheme he informed the Committee as under :—

"It is only for SC & ST. We tried it outside the office hours. But then we found that the attendance was very poor. So, that scheme did not succeed. Then we said that this training should be given during the office hours. The results of this scheme are yet to be seen. We have given instructions to all our Divisional offices that they should try this type of training in their offices."

4.15 In this regard the Ministry of Finance (Department of Economic Affairs—Insurance Division) have informed the Committee in a note as follows :—

"Pre-promotion Coaching Classes for the eligible SC/ST employees of the LIC Will be conducted by every Divisional Office to equip the concerned employees with the necessary know-how of the various subjects so that it will improve their promotional prospects and benefit them in the long run."

The details of the coaching classes are as follows :

- (1) *Duration of the Course* : The course will not exceed 2 weeks.
- (2) *Hours of Training* ( : The classes will be held on all working days during office hours prior to every promotion Test.
- (3) *Syllabus* :

*A. For promotion of Class III employees*

All departmental tests will be by papers. Each paper will be of three hours duration and will carry maximum 100 marks. A SC/ST candidate

who secures at least 40% marks in each section/paper will be declared successful in the test. If more than one paper is prescribed for any test, a candidate has to pass in all the papers in one and the same attempt. The syllabus of each test is set out below :—

**1. For promotion to the cadre of Higher Grade Assistants :**

There will be two papers, each of three hours' duration and each carrying 100 marks.

*First Paper—General English :*

The syllabus for this paper will be more or less similar to the first paper prescribed for promotion to the cadre of Superintendents.

*Second paper—Principles & Practice of Life Insurance :*

This paper will be designed to assess the knowledge of the employees in regard to the legal, actuarial and procedural aspects of Life Insurance in so far as they relate to New Business & PHS Departments of a Divisional office. A candidate is expected to have thorough knowledge of the working of these departments.

**2. For promotion to the cadre of Assistants :**

There will be only one paper of three hours' duration consisting of two sections—Section I : English, Section II : Arithmetic. Each section will carry maximum 50 marks. A candidate is expected to have the High School Standard.

*Section I—English (Maximum Marks-50)*

Simple comprehension, simple letter-writing, grammar—use of prepositions, articles, adjective and adverbs (simple questions asking the candidates to fill up the blanks will be asked)—Making sentences using given words—active voice and passive voice—direct and indirect speeches—conversion of one into the other.

*Section II—Arithmetic (Maximum Marks : 50) :*

Calculations involving simple fractions and decimals—ratio and proportion—averages—percentage—simple and compound interest and amount—measurement of area of triangular and rectangular objects.

**B. For promotion of Class IV employees**

The departmental test for promotion to the cadre of Record Clerks will be mainly of a practical nature relating to the functions of the Record Clerks which will generally cover the items given below. The test in each item will be of 20—minutes' duration. There will be an interval of about 10 minutes between two successive items. Speed and accuracy will be the two criteria on which the performance of a candidate in the test will be evaluated.

*Items of the Test :*

- (i) Sorting of policy index cards in alphabetical order.
- (ii) Sorting of policy index cards in numerical order.
- (iii) Posting of Inward Letters Register.
- (iv) Posting Despatch Register.
- (v) Addressing Envelopes.
- (vi) Simple copying of Staff Record Sheets.
- (4) *Venue* : The Classes will be held at every Divisional Office of the Corporation.
- (5) *Test* : One test will be conducted at the end of the complete course.

The trainees will be treated on duty and paid TA/DA as per rules. Lodging/Boarding facilities will also be provided for outstation trainees."

4.16 When the Committee suggested during evidence that LIC should start pre-recruitment training also so that SC/ST candidates could be benefited in the examination/interview, the Secretary, Ministry of Finance stated as follows :—

"I think the Chairman's point is whether we can give some training. This is done by the Home Ministry, for the administrative services. Perhaps the suggestion is whether we can do something like that. We can examine the same. But the problem is when we advertise, or when we recruit people, we do not get sufficient numbers. They come, but they cannot do the job. It is really a problem to find suitable persons who can do

the classes for those who join. But in Kanpur, Bombay and some other places the State Governments have some training centres where we can ask these people to go. For banks this is being done. We will examine and see how best this can be done."

