

THE NEW INDIA ASSURANCE OFFICERS' ASSOCIATION

(REGISTERED UNDER THE TRADE UNION ACT 1926)

C/O, THE NEW INDIA ASSURANCE CO. LTD., HEAD OFFICE, 87, M.G. ROAD, FORT, MUMBAI-400001.

Dt: 06.04.2011

**Shri. NAMO NARAYAN MEENA,
MINISTER OF STATE FINANCE
(INSURANCE & BANKING)
ROOM NO. 165,
NORTH BLOCK,
NEW DELHI-110001.**

Respected Sir,

Re: Approach paper on Lateral Entry.

We take your kind reference to our letter dated 31/01/2011 as sequel to the meeting we had with your good self on 23rd January 2011 at Jaipur. Sir in our letter we had brought to your notice that the management attempt to fill up the vacancies arising out of normal retirement of officers in various grades by bringing in people from outside the industry in the name of lateral entry. Now the four PSU Company Managements through General Insurance Public Sector Association(GIPSA) has come out with an approach paper proposing lateral entry at senior levels namely in Scale V, VI and VII on specific period basis and at junior and middle level positions that is Scale II, III and IV on regular employment basis.

This is a very clear determined attempt on the part of Management to ensure a back door entry for a few select persons. Management's proposal for lateral entry in senior positions also paves way for re-employment/extension of service to the retired persons up to the age of 65 years. When Government of India has generally discouraging all forms of re-employment and stopped extension of service to retiring employees the GIPSA Companies are making an attempt to circumvent the Government's policy.

The Industry has enough depth of cadre strength to fill up the ensuing vacancies. What is required, as we have been pointing out is a process of speeding up the promotions. It is for this purpose that we have suggested a multi channel promotion system wherein eligible officers will be moving at different pace to the next level. We had already given our inputs on multi channel promotion policy to

Company Managements and GIPSA right from 2003-04 itself and also in 2006 when GIPSA proposed changes in our promotion policy. Had our suggestion had been accepted and multi channel promotion system was put in operation at least since 2006 the vacancies at all levels resulting from retirement in the short term as well as long term would have been filled up in a smooth manner without any hiccups.

As there are enough qualified and experienced employees available in all fields required for managing the companies, any attempt to recruit people from outside both on contract as well as on regular basis will totally demoralize the existing workforce. This process of lateral entry at different levels from Scale II onwards will greatly reduce the promotional opportunities, lower the intake of new recruits at Scale I and the promotions from the employees cadre to officers at entry level.

Since, the very concept of lateral entry and contractual employment is against the interest of the companies, employees and public policy we request you to intervene and direct the PSU General Insurance Companies to desist from going ahead with their inimical proposal of lateral entry and to introduce multi channel promotion policy as a long term solution to the issue of Corporate succession planning.

With warm regards,

Yours faithfully,

Handwritten signature of T.S. Paroli in black ink, consisting of a stylized 'T.S.' followed by a flourish and the number '6/4'.

**T.S. PAR OLI,
PRESIDENT.**