

**THE NEW INDIA ASSURANCE
OFFICERS' ASSOCIATION**

Office of the President
c/o The New India Assurance Co. Ltd
#52, Vinay Complex, 1st floor,
Vani Vilas Road, Basavangudi,
Bangalore – 560 004

22, October 2009

TO ALL OFFICERS OF NIA,

Re: Current Check off exercise and how it is unique/special to NIAOA.

You may be aware that NIA management vide their circular dated 12/10/2009 has announced a revised schedule for check off exercise. And now the date for authorization for all employees/officers is fixed on 17/11/2009. This system besides serving the purpose of employee subscription to the association, also serves as a tool to identify the representative character for each association.

Though, this system is prevalent widely, there were lot of resistance/oppositions till the system was finally introduced in our industry in March 2004. I would like to recollect your memories how this check off exercise came into reality in our industry. There has been a demand for introducing the check off system in the general insurance industry since late 1970s. But the response of the management has been lukewarm. This lack of response from the management resulted in the multiplicity of associations in the industry. After a long persuasion and advices from the Ministry, then GIC finally introduced check off system in the case of SC/ST associations in the mid 1990s with the stipulation that only those groups/associations which secure 40% support of employees belonging to SC/ST employees could be entitled for invitations for structured meetings by the management. Due to our apex body CONFED's, untiring efforts, then GIC finally agreed to introduce check off to trade unions/associations in the February 1999. But GIC abruptly aborted the process in April, 1999, just before the commencement of the process citing one of the most innocuous reasons in the corporate history of GIC, viz, objection by some association due to on-set of summer vacation for schools and colleges in April.

When GIC abruptly stopped the process in April 1999, the National Confederation of General insurance Officers associations, the umbrella organization of OICOA, NICOA, NIAOA and UIIOA approached the **Madras High Court with a writ petition for a direction to then GIC management for implementation of check off system** and after realizing that they don't have any legal defence, then GIC management sought time for implementing the system from the Court. During this trial process, GIC was dismantled and GIPSA was formed. After the formation of GIPSA, this issue was again agitated by NCGIOA and finally GIPSA agreed to introduce the system in July 2002. But alas! GIPSA also aborted the process at the last moment, a day prior to exercising the option by officers at the direction of then Minister of State of Finance, Government of India, In charge of banking and insurance. This drama disguised as 'postponement' was once again carried out in August 2002. Thus the check-off system was aborted twice in 2002 after the date was fixed for exercising the option. The associations which never had the minimum percentage of members support to qualify in the check off process were responsible for the above damage along with the active support of the GIPSA managements.

Finally, the case filed by NCGIOA at Madras High court came for final disposal in August 2003 fearing an adverse inference and order, GIPSA gave an undertaking to the

honourable Madras high court to complete the check off process in 6 months' time. With this undertaking by the GIPSA, the case was closed by the court on 29/9/2003.

In pursuance to the above undertaking, GIPSA Company management issued notice for check off exercise in the month of January 2004 to complete the process by February 2004. The ill fated history of check off continued. This time one of the welfare associations stopped this process by obtaining an eight week interim stay from the honourable high court of Calcutta. But the commitment of NCGIOA and its affiliated units like NIAOA, was so strong, the honourable high court of Calcutta finally vacated the stay order and thus clearing all the obstacles for smooth conduct of check off exercise. Our conviction in the judicial process was vindicated and also our perseverance yielded a positive result. To our delight and joy, the GIPSA has finally issued a circular for implementing the first check off system with a date for exercising option was fixed on 22/3/2004. With this, the struggle started in 1999 has paved the way for introduction of first check off system in the industry in the year 2004. Now, you can understand how important/unique this check off exercise to NIAOA is. From the above facts, you can realize why we are so much emotionally attached to this check off process and also our anxiety to preserve its sanctity in the coming days.

Friends, these are very trying times for PSU General Insurance Employees, particularly for the Officers community. In the recent years, Officers in the financial sector, particularly in the GIPSA Companies are called upon to take more workload and higher responsibilities. On the other hand, the attacks on the officers and the associations in our industry are increasing day by day by resorting to favouritism, pick and choose & nepotism.

As we have been communicating through our circulars, there has been an attempt to link our basic service conditions to pay revision. You can note from the GIPSA's management agenda, which is linked to current wage revision, the attack on job security of the officers are so naked that they can be ignored only at our peril.

In this context, if you have to safeguard the interests of officers' community, a strong association with a vision and zeal is an absolute necessity. Only a strong association like NIAOA will be in a position to both protect the existing rights as well as promote the justifiable demands of officers' community. In the given circumstances, every officer of NIA has to support and strengthen NIAOA in the larger interests.

I appeal to each and every officer of New India to exercise option in favour of NEW INDIA ASSURANCE OFFICERS' ASSOCIATION. The number allotted to NIAOA is 05 and I request all officers to exercise the option in favour of '05'.

With warm regards,

T. N. 02/10.
(T S PAR OLI)
PRESIDENT