4.17 In this regard the Ministry of Finance (Department of Economic Affairs—Insurance Division) have stated in a note as follows :—

"LIC do not conduct pre-recruitment training for SC/ST. However, after the oral evidence was given by the Chairman of the Corporation alongwith a representative of the Finance Ministry before the Parliamentary Committee for the welfare of SC/ST, the Central Office of the Corporation has issued instructions to all the offices to give feed-back to the employment exchanges whenever the SC/ST candidates sponsored by them for recruitment are not selected by the Corporation to enable them to provide the necessary training to them with the help of State Training Institutes and Government Training Machinery. By this measure, the Corporation expects to better the chances of the SC/ST candidates for gaining entry into its services."

4.18 In reply to a specific question whether the Life Insurance Corporation of India was sending their officers for training abroad, the Committee have been informed that there is no scheme in the Corporation for sending its employees for training abroad.

4.19 The Committee note that the pre-promotion coaching scheme in LIC which had been shelved for about seven years has since been reviewed and all the Divisional offices of LIC have now been instructed to give this coaching during office hours to get encouraging response from such candidates. The Committee appreciate the gesture of treating the trainees attending the coaching classes as on duty during the training period and also of paying them TA/DA as per the rules. The Committee have no doubt that the coaching classes will improve the promotional prospects of the SC/ST candidates.

to a great extent and will benefit them immensely. The Committee do hope that the coaching classes will be started by the Divisional Offices of LIC without any delay so as to achieve the desired result. The Committee should be informed of the details of progress made and achievements therefrom.

4.20. The Committee desire that as promised by the Secretary, Ministry of Finance during the evidence LIC should immediately arrange to import pre-recruitment training to SC/ST candidates so that SC/ST candidates could be better equipped and qualify in the examination and interview held for various categories of posts.



## CHAPTER V

### A. Complaints Grievances

5.1 Regarding the procedure followed for redressal of grievances of SC/ST employees in the LIC, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee that there is a Liaison Officer for SC/ST at Central Office and 5 such Liaison Officers at the Zonal Offices who have been appointed to look after the Welfare of SC/ST employees and to safeguard their interests. Any aggrieved SC/ST employees of the Corporation can make a representation to the Liaison Officer for SC/ST.

5.2 When asked whether any complaint register was being maintained in order to register the grievances of SC/ST employees of the Corporation, the Committee have been informed that a complaint register is maintained by the Corporation to register the grievances of all its employees.

5.3. In reply to a specific question as to how many complaints were received from SC/ST employees during each of the last three years, it has been stated that since the Corporation is not maintaining a separate complaint register for SC/ST employees, it is not possible to quantify the exact number of complaints received from SC/ST employees during each of the last three years.

5.4 In a subsequent note furnished to the Committee it has been stated that as advised by Study Group II of the Parliamentary Committee on the Welfare of SC/ST during its study tour at Bombay in January, 1986, the Central Office of the Corporation have already issued instructions to all its offices to maintain a separate Grievances Register to note the grievances of SC/ST employees of the Corporation *vide* their circular dated 10th September, 1986.

5.5 Asked to give the number of complaints/grievances received from the SC/ST employees of the Corporation from the date from which the Corporation started maintaining the separate complaint register, the Committee have been informed that all the offices of the LIC have started maintaining a separate Grievances Register for SC/ST only recently. As

such, LIC will be in a position to give the requisite information at the end of the quarter ending March, 1987 at the earliest.

5.6 When the Committee asked about the nature of complaints received generally from SC/ST employees and the time taken in disposal of individual complaint it was stated that generally, grievances related to transfer of SC/ST employees to remote places and mofussil Branch Offices and a few grievances related to non-promotion of SC/ST candidates. It was also stated that it was difficult to state the time taken for disposal of each complaint. However, the Corporation promptly attended to the grievances of the SC/ST employees.

5.7. The Committee note that in Life Insurance Corporation of India no separate register was being maintained to register the grievances of SC/ST employees of the Corporation. However, the LIC has now started to maintain a separate Grievances Register to register the grievances of SC/ST employees of the Corporation. Central Office of the Corporation have also issued instructions to all offices to maintain a separate Grievances Register to note the grievances of SC/ST employees with a view to creating confidence among the SC/ST employees of the Corporation and to instil a feeling among them that their interests are well looked after, their grievances/representations should be processed and disposed of judiciously/sympathetically and promptly by all the offices of LIC in India. The Committee recommend that a quarterly report indicating the grievances received from SC/ST employees of the Corporation and their disposal may be submitted to the highest executive in the office to which the grievances register pertains. The Central Office of LIC should also devise a mechanism to inspect grievances registers of all its offices at least once in six months and issue necessary instructions from time to time in regard to removal of deficiencies noticed during inspection of such Grievances Registers.

