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Monthly Journal of All India Insurance Employees' Association

Budget targets to garner Rs.11000 crore thro' the listing of PSGI Companies

FIGHT BACK THIS OFFENSIVE

TO TRANSFER PUBLIC ASSETS FOR PRIVATE LOOT

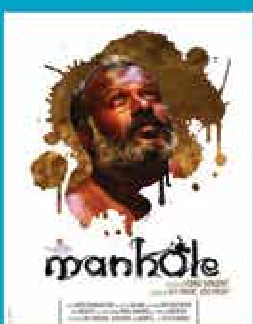
Budget 2017-18

Dampener on Purchasing Power

The Government has Compounded its Folly

Blinded by Neo-liberalism

A Disappointingly Ordinary Budget for Extraordinary Times



Justice - Still A FarCry

COMRADE R.GOVINDARAJAN

With profound sorrow and deep grief, we have to inform that Com R.Govindarajan, Former Joint Secretary, AIIEA and a foremost leader of the insurance employees movement passed away around 7.10 pm on 18th February 2017. The end was sudden due to a massive cardiac arrest. He was 81 and leaves behind a son and daughter and thousands of admirers in grief.

Com RG as he was popularly known joined LIC in 1960 at Madurai Divisional Office after completing studies at St. Joseph's College, Trichy. Those were the turbulent times and the AIIEA was engaged in a number of struggles to protect and advance the interests of the insurance employees. Com RG was drawn to these struggles and became a brilliant soldier of the AIIEA. He moved over to Thanjavur Division in 1962 on LIC forming a new divisional office there. He worked closely with Coms R.Umanath and R.Narayanan and became the General Secretary of ICEU, Thanjavur Division in 1963. Since then, he led the organisation in different cap acities.

The Jaipur Conference of AIIEA in 1988 decided to shift the headquarters of AIIEA from then Calcutta to Madras. This Conference elected Coms N.M.Sundaram as the General Secretary and R.Govindarajan as the headquarter Joint Secretary. Com R.G. shifted to Chennai from Thanjavur. He served the AIIEA as Joint Secretary till 2003 and relinquished the post in the Raipur Conference of AIIEA which decided to shift the headquarters to Hyderabad. He also worked as the publisher of Insurance Worker when the publication was shifted to Chennai.

Com Govindarajan was firmly committed to the working class ideology. He made great contribution to the growth of AIIEA and played an important role during the legendary automation struggle. With simple life style, a firm conviction in the cause he espoused and affable manners, Com RG was widely respected and loved by the ordinary rank and file of the organisation. He was also a constant source of inspiration to the cadres. He was a great orator and had amazing command over the national and international political developments. He was a prolific writer exposing the hollowness of capitalist system.

Com RG did not remain confined to the movement of the insurance employees. He always played a leading role in the general democratic and progressive movement. He was an invitee to the State Committee of CPI (M) Tamilnadu. He was on the Editorial Board of Marxist, an ideological journal of the CPI (M) and was closely connected with a number of democratic and progressive movements.

The insurance employees and the working class of India lost a valiant leader. His unfortunate death has created a big void difficult to fill. The insurance employees would remain indebted to Com RG for his valuable contribution and struggles to improve their living and working conditions. The life and struggles of Com RG will remain a source of inspiration to all those who dream of making the Indian society just, fair and equal.

Insurance Worker pays its respectful homage to the memory of Com R.G. Long live Com R.Govindarajan.

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Monthly Journal of All India Insurance Employees' Association

EDITOR: AMANULLA KHAN

FIGHT BACK THIS OFFENSIVE

The Union Budget 2017-18 presented by Finance Minister on 1st February 2017 aims to raise revenue of Rs.72500 crore through disinvestment, strategic sale of profitable public sector undertakings and listing of public sector general insurance companies. The Budget estimates to garner Rs.11000 crore through the listing of four PSGI companies and GIC-Re. This is a follow up action to the decision of the Union Cabinet to sell 25% of its equity holding in the general insurance sector in one or more tranche.

This has not come as a surprise. The government which has totally embraced neo-liberalism is clear that its business is not to be in business. This betrays the ignorance of this government as to why the public sector was created and the role it played in national development ensuring the economic sovereignty. If India today has emerged as a leading economic power in the globe, it is due to the performance and contribution of the public sector. Nobody can deny the fact that the private sector helped itself on the infrastructure created by the public sector and the development of skills through establishment of institutions of excellence in education. Unfortunately, the Modi government is in a tearing hurry to dismantle these institutions to create space for the private and foreign capital for their profit expansion. Therefore, it has decided not only to privatise public units but also allow total freedom to the foreign investment by dismantling the Foreign Investment Promotion Board and allow all foreign investments through automatic route.

The Modi government which adheres to fiscal fundamentalism struggling to generate revenues wants to sell the family silver and handover the profitable public sector units to the private sector. Are there no other avenues for the government to raise revenue? There

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are many but the government lacks a political will to explore those areas. The Finance Minister bemoans that India is a least tax compliant society. If it is so, why effective measures are not taken to broaden the tax base and hike the tax rates at high income levels? Why the government is not taking steps to collect taxes due which are not in dispute? Rather than raising revenues through effective tax machinery, the government has projected to forgo tax revenue of Rs.3.18 lakh crore in 2016-17 due to exemptions, concessions and deductions to the corporate sector. The government also lacks a political will to address the issue of huge non-performing assets in the public sector banks. The RBI has estimated that the NPA of PS Banks will reach 8.5% of the total advances by March 2017. The top 20 defaulters of the Public Sector Banks owe as much as Rs.1.54 lakh crore. It is estimated that as at June 2016, non-performing assets in public and private banks put together have crossed over Rs.6 lakh crore. This is the simple and pure loot of the public money. On top of it all, the government is transferring the public assets to the rich through privatisation.

We have always held a firm conviction that the disinvestment in the public sector general insurance is to conform to the ideological belief of the ruling classes rather than bringing any benefit to the industry or the national economy. During the last 10 years and more AIIEA has waged a relentless struggle against the privatisation of the public sector insurance industry. Our opposition has been on sound arguments. The four public sector general insurance companies and the GIC-Re are adequately capitalised. The combined assets of the four PSGI companies and GIC-Re are 2.25 lakh crore as at 31.3.2016. They have together invested nearly Rs. 1.68 lakh crore in the Indian economy. These companies have a reserve and surplus of Rs.39181 crore. With such financial strength, they are capable of raising additional resources internally for business expansion if the need so arise. The AIIEA also made strong submission to the parliamentary committee on finance that as per the Insurance Laws (Amendment) Act; an insurance company can raise resources through instruments other than equity. Why then is the government bent upon only the disinvestment route? The answer is clear. Starved of funds, it wants to raise revenues through the sale of the most profitable public undertakings? The AIIEA's strong arguments though not fully but partially succeeded in making the committee to recommend and the government to accept that the government at no time will lower its equity holding in these companies below 51% to retain the character of the majority shareholder.

The AIIEA has also been demanding the merger of all these companies to create a monolithic corporation on the lines of LIC. The reasons advanced for such a merger are absolutely sound. It makes no logic for four public sector companies to compete with each other for the same business and waste precious financial and human resources. The merged entity can leverage its strength to better contribute to the social obligations and meet the growing competition from the private companies effectively. The consolidation in the private sector through mergers and acquisitions is inevitable and we are going to see this happening in the next few years. In such a situation, consolidation in the public sector is sound logic. The Committee on Public Undertakings agreed with these arguments and suggested consolidation long back. But the government remains unmoved on this vital issue. The government has announced consolidation in the oil sector and it has approved the merger of State Bank of India with its subsidiaries. The government is also planning to create big banks through mergers in the banking industry. Therefore, it has no reasons not to recognise the need of consolidation in the public sector general insurance industry and to act fast in that direction.

The 24th General Conference of AIIEA decided to intensify the campaign against privatisation of the public sector general insurance companies. It called for a massive educative campaign within the industry and making effective mobilisation of public opinion in our favour. The struggle to defend the insurance industry is the struggle to defend the national economy and uphold its sovereignty. This must be explained using all tools of agitation available to us. Struggles are developing in various public sector units against privatisation and there is a need to integrate all these sectoral struggles to give a big challenge to the government policy. The employees of LIC must fully join this battle and support the comrades from general insurance. It needs no emphasis that the government has already set eyes on LIC and wants to leverage its massive value.

Our struggle has entered a critical phase. The next four to six months are very crucial as the companies will prepare for the listing. This period has to be utilised by making a massive drive towards public mobilisation and prepare the organisation to challenge the government. This is the immediate and urgent task and this task has to be carried out successfully.

इस हमले पर पलटवार करो

एक फरवरी 2017 को वित्त मंत्री द्वारा प्रस्तुत संघीय सरकार के बजट में सार्वजनिक क्षेत्र के लाभकारी उपक्रमों में विनिवेश व कूटनीतिक बिक्री व सार्वजनिक क्षेत्र की आम बीमा कम्पनियों की लिस्टिंग से 72,500 करोड़ का राजस्व जुटाने का लक्ष्य रखा गया है। बजट सार्वजनिक क्षेत्र की आम बीमा कम्पनियों व जी.आई. सी.–री की लिस्टिंग से 11,000 करोड़ एकत्रित करने का अनुमान पेश करता है। यह सार्वजनिक क्षेत्र की आम बीमा कम्पनियों के 25 प्रतिशत शेयर एक या एक से अधिक बार में बेचने के मंत्रिमण्डल के फैसले को आगे बढ़ाने की कार्यवाही है।

इससे आश्चर्य नहीं हुआ है। जिस सरकार ने नव–उदारवाद को पूरी तरह गले लगा लिया है, वह सरकार स्पष्ट है कि उसका काम व्यापार करना नहीं है। यह सरकार के अज्ञान को दर्शाता है कि सार्वजनिक क्षेत्र की पैदाइश क्यों हुई थी और आर्थिक संप्रभुता की रक्षा करते हुए इसने राष्ट्रीय विकास में किस तरह की भूमिका को अंजाम दिया था। यदि आज भारत विश्व की एक अग्रणी आर्थिक ताकत है तो यह सार्वजनिक क्षेत्र की भूमिका व योगदान की ही बदौलत है। कोई आदमी इस तथ्य से इन्कार नहीं कर सकता कि सार्वजनिक क्षेत्र द्वारा बनाए हुए बुनियादी ढांचे से प्राइवेट सेक्टर ने अपनी सहायता की तथा शिक्षा के क्षेत्र में श्रेष्ठता की संस्थाएँ स्थापित करके कौशल विकास हासिल किया। दुर्भाग्य से, मोदी सरकार मुनाफा बढ़ाने के उद्देश्य से प्राइवेट व विदेशी पूँजी को अधिक स्थान देने के लिए सार्वजनिक क्षेत्र को ढहाने की बहुत जल्दी में है। इसलिये, इसने न केवल सार्वजनिक क्षेत्र को ढहाने का निर्णय लिया है बल्कि फोरिन इनवेस्टमेंट प्रमोशन बोर्ड को समाप्त करके विदेशी निवेश को पूर्ण स्वतन्त्रता प्रदान करने का फैसला किया है तथा विदेशी निवेश को औटोमेटिक रूट से आने देने का भी निश्चय किया है।

मोदी सरकार जो कि वित्तीय तत्ववाद से चिपके रहना चाहती है तथा राजस्व जुटाने के लिये संघर्ष कर रही है वह राष्ट्र की संपत्ति को बेच देना चाहती है तथा सार्वजनिक क्षेत्र की इकाइयों को प्राइवेट सेक्टर को सोंप देना चाहती है। क्या सरकार के पास राजस्व जुटाने के लिये और कोई उपाय नहीं है ? बहुत सारे हैं परन्तु इन क्षेत्रों से राजस्व जुटाने में सरकार के पास राजनीतिक इच्छाशक्ति का अभाव है। वित्तमंत्री विलाप करते हैं कि भारत सबसे कम कर देने वाला समाज है। यदि ऐसा है तो कर आधार को बढ़ाने तथा उच्च आय स्तरों पर ऊँची दरों से कर लगाने के लिये प्रभावशाली उपाय क्यों नहीं किये जाते ? सरकार विवाद रहित मामलों से कर एकत्रित करने के लिये कोई कदम क्यों नहीं उठाती है ? प्रभावशाली कर मशीनरी से कर उगाने की बजाये सरकार ने 2016–17 में नैगम क्षेत्र के लिए छूट, रि–यायत व कटौतियों के द्वारा 3.18 लाख करोड़ रूपये का कर छोड़ने का अनुमान पेश किया है। सरकार के पास सार्वजनिक क्षेत्र के बैंकों की गैर निष्पादित संपत्तियों (एन.पी.ए.) को सम्बोधित करने के लिये भी इच्छाशक्ति की कमी है। आर.बी.आई. ने अनुमान लगाया है कि सार्वजनिक क्षेत्र के बैंकों की गैर निष्पादित संपत्तियाँ मार्च 2017 तक कुल ऋण के 8.5 प्रतिशत के स्तर पर पहंच जायेंगी। सार्वजनिक क्षेत्र की बैंकों के सबसे बड़े बीस ऋण न अदा करने वाले लोगों के पास ही 1.54 लाख करोड़ रूपये बकाया हैं। ऐसा अनुमान लगाया गया है कि जून 2016 में सार्वजनिक व प्राइवेट दोनों ही क्षेत्रों की बैंकों को मिलाकर कुल एन.पी.ए. 6 लाख करोड़ रूपये को पार कर जायेगा। यह जनता के पैसों की खुली और विशुद्ध लूट है। इस सबके ऊपर, सरकार निजीकरण द्वारा जनता की संपत्ति को धनवान लोगों के हाथों में सोंप रही है।

हमारा यह दृढ विश्वास रहा है कि सार्वजनिक क्षेत्र की आम बीमा कम्पनियों में विनिवेश उद्योग को या राष्ट्रीय अर्थव्यवस्था को लाभ पहुंचाने की बजाय शासक वर्ग के विचारधारात्मक विश्वास को आगे बढ़ाने के लिये किया जा रहा है। पिछले 10 वर्षों या इससे भी अधिक समय से ए.आई.आई.ई.ए. ने सार्वजनिक क्षेत्र की आम बीमा कम्पनियों के निजीकरण के विरूद्ध निष्ठुर संघर्ष किया है। हमारा विरोध मजबूत तर्कों पर आधारित है। सार्वजनिक क्षेत्र की चार आम बीमा कम्पनियां तथा जी. आई.सी.–री के पास पर्याप्त मात्रा में पूँजी है। उनकी संयुक्त सम्पत्तियां 31.03.2016 को 2.25 लाख करोड़ रूपये के लगभग थी। इन सबने मिलाकर भारतीय अर्थव्यवस्था में 1.68 लाख करोड़ रूपये का निवेश किया है। इन कम्पनियों के पास 39,181 करोड़ रूपये का रिजर्व तथा आधिक्य है। इतनी वित्तीय ताकत के होते हुए व्यापार को बढ़ाने के लिये ये कम्पनियाँ आवश्यकता पड़ने पर अन्दर से अतिरिक्त संसाधन जुटाने में सक्षम हैं। ए.आई.आई.ई.ए. ने वित्त की स्थाई समिति के समक्ष यह मजबूत तर्क पेश किया था कि इन्श्योरेन्स लॉज (अमेंडमेंट) एक्ट के अनुसार एक बीमा कम्पनी शेयरों के अलावा अन्य साधनों से भी संसाधन एकत्रित कर

