

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 2831

ANSWERED ON – 21.3.2022

Public Sector GICs

2831. SHRI M.K. RAGHAVAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has arrived at the names of public sector General Insurance Companies (GICs) for privatisation and if so, the details thereof;
- (b) whether the Government has any plans to infuse funds into public sector GICs to improve its solvency ratio in 2022-23 and if so, the details thereof;
- (c) whether the Government has permitted General Insurance Public Sector Association of India to undertake talks on wage revision of its employees and if so, the details thereof;
- (d) whether General Insurance Public Sector Association of India has entered into wage revision talks with registered Trade Associations of public sector GICs; and
- (e) if so, the details regarding the meetings held and decisions arrived at?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a): As per inputs received from Department of Investment and Public Asset Management, Government has not yet decided on the Public Sector General Insurance Companies (PSGICs) that are to be privatised.

(b): Government is in receipt of a proposal from the General Insurers' (Public Sector) Association of India (GIPSA) for capital infusion for PSGICs towards supporting their solvency position.

(c) to (e): Wages in PSGICs are settled periodically on the basis of negotiations between PSGICs and the unions of workmen employees of PSGICs, in terms of the provisions of section 19 of the Industrial Disputes Act, 1947. In case of non-workmen employees, wage revision is agreed to between PSGICs and associations of such employees after discussions among them. PSGICs negotiate/discuss with unions/associations through GIPSA. Based on such settlement/discussions, the amendments proposed by GIPSA to the schemes made by the Central Government under section 17A of General Insurance Business (Nationalisation) Act, 1972 for regulating the terms and conditions of PSGIC employees are considered by the Government. Government is not in receipt of any such wage settlement/revision proposal at present.