#### *B. Housing Facilities*

5.8 The Ministry of Finance (Department of Economic Affairs—Insurance Division) have informed the Committee in a note that the Life Insurance Corporation provides staff quarters to its employees. However, there is no separate housing facility designed solely for the SC/ST employees.

5.9 When asked whether any percentage of residential accommodation was reserved for SC/ST in the LIC, the Committee have been informed

that 10% of the staff quarters falling vacant in every financial year are allotted to the SC/ST employees of the Corporation.

5.10 In reply to a specific question as to how many quarters in each category have been allotted to the SC/ST employees in the Corporation, the Committee have been informed that as on 31-3-1985, in all, 3491 staff quarters/lease accommodations were allotted to LIC employees. Amongst them 242 have been allotted to the Scheduled Castes employees and 54 to the Scheduled Tribe employees.

5.11 The Committee note that 10% of the staff quarters falling vacant in every financial year are allotted to SC/ST employees in LIC. The Committee feel that the percentage of allotment of quarters to Scheduled Caste and Scheduled Tribe employees should be augmented as generally they do not own houses and also find it very difficult to get rented residential accommodation.

NEW DELHI

April 15, 1987

Chaitra 25, 1509 (Saka)

K. D. SULTANPURI

*Chairman,*

*Committee on the Welfare  
of Scheduled Castes and  
Scheduled Tribes.*

## APPENDIX

(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 12	The Committee note that the Life Insurance Act of 1956 provides for not exceeding 16Members on the Board of Directors of the Corporation. At present there are 8 Members on the Board of Directors but none of them belongs to SC/ST. The Committee have been informed that in 1984 the Department of Economic Affairs of the Ministry of Finance had considered names of certain SC/ST persons for appointment on the Board of Directors but these names were not approved by the Government finally. The Committee were also informed that the Government were considering some names for inclusion in the Board of Directors of the Corporation. During evidence, the Secretary, Ministry of Finance also agreed to the suggestion of the Committee that one SC/ST member should be appointed in the Board of Directors of the Life Insurance Corporation.

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The Committee recommend that as a matter of policy at least one person belonging to SC/ST must be appointed on the Board of Directors of Life Insurance Corporation of India with a view to safeguard the interests of SC/ST employees. The Committee are surprised to note that in 1984 names of certain SC/ST persons were considered by the Ministry of Finance for appointment on the Board of Directors but finally no one was appointed by the Government. The Committee firmly believe that with sincere and concerted efforts it should not be difficult to find a suitable nominee from amongst Scheduled Castes/Scheduled Tribes for appointment on the Board of Directors.

The Committee, would, therefore, like the Government to ensure that at least one Director from amongst the Scheduled Castes/Scheduled Tribes is appointed on the Board of Directors of LIC at the earliest opportunity.

2

2.16

The Committee note that the LIC received the Presidential Directives regarding implementation of reservation orders in March, 1971 but these orders were made applicable w.e.f. 2 September, 1972. The Committee wanted to know who was responsible for not calculating the backlog from March, 1971 to September, 1972 and in not clearing the same. To this, the Secretary, Ministry of Finance stated during evidence, "We will ask the LIC to go into that and fix responsibility and take action." The Committee feel that the delay of nearly 1½ years in implementing

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the reservation orders by the Life Insurance Corporation of India after the receipt of the Presidential Directives has deprived many SC/ST employees of their due opportunity of getting service/promotion in the Corporation. The Committee recommend that as per the assurance given by the Secretary, Ministry of Finance during evidence, responsibility should be fixed on the defaulting officers and action taken against those who were responsible for delaying the implementation of reservation orders both for recruitment and promotion in LIC.

3

2.17

The Committee note that the Secretary, Ministry of Finance gave an assurance during evidence that they will calculate the number of SC/ST vacancies which were lost during the period from March, 1971 to September, 1972 during which period Presidential Directives regarding reservation orders were not implemented and will give that number of vacancies to Scheduled Castes/Scheduled Tribes as one time measure. The Committee have been informed in a subsequent note furnished by the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) that the number of the aforesaid SC/ST vacancies to be filled have already been calculated on the basis of 15% reservation for Scheduled Castes and 7½% for Scheduled Tribes to the total recruitment made during that period. It has also been stated that the net short fall of SC/ST vacancies for the period 1971-72 and 1972-73 after deducting the number of SC/ST persons recruited during this period is as under :

1	2	3	
		Total Shortfall	
	Class of Post	SC	ST
	I	7	4
	II	111	57
	III	524	366
	IV	—	57

The Committee have further been informed that the LIC has now apportioned this shortfall to all its Zonal Offices and each Zonal Office has been instructed to hold special recruitment to fill up the shortfall of SCs/STs in each category of posts in their respective Zones.