सकती है। तब सरकार विनिवेश का रास्ता अपनाने के लिये क्यों कटिबद्ध है ? उत्तर स्पष्ट है। पैसों की जरूरत के कारण यह सबसे अधिक लाभ अर्जित करने वाले सार्वजनिक क्षेत्र की बिक्री से राजस्व एकत्रित करना चाहती है। ए.आई.आई.ई.ए. के मजबूत तर्कों को यद्यपि पूर्णरूपेण तो नहीं परन्तु आंशिक सफलता तब मिली जब समिति ने सरकार से स्वीकार करने के लिये यह अनुसंशा की कि किसी भी समय में इन कम्पनियों में सरकार की हिस्सेदारी 51 प्रतिशत से कम न हो ताकि सरकार के बहुमत के हिस्सेदार के चरित्र को बनाया रखा जा सके।

ए.आई.आई.ई.ए. इन कम्पनियों के विलय की मांग भी करती रही है ताकि एल.आई.सी. की तरह एक एकाधिकारवादी निगम की स्थापना की जा सके। इस विलय के समर्थन में दिये गये तर्क एकदम मजबूत है। सार्वजनिक क्षेत्र की चार आम बीमा कम्पनियों के लिये उसी व्यापार के लिये एक दूसरे से प्रतिस्पर्धा करना और बहुमूल्य वित्तीय व मानव संसाधनों को नष्ट करने का कोई औचित्य नहीं है। विलय के पश्चात अस्तित्व में आई संस्था अपने सामाजिक दायित्वों का निर्वहन करने तथा प्राइवेट कम्पनियों से बढ़ती हुई प्रतिस्पद्र्धा को प्रभावशाली ढंग से पूरा करने में अपनी शक्ति का उपयोग करेगी। प्राइवेट सेक्टर में अधिग्रहण और विलय के द्वारा मजबूत होना अपरिहार्य है और अगले कुछ वर्षों में हम इसे होता हुए देखेंगे। ऐसी स्थिति में सार्वजनिक क्षेत्र का मजबूत होना एक श्रेष्ठ तर्क है। सार्वजनिक क्षेत्रों की स्थाई समिति इन तर्कों से सहमत थी और उसने बहुत पहले मजबूत होने का परामर्श दिया था। लेकिन सरकार इन महत्वपूर्ण मुद्दों पर भी कार्यवाही नहीं कर रही है। सरकार ने तेल क्षेत्र को मजबूती प्रदान करने की घोषणा कर दी है तथा इसने स्टेट बैंक ऑफ इण्डिया को अपनी सहायक बैंकों के विलय की स्वीकृति प्रदान कर दी है। सरकार बैंकिंग उद्योग में विलय के माध्यम से बड़ी बैंक स्थापित करने की योजना भी बना रही है। इसलिये, सार्वजनिक क्षेत्र में आम बीमा उद्योग के विलय को मान्यता प्रदान न करने व उस दिशा में तेजी से काम न कर उसे मजबूत न बनाने का कोई कारण सरकार के पास नहीं है।

ए.आई.आई.ई.ए. के 24वें सम्मेलन ने सार्वजनिक क्षेत्र की आम बीमा कम्पनियों के निजीकरण के विरूद्ध अभियान को तेज करने का निर्णय लिया है। इसने उद्योग के अन्दर भारी शिक्षाप्रद अभियान चलाने और जनता की राय को प्रभावशाली तरीके से अपने पक्ष में एकजुट करने का आह्वान किया है। बीमा उद्योग की रक्षा करने का संघर्ष राष्ट्रीय अर्थव्यवस्था की रक्षा करने तथा इसकी संप्रभुता को बचाये रखने का संघर्ष है। हमारे पास उपलब्ध आन्दोलन के सभी उपायों का उपयोग इस तथ्य को समझाने के लिये किया जाना चाहिये। सार्वजनिक क्षेत्र की विभिन्न इकाइयों में निजीकरण के विरूद्ध संघर्षों का विकास हो रहा है और इन सभी क्षेत्रों के संघर्षों को एकीकृत करके सरकार की नीति को चुनौती देने की बहुत बड़ी जरूरत है। एल.आई.सी. के कर्मचारियों को इस लड़ाई में पूर्ण रूप से शामिल होना चाहिये तथा आम बीमा के साथियों को समर्थन देना चाहिये। यहाँ इस बात पर बल देने की आवश्यकता नहीं है कि सरकार ने एल.आई.सी. पर भी निगाह गढ़ा रखी है और यह उसकी जबरदस्त कीमत का फायदा लेना चाहती है।

हमारा संघर्ष एक निर्णायक दौर में प्रवेश कर गया है। अगले 4–6 महीने बहुत निर्णायक है जब कम्पनियाँ लिस्टिंग की तैयारी कर रही होंगी। इस समय का इस्तेमाल जनता की राय को एकजुट करने तथा सरकार को चुनौती देने के लिये संगठन को तैयार करने के भारी काम के लिये किया जाना चाहिये। यह तात्कालिक तथा आवश्यक कार्य है और इस कार्य को सफलतापूर्वक पूरा करना होगा।

DISUCSSIONS WITH CHAIRMAN, LIC

A delegation of AIIEA comprising of Coms Amanulla Khan, President, V.Ramesh, General Secretary and H.I.Bhatt, Joint Secretary met Sri V.K.Sharma, Chairman, LIC on 4th February 2017 at Central Office, Mumbai. The delegation congratulated Sri Sharma on taking over as Chairman of LIC and assured him the support of our organisation for the growth and prosperity of the institution. The Chairman thanked the AIIEA and appreciated the role the organisation is playing in defending the interests of LIC and hoped for continued support in making LIC a great financial institution. He informed the delegation that LIC has done exceedingly well on the new business front this year and he is confident of over-achieving the budget set for the financial year 2016-17.

The delegation assured that AIIEA will remain steadfast in defending LIC and at the same time remain committed to advancing the cause and interests of the LIC employees. We expressed our disappointment that there is a tendency in the recent times to take the industrial relations for granted and this attitude is hurting industrial peace and harmony. We informed the Chairman of certain ugly incidents taking place across the country due to the political situation and intervention including in Dharwad which we consider as frontal attacks on the rights of a trade union. The AIIEA can never accept such a situation and we demanded intervention of the Chairman for a course correction in order to maintain industry peace and harmony.

The AIIEA reiterated the demand of the organisation on **one more pension option.** We gave our arguments to back the demand and requested the Chairman to take up the issue with the government at the earliest. The Chairman agreed that this demand is not closed and he will surely pursue the same with the Finance Minister and other officials in the ministry.

The Chairman also informed the delegation that LIC is committed to fulfil the agreement reached on 5 day week, PL accumulation for 270 days, Paternity Leave and other residual issues of the Wage Revision. He said LIC is regularly following up with the government and expressed hope of securing a positive approval early. The Chairman also said that issue of Diamond Jubilee reward would be taken up with the government.

We informed the Chairman that the work in the offices is suffering due to shortage of staff and LIC must make efforts to find a way out for recruitment of Class III and IV employees by fully protecting the interests of CGIT candidates as per the Supreme Court decision. We pointed out that as per the decision of the Supreme Court, LIC has absorbed 96 temporary employees in Class III recruited through employment exchanges and working continuously for over 15 years in North Central Zone. There are around 100 more similarly placed employees across the country. We demanded that these employees should also be absorbed without LIC taking further recourse to litigation. On the issue of upgradation of residual RPT employees which is pending for a long time, the Chairman assured a positive consideration.

The AIIEA was critical that LIC is not following the basic principle of industrial democracy by not recognising the representative organisation of employees. We pointed out that LIC is the only institution in the entire financial sector where industrial democracy is blatantly abused. Even in General Insurance Sector unions are recognised on the strength of their representative character. We demanded that LIC should initiate the process of recognition of unions without further loss of time.

MEETING WITH MANAGING DIRECTOR

The delegation also met Smt. Usha Sangwan, Managing Director. We requested her personal intervention to secure approval on pending notifications from the government. She said that follow up with the government is on a regular basis and assured of all efforts to secure approval early. The Managing Director requested the help of AIIEA on policy servicing including NEFT enrolment.

MEETING WITH EXECUTIVE DIRECTOR (P)

The delegation held detailed discussions with Sri Sharad Shrivastva, ED (P) on the issues represented to the Chairman and the Managing Director. The ED (P) was present in both the meetings. We informed ED (P) that we have a number of reservations on Cadre Strength Formula and demanded a detailed discussion on this issue. Our initial response on this subject is given to LIC through letter addressed to Chairman on 4th February 2017 which is already circulated. We also informed the ED (P) that doubts raised by AIIEA on Biometrics should be clarified to our satisfaction before the project is fully implemented. The ED (P) assured to hold discussions on this. We also said that we will not accept unilateralism on any policy that adversely impact the interests of the employees and in order to ensure industrial harmony, the LIC should hold detailed discussions on all vital issues with AIIEA.

The AIIEA will continue to pursue the issues raised.

Draft Cadre Strength Formula

"We have received Draft of proposed Cadre Strength Formulae for Divisional Office and offices under Divisional Offices through e-mail on 10.01.2017 for the purpose of discussion and consultation. We have not received any cadre strength formula for Zonal Offices and Central Office. In the said draft it was mentioned that feedback be sent on or before 10.02.2017 by email.

Our Association has been demanding for quite a long time that LIC management should come out with a suitable staff formula to decide the cadre strength in each office based on a scientific method. LIC has now come out with the draft proposals on the subject. We are informed that the cadre strength formula has been worked out by Niti Ayog and another organization.

We do not know the mandate these organizations had nor were we consulted at any point of time while arriving at this formula. We also are not in a position to understand how much these external agencies understood the working of the institution.

Since we are unaware of the methodology used by these agencies to arrive at the cadre strength, we at this point of time are unable to give a detailed response. We, therefore, request you to share the methodology used as also the response of the Corporation to the Report submitted by these agencies to enable us to give our opinion on the subject.

However, a cursory glance reveals that the Corporation wants Assistant Mukt Divisional Offices. We fear that the same would be the case with the Zonal Offices and Central Office. This position is unacceptable to our organization. To cite an example, the formula for F & A Department in a Branch office, we find that the Cash Transactions and the no. of Vouchers are taken to be mutually exclusive to arrive at number of Cashiers and Assistants. This assumption of mutual exclusion is not based on practical considerations. At present, the ratio between Class-I and Class-III is 1 : 1.9 and not 1 : 3 as indicated in the draft.The staff pattern without Class-III cadre in Satellite Offices and Mini Offices requires a re-look. However, without concrete evaluation based on the actual data of each office, we would not be in a position to give our response. Therefore, we request you to provide us with sufficient data branch/division-wise so as enable us to calculate in detail and give our concrete response. While this process of calculation requires considerable time, we are afraid it would not be possible to give our final opinion on the issue before the stipulated date. We hope and believe that the staffing pattern will be decided through consultation with the AIIEA and there will not be any unilateralism on this important issue. "

Absorption of temporary employees continuously working over Ten Years

Supreme Court Order dated 20.10.2016 on Civil Appeal No.2268/2011

The AIIEA has written a letter to LIC Chairman on 17/2/2017 on the above issue as a follow up of the discussions held with him on 4th February 2017. The letter is self explanatory.

'We request you to recall the discussion we had with you on the 4th February, 2017 at Mumbai regarding the regularisation of employees who have been working temporarily in the cadre of Assistant/Typist for over 10 years continuously. We also request you to kindly refer to our letter dated 16th November, 2016 on this issue.

We understand that 96 such temporary employees in Assistant cadre were absorbed after written test and interview by LIC in few Divisions of North Central Zone as per the Supreme Court Order dated 20.10.2016 on Civil Appeal No. 2268/2011.

However, it is unfortunate that LIC has effectively denied the opportunity to other temporary employees from North Central Zone and a little over 100 from other parts of the country who were not the petitioners in the said case. These employees are similarly placed and it is legally not tenable to restrict the benefit of regularisation to them. It is a settled issue through various judgements of the Apex Court that employees similarly placed should also be extended the benefit of the

Court decision. In the case of LIC of India vs. Anil Kumar, the benefit of the Court approved scheme was extended to all similarly placed employees. We would like to point out that the Apex Court in CA 3338/2014 on 7/3/2014 directed that a benefit cannot be restricted to appellants/petitioners alone but should also be extended to all similarly placed employees. Recently, the LIC has also paid interim relief to all similarly placed employees in the Pension case as directed by Supreme Court.

We, therefore, once again request you to consider all similarly placed temporary employees who are working continuously for more than 10 years in LIC for regularisation under this scheme in the true spirit of the Order of Supreme Court. "

Secretariat of Standing Committee (GI) draws up Action Plan

The Secretariat of the Standing Committee (General Insurance) met at Kolkata on February 11, 2017 to decide on 1) the programmes for Campaign against Govt.'s decision to divest the four PSGI Companies and GIC Re:, 2) further steps to be taken for resolution of our pending issues; and 3) tasks to be carried out for further strengthening the organisation at all levels. All the four Zonal General Secretaries as well as Presidents of two zonal units (South and East) were present in the meeting. Com J.Gurumurthy, Senior leader of AIIEA and Com Goutam Maitra, Zonal representative, Eastern Zone, were also present as invitees to the meeting and contributed to the meeting with their valuable inputs.

The meeting was presided over by Com KVVSN Raju, Vice President and the discussion was initiated by Com Sanjay Jha, Secretary, Standing Committee (GI). Thereafter, all the members participated In the discussions and on the basis of their suggestions and proposals, the following Action Plan for next four months has been drawn up :

1. To meet the Management of four PSGI Companies on all the pending issues and follow up the discussions with regular written reminders to them.
2. **Against disinvestment:** During the months of March and April, intensive campaign among employees, Policyholders and Public at large to be launched. The Zonal/ State/ Regional Units will decide on appropriate programmes as per their suitability.
3. Demonstration during lunch recess in front of all ROs / HOs on the day the Budget session of Parliament recommences in March 2017.
4. To observe International Women's day on 8th March, 2017, highlighting the importance of Public Sector vis-a-vis Women's empowerment.
5. A national-level convention will be organised at New Delhi and to make efforts to ensure support of Political Parties against disinvestment of PSGI (tentative date: either 22nd or 23rd March, 2017).
6. Before 13.5.2017 — To highlight the 46th year of Nationalisation of General Insurance Business, 46 conventions will be organised in different centres across the country highlighting the role and need of strong PSGI Companies for Nation- building.
7. To observe Birth Anniversary of Dr. B. R. Ambedkar on 14th April, 2017 with an emphasis on his ideas vis-a-vis Public Sector and role and need for strengthening PSGI Companies..
8. To observe the General Insurance Nationalisation day on 13th May, 2017 by holding Press meets and involving the Management also.