The Committee recommend that the Corporation should take immediate measures to ensure that its Zonal Offices fill up these vacancies immediately by making special recruitment. The outcome of the measures taken to fill up these vacancies including special recruitment by each Zonal Office of the Corporation may be intimated to the Committee.

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2.38

The Committee are surprised to note that during the last 3 years the Liaison Officers of the Central Office, Bombay and those of the five Zonal Offices of the LIC had not held even a single meeting to discuss the matters of common interest on reservations like interpretation of reservation rules and the problems concerning implementation of the reservation orders. Even no formal meeting of the Liaison Officers has ever been convened by the Central Office of the Corporation to discuss the problems relating to Scheduled Castes and sheduled Tribes.

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The Committee, therefore, recommend that the Liaison Officers of the various offices of the LIC should hold meetings frequently and at least once in six months to discuss the matters of common interest relating to the implementation of the policy of reservation.

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2:39

The Committee note that in the Insurance Division of the Ministry of Finance, Deptt. of Economic Affairs, there is a separate section which is responsible *inter alia* for watching the implementation of Government of India orders regarding reservations for, and employment of, Scheduled Castes and Scheduled Tribes in the LIC.

In reply to the question why no separate Cell had been set up in the Ministry of Finance when there were clear instructions of the Government in this regard, the Secretary, Ministry of Finance conceded during official evidence that "there is no separate section. We plead guilty." He further stated that in this regard he will have to consult the Cabinet, as no post can be created unless the proposal therefor is cleared by the Cabinet. He assured the Committee to sent the proposal for creation of the posts to set up a separate cell to the Cabinet on the following day. The Committee hope that the Ministry of Finance must have got cleared the proposal for creation of posts for the cell from the Cabinet now. The Committee earnestly feel that the interests of SC/ST employees of the Corporation can better be safeguarded only

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when a separate cell is set up in the Ministry.

The Committee, therefore, recommend that a separate cell under the charge of a Deputy Secretary preferably belonging to SC/ST should be set up in the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) as early as possible to ensure due compliance of the order of reservation for SC/ST issued from time to time and to look into the grievances of SC/ST in the Life Insurance Corporation of India. The aforesaid cell may be carved out from among the existing staff without putting it off on the plea of creating new posts.

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3.29

The Committee note that the appointing authorities in Life Insurance Corporation of India do not indicate the precise reasons for the rejection of SC/ST candidates to the Employment Exchanges which could facilitate the latter in sponsoring in future the right type of candidates belonging to these communities. During evidence, the Chairman, LIC expressed certain difficulties in giving the reasons for the rejection of SC/ST candidates to the Employment Exchanges. However, the Committee have been informed subsequently that the LIC have now issued instructions to their recruiting offices to undertake an analysis of the reasons for rejection of SC/ST candidates pinpointing the deficiencies noted in them and to keep the sponsoring Employment Exchanges apprised in this regard so as to enable

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them to sponsor the right type of candidates for the vacancies which are to be filled in future.

The Committee hope that in future the recruiting offices in the Life Insurance Corporation of India will strictly adhere to the instructions issued by Central office of the Corporation and the appointing authorities will invariably convey to Employment Exchanges the precise reasons for the rejection of Scheduled Caste/Scheduled Tribe candidates so as to enable them to sponsor for future vacancies right type of candidates from these communities.

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3.30

The Secretary, Ministry of Finance assured the Committee during evidence that the Ministry of Finance will issue instructions to all the Public Undertakings under its control that whenever the appointing authorities reject the SC/ST candidates they should convey reasons for rejection of these candidates to the Employment Exchanges so that the latter may sponsor for future vacancies the right type of SC/ST candidates.

The Committee, recommend that as promised by the Secretary, during evidence, the Ministry of Finance should issue, if not already done the aforesaid instructions immediately to all the public undertakings under its control and furnish a copy thereof to the Committee.