Apart from the above programmes, the Secretariat reiterated its resolve to make the following programmes, decided by 24th General Conference of AIIEA, a resounding success :

1. To hold countrywide demonstrations during lunch recess on the day, any of the Companies applies for listing in Stock Exchange.
2. To observe one day strike on the day, when any of the Companies goes for IPOs.

The Secretariat also took some decisions for further strengthening the Organisation. The Secretariat expressed its appreciation and gratitude to Com J.Gurumurthy, former VP and Senior leader of AIIEA, for his great contribution to the general insurance employees' movement and the Organisation and requested him to attend the Standing Committee meetings and Standing Committee Secretariat meetings as invitee for some time to come. He was also requested to help to activate / form Pensioners' and Agents' Organisations in General Insurance.

PENSION CASE IN DELHI HIGH COURT AIIPA MAKES EFFECTIVE AND STRONG PLEAS

All India Insurance Pensioners Association's[AIIPA] Senior Counsel Sri Nagmohan Das and Advocate on Record Sri Som Dutt Sharma made impressive submissions on the twin prayers of 100% DA neutralisation to pre-aug.1997 pensioners and updation of Pension on 16/2/2017 and these were well received by the Court.

Though there was to be no scheduled hearing, listed for that day, AIIPA Counsels could insist and secure a hearing. The Counsels arguments were brief but effective and to the point. They pointed out that the LIC Pension Rules were not a package and that did not bar the Pensioners from demanding improvements. It was argued and made clear that discussions between Employees' Associations and LIC Management in 1993/94 resulted in framing of Pension Rules and there was no settlement between the parties under Industrial Disputes Act and as such pensioners are not estopped from claiming further benefits.

The counsels submitted that Pension is a property and when it is denied on par with other equally placed persons, there is scope for challenging the inequality and the pensioners have the right to improvements in pension and quoted a case law to bring out distinguishing features on discrimination, liberal interpretation in favour of pensioners and to established the fact that pension is a property.

It was strongly contended that LIC pensioners form a homogeneous group and are equals and there cannot be any discrimination on the basis of a cutoff date based on their date of retirement, which is violative of Art.[14].

On financial implications, for grant of cent percent neutralisation to Pre- August 1997 Pensioners, Counsels informed that LIC Board Resolution meant provision of about Rs. 141 Crores between the year 2001 to 2016 and if payment of 40% Interim Relief and the balance 60% due was reckoned, the cost therefore is miniscule. At this point, the Bench observed that cost was not a factor, even if it was more than the figure quoted.

On Updation of Pension for LIC Pensioners irrespective of Date of retirement, the counsels argued that Central Government accepting Vth, VIth and VIIth Central Pay Commissions' recommendations and by issuance of O.M.s, have extended pension updation to their pensioners though there is no such provision for pension updation in C.C.S.Rules, and pointed out that when CentraL Government can grant pension updation to its Pensioners without any provision for pension Updation, there was no reason why similar benefit could not be extended to LIC Pensioners and appealed to the Court for grant of the benefit of pension updation to LIC pensioners. On ripple effects in other sectors, if any benefit is granted to LIC pensioners, the Counsels argued no concrete evidence has been placed.

Quoting Art[21] which guarantees life with dignity, the Senior Counsel said that as a person grows old, requirements for health and other wants also increases, hence there is need for udgradation of pension on par with central govt. pensioners and other similarly placed pensioners.

Court observed that pension cannot remain static and there has to be periodical pension revision and that was a Corporate Social Responsibility, whether the pensioners have the legal right or not.

When LIC's Counsel wanted to present a chart highlighting Dearness Relief at varying levels of indices indicating earlier Pensioners were getting higher Dearness Relief, the Court observed every Pensioner must get Dearness Relief @ 0.23%, implying all are entitled for cent percent neutralisation and advised LIC to file a fresh Chart.

It was AIIPA's day at the Court and the Counsels could utilise it to the full extent to impress upon the Court the legal merits and ethical needs. All India Insurance Pensioners' Association is satisfied that it has put forth its best arguments to focus on legal nuances of our demands besides the cost aspects. AIIPA hopes that its moves will enable it to ensure justice is meted out.

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DAMPENER ON PURCHASING POWER

Dr. Santosh Kumar Mohapatra

Contrary to expectations, the current budget has not given a huge push to domestic demand, post-demonetisation. Instead the Finance Minister did his best to augment the indirect taxes to reduce the purchasing power of common people including middle class, thereby, dampening demand, further burdening the people and exacerbating unemployment and recessionary tendencies. Failing to tax the rich, he has given a lethal push to privatisstion.

It was widely expected that Budget 2017-18 would address the agony and pains of demonetisation by enhanced spending, stimulating consumption, generating more employment and augmenting purchasing power and thereby give a huge push to domestic demand. But, Budget failed miserably to do any of it. Instead of providing fiscal stimulus to the economy, the Finance Minister presented a contractionary budget, which may curtail demand and drag economy in to quagmire of recessionary phase.

The budget is contractionary in the sense that the hike in total expenditure is much less than the projected nominal GDP growth. The budget envisages nominal GDP growth of 11.75% (real GDP of 6.75% plus inflation of 5%).The gross expenditure as per the revised estimate for 2016-17 is Rs 20.14 lakh crore. In the current budget, it is estimated to be around Rs 21.46 lakh crore. Therefore, the actual increase is just 6.55% as against projected nominal GDP growth of 11.75%. The total size of the budget has also come down from 13.4% of GDP last year (revised estimate-RE) to 12.7% of GDP this year as GDP is estimated to be around Rs 1,68,47455 crore in 2017-18.

The Budget is applauded by fiscal fundamentalists despite the fact that deficit target has been achieved through expenditure reduction. The FRBM committee recommended for departure up to 3.5% of the GDP when circumstances warrant. But, the finance minister preferred to be more faithful to global finance capital. Despite claims of a massive push in infrastructure, there is a reduction in real terms as the capital expenditure of the government has fallen from 1.86 % of GDP (2016-17, revised estimate-RE) to 1.84% of GDP (2017-18, budgeted estimate- BE) and if capital expenditure of railways is ignored, it comes down further to 1.51% of GDP. While there is a small increase in the share of total budgetary outlay going to health, the share going to school education and literacy has actually declined (2.2% in 2016-17, RE to 2.16% in 2017-18, BE). Similarly other major social sector projects like Sarva Shiksha Abhiyan, Mid-Day Meal Scheme, National Drinking Water Scheme, and National Old Age Pension Scheme have got sparse increases.

CHIMERA OF PRO-FARMERS AND PRO-POOR

Nobody doubts that rural India has been

We are extremely happy that Com Santosh Mohapatra has been awarded Doctorate in Economics by Utkal University recently. Insurance Worker congratulates Com Santosh on this achievement.

– Editor

See report on page 29

harshly impacted with the sluggish agricultural activities and other means of livelihood in the post-demonetization phase. There has been lot of propaganda that outlay in farmer's welfare, rural development and other related schemes has been significantly enhanced in budget. But it is not true. Total allocation given to rural sector along with agricultural and allied sector for 2017-18 fixed at Rs. 1,87,223 crore, which is 24% more from the preceding year. But it is merely only 11.5% increase over revised estimates (RE) of Rs 167,768 in 2016-17 which is even less than nominal GDP growth of 11.75 % envisaged in budget. The Agricultural Ministry's total allocation, both as percentage share of the total Union Budget and as a proportion of the GDP, shows a decline in this budget compared to 2016-17 (RE). The allocation for Department of Agriculture, Cooperation and Farmers' Welfare has fallen from 1.98% per cent of total expenditure in 2016-17 (RE) to 1.95% of total budgetary outlay in 2017-18. The allocation for the Agriculture and Farmers' Welfare Ministry has been fixed at Rs 51,026 crore as opposed to Rs 48,072 crore (RE) in 2016-17. This is mere an enhancement of 6.14% over the previous year budget (RE), a percentage increase that is much lower than the percentage increase during 2016-17, which was 37% as actual allocation for 2015-16 was Rs 35092. What is disquieting is that *interest subvention, which* was earlier shown under the Finance Ministry, has been shown in *Ministry of Agriculture since 2016-17 to show higher expenditure* in agriculture and farmers welfare.

Total allocation for "Prime Minister Krishi Sinchayee Yojana (PMKSY) in this budget saw a decline to Rs 7,377 crore from actual spending reported in 2015-16, i.e. Rs 7,781 crore. Finance Minister proposes to increase the coverage of Fasal Bima Yojana from 30% of cropped area in 2016-17 to 40% in 2017-18 and 50% in 2018-19. Only a sum of Rs 9,000 crore provided in 2017-18, much less than the revised estimate of Rs 13,240 crores in 2016-17. Fertilizer subsidy, which is very vital for agriculture, has been reduced from Rs 73,000 crore in last year to Rs 70,000 in 2017-18. Finance Minister makes a supercilious claim of a record allocation of Rs 48,000 crore for MGNREGS as against Budget provision of Rs 38,500 crores in 2016-17. But actual increase is merely Rs 501 crore (niggardly 1.1%) when compared with the revised estimate of Rs 47,499 crore for 2016-17. The allocation for Pradhan Mantri Gram Sadak Yojana is Rs 19,000 crore in 2017-18, same as in revised estimate for in 2016-17.

> An all-time high target to collect an amount of Rs 72,500 crore by both partial and full privatisation of central public sectors has been envisaged. In order to realise such huge amount, the government shall resort to strategic sale and massive equity disinvestment of public sectors .The rail PSUs and public sector general insurance companies are already identified targets.

PRIVATISATION IS HIDDEN AGENDA

While Jaitley expressed concern for low tax-GDP ratio and India being a less tax compliant country, he did not take any step to address this perennial problem especially enhancing the tax-GDP ratio, which is one of the lowest in the world. He did not take any measure to recover the tax arrears amounting more than Rs 8 lakh crore. There is propaganda that rich are made to pay through surcharge to give others through reduction of income tax slab is misleading. Actually, maximum income tax rate was 97.57 % in 1973-74. But it has been reduced to 30% in order to give concession to rich/ higher income group. Income tax slab was not revised since 1997. There was imperative to reduce tax burden on salaried class in view of inflation and being honest taxpayers. Even reduction in slab from 10% to 5% will benefits higher income group more.

Resource mobilisation has been another failure. Once again, this year, excessive reliance for increasing revenue receipts is on higher excise duty on petroleum products. However, the total revenue receipts have come down from 9.4% of GDP in 2016-17 (RE) to 9% of GDP in (BE) of 2017-18.

Failing to tax the rich, Finance Minister has given a lethal push to privatise the public sector entities in budget. An all-time high target to collect an amount of Rs 72,500 crore by both partial and full privatisation of central public sectors has been envisaged. In order to realise such huge amount, the government shall resort to strategic sale and massive equity disinvestment of public sectors .The rail PSUs and public sector general insurance companies are already identified targets. The NIPFP has recommended adoption of "a 10-year plan to divest at least 50% PSU assets. Further, too much reliance on disinvestment to raise resources is unwarranted as it transfer public assets in to the hands of private individuals and government loses in term of dividend as its share is decreased. The budget does not address the banking woes, which is plagued by rise of NPA of public sector banks up to 12% of advances due to defaults by corporates with tacit support of government machinery. While banks need huge money for recapitalization, Jaitley has allocated only Rs 10,000 crore as against Rs 25,000 in previous years. Low recapitalization means, banks have to sell their shares to generate resources leading to their privatization.

Finance Minister Arun Jaitley announced scrapping of Foreign Investment Promotion Board to ease the inflow of Foreign Direct Investment. This appears imprudent when the USA is resorting to protectionism. Jaitley takes pride for an increase of 36% in FDI flow. But he did not tell: how much this contributed in increasing growth and job opportunities. Nothing, if FDI has increased by so much, then why growth is declining and jobs destroyed. The automatic route stands for less restricted or more liberalized regulation. This announcement will ensure unfettered entry of FDI especially benefiting foreign single brand retail trading and multi-brand retail trading companies that are looking to invest in India. The hypocrisy is unbound, as same Modi who had vehemently opposed FDI especially in retail has now eased FDI rules.

CONCLUSION

This budget does not acknowledge that the rate of growth of the economy is decelerating, suffering caused due to demonitisation and the imperative of expansionary fiscal policy. It does not takes in to account another element of uncertainty, that is, the expected increase in world prices of crude oil that could affect inflationary expectations.

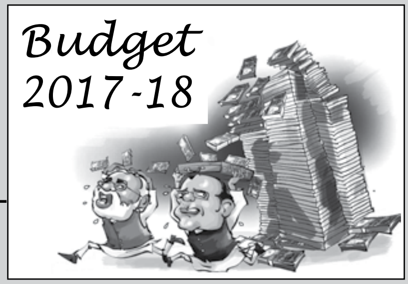
By contrast, budget is described as a paradigm shift to clean politics. Finance Minister restricted the cash donation to political party to Rs 2000 as against previous amount of Rs 20,000 to establish that his government is serious in curbing corruption and black money. This is just to hoodwink masses. Earlier one person was donating maximum Rs 20,000 in cash. Now, he will utilize 10 person's name (each with Rs 2,000) to donate same amount of Rs 20,000. The electoral bond shall only be a conduit for clandestine corporate funding, as the details of the donor shall be kept confidential by the banks. This is sheer hypocrisy.

What is perplexing is that the budget does not address destruction of jobs and erosion of purchasing power and demand. Instead of enhancing purchasing power of people, Finance Minister did his best to augment the indirect taxes to reduce the purchasing power of common people including middle class, thereby, dampening demand. The budget inflicts further burden on the people and exacerbates unemployment and recessionary tendencies.

Cartoon courtesy: Satish Acharya

The Government has Compounded its Folly

Prof.Prabhat Patnaik



The Budget estimates, which have generally become somewhat suspect of late, are particularly meaningless in the case of the 2017-18 Budget for two obvious reasons: first, the early presentation of the Budget means the availability of that much less information for the current year, upon which the Budget is based; and second, the draconian demonetisation that has occurred, while certain to pull down the GDP growth rate (even the Economic Survey concedes that), makes any precise prediction impossible. Let us therefore look at the broad strategy of the Budget rather going into its numbers in any detail.