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3.31

The Committee are unhappy to note that in Life Insurance Corporation of India the appointment/interview letters issued

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to the candidates were not sent by registered post due to which receipt of letters in time by all the candidates could not be ensured. There was also possibility of some of the letters being lost in transit resulting in the loss of opportunity to many deserving SC/ST candidates to get the employment for no fault on their part. The Ministry of Finance (Department of Economic Affairs—Insurance Division) have informed the Committee in a subsequent note that all the recruiting offices of the Corporation have since been directed to send letters of appointment/interview for all posts by registered mail to all the candidates including the Scheduled Caste/Scheduled Tribe candidates. The Committee hope that in future all the recruiting offices of the Corporation will strictly adhere to the instructions issued to them in this regard and all appointment/interview letters would be sent to the Scheduled Caste/Scheduled Tribe candidates only by registered post.

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3.32

Secretary, Ministry of Finance. (Deptt. or Economic Affairs—Insurance Division) assured the Committee during evidence that in future in LIC, SC/ST candidates will be interviewed on separate dates and in separate blocks, i.e. on a day other than the day on which general candidates are interviewed. The Committee have also been informed that by way of implementation of the aforesaid assurance given to the Committee the LIC have already issued orders that interviews of SC/ST candidates, both in the matter of recruitment as well as promotion must be held

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on separate days (and not mere by separate sittings) i.e. on days other than those during which general candidates are interviewed for recruitment/promotion.

The Committee trust that as per the assurance given to the Committee the SC/ST candidates in the Life Insurance Corporation of India will invariably be interviewed on separate dates and in separate blocks i.e. on a day other than the day on which general candidates are interviewed so that interviewing body is prominently aware of the need for judging the SC/ST candidates by relaxed standards.

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3.38

The Committee note that in Life Insurance Corporation of India one person belonging to Scheduled Caste/Scheduled Tribe is invariably included in all Recruitment Boards/Departmental Promotion Committees. The Chairman, LIC of India informed the Committee during evidence that earlier such SC/ST member was included only at the time of interviewing the candidates belonging to the reserved communities but from February, 1986 onward the Corporation has started having one SC/ST member in the interview Board even when only the general category candidates are interviewed.

The Committee need hardly emphasise that the LIC should strictly adhere to the directive issued by the Ministry of Finance and ensure that at least one person belonging to Scheduled Caste/Scheduled Tribe is always included in all Recruitment Boards/Departmental Promotion Committees in their Central/Zonal and Divisional offices, irrespective of the fact whether they are interviewing SC/ST

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candidates or general candidates so as to ensure that SC/ST candidates are judged by relaxed standards and not by the standards by which the general candidates are judged.

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3.42

The Committee note that in Life Insurance Corporation of India Scheduled Caste/Scheduled Tribe candidates are given certain concession/relaxations both in case of direct recruitment and promotions. These concessions/relaxations include relaxation in age and qualification, assessment with relaxed standards and payment of second Class railway return fare whenever they come for written test/interview. The Committee have no doubt that if these concessions/relaxations are implemented by the LIC both in letter and spirit a good number of Scheduled Caste and Scheduled Tribe Candidates would be available for the reserved vacancies.

12.

3.52

The Committee are happy to note that suggestion made by Study Group II of the Parliamentary Committee on the Welfare of Scheduled Castes and Scheduled Tribes to announce the vacancies reserved for Scheduled Castes/Scheduled Tribes over the All India Radio and Television has since been accepted and the decision has been communicated to all offices of the Corporation on 10.9.86 *vide* Circular Ref:PER/A.No.3705/ASP/86. The Committee further note that all the Recruiting Offices of the Corporation have also been asked to endorse copies of the advertisement to the Director of Doordarshan and to the authorities of All India Radio to

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give publicity to the recruitment of Scheduled Caste/Scheduled Tribe candidates. The Chairman, LIC informed the Committee during evidence that earlier copies of advertisements were not sent to local MPs/MLAs but very recently the Corporation has taken a decision that copies of advertisements should also be sent to them.

The Committee recommend that with a view to give wide publicity of vacancies reserved for Scheduled Castes/Scheduled Tribes, the LIC should also send copies of advertisements to Members of the Parliamentary Committee on the Welfare of Scheduled Castes/Scheduled Tribes besides the local Scheduled Caste/Scheduled Tribe, MPs MLAs as already decided. The Committee do hope that after such wide publicity of reserved vacancies and their announcement over AIR and Television SC/ST candidates living in remote areas of the country would also respond to these advertisements in good number.

13.