One obvious thing that stands out here is that while the ratio of the central government's tax revenue to the GDP is broadly expected to remain unchanged (the chief economic adviser has said so explicitly to a group of TV journalists), the ratio of the fiscal deficit to the GDP is to be kept unchanged (to maintain India's credit rating in the eyes of global finance). This means that the central government has decided to keep its expenditure relative to GDP unchanged. Such an act of "fiscal prudence", which constitutes the cornerstone of the government's budgetary strategy, is staggering in its witlessness. It serves to compound further the folly of demonetisation.

Having saddled the economy with an entirely unnecessary slowdown in output and employment growth through demonetisation, the central government had a chance to partially undo the damage through the Budget by significantly raising its expenditure relative to GDP in a manner that would be specifically welfare-augmenting for those most hurt by the note ban. Indeed, all sorts of rumours were afloat before the Budget, including even of a scheme for ensuring a basic minimum income to all (which was actually mentioned in the Economic Survey too). Such a scheme, typically favoured by left-of-centre governments (Brazil under the Workers' Party is the most striking example), would have been completely out of character for a right-wing party like the BJP; but the imminence of several state assembly elections – in the wake of demonetisation which brought distress to many – gave this rumour some credibility. But, in the event, the BJP has remained true to form, with not a word in the Budget on any income support.

Ironically, not only has the damage caused by demonetisation remained unaddressed, but even the opportunity provided by demonetisation has remained un-utilised. Its desire to appease global finance has proved stronger than its desire to rescue the economy from the effects of its own misadventure.

*** This article was originally published in the Wire on February 2, 2017.**

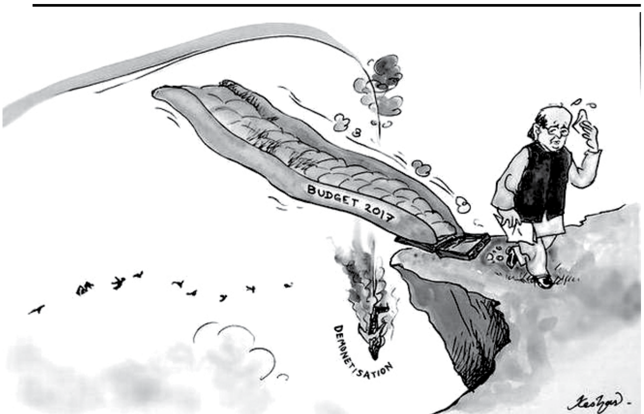
Ironically, not only has the damage caused by demonetisation remained unaddressed (the adjustments in income tax rates being too paltry for this purpose), but even the opportunity provided by demonetisation has remained un-utilised. I am not referring here to the unreturned currency of the black economy upon which the government had set great hopes, but which turned out to be of trivial value and hence of little fiscal help (since 97% of the value of the demonetised currency has returned to banks for exchange or as deposits). I am talking about the demonetised currency notes that have been deposited in banks.

As there is little additional demand for credit from borrowers whom they consider "creditworthy", the banks are simply holding this amount and paying interest on it, while earning nothing in return. If the government had simply borrowed this amount from banks for undertaking expenditure, by issuing government securities for them to hold, then it could have put back this sum into circulation, countering the otherwiserecessionary consequences of it being impounded, while at the same time providing an income to banks.

True, such borrowing by the government would have figured in the Budget as fiscal deficit to the chagrin of global finance, but the deficit so caused would have had no adverse consequences for the economy. It would have been no different from a compulsory loan taken by the government from the people, entailing nothing else but an enforced shift of purchasing power from the latter to the former. It would have been no different in nature from the "compulsory deposit" schemes that we used to have in the old days, though of course on a much larger scale and involving an element of coercion (or "despotism" as Amartya Sen has called it); but it would have countered the recession caused by demonetisation, without engendering inflation, while simultaneously providing incomes to banks. (And as far as "despotism" is concerned, it is inflicted anyway, whether or not the government uses this forced surge in bank deposits for additional spending.)

Of course, as new money got printed to replace the old, the amount of deposits would have fallen, as people would rather have got back to cash than used claims on banks for settling transactions. But the government has announced that it would not be replacing the entire value of currency that has got demonetised. A gap will be left in order to force people to shift to cashless modes of transacting. This gap is the amount that banks will remain saddled with and the government could have borrowed it with impunity to partially offset the baneful effects of its demonetisation. But its desire to appease global finance (by not borrowing) has proved stronger than its desire to rescue the economy from the effects of its own misadventure.

The government's claim that the allocation under the MNREGA has gone up is misleading. The outlay of Rs 48,000 crore for 2017-18 is just about the same as the revised outlay for 2016-17, which is Rs 47,500 crore. True, this is a demand-driven programme where the outlay is not, in principle, under the government's control and can be augmented if necessary. But lengthening delays in wage-payments under MNREGA, and the insistence of Aadhar cards in future, both of which are contrary to the Supreme Court's directives, make the government's intentions with regard to this programme altogether dubious.



Courtesy:Keshav, The Hindu

The government has announced that it would not be replacing the entire value of currency that has got demonetised. A gap will be left in order to force people to shift to cashless modes of transacting. This gap is the amount that banks will remain saddled with and the government could have borrowed it with impunity to partially offset the baneful effects of its demonetisation.True, such borrowing by the government would have figured in the Budget as fiscal deficit to the chagrin of global finance, but the deficit so caused would have had no adverse consequences for the economy.

Blinded by Neo-liberalism

Prof. C.P.Chandrasekhar

IN an insipid speech that was repeatedly misread, Finance Minister Arun Jaitley presented on February 1 the contours of a Budget that was shockingly short of substance. It left disappointed those who expected that policies to compensate sections of the population hurt by the demonetisation experiment would be included and those who were looking for some measures to counter the demand slump afflicting the economy that had been aggravated by demonetisation. It also surprised those who thought that the Budget would be forced to expand aggregate expenditure and social spending to win voter support in the five Assembly elections that were to follow.

In recent years, the constraint on adopting such measures was a combination of the government's unwillingness to increase taxes imposed on the better-off and deviate from its path of "fiscal consolidation", which involved deficit spending financed by borrowing. The inevitable casualty was aggregate expenditure relative to gross domestic product (GDP). But this Budget, many had argued, would be different. There were too many reasons why spending had to increase. And, since tax rates could not be raised in the wake of the disruption caused by demonetisation, the self-imposed adherence to stringent fiscal deficit targets had to give.

One reason why this was feasible was that, while the disruption caused by demonetisation depressed private investment, it hugely increased deposits with banks, since the old notes had to be handed over to the banking system and there were not enough new notes to replace them in circulation. Banks flush with funds were now willing to lend cheap to the government, which could borrow and spend both to make up for the shortfall in private consumption and investment spending as well as to kick-start the economy. Since government debt-financed spending would amount to a draft on the unutilised savings of the private sector, it would increase aggregate demand, improve capacity utilisation and raise production in the economy, with no inflationary consequences.

> The Govt's expectation is that the borrowing opportunity created by demonetisation would be exploited by the private sector and not the government. This is little more than wishful thinking. All that this government has is its unfounded belief that mere "reform" in the form of demonetisation, digitalisation and GST would deliver growth rather than recession.The emphasis on that role for "reform" is suggestive of the bankruptcy of the government's economic policy.
>
> (Courtesy: Frontline)

So it is indeed surprising that rather than borrow at low interest rates to finance a proactive fiscal policy, the government has adhered to its version of irrational reform and kept the fiscal deficit pegged at 3.2 per cent of GDP in a recessionary environment. This is the Revised Estimate (R.E.) for 2016-17, though those estimates are less reliable than normal since they are projections based on less information in a Budget brought forward by a month. So, more important is the claim that the deficit would be restricted to 3.2 per cent in 2017-18 as well, just one-fifth of the 1 percentage point higher than the government's medium-term fiscal deficit target.

Fiscal conservatism

The principal message sent out by Budget 2017-18 was that "fiscal conservatism" was the Narendra Modi government's central objective and that its economic programme, if any, was some distorted notion of "reform". The components defining that notion of "reform" were experiments such as (i) demonetisation; (ii) the Goods and Services Tax (GST) and the promotion of digitisation to create a "less cash economy"; (iii) an open door to foreign capital, especially financial capital; and (iv) accelerated privatisation.

The government's implicit argument was that measures such as these would be enough to address the sluggishness in the economy. In his Budget speech, the Finance Minister argued that the government's optimistic projection of a "pick-up in our economy is premised upon our policy and determination to continue with economic reforms; increase in public investment in infrastructure and development projects; and export growth in the context of the expected rebound in world economy". He added that "the surplus liquidity in the banking system, created by demonetisation, will lower borrowing costs and increase the access to credit", which "will boost economic activity, with multiplier effects". So the expectation is that the borrowing opportunity created by demonetisation would be exploited by the private sector and not the government.

Wishful thinking

Among the stimuli that are expected to drive the Indian economy's growth, the reference to global recovery and a positive fallout for Indian export growth is, if serious, little more than wishful thinking as even a cursory examination of the evidence would show. And the promise of substantial investment in public infrastructure is difficult to swallow. The Finance Minister claimed in his Budget that India would spend Rs.3,96,135 crore on infrastructure in 2017-18. However, not all of this would be backed with support from the Budget. Thus, for example, the Railways, the Budget for which was integrated into the general Budget last year, is to see an increase in capital expenditure to Rs.1,31,000 crore (from Rs.1,21,000 crore last year). But budgetary support for 2017-18 for capital expenditure on the Railways is placed at Rs.55,000 crore. So the presumption is that borrowing or disinvestment would finance the rest. But since the Railway Budget has been integrated into the overall Budget, borrowing would amount to central borrowing, which has a ceiling. These aspects notwithstanding, even if the Rs.55,000 crore projected for budgetary support is actually provided, the allocation is significant if actually realised (a likelihood to be discounted on the basis of past experience). So is the allocation for roads and highways, which is slated to increase from Rs.53,343 crore in R.E. for 2016-17 to a budgeted Rs.64,771 crore in 2017-18.

Reallocation of expenditures

The problem is that these increases, even if they materialise, would, given the overall expenditure reduction visible in the figures, only amount to a reallocation of expenditures rather than any actual expansion in expenditure aimed at stimulating the economy. Implicit in the Budget's numbers and arithmetic is a reduction in the ratio of the Centre's expenditure to GDP from 15.8 per cent in 2015-16 to 13.3 per cent in 2016-17 and an even lower projection of 12.6 per cent in 2017-18. It is in the context of this overall contraction in expenditure that the only reference to spending in the Finance Minister's growth strategy reflected in the quote above, namely, an increase in public expenditure on infrastructure and development, needs to be seen. That increase must be based on a diversion of funds from non-infrastructural capital expenditures and from discretionary revenue expenditures such as on health, education and rural development.

Even the realisation of the reduced level of expenditures projected in the Budget is based on two assumptions, given the decision to peg the fiscal deficit at 3.2 per cent of GDP. First that the tax-to-GDP ratio, which had fallen from 12.8 per cent in 2015-16 to 11.2 per cent in 2016-17, would remain at that level despite the adverse effects of demonetisation on tax collections and the small concessions given to personal income taxpayers in the lower tax brackets and to small and medium enterprises. For reasons unexplained, income tax receipts are expected to remain buoyant and are projected to grow by 25 per cent next fiscal compared with an estimated 23 per cent this fiscal. Second, it is assumed that the government would be far more successful in its privatisation drive than it has ever been. Miscellaneous Capital Receipts (deriving largely from disinvestment and strategic sales of public sector equity), which are optimistically estimated at Rs.45,500 crore for 2016-17 (though actual receipts until end December were only Rs.23,529 crore), are projected at a huge Rs.72,500 crore for 2017-18.

Since these optimistic projections are unlikely to be realised, the contraction in aggregate expenditure is likely to be higher. Especially because the Finance Minister has made a virtue of keeping the fiscal deficit to GDP ratio at 3.2 per cent even when demands on him to enhance expenditure were substantial. He has not even given himself the "luxury" of exploiting the 0.5 percentage point increase in the fiscal deficit to GDP ratio, relative to the previously set target of 3 per cent, that the official committee to review the ceilings recommended by the Fiscal Responsibility and Budget Management programme had suggested. He has only taken the liberty to keep it at the 3.2 per cent he claims he has achieved in 2016-17.

One implication of this irrational adherence to the ideology of fiscal consolidation above all else is that growth to the extent that it occurs becomes dependent on debt. In fact, off-Budget measures to increase availability of credit to agriculture and industry, especially the former, are presented as Budget initiatives aimed at stimulating growth. In addition, efforts to give the demonetisation disaster a veneer of rationality include the claim, quoted above, that the large increase in deposits of the demonetised notes with the banking system would increase credit at lower interest rates and provide a stimulus for private spending.

Ignoring NPAs, bad loans

This supply-side understanding that the increase in the credit-creating capacity of the banks would increase private lending and borrowing is completely without basis in a world where the constraint on investment is sluggish demand. Further, it ignores the much-discussed fact that the banking sector is overburdened with non-performing assets (NPAs), largely because of bad loans in the industrial and infrastructural sectors. As a result banks are not willing to lend and many of their clients cannot justify additional borrowing, leading to a slowing of credit growth. This, in fact, gave the government an opportunity. This not only means that debt-financed private investment and consumption, which had been the principal stimulus to growth during the high performance in the post-2003 period, can no more play that role. It also means that the principal financial measure being resorted to by the state, as a substitute for a proactive fiscal policy, has been blunted.

As a result, all that this government has is its unfounded belief that mere "reform" in the form of demonetisation, digitalisation and GST would deliver growth rather than recession. The emphasis on that role for "reform" is suggestive of the bankruptcy of the government's economic policy. Unfortunately, that bankruptcy affects not just GDP growth but also a host of social sector expenditures, which, despite their deficiencies, have important implications for the livelihoods, standards of living and welfare of India's poor and deprived.

Such faith in the efficacy of "reform", as argued earlier, amounts to adherence to wrong arguments that see growth as being constrained from the supply side. In fact, some of these, like the enforced digitalisation of transactions, amount to an engineered redistribution of income from the rest of the economy to financial technology firms that facilitate such transactions for a fee. Inasmuch as the consumption out of the incomes of transacting agents is higher than the consumption out of surpluses accruing to "fintech" firms, this would only worsen the shortfall in demand that has been driving the economy to slower growth and recession.

Having chosen to adhere to this version of a counterproductive neoliberal agenda, the National Democratic Alliance government had earlier in its tenure sought to divert attention through a range of "new policies", including poorly planned programmes to clean the Ganga or the nation. However, those were policies that were harmless in terms of the collateral effects they had. But if showmanship and hype are to replace well-thought-out policy, newer policy innovations have to be dreamt up.

Demonetisation and digitalisation (or the shift to a less cash economy) are two such. But they, unlike those that preceded them, have inflicted and continue to inflict immense collateral damage. The Budget ignores that damage, not just to claim that reform of that kind will return India to being the world's fastest growing economy but also to avoid countering the recession that results from their pursuit and compensating those who were most severely hit by the demonetisation experiment.

A Disappointingly Ordinary Budget for Extraordinary Times

Prof.Jayati Ghosh

The most striking thing about Arun Jaitley's budget presentation for 2017-18 is just how unstriking it is. A lot of was expected from this Budget, and it is largely the Government's own fault that the expectations were so many and so contradictory. In the event, the Finance Minister has presented a very "ordinary" Budget, which is unlikely to satisfy most people who recognise that these are definitely not "ordinary" economic times.

First, this Budget comes directly in the wake of demonetisation followed by painfully slow and inadequate remonetisation, which has dealt a body blow to the informal sector as well as to much formal economic activity. The growth rate is decelerating, and even the Finance Ministry's own Economic Survey recognises that the effects of demonetisation in the current year cannot be fully estimated yet and may well linger on into the next financial year. If ever there were a case for a more expansionary fiscal stance to revive demand in the economy, it would be now. But the Finance Minister has chosen to stick to his self-declared fiscal deficit target of 3.2 per cent of GDP! Of course, his estimate is based on huge increases in the revenue projections (more than Rs 200,000 crore increase in tax revenues, out of which as much as Rs.88,000 crore is projected to come out of increases in personal income taxes) which are unlikely to be realised. So it may well be that the actual deficit will be larger if these higher revenues are not realised. Still, in the current context, with all the global economic headwinds coming from the new US dispensation and other forces, such fiscal rectitude is surprising to say the least.

> This Budget is remarkable in its relative absence of any of what are normally called "populist" measures – in other words, measures directed towards the welfare of the masses. The expectation that this would be a "political" Budget has clearly been belied; what is surprising is that it is not a particularly "economic" Budget either, since it is not addressing some of the most important macroeconomic concerns today.
> A usual Budget in unusual times: will this be enough for the government and its supporters?
>
> * This article was originallypublished in the Wire (https://thewire.in/) on February 2, 2017.

Second, the economic pain caused by demonetisation was felt disproportionately by the poor. So it was naturally expected that the government would do something to compensate for all the material damage it had caused through this ill-judged move, at least by directing much more spending towards the poor in various ways, reviving demand, increasing social spending and providing for better conditions for the recovery of informal activity. But it has really done none of these things, in most cases maintaining expenditure at the same levels or only slightly more in keeping with inflation or nominal GDP growth. Even the supposedly big increase in outlay for the MNREGA misses the point that this is legally a demand-driven scheme, for which funds must be provided as work is demanded. Given the massive hit taken by informal workers across the country, the provisions that would affect them are quite inadequate, and will be seen as such.

Third, the Economic Survey also raised expectations of at least a beginning being made towards a Universal Basic Income – although fears were raised that the government would try to provide this as a substitute for essential public provision of food and other basic needs. In fact, neither the hope nor the fear were realised, as the Budget makes no provision whatsoever for any increase in direct cash transfers – it does not even offer the possibility of raising the pension provided to BPL individuals above its current pathetic level of Rs 200 per month.

Fourth, the Budget was presented at a politically febrile time, just before important Assembly elections in six states. Indeed, the Opposition parties had actually soughtpostponement of the Budget presentation to its normal date (28 February) so as to prevent the government from influencing the electorate in these states through major sops. They need not have worried. This Budget is remarkable in its relative absence of any of what are normally called "populist" measures – in other words, measures directed towards the welfare of the masses. The expectation that this would be a "political" Budget has clearly been belied; what is surprising is that it is not a particularly "economic" Budget either, since it is not addressing some of the most important macroeconomic concerns today.

Finally, there is the concern about the numbers: to what extent can we rely on any of them, including the revenue and expenditure projections for the present and the coming year? We know from the past how much the revised estimates (and then eventually the "actuals") deviate from the budgetary estimates, but this is the first year in which the government is attempting to provide its own revenue and expenditure data based only on the first nine months of the year, with the demonetisation whammy coming towards the fag end of that period. Surely both direct and indirect tax data must be hugely questionable in such circumstances?

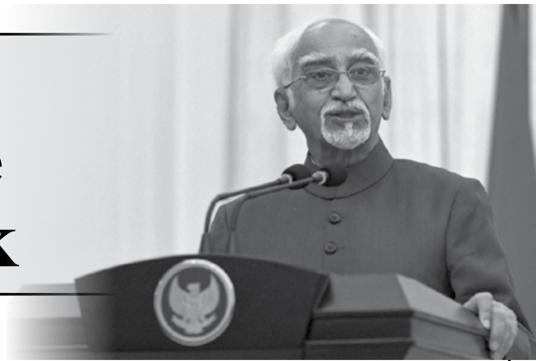
The 35 per cent increase in direct tax collections that Mr Jaitley proudly announced in his Speech must surely have something to do with the use of demonetised notes to pay advance taxes – and so not a useful basis on which to project the collections for the entire year. And while excise duty collections benefited from the windfall provided by higher global oil prices, they are bound to be affected in the last quarter by the widely reported slowdown in economic activity. So the numbers that eventually turn up may be quite different.

A usual Budget in unusual times: will this be enough for the government and its supporters? If I were a candidate for the ruling party in one of the incoming elections, I would be rather worried.

Cartoon courtesy: Sandeep Adhwaryu, Times of India

Living in Febrile Times

Inequality is the number one risk



The Vice President of India, Shri M. Hamid Ansari has said that the inequality is the number one risk because it is associated with a rise in populism and threatens the cohesiveness of countries. He was delivering the inaugural address at the First Edition of the Huddle, A Three-day Conclave organised by The Hindu newspaper at Bangalore on 10 th Feb.2017.

The Vice President said that to enjoy the 'freedom of,' there is a requirement first for certain 'freedom from'. To survive with dignity, humans require both 'freedom from want' and 'freedom from fear', he added.

We reproduce herebelow the full text of his speech, very significant in the current context.(Courtesy: Press Information Bureau, Government of India.

When I was first told about this conclave, an odd thought came to my mind. I wondered if the theme was a verb or a noun; the definite article however settled that.

I recall the tablet that was affixed to the pedestal of the Statue of Liberty in the early years of the last century, and that reads:

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuge of your teeming shore,
Send these, the homeless, tempest-tossed, to me:
I lift my lamp besides the golden door.

I do not propose to dilate on the context of these lines. I do nevertheless wish to draw the attention of this gathering to the second line: the quest for freedom by humankind, and to the response patterns we have witnessed in our times.

Freedom, in the dictionary meaning of the term, signifies *'the power to act, speak and think freely'*. It implies unhampered liberty to think freely, to question anything, to be able to speak frankly, to be free to explore boundaries.

Yet freedom or liberty in itself would be quite meaningless. To enjoy these '***freedom of***,' there is a requirement first for certain '***freedom from'***.

To survive with dignity, humans require both 'freedom from want' and 'freedom from fear'. Human development is understood as the continuing expansion of human freedom and humans flourishing beyond these freedoms.

In our case, the Preamble of the Constitution specifies *what 'We the People of India'* set out to attain: **Justice** (social, economic and political); **Liberty** (of thought, expression, belief, faith and worship); and the **Equality** (of status and of opportunity), and **Fraternity** (to assure dignity of individual and unity of the nation).

Thus liberty or freedom is anchored between justice and equality; also Inter-spersed is a Hegelian construct on appreciation of necessity that circumscribes this freedom. Furthermore, while equality is the premise of citizenship, the latter by itself does not guarantee substantive equality.

In advance of the world's financial and economic elite going to Davos for their annual meeting, the World Economic Forum publishes its Global Risks Report. The 2017 edition highlights some risks facing the global system and places the issue of income inequality as the number one risk because it is associated with a rise in populism and threatens the cohesiveness of countries. It describes the present as 'a febrile time for the world.'

Four earlier annual editions of the Report had similarly identified rising inequality among the top four global risks. It is therefore not surprising that reducing inequality is one of the UN Sustainable Development Goals.

And still - in this age of '*post-truths'* and '*alternate facts'* - deceptive appearances can be made to prevail.

The improving living standards, in segments, have perhaps masked a dramatic concentration of income and wealth over the last 30 years. A number of studies have come to the distressing conclusion that despite the increase in the number of people coming out of abject poverty, the majority of people on the planet today live in countries where economic disparities are bigger than they were a generation ago. Please consider the following:

* Including capital gains, the share of national income going to the richest 1% has doubled since 1980. Within it, the largest share going to the top 0.01% – some 16,000 families- who now control almost 5% of the global wealth.
* If we divide the whole income of the world into two halves, we find that the richest 8% get half, while the other half would be distributed in the remaining 92% of the population.
* In almost all countries, the mean wealth of the wealthiest 10% is more than 10 times the median wealth. For the wealthiest 1%, mean wealth exceeds 100 times the median wealth in many countries and can approach 1000 times the median in the most unequal nations.

In developing economies like India and China, despite the fact that incomes have risen for many, inequality, in both wealth and income have also risen significantly.

The richest 1% in India owned nearly 60% of the country's total wealth, with the top 20% commanding 80%. The bottom half of Indians by contrast, collectively own only 2% of the national wealth.

Nor is a reversal in sight. Rates may vary, but since the financial crisis of 2007, inequality has shown more increases than decreases in the world's nations. Twentieth century history shows that this can be ominous.

While the economists may continue to debate the extent and causes of inequality, there can be little doubt about its implications for the political, social and economic fabric of society.

Some years earlier, Joseph Stiglitz had written about the price of inequality in the context of the United States. More recently, Kate Pickett and Richard Wilkinson have describe the "*pernicious effects that inequality has on societies* and provide evidence for a strong correlation between higher levels of national inequality and a wide range of health and social problems.

More worryingly, rising inequality is seen as a contributing cause for the rise of authoritarian leaders, often with a divisive agenda fuelled by sectarianism, xenophobia and nationalism.

Rising inequality can lead to conflict, both at social and at national level. Research has shown that in contrast to oligarchic regimes; democracies avoid serious political turbulence only so long as they ensure that the relative level of inequality between the rich and the poor does not become excessively large.

Other studies, similarly, indicate that social conflicts are indeed likely to break out in situations where there are large inequalities between different groups. Some studies have concluded that ethnic groups with incomes much lower than a country's average per capita income are more likely to engage in civil war.

New protest movements have broken out around the world, many arguably rooted in the burgeoning inequality. The Occupy Movement

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and the Arab Spring were both fuelled by growing public despair at the sharp inequalities and growing unemployment and the perceived inability of the existing governance structures to redress the situation.

In India, the growing threat of left extremism, which has been repeatedly acknowledged as the gravest security threat to Indian state, has its roots in economic deprivation and inequality in access to resources.

It has also been recognised that growing social inequality corrodes social cohesion and can destabilise states. Some recent research has found that the likelihood of a country remaining mired in poverty or achieving sustainable growth has a strong relation to the average life expectancy of the citizenry. There, it is argued, that a shorter average lifespan leaves less time to reap the returns on investment in human capital.

Inequality also breeds economic inefficiencies and limits productivity. Research by IMF has shown that income inequality slows growth, causes financial crisis and weakens demand. In a recent report, the Asian Development Bank has similarly argued that if emerging Asia's income distribution had not worsened over the past 20 years, the region's rapid growth would have lifted an additional 140 million people out of extreme poverty.

Perhaps the time has come to move the development discourse of inequality beyond the current discussion of outcomes and opportunities. A conceptual framework is provided by Amartya Sen and some others who see human capabilities as the capacity and freedom to choose and to act; and calls for the opportunities that give individuals the freedom to pursue a life of their own choosing to be equalised.

The concepts of justice and fairness are tied to the idea of equity in development. Equity has an intrinsic value since some groups face consistently inferior opportunities – economic, social and political – than their fellow citizens. Specifically, it translates into the need for equal opportunity and avoidance extreme deprivation in outcomes.

To view rising inequity as merely an inconvenient truth in the saga of India's shining future would therefore be a folly. Without equality, there is unlikely to be much of a future, let alone a shining one.

" To view rising inequity as merely an inconvenient truth in the saga of India's shining future would therefore be a folly. Without equality, there is unlikely to be much of a future, let alone a shining one. There is a need to revisit our commitment to investing in social goods. .... We need to ask ourselves some uncomfortable questions.. "

There is a need to revisit our commitment to investing in social goods. We have to move beyond seeing corporate social activity and government welfare schemes as merely minimum relief for the misery of the masses aimed mostly at neutralising the more aggressive antagonism of those who have lost income and wealth or those whose upward mobility seems permanently blocked.

We need to ask ourselves some uncomfortable questions:

- Can we ignore the great inequity as merely a by-product of progress?
- Has the trickle-down model of growth failed us?
- Have we paid too high a cost in terms of environmental damage for our material progress?
- Are conflicts and human suffering the new normal? To what extent are they induced by failed ventures in quest for unrealizable utopias?
- Can we just accept the growing insularity, intolerance and discrimination?
- Have we made sufficient investments in improving our human capital and public goods, like education and health-care?

Faced with growing global violence, poverty, and injustice, it may be difficult to retain hope for an equitable future. Yet, if the reality of global inequality inspires what Antonio Gramsci called *"pessimism of the intellect,"* work must nevertheless begin with what he termed *"optimism of the will"*—the undaunted commitment that drives radical change.

I have raised questions. I hope this Huddle will bring forth some answers.

Jai Hind."

एन.के.पचौरी

उत्तर प्रदेश विधान सभा चुनाव–2

The Assembly Elections in Uttar Pradesh have a special significance. It was noted in these columns in our last issue that after Ayodhya Ramajanmabhumi issue was raked up, the polity in this State is mired in communalism and casteism. But there have been significant developments since then. According to reports of first two phases of voting, the identity politics in terms of caste and religion have not played a significant role. But whether the real issues affecting the peasants, workers, students and the youth of the State have come to the fore will be known only after March11th.