3.60

The Committee are constrained to note that there is a big shortfall in the matter of promotion of SC/ST employees in different categories of posts in the LIC of India. The number of and percentage of SC/ST employees promoted during the last 3 years i.e. 1983-84, 1984-85 and 1985-86 is not satisfactory. In 1983-84 in class I posts out of a total number of 745 employees who were promoted the number of Scheduled Caste and Scheduled Tribe candidates was only 44 and 2 respectively. The percentage of promotion of

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these candidates to the total promotion made in this category was only 5.9 and 0.3 respectively. In the same year in Class III, the number of SC/ST candidates who were promoted was also negligible. In this category out of 2536 employees promoted only 194 were Scheduled Caste and 139 Scheduled Tribe employees and their percentage was only 7.6 and 5.5 respectively. During 1984-85 also the number of SC/ST employees who were given promotion is much below the required percentage. In Class I, out of 353 candidates only 35 Scheduled Castes and 5 Scheduled Tribes were promoted, their respective percentages being 1.7 and 1.4 only. During the same year in class III, out of 1548 employees only 178 Scheduled Castes and 56 Scheduled Tribes were promoted and their percentage was 11.5 and 3.6 respectively. Similarly during 1985-86, out of 616 total employees promoted, 46 were Scheduled Castes and 7 Scheduled Tribes which comes to only 7.5% and 1.1% only. Similarly, in Class III, out of 2405 employees who were given promotion only 172 Scheduled Castes and 46 Scheduled Tribes were promoted and their respective percentage was 7.2 and 1.9. The Committee are surprised to not that even in Class IV categories (excluding sweepers), out of 77 employees who were given promotion, only 13 Scheduled Castes and 3 Scheduled Tribes were promoted with a percentage of 16.9 and 3.9 respectively.

The Committee recommend that the LIC should ensure that the orders of reservation in promotions issued from time to

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time by the Department of Personnel and Administrative Reforms/Bureau of Public Enterprises are rigidly followed and liberal concession/relaxations given to SC/ST employees at the time of promotion so that all the vacancies reserved for them are actually filled by the SC/ST employees and the shortfalls are obliterated at the earliest.

14.

3.61

The Committee are surprised to note that the LIC has so far not been following the the practice of communicating adverse remarks made in the Annual Confidential Reports of its employees. The Committee fail to understand as to how the SC/ST employees in the LIC will come to know about their deficiencies unless the same are communicated to them. The practice of communicating adverse remarks made in the Annual Confidential Reports of the employees is well established everywhere and is invariably followed by all the Ministries/Departments of the Government of India.

The Committee recommend that the adverse remarks made in the Annual Confidential Reports of all SC/ST employees of the LIC should invariably be communicated to them so that they may come to know about their deficiencies and then try to make improvements in the fields in which they are lacking.

The Committee feel that this will help in increasing the changes of promotion of SC/ST employees, particularly in those cases where promotion is made on the basis of seniority subject to fitness and where the Annual Confidential Reports

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earned by the employees are of great importance.

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3.74.

The Committee note that rosters are being maintained in the Life Insurance Corporation of India both for direct recruitment and promotions. As regards the inspection of rosters by the Liaison Officers, the Committee have been informed that the rosters are inspected by the Liaison Officers either after each recruitment/promotion is completed or annually, depending on the number of recruitments/promotions conducted by the Corporation. The Liaison Officer signs the rosters after going through the summary statement at the end. The Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee that Insurance Division proposed to make an on the spot sample checking of rosters maintained by the Zonal/Divisional Offices of the LIC to verify physically that the Government of India instructions on reservations for Scheduled Castes/Scheduled/Tribes are followed by them strictly and to suggest corrective measures wherever necessary. The Insurance Division of the Ministry of Finance has already drawn up a programme for the next 6 months for the inspection of rosters at different offices of the LIC.

The Committee hope that by now the Insurance Division of the Ministry of Finance might have started on the spot sample checking of rosters maintained by the Zonal/Divisional Offices of the LIC to verify physically that the Government of India instructions on reservations for

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Scheduled Castes/Scheduled Tribes are followed by them strictly and the corrective measures suggested in their maintenance wherever necessary have already been taken by the concerned offices of the Corporation. The Committee desire that they should be apprised of the latest position regarding the on the spot sample checking of rosters by the Insurance Division of the Ministry of Finance and the outcome thereof within next three months.

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3.75

The Committee note that generally discrepancies/shortcomings, found in the maintenance of rosters in the Corporation, pertained to the non-maintenance of rosters for temporary appointments for a period of 45 days or more and non-inclusion of appointments of dependents of the deceased employees in the rosters. Besides, entries in the rosters were not signed by the Liaison Officer immediately at the end thereof.

The Committee need hardly stress that rosters are the only mechanism through which a watch is kept on the proper placement of Scheduled Castes/Scheduled Tribes in services against the vacancies reserved for them. In fact they are the kingpins on which the whole system of implementation of reservation orders rests and their proper maintenance keeps authorities concerned informed of the representation of Scheduled Castes and Scheduled Tribes at the various points in different posts and the shortfalls, if any, can be detected immediately. The Committee, therefore, stress that rosters should be maintained strictly in accordance with the instructions on the subject

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by the Life Insurance Corporation of India and checked regularly by the competent authority and duly signed in token of such checking. Discrepancies, if any, noticed during the inspection of rosters should be rectified immediately and also brought to the notice of the Head of the Department.

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3.76

The Committee are happy to note the suggestions made by the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) for overcoming the shortcomings noticed in the maintenance of rosters viz. that the Higher Grade Assistants maintaining the rosters in the Divisional/Zonal Offices of the Corporation should be given a training regarding the maintenance of rosters by the Zonal Liaison Officers once in a year. The Committee, however, feel that merely the maintenance of rosters and their periodical inspection by the concerned Liaison Officers is not sufficient. It is more important that the rosters are maintained by the LIC in a proper manner. For this purpose some training should also be given to the officers and staff entrusted with the work relating to the maintenance of rosters. The Committee, therefore, recommend that the training courses should be arranged for the officers and staff who are responsible for the upkeep and maintenance of rosters in LIC. An yearly conference of senior officers responsible for maintaining the rosters should be held at which the procedures may be discussed and any difficulties felt in interpretation of any instructions may be clarified for guidance of all the participants.

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18.

3.85

The Committee note that in Life Insurance Corporation of India a large number of posts have been de-reserved during 1983-84, 1984-85 and 1985-86 in various categories of posts. When the Committee wanted to know the reason why the number of posts which were de-reserved had been increasing year after year, the Chairman of LIC informed the Committee during evidence that de-reservation has been done mostly in the promotional cadres as the number of eligible SC/ST persons for these posts was small. The Committee are not satisfied with this reply. They are surprised to note that the Corporation could not find suitable SC/ST candidates even for filling up the Class III and Class IV posts. The Committee feel that earnest efforts have not been made by LIC authorities to induct SC/ST candidates particularly in Class III and IV categories which are feeder cadres.

The Committee are basically opposed to the principle of de-reservation and desire that the vacancies reserved for Scheduled Castes and Scheduled Tribes should not, as far as possible, be de-reserved. The Committee, therefore, recommend that sincere efforts should be made to induct as many Scheduled Caste/Scheduled Tribe candidates as possible in the feeder cadres at the time of recruitment.

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4.10

The Committee regret to note from the figures furnished to them that the representation of Scheduled Castes and Scheduled Tribes in Class I, II and Class III (as

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on 1-1-1986) is negligible. Out of 42136 permanent employees in Class III posts, the number of Scheduled Caste employees is 3193 and that of the Scheduled Tribes employees is 1017 only. The percentage of SC/ST employees in this category of posts comes to 7.58 and 2.41 respectively. Similarly, in Class IV category (excluding Sweepers), out of 499 temporary employees the number of Scheduled Caste employees is 30 and that of Scheduled Tribe employees only one. Thus, percentage of SC/ST employees in this category is only 6.01 and 0.20 respectively. While giving reasons for such meagre representation of Scheduled Castes and Scheduled Tribes and also the action proposed to be taken to augment the intake of SC/ST employees in the Corporation, the Ministry of Finance (Deptt. of Economic Affairs—Insurance Division) have informed the Committee that since 1972, LIC has interduced a number of concessions and relaxations in their recruitment and promotion policies which has resulted in increase of combined percentage of these two categories to 8.1% as on 31-3-83. The Committee have also been informed that upto 31-3-86 the total number of employees of LIC had gone up to 66,476 and the number of SC/ST employees to 7339. There has also been an increase of 5,621 SC/ST employees as against a total increase in staff strength of 12,213 since the base year 1971-72 which represents 45.04% of the total additional vacancies filled by LIC. The Ministry have claimed that since 1972, LIC has substantially made up the backlog of SC/ST candidates over the previous years.

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It has been stated that apart from giving concessions to the SC/ST employees such as relaxation in age limit, relaxation in experience and qualification etc. the Corporation has drawn up a scheme for pre-promotion Coaching Class for SC/ST employees. It has also been stated that in addition, the Corporation has been undertaking special recruitments to recruit SC/ST candidates only. As such, the need to take further special steps to augment the recruitment of Scheduled Castes and Scheduled Tribes in LIC of India is not considered necessary.