पिछले माह हमने इस बात को रेखांकित किया था कि पांच राज्यों में हो रहे विधानसभा चुनाव में उत्तर प्रदेश क्यों सर्वाधिक महत्वपूर्ण है। इस बीच उत्तर प्रदेश विधानसभा चुनाव से सम्बन्धित कुछ ऐसे घटनाक्रम हुए हैं जिनसे पाठकों को अवगत कराना बहुत जरूरी प्रतीत होता है। इसलिये इसी विषय की दूसरी किश्त यहां प्रस्तुत की जा रही है।

पहला घटनाक्रम तो समाजवादी पार्टी व कांग्रेस पार्टी के बीच हुआ गठबन्धन है। अब समाजवादी पार्टी लगभग 300 विधानसभा स्थानों पर लड़ रही है तो कांग्रेस पार्टी 103 विधानसभा स्थानों पर अपना भाग्य आजमा रही है। इस गठबन्धन में चैधरी अजीत सिंह के नेतृत्व वाले राष्ट्रीय लोकदल को भी शामिल होना था परन्तु चुनावी रणनीति के कारण ऐसा नहीं हुआ है। गठबन्धन के बावजूद लगभग एक दर्जन सीटें ऐसी हैं जिनमें दोनों पार्टी के प्रत्याशी चुनाव लड़ रहे हैं। इनमें प्रायः अमेठी व रायबरेली लोकसभा की सीटें भी शामिल हैं जिन पर कांग्रेस पार्टी सभी जगह अपने प्रत्याशियों को चुनाव लड़ा रही है और जिन स्थानों पर समाजवादी पार्टी के विधायक हैं, वह स्थान भी छोड़ने के लिए तैयार नहीं हैं। यह स्थिति कांग्रेस के लिये ठीक नहीं है। अमेठी व रायबरेली के अलावा भी कुछ ऐसे स्थान हैं जहां से दोनों ही पार्टियां गठबन्धन होने के बावजूद चुनाव लड़ रही हं?। ऐसा होना काग्रेस व समाजवादी पार्टी किसी के हित में नहीं है। याद रहे कि अमेठी व रायबरेली क्रमशः राहुल गांधी और सोनिया गांधी के लोकसभा निर्वाचन क्षेत्र हैं और मोदी लहर के बावजूद वे यहां से विजयी रहे थे। दरअसल कुछ लोगों का ख्याल था कि बिहार के अनुसार उत्तर प्रदेश में भी एक महागठबन्धन होना चाहिये था जिसमें सभी विपक्षी पार्टियां शामिल होतीं परन्तु समाजवादी पार्टी व बहुजन समाज पार्टी के विरोधाभासों के चलते तथा राष्ट्रीय लोकदल व बहुजन समाज पार्टी के मतदाताओं में एक दूसरे की विरोधी भावनाओं के चलते यह नहीं हो सका और ऐसा होना संभव नहीं था। यह चुनाव के समय का दुरूपयोग ही करता जिसका लाभ भारतीय जनता पार्टी को ही मिल सकता था।

दूसरी घटना विकास समाजवादी पार्टी की अन्दरूनी लड़ाई है। इस समय समाजवादी पार्टी अकेले स्पष्ट बहुमत के साथ उत्तर प्रदेश की सरकार में है और 403 में से उसके 228 विधायक हैं। जाहिर है कि यह पार्टी विधायकों की संख्या के अनुसार बहुत ही आरामदायक स्थिति में है। परन्तु इस पार्टी पर परिवारवाद का आरोप प्रायः लगता रहता रहता है और यह आरोप केवल विपक्षी राजनीतिक पार्टियों द्वारा ही नहीं वरन मतदाताओं द्वारा भी लगाया जाता है क्योंकि मुलायम सिंह यादव इस पार्टी के राष्ट्रीय अध्यक्ष, उनके भाई शिवपाल यादव, उ.प्र. के अध्यक्ष उनके चचेरे भाई राम गोपाल यादव राज्य सभा में समाजवादी पार्टी में नेता उनके बेटे अखिलेश यादव उत्तर प्रदेश के मुख्यमंत्री, भाई शिवपाल यादव, मंत्री तथा उनके परिवार के कुछ लोग सांसद व अन्य महत्वपूर्ण स्थानों पर हैं। अब एक महत्वपूर्ण घटनाक्रम में अखिलेश यादव अपने पिता मुलायम सिंह यादव को हटाकर पार्टी के राष्ट्रीय अध्यक्ष बन गये हैं तथा नरेश कुमार उत्तम मुलायम सिंह यादव के छोटे भाई शिवपाल यादव को हटाकर उत्तर प्रदेश के अध्यक्ष बन गये हैं। अखिलेश यादव को राज्यसभा में पार्टी के नेता रामगोपाल यादव का समर्थन हासिल है तथा अब साईकिल का चुनाव चिन्ह अखिलेश यादव के गुट को मिलने के कारण मुलायम सिंह यादव ने अपनी हार

स्वीकार कर ली है। मुलायम सिंह यादव कांग्रेस के साथ गठबन्धन के भी विरूद्ध थे तथा एक समय तो उन्होंने कांग्रेस प्रत्याशियों के खिलाफ अपने आदमियों को लड़ाने की बात भी कही थी परन्तु उन्होंने ऐसा नहीं किया। इस तथाकथित झगड़े में मुलायम सिंह यादव व उनके भाई शिवपाल यादव एक साथ हैं तथा वे मुलायम सिंह यादव के सुपुत्र और उत्तर प्रदेश के मुख्यमंत्री अखिलेश यादव के विरूद्ध है परन्तु अच्छी बात यह है कि मुलायम सिंह यादव ने हार स्वीकार कर ली है तथा उन्होंने अखिलेश यादव को 39 नामों की सूची सोंपी थी जिनको टिकट देने का अनुरोध किया गया था। उनमें से कुछ को छोड़कर अखिलेश यादव ने ज्यादातर को टिकट भी दे दिये हैं। शिवपाल यादव द्वारा चुनाव के बाद दूसरी पार्टी बनाने की बात भी समाचार–पत्रों में आयी थी परन्तु अब इसका खण्डन हो गया है। शिवपाल यादव की छवि जनता के मध्य अच्छी नहीं है और अखिलेश यादव की अच्छी है। परन्तु इस पारिवारिक झगड़े का चुनावी नुकसान जरूर अखिलेश यादव को होगा। मतदाताओं में भ्रम की स्थिति है और अखिलेश सरकार के कुछ मंत्री बहुजन समाज पार्टी में शामिल हो गये हैं। लेकिन वास्तविक चुनाव के समय यह झगड़ा अस्तित्व में नहीं है। इस बीच उत्तर प्रदेश में एक नया नारा दिया गया है जिसमें अखिलेश यादव व राहुल गांधी का साथ जनता को पसंद होने की बात कही गई है। शायद अखिलेश यादव ने अल्पसंख्यक मतदाताओं को अलग न होने देने के लिये यह गठबन्धन किया है और आजम खां जोकि समाजवादी पार्टी के एक प्रमुख नेता हैं तथा रामपुर से आठवीं बार प्रत्याशी हैं, उन्होंने भी इस गठबन्धन के खिलाफ कुछ नहीं कहा है। इस बीच प्रेस मीडिया द्वारा संचालित व द न्यूज 24 द्वारा प्रकाशित तथा लोकनीति सी.एम.डी.एस. द्वारा संचालित व ए.बी.पी. न्यूज द्वारा प्रकाशित सर्वेक्षण में समाजवादी पार्टी–कांग्रेस गठबन्धन के बहुमत के नजदीक पहुंचने के कयास लगाये गये हैं। कुछ लोगों का ख्याल है कि समाजवादी पार्टी में पिता–पुत्र का झगड़ा सुनियोजित था तथा इसकी इबारत पहले ही लिख ली गई थी परन्तु लिखी हुई इबारत का पालन नहीं हो पाया और इस झगड़े को जरूरत से ज्यादा हवा दी गई जिससे लोगों में भ्रम पैदा हुआ। परन्तु जो भी हो, इसका कुछ राजनीतिक नुकसान समाजवादी पार्टी को उठाना ही पड़ेगा।

Cartoon courtesy:Kirthish,'bamulahija.com

वैसे तो सभी राजनीतिक पार्टियां यह चुनाव जीतना चाहती हैं परन्तु भारतीय जनता पार्टी यह चुनाव जीतने के लिये एड़ी चोटी का जोर लगा रही है। इसका कारण यह है कि उत्तर प्रदेश सबसे बड़ा राज्य है। दूसरे प्रधानमंत्री का रास्ता भी उत्तर प्रदेश से होकर जाता है और इसलिये प्रधानमंत्री नरेन्द्र मोदी ने बड़ोदा छोड़कर बनारस को चुना था। तीसरे यह कि यद्यपि 2014 के लोकसभा चुनाव में इस पार्टी को अभूतपूर्व सफलता मिली थी परन्तु फिर भी 66 विधानसभाओं के क्षेत्र ऐसे थे जिनमें इस पार्टी को बढ़त हासिल नहीं हो सकी थी। यह पार्टी इन विधानसभा क्षेत्रों को प्राप्त करने के लिये पूरी शक्ति झोंक देगी। इसके अतिरिक्त इस वर्ष जुलाई में राष्ट्रपति का भी चुनाव होना है। आर.एस.एस. अपनी नीति के अनुसार किसी ऐसे व्यक्ति को राष्ट्रपति बनाना चाहेगा जो उसकी विचारधारा का समर्थन करे परन्तु इस समय तक राष्ट्रपति चुनाव की जीत के लिये आवश्यक मत मूल्य भारतीय जनता पार्टी के पास नहीं है। इसलिये भी भाजपा आर.एस.एस. इन विधानसभाओं के चुनावों का इस्तेमाल अपनी पार्टी के लिये करना चाहेंगे। इसके अतिरिक्त उत्तर प्रदेश में धार्मिक अल्पसंख्यकों की बहुत बड़ी आबादी है तथा पार्टी के लिये परीक्षण करने की यह उपयुक्त भूमि है। आज यह पार्टी विमुद्रीकरण के प्रभाव को भी इस प्रदेश में परखना चाहेगी।

इस लेख को लिखे जाने तक दो चरणों के चुनाव पूरे हो चुके हैं तथा पूरा पश्चिमी उत्तर प्रदेश व रोहिलखण्ड निर्वाचन में भाग ले चुका है। उत्तर प्रदेश में चुनाव सात चरणों में होने हैं। रोहिलखण्ड उत्तर प्रदेश का वह हिस्सा है जो उत्तराखंड से मिला हुआ है। सहारनपुर, बंदायूं, सम्भल, अमरोहा, मुरादाबाद, बरेली, रामपुर, शांहजहाँपुर, पीलीभीत, लखीमपुर व बिजनौर जिलों में कुल 68 विधानसभा क्षेत्रों के लिये मतदान 15 फरवरी को उत्तराखंड विधानसभा के साथ हुआ है तथा उ.प्र. में 66 प्रतिशत मतदान हुआ है। जैसा कि समाचार पत्रों की रिपोर्टों से पता चलता है इन दो चरणों के चुनाव की खास बात पर रही है कि जाति व धर्म पर आधारित पहचान की राजनीति को इस चुनाव में महत्व नहीं दिया गया है तथा राष्ट्रीय लोकदल का गढ़ समझे जाने वाले क्षेत्रों में इस पार्टी को खासा समर्थन प्राप्त हुआ है। शासक पार्टी व आंकड़ों का पता तो मत–गणना के पश्चात 11 मार्च को ही चलेगा। बहरहाल 2014 के लोकसभा मुद्दे चुनाव का जुनून, डर व फ्रेंजी 2017 के विधानसभा चुनावों में नहीं है। और मुद्दे भी सभी पार्टियों के पास बहुत है परन्तु वे भाषणों तक सीमित हैं। जमीनी लड़ाई तो कुछ और ही विषयों को समेटे हुए है।

JUSTICE – STILL A FAR CRY

S.Sivasubramanian

It is ironic that the Supreme Court, which issued the Vishaka guidelines for protection of women against sexual harassment at the workplace in 1997, set up a committee to deal with complaints as required by the guidelines only in 2013.

Recently I had an opportunity to read an article in a book. It was an article on the status of women in the judiciary in this country. I thought it fit to share what I had read on this occasion when we are celebrating the 105th year of International Women's Day.

The article 'Sexist Bar' (The Week, November, 2016) elaborates to an extent the trials and tribulations women have to face in the judiciary. The statistics proves that the judiciary is a man's world. There is only one women judge in the Supreme Court as against 25 Male Judges (out of the sanctioned strength of 31). Only six women have been appointed as judges of the apex court till now. The 24 High Courts in the country have only 64 women Judges compared to 557 male judges and there is not a single woman judge in eight High Courts. While atleast 44 names were recommended by the Allahabad High Court Collagium to the government recently for appointment as Judges, only two of them are women. It took more than four decades after independence for a woman to be appointed as a Supreme Court Judge. A woman was appointed to the High Court only in 1959. At no point have there been more than two women judges in the Supreme Court.

While women got the right to practice in 1922, a woman could become an additional solicitor general only in 2009. The country has not had a woman Solicitor General or Attorney General. From 1992 to 2005 at the top three courts of the country – Supreme Court, Delhi High Court and Bombay High Court – only one woman had been designated senior advocate. Only 12 women have been designated senior councils by the Supreme Court so far.

Apart from these discriminations, a Woman faces problems right from the day she enters the profession. One woman lawyer was recalling an incident where a Judge was asking her to call her senior and advising him to give her only certain kind of cases. Another incident is being recalled by a senior advocate of Supreme Court. She recalls that some years ago when she was arguing a matter, the Judges were extremely hostile and almost threw the file. However, the same argument when made a few years later by a male senior was allowed.

Women are not expected to be aggressive, and if they are, they are branded as cantankerous or rude. If a male lawyer replies in a certain manner to a Judge, it is usually taken in the stride. But if the same things were to be said by a woman, it becomes a topic of discussion and not taken in a pleasant way.

It is ironic that the Supreme Court, which issued the Vishaka guidelines for protection of women against sexual harassment at the workplace in 1997, set up a committee to deal with complaints as required by the guidelines only in 2013. The working conditions for women lawyers with regard to infrastructure, such as lack of proper office space and toilets are an issue. Also many find it difficult to balance family with the long work hours required in litigation. Because of this the drop out rate of women lawyers is very high. A large number of women lawyers are opting for the Corporate Sector, joining private companies or banks and corporate law firms. The main reason for this is their inability to break the glass ceiling.

The Parliamentary Standing Committee on law and Justice has proposed reservation for women in the higher judiciary. The Standing Committee, in its report in 2015, recommended that women should have equal representation in the higher judiciary, and to ensure that, reservation could be considered.

"Why should there be only one woman Judge in the Supreme Court, which is supposed to have representation from all over the country? You should have Women in the Supreme Court not just for projection sake but because there are who merit to be there" says a former Woman Judge of the Delhi High Court.

What Gyan Sudha Misra, Former Supreme Court Judge says may be the apt sum up of the status of women in Judiciary. She says " I guess lack of faith and belief in the abilities of women is still rooted in society and more so in the male psyche and we prefer to have their token presence, especially in the higher judiciary, more for the sake of symbol rather than their equal participation". The article ended with a question "the women in law may have changed, but will the men in law also now change?"

There are not enough women lawyers and judges in courts today. Though that might change with more and more girls passing out of law colleges, what needs change is the attitude towards them.

(The author is Vice-Presient, SZIEF)

Our coats are 100% waterproof!

Cartoon courtesy : Subhanil, Deccan Chronicle

Pass the Women's Reservation Bill Without Delay!

urge Women's organisations

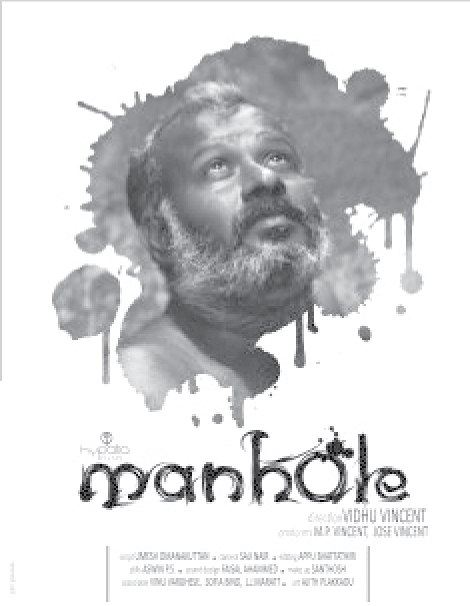
All India Democratic Women's Association (AIDWA) and National Women's Federation of India(NFIW) have issued the following statement on February 6,2017 asking why the NDA government is not fulifilling its assurance of passing the 20-year old Women's Reservation Bill even after a wait of two and half years and indulging in the tactics of prevarication & postponement and urging the government to pass the bill without further delay.

We, the undersigned organizations who have been in the forefront of the movement to increase women's participation in the Indian Parliament and State assemblies for over two decades express deep disappointment that the NDA Government is still prevaricating over bringing the Women's Reservation Bill onto the agenda of Parliament. It has been a long drawn out struggle, and the built up pressure of the movement was such that the present ruling party made a promise in its election manifesto to pass the Women's Bill if they came to power.

The people of the country, especially the women, have waited for two and a half years, hoping that the current Government will fulfil its assurance. However, repeated reminders, meetings with the Speaker and the concerned Minister, by the national women's organizations and others have gone in vain. In spite of the ruling party having the required majority, the Government has failed to take the requisite steps for passing the Bill so far. It vaunts about empowering women, but has remained inactive on a crucial step needed to enhance women's political participation in the highest decision making bodies. In fact, this hypocritical stance is very much in tune with the direction in which the policies of this Government are moving. Curtailment of women's democratic rights has become the order of the day at every level, even as the loud and brash campaign claiming the advent of "acche din" continues.

We, the women's organizations and democratic minded groups declare that we will not succumb to the tactics of prevarication and postponement being indulged in by the Central Government. We resolve to fight unitedly and mobilize like thinking sections both within and outside Parliament to force the Government to place and pass the Women's Reservation Bill without any further delay.

Malini Bhattacharya (President, AIDWA)
Mariam Dhawale (Gen. Secretary, AIDWA)
Aruna Roy (President, NFIW)
Annie Raja (Gen. Secretary, NFIW)



REVIEW OF THE MOVIE 'MANHOLE'

MANUAL SCAVENGING A gross violation of human rights

Shoma A. Chatterji

(Courtesy: Indiatogether.org – 20/1/2017)

Directed by Vidhu Vincent, *Manhole* is the first film in the 21-year-old history of the International Film Festival of Kerala to have bagged an award for a woman director's film.
The film appears to have been shot on actual locations of a Dalit neighbourhood where the residents live a hand-to-mouth existence and at the same time forced to live on the fringes of society, despite the many rights under the Indian Constitution confers.

Manhole (2016) is a film that is on its way to make history. It deals with the gross violation of human rights by ghettoising an already ghetto group of people by forcing them to clean manholes and sewers manually because they are born into a caste that makes it mandatory for the men to engage in this dirty work for their daily bread. It is not a beautiful film because it is not meant to be beautiful. It makes you turn away because the film pulls you out of your comfort zone where cinema means entertainment. On the other hand, you are held captive by images drawn from a world you have never been a part of, know little about and have never wanted to know at close quarters.

Directed by Vidhu Vincent, *Manhole* is the first film in the 21-year-old history of the International Film Festival of Kerala to have bagged an award for a woman director's film. In 2014, Vidhu, a television journalist, made a documentary on the lives of manual scavenging workers titled *Caste of Cleanliness*. It went on to win several awards. She mused about a feature film and recalled the human stories of inhumanity she came across during her field research. Scriptwriter Umesh Omanakuttan wove the narrative around these stories. "I live in Kollam. Near my house in Kappalandimukku, there is a colony inhabited by workers who scavenge dry toilets and sewers manually while their wives and children work as domestic maids and other low-paid jobs. Though many of them have been absorbed into the municipality and are known as "contingency workers", they are doing the same job. What keeps them stuck in this ghetto is their caste," says Vidhu.

The curse of caste

As a visual media journalist Vidhu Vincent always took pains to follow serious topics with social relevance. Hence, when she turned to filmmaking, she could not think of any other genre. "I want to take issues to a larger audience. If you make a news story, however good it is, it will be forgotten after 90 seconds and that is why I switched to films," said Vidhu.

Vidhu Vincent, had been reeling over the human rights violations and the oppression of the Chakiliyar community, which belongs to the Arunthathiyar caste that migrated from Tamil Nadu to Kerala in the 1920s, when dry toilets were still in use. Their profession and the indignity that came with it, which was handed down generation after another, inspired her debut feature *Manhole*.

Chaitanya Tamhane, whose first film Court (2014) stunned everyone across international film festivals a couple years back, focussed on the scenario of an ordinary court room in Mumbai but the backstory was that of a manual scavenger's death inside the manhole while he was cleaning it.

Tamhane was deeply disturbed after reading two articles, *Dying in a Black Hole* and *Life Inside a Black Hole* by S Anand in Tehelka. "The articles mentioned that over 22,000 Dalit sewage workers die every year because of lack of proper safety equipment and a general negligence towards their working conditions. I was quite moved by what I read, and eventually I had a breakthrough; the story of a manhole worker's suicide became the foundation of the court case in the film. Several details from the reports that I had read became important narrative elements in the script of *Court*," said Tamhane in an interview with journalist Sachin Unhalekar.

But while the death of the scavenger who was never shown in *Court*, formed an important sub-plot for the film, *Manhole* deals with an entire neighbourhood of families of Dalit workers. The film reveals an issue almost invisible to the public - about men who clamber down around 25 feet into manholes to clear human and other excreta. They are illiterate, ignorant and extremely poor. They cannot work in any other field because people from even slightly upper castes will not give them work.

According to the 2011 census, there are 13,000 manual scavenging workers in Kerala, where the story takes place. However, the government looks the other way rather than face the fact and act on it.

Vidhu Vincent, the director of *Manhole* with her crew members.

Within the Dalit community, there are many divisions and sub-castes. Dalits are divided into leather workers, street sweepers, cobblers, agricultural workers, and manual "scavengers". The latter group, considered the lowest of the low and officially estimated at one million, traditionally are responsible for digging village graves, disposing off dead animals, and cleaning human excreta.

Despite the Manual Scavenging Act, passed in 1993 and amended with a Bill in 2006 that prohibits employment as manual scavengers, sewer holes across the country are cleaned manually, leading to the death of innocent persons (a) due to negligence on the part of the state that (b) employs them contractually and therefore illegally, (c) does not provide them with adequate safety measures, (d) due to the tragic fact that these men are born into the profession and (e) last, but not the least, they belong to the lowest tier of the caste ladder among Hindus in India. They are considered 'untouchables', shunned by the very mainstream which, ironically, cannot exist without their service on a day-to-day basis.

"A poor illiterate man does not know that if a contractor is asking him to go down and clean the manhole, he should be given safety gear. Is it not the duty of the officer concerned to provide the safety gear? At least the officer is educated," said Sukhram Chauhan, general secretary of Chandigarh Dalit Welfare Association, commenting on eight sewer men who lost their lives while cleaning manholes in Chandigarh in the last seven years. Reason: Negligence of authorities.

As per the Act, manholes should not be cleaned manually; these should be cleaned only with machines. If a person is cleaning the same, he should be provided all the safety equipment. But the authorities do not do so which is illegal.

The movie

Vidhu Vincent adopts a no-nonsense approach, style and treatment through an interesting narrative that can be taken to be a blend of the documentary and the feature formats as the graphics in the beginning state that the film is based on several true stories.

The protagonist is a young girl, Shalini, the daughter of a sewage cleaner. She is a good student with her mother working as a housemaid in a upper-caste family. While

A still from the movie

studying for her graduation and then law, she works in a shopping mall to support the family earnings. After clearing law, she becomes a legal activist fighting for the rights of scavengers and sewer cleaners in her neighbourhood. But even the Human Rights court keeps putting off dates of hearing one after the other depriving the victim's families of the rightful compensation that is their right and that will help them with basic survival needs.

The background score by Siddhartha Pradeep is very low-key and mood-centric and sound by Faizal Ahmed keeps rhythm and pace with the serious and sombre mood of this very humane film. It does not once digress into pedagogic verbosity nor does it try to evoke any sympathy – synthetic or real - of the audience.

The film appears to have been shot on actual locations of a Dalit neighbourhood where the residents live a hand-to-mouth existence and at the same time forced to live on the fringes of society, despite the many rights the Indian Constitution lays out for the Scheduled Castes and Scheduled Tribes as well as the Backward Castes.

Saji Kumar's cinematography wanders across the narrow gullies of the slum neighbourhood where most of the film's actions take place while at times the screen goes entirely dark, lit by a small metaphor of a light through a small, white, circular motif. Sometimes, the camera invites you to peep into the bottomless pit of a manhole across a dark screen from the top, offering you a tiny glimpse into the darkness that lies within – darkness as a physical reality, darkness tinged with constant fear of danger and death, darkness of ignorance, illiteracy and poverty, darkness of a life minus the brightness of light and the darkness that emerges from human life lived sans the dignity that, like all fellow humans, it rightly deserves.

The film does not resort to either drama or melodrama nor does it seek to pull the empathy of the audience in any way. All it does is state facts as they remain despite the laws in place. It informs and educates and hopes that this raises our hackles even if it is for a little while but it does not entertain.

Felicitation to Com. Pradip Mukherjee & Com. (Dr.) Santosh Kumar Mohapatra

CDIEA, Cuttack had invited Com Pradip Mukherjee, newly elected president of ECZIEA and Vice-president of AIIEA, to address its extended Executive Body meeting held on 5th February. He gracefully accepted the request and addressed the meeting. He spoke lucidly on proceedings and call of last AIIEA conference held at Ernakulam. Taking the advantage of his visit, a felicitation programme was arranged for him and Com (Dr) Santosh Kumar Mohapatra, Joint Secretary of CDIEA for being awarded Doctor in Philosophy (PhD) in Economics by Utkal University, recently. While Com R N Mallick, former vice- president of ECZIEA and ex- president of CDIEA, felicitated Com Mukherjee on behalf of CDIEA, Com Mukherjee felicitated Com (Dr) Santosh Kumar Mohapatra with her spouse Com Manorama Mohanty, for her inspiration, help, and co-operation to Com Mohapatra in achieving this rare feat. Com Manorama Mohanty also happens to be joint convener of women sub-committee of CDIEA & ECZIEA.

What is noteworthy that Com (Dr) Mohapatra got PhD on "Savings Behavior of Salaried Individuals: A case of Twin Cities of Cuttack and Bhubaneswar". This topic and findings of his research has much relevance on all savings organization including our insurance industry. Nobody has done research on savings behavior in Odisha and it is also rare in national level.Com (Dr) Mohapatra is not only a regular writer in "Insurance Worker" but also an eminent columnist and economist of the Odisha and writing uninterrupted since 2002 not only in Economics but also on political and social topics. Presently he writes regularly in four leading papers such as Samaj, Dharitri and Prameya and English daily-Orissa POST. He also writes regularly in Odia Yojana and various journals. He also frequently participates in discussion/debate telecast by TV channel, broad cast by All India Radio (AIR) with all eminent persons of society from different walks of life.

He is also invited by many colleges, university and institutions to deliver talk on various topics. He is also very active in social media where he writes regularly on various topics –from political to social issues- which are read by many people. The most important aspect of his writing is that he writes articles in such a lucid and simple way that the complicated subject Economics look too simple and easily understood by common people. His articles reflect the progressive outlook and concerns for poor and downtrodden. His writings have also enormously contributed to trade union movement in Odisha. However, Com (Dr) Mohapatra attributes his success and achievements to determination to contribute to society and inspiration of AIIEA including writing platform given by Insurance Worker.

51st Conference of Jabalpur Division Insurance Employees' Union

The 51st General Conference of Jabalpur Division Insurance Employees' Union was held on 4-5 February 2017. It started with flag hoisting by Com Vandana Choubey, President, JDIEU amidst slogan shouting and mammoth gathering on 4th February 2017. The Dias was named after Com P. Adhikar, the veteran leader of JDIEU and JDIPA. The open session was presided over by Com Vandana Choubey,President of JDIEU. After homage, the open session started with the inaugural address of Com D.R. Mahapatra, General Secretary, Central Zone Insurance Employees' Association. He spoke in detail on the present day challenges before the working class in general and our organization in particular. He expressed concern over the emergence of the rightist force globally, BJP coming into power, danger of communalism, attack on dalits , attack on freedom of speech, curtailment of benefits to the poor and attack on labour rights in our country. He criticized the decision to hike FDI in Insurance , disinvestment of GIC and four other General Insurance Companies, sufferings of general mass because of noteban, etc. He assured the gathering of fighting the challenges of Transfer and Mobility Policy and asked them to carry forward the campaign of protecting the Public Sector Insurance Industry by observing various street programs as well as also making good rapport with the field staff in mobilizing them in our struggle to protect the industry.

Com N.Chakravarty, Vice President, AIIEA and President CZIEA and Shri R.K. Shukla, M.M.(Jabalpur) also spoke on this occasion.

Delegate Session

Secretariat Report on behalf of Working Committee and Audited Accounts were submitted before the House. 18 delegates participated in the debate.Com Mahapatra while intervening in the debate, stressed on the need to reorganize and reorient the organization looking to the changing political situation and with a view to meet the challenges. He gave a critical review of the 25 years of economic reforms and called upon the house to march forward to protect the public sector insurance industry and prepare financially and organizationally to successfully organize the 26th General Conference of CZIEA. He gave a call to observe the Silver Jubilee year of CZIEA and Diamond Jubilee Year of JDIEU. Com. N.chakravary also spoke on this occasion. Com J P Gupta and Com Subhash Jain ,both pensioners ,leaders of JDIPA were felicitated . 11 resolutions were passed by the house. The secretariat report and the Audited Accounts were unanimously passed.

Com Vandana Choubey, Com Vijay Kumar Malajpure, and Com Naveen Swami were elected as President, General Secretary and Treasurer respectively.