The Committee do not agree with the contention of the Ministry of Finance that there is no need to take any further special steps to augment the intake of SC/ST candidates in Corporation. The Committee find that the statement showing the year-wise recruitment made by the LIC during 1983-84, 1984-85 and 1985-86 indicates considerable shortfall in the representation of Scheduled Castes and Scheduled Tribes in Class I, II and III posts. While in 1983-84, 59 posts were reserved for Scheduled Tribes in Class II only 44 Scheduled Tribes were appointed against these posts and thus 15 posts reserved for them remained unfilled. Similarly, in Class III posts also, as many as 55 posts for Scheduled Tribes remained unfilled during the year. In 1984-85 as many as 26 posts in Class II reserved for Scheduled Tribes remained unfilled. In the same year in Class III, 24 posts reserved for Scheduled Caste candidates remained unfilled. The Committee are constrained to note that the position regarding

the number of SC/ST candidates appointed against the posts reserved for them is also not satisfactory. During the same period in Class II, 36 Scheduled Caste posts and 34 Scheduled Tribe posts remained unfilled. Beside, the recruitment of Scheduled Tribes in Class III posts in the year 1985-86 is also below the prescribed percentage, and 23 posts reserved for Scheduled Tribe candidates remained unfilled during this period.

Considering the heavy shortfall in all categories of posts in the LIC, the Committee are led to believe that the LIC authorities are not implementing the reservation orders/instruction properly, and adequate attention is not given to improve the intake of SC/ST candidates in the Corporation.

The Additional Secretary, Ministry of Finance, assured the Committee during evidence that they would calculate the backlog of SC/ST candidates in each category of post in the Corporation from the year 1972 to 1986 and would try to fill up this backlog by making special recruitments. He also assured that the LIC would make an endeavour to clear the backlog within one year and by resorting to special recruitments throughout the year (1987).

The Committee trust that as per the assurance given to them the backlog of SC/ST candidates in each category of post in the LIC from the year 1972 to 1986 would be calculated without any further

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staff and wiped out by the Corporation within one year i. e. during 1987. The backlog so calculated in each category of post, details of special recruitment made for its clearance and the results achieved may be intimated to the Committee.

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4.19

The Committee note that the pre-promotion coaching scheme in LIC which had been shelved for about seven years has been reviewed and all the Divisional offices of LIC have now been instructed to give this coaching during office hours to get encouraging response from such candidates. The Committee appreciate the gesture of treating the trainees attending the coaching Classes as on during the training period & also of paying them TA/DA as per the rules. The Committee have no doubt that the coaching classes will improve the promotional prospects of the SC/ST candidates to a great extent and will benefit them immensely. The Committee do hope that the coaching classes will be started by the Divisional Offices of LIC without any delay so as to achieve the desired result. The Committee should be informed of the details of progress made and achievements therefrom.

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4.20.

The Committee desire that as promised by the Secretary, Ministry of Finance during the evidence LIC should immediately arrange to impart prerecruitment training to SC/ST candidates so that SC/ST candidates could be better equipped and qualify in the examination and interview held for various categories of posts.



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5.7.

The Committee note that in Life Insurance Corporation of India no separate register was being maintained to register the grievances of SC/ST employees of the Corporation. However, the LIC has now started to maintain a separate grievances register to register the grievances of SC/ST employees of the Corporation. Central Office of the Corporation have also issued instructions to all offices to maintain a separate grievances Register to note the grievances of SC/ST employees with a view to creating confidence among the SC/ST employees of the Corporation and to instil a feeling among them that their interests are well looked after, their grievances/representations should be processed and disposed of judiciously/sympathetically and promptly by all the offices of LIC in India. The Committee recommended that a quarterly report indicating the grievances received from SC/ST employees of the Corporation and their disposal may be submitted to the highest executive in the office to which the grievances register pertains. The Central Office of LIC should also devise a mechanism to inspect grievances registers of all its offices at least once in six months and issue necessary instructions from time to time in regard to removal of deficiencies noticed during inspection of such Grievance Registers.

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5.11.

The Committee note that 10% of the staff quarters falling vacant in every financial year are allotted to SC/ST employees in LIC. The Committee feel that the percentage of allotment of quarters to

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**Scheduled Caste and Scheduled Tribe employees should be augmented as generally they do not own houses and also find it very difficult to get rented residential accommodation.**

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