AUTO CAMPAIGN AGAINST DEMONETISATION

The 23 trade unions of Panruti Town in Vellore Division came together at the initiative of CITU to campaign against the ill advised move of demonetisation. The Auto campaign was carried out throughout the city on 30th January 2017. The Panruti Branch Unit of ICEU, Vellore Division took an active role in the campaign.

A meeting was also held in front of the LIC office which was participated by the employees, field force, agents and a number of policyholders. The meeting was addressed by Com G.Vaithilingam, President of the Unit. Com A.Jayaprakash, Secretary, Panruti Base Unit proposed a vote of thanks. The entire campaign program received overwhelming support from the public.

MONETARY ASSISTANCE TO DALIT FAMILY

A delegation of ICEU, Thanjavur Division visited the house ofNandhini on 3rd February 2017 to meet her family members. Nandhini, a Dalit girl was brutally raped and killed at Sirukadambur village near Ariyalur. The Tamilnadu Untouchability Eradication Forum and CPI(M) have spearheaded a movement demanding that the culprits of this heinous act be brought to justice.

Nandhini belongs to a poor family which ekes out a miserable living. The ICEU Thanjavur Division handed over Rs.25000/- to the bereaved family to tide over some of the financial difficulties it is facing. This gesture came in for wide appreciation.

Com. Amanulla Khan addresses Guwahati Employees

Com. Amanulla Khan, President, All India Insurance Employees' Association (AIIEA) visited Guwahati on 10th February,2016 on the occasion of an International Seminar on '**Financial Inclusion and the role of insurance with a focus on health insurance'** sponsored jointly by Insurance Institute of India, Guwahati and Cotton College Economic Forum. Com. Amanulla addressed the Seminar as one of the key speakers along with the speakers from Sri Lanka and Bangladesh. Seizing upon the opportunity of his visit GDIEA and NERGIEA organized a general body meeting of the employees of LICI and Public Sector General Insurance Companies in the evening of the same day at the premise of Guwahati Divisional office of LICI. The meeting was massively attended. Addressing the meeting Com. Amanulla Khan in his hour-long speech explained the challenges faced by the insurance employees and the public sector insurance industry as a whole as analysed by the 24th General Conference of AIIEA held at Kochi in the month of January,2017.

He exhorted the employees to build up a powerful campaign not only among the insurance employees but also among the wider public against the Modi government's move to disinvest twentyfive percent shares of the public sector general insurance companies and for merger of four PSGI companies in a single entity. He said that while the Central Govt. in the last budget had proposed the merger of public sector oil companies there is no reason why it cannot take a similar decision in respect of PSGI companies. Com. Amanulla also lambasted the Modi Govt's demonetization policy and said it had impacted adversely the working people and the entire economy. It would hit the insurance industry. He called upon the employees to close ranks with other sections of the working masses and build up a powerful struggle with a correct political understanding against the neo-liberal economic policies pursued so aggressively by the Modi govt. He cautioned the employees of the divisive designs of the present government which is openly patronizing the communal forces. He also informed the meeting of the efforts being made by the AIIEA to resolve the

agreed and pending issues like five day week in LICI, P.L. accumulation upto 270 days, paternity leave, one more option for pension etc.

Com. Satanjib Das, President EZIEA presided over the meeting while Com. Bhabendra Kr. Kalita, General Secretary, GDIEA explained its objectives.

Cultural Programme organised by Women Sub Committee, GDIEA

"Xeujia Jeevanar Jagriti Chanda"-the cultural programme organised by Women's Sub Committee of Gauhati Divisional Insurance Employees Association(GDIEA) on 11th February,2016 at Guwahati Divisional Office premises successfully concluded with great enthusiasm. Women sub committee organised the show as a part of GDIEA's Diamond Jubilee Year celebration. The cultural programme was inaugurated by noted and popular lyricist and poet of Assam Sri Kirti Kamal Bhuyan. While inaugurating the show Sri Bhuyan lauded the initiative of women Sub Committee of GDIEA. In his brief speech he recollected his long relationship with most of the veteran LICIans and emphasized the rich cultural heritage of Assam as well as North East that goes beyond religion, class and creed. He urged upon the gathering to continue this spectacular cultural unity to strengthen our struggle. Senior Divisional Manager of Guwahati Division Sri Bijay Kumar Panda also attended the show and in his brief speech he accepted the need of such recreation in our daily office routine. The programme was largely attended by Class I officers, Development officers, Agent friends along with GDIEA members of greater Guwahati and nearby branches. The programme show cased the talents of LICIans and their children. The verity of items presented enriched the show. Employees and Agent friends of Divisional Office,CAB and GBO III, GBO II and Maligaon presented chorus. Various dance performance like Satriya, Bharat Natyam,Bihu, modern dance along with recitation and recital of violin and piano presented in the programme. Added to these songs composed by Jyoti prasad Agarwala, Bishnu Rabha, Parvati Prasad Barua, Rabindra Nath Tagore, Kavi Nazrul Islam etc also beautifully performed by LIC employees, agents and their children with full enthusiasm. Com. Ghana Deka presented few songs with his mesmerising voice along with that famous Paul Robson song "We are in the same both, brother". At the very beginning GDIEA's Gen.Secretary Com Bhabendra Kumar Kalita elaborated the objectives of the programme while Convenor of Women Sub Committee and Joint Secretary ,GDIEA Com Maitreyee Misra gave away the vote of thanks. Com Ranjit Bhuyan, Organising secreatry, GDIEA conducted the programme beautifully with his flawless anchoring talent.

DISCUSSIONS ON DEMONETISATION AND BUDGET

ICEU, Chennai Division -2, Media Response Committee meeting was organized by Women's Sub-Committee, on 08.02.2017 .The topic of discussion was the politics behind & the effects of demonetization & the recent budget presentation by the Modi Government.

The meeting was presided over by Com. V. Anuja, the Convener of the Media Response Committee. Com.D.Leelavathi, CBO 22, Com.K.Sangeetha, CBO 4, Com.C.Juliet Gnanapackiam, CBO 7, Com.R.Sindhuja, DO Building Unit & Com.R.Sarvamangala, CBO 4 participated in the debate.

The Comrades who participated in debate thoroughly analyzed the political motive of the Modi Govt. behind demonetization and if the objectives were achieved. There was unanimity that the government failed to achieve all the three objectives set for demonetization. Demonetisation apart from crippling the life of the people, devastated the livelihood of millions in the unorganized sector. The Budget presented in such a grim situation failed to address any of the problem and remained loyal to neo-liberalism. Com. Thomas Franco, President, All India State Bank Officers' Association, Tamil Nadu State, was the guest speaker. He appreciated the initiative of the organization and the level of debate. Com.K. Swaminathan, Vice- President, SZIEF summed up the discussions. A large number of comrades from all branches participated in the program..

LIC Diamond Jubilee Celebration at Chennai-2

On 21.11.2016 ICEU,Chennai Division-2 organised a street corner meeting at Tiruvallur Market to celebrate "LIC DIAMOND JUBILEE".

The program began with a Cultural programme by "PUDUVAI SABTHA HASHMI" troupe attracted which attracted wide public attention . Com Madhukur Ramalingam spoke on the occasion and gave details of the progress of LIC and its contribution to the national development. The program had the enthusiastic participation of employees, agents, development offices and officers of Tiruvallur Branch. The program was presided by Com K.Manoharan, General Secretary, ICEU, Chennai 2 and the vote of thanks was proposed by Com P.M.Ramesh, Vice-President. It was a very successful program.

19th January – Nationalization Day – celebrated by DIEA, Jalpaiguri with "ONE MEMBER ONE POLICY"

This year the 19th January – the day on which the ordinance for nationalization of life insurance business in India was promulgated in the year 1956 – was observed by the Divisional Insurance Employees' Association (DIEA), Jalpaiguri in a splendid manner. The Diamond Jubilee Year Conference of Eastern Zone Insurance Employees' Association (EZIEA) held in Jorhat on 18-21 Oct, 2016 gave a call to **"Purchase at least One LIC Policy per member/family".** To implement this decision, DIEA, Jalpaiguri decided to give a call of **"ONE MEMBER ONE POLICY"** on 19th January and celebrate the Nationalisation Day in the Diamond Jubilee Year of LIC at a time when the process of de-nationalization of PSUs is high on the Govt agenda and also to reaffirm "LIC is our ideological commitment". All the base units of DIEA, Jalpaiguri took up various initiatives to spread the message of the call not only to our members but also to all section of employees and agents. Each member was approached and explained the rationale behind the decision taken in the EZIEA Conference. Joint meetings were organized and Officers and employees belonging to other Associations were approached. Agents meetings and workshops were organized to appeal to them to purchase one policy on the life themselves or their family members. As a result of these initiatives, on 19th January, **2488 policies were completed for a first premium of Rs. 3.25 crore. 478 of our members, over 150 other employees and many agents** took new policies on that day. Even in small and rural branches like our Bagdorga and Kaliaganj, **over 70 agents** took policies on their own lives due to our campaign. Due to some problems, Darjeeling Branch could not implement the program on that day, but did the same on 30th January and collected **145 policies for a premium of Rs. 19 lakhs**. Sr. Divisional Manager and Marketing Manager congratulated DIEA, Jalpaiguri for successful implementation of such an excellent initiative which saw the Division crossing the target for the year. Massive joint gate meetings were organized on 19th January in defense of the public sector insurance and against the decision of the Modi Govt to disinvest the share of PSGI Companies. The meetings vowed to resist the neo-liberal onslaught by intensifying the united struggle of insurance community to protect public sector insurance industry.

CONGRATULATIONS

Ms. K. Jahnavi a student of 7th standard is the daughter of Com. K Anjaiah, Record Clerk, City Branch 3, Nampally, Hyderabad. She participated in the 62nd National School Level Fencing Championship for girls under age 17 held at Karimnagar in January 2017. Ms. Jhanavi secured a bronze medal. Insurance Worker congratulates her and wishes her continued excellence in this sporting event

INSURANCE NEWS IN BRIEF

Pradhan Mantri Suraksha Bima Yojana (Accidental Death Insurance Scheme) has imposed a whooping loss ratio of 250 per cent on the non-life insurance companies. The General Insurance Council, the umbrella body of non-life insurance companies in India has asked the government to increase the premium, which at present is Rs.12/-.

★

* Public Sector general insurance company, New India Assurance Company launches 'premier mediclaim policy' which offers a health cover upto Rs.1 crore. The net profit of the company as at December 2016 stood at Rs.455 crore. The New India Assurance Company which has a market share of 17 per cent has increased its global premium by 21 per cent.

★

* Technology continues to change not only functioning of an industry but also the perception and the nature of the demand. This is true of the insurance sector. Motor insurance products are now being crafted on how much time on drives, how he drives and the maintenance of the vehicle. The technology which connects various devices and is run on internet of things (IoT) used in vehicles is known as Telematics. Actuaries are now using these IoT connected devices to assess individuals' lifestyles/choices for better precision in pricing of insurance policies.More than 12 million such policies are issued globally with the US and UK being the biggest markets.

★

* With continuous increase in the investible funds with the insurance companies and the increasing volatility of share market IRDA has come out with guidelines with a view to protect policyholders' money. Insurance will have to monitor key business parameters such as financial performance and corporate governance of the companies in which they invest. Insurance companies will have to monitor and actively intervene, if the need arises, and regularly assess the outcome of this monitoring. The total accumulated investments made by the insurance sector as at March 31st 2016 was Rs. 26,90,194 crore as on March 31, 2016. The industry hopes a growth of 10 per cent by March 2017. Life insurers account for 93 per cent of the total investments made by industry.

★

* The Insurance Regulatory and Development Authority of India (IRDAI) has constituted a committee to review life insurance product regulations. The committee will review the existing regulatory framework of IRDA linked and non-linked insurance products, besides other key aspects, such as changing economic and insurance market environment, customer needs and expectations and insurance product flexibility and innovations. The committee is headed by the CEO of HDFC Standard Life Insurance Company.

★

* LIC premium grew by 29.82 per cent in the month of January 2017, on year to year basis, while the entire life sector of insurance industry grew by 28.8 percent. Out of Rs.13138.10 crore premium registered by all the life insurance companies, LIC's contribution is Rs.8,724.10 crore. SBI Life comes next to LIC.

★

* Non-life insurance companies posted over 25 per cent increase in their gross premium income (direct premium income underwritten) to Rs 9,760.23 crore in December compared to Rs 7,777.38 crore in the year-ago month.

★

* LIC which makes 94 per cent of its premium income though its agents, who are now 1.1 million, has increased payment of gratuity to Rs.3 lakhs. This measure will encourage the agent to do more business and reduce the attrition rate. Last financial year LIC recruited 2.45 lakh agents while 3.40 lakh went out of books due to various reasons. This financial year LIC has till now added 45000 agents.

* Lloyd's, the specialist insurance and reinsurance market, plans to open a reinsurance branch in the India, quite in time for the April major reinsurance renewals. IRDA has given its final approval. Behold what has Lloyd has to say with a sense of great achievement. "*This is a watershed moment in Lloyd's international strategy. We have now cemented our access to the world's largest, fast-growth economies, those most in need of the specialist insurance to protect their expanding asset base*,"

★

* UK motor insurance premiums are at their highest recorded levels in the fourth quarter of 2016 and rose more than five times the rate of inflation in 2016. Tax increases, increased repair costs and the rising costs of whiplash-style injury claims has put pressure on premiums.

■ A.M.KHAN, DHARWAD

ECONOMIC TID BITS

• The GDP of USA rose by only 1.6% in 2016, down from 2.6% in 2015 and the lowest rate in five years. GDP for the fourth quarter of 2016 slowed to 1.9% due to sharp decline in exports. One out of ten people in Europe is officially unemployed, and one out of four is impoverished or socially marginalized. In the poorer countries in Eastern Europe, the average monthly wage is only 400 Euros.

■

• Profits for the US bank JP Morgan Chase increased by 24% to $ 67 billion, while the revenue rose two percent to $ 24.3 billion during the fourth quarter of 2016. Its net income rose by 96% from a year earlier. Bank of America's fourth quarter profit rose by 42% to $ 4.7 billion. Its revenue increased by 2.1% to $ 20 billion. The earnings of another bank Wells Forgo fell by 5.4% to $ 5.3 billion. Combined 2016 profits of Bank of America, JP Morgan Chase and Wells Fargo totaled $ 64.6 billion, 2% higher than 2015. The gains of 63 largest groups in their stocks hit $ 459 billion since the election of Donald Trump as US President. The US stock market is now valued at $ 26 trillion, highest in its history.

■

• The Sri Lankan government has raised VAT by 4 to 15% on all goods and services including essential items and cutting the fertilizer subsidy to farmers in its 2017 budget. It has reduced expenditure on primary and secondary education by 50% and by 30% for higher education. Health spending is cut by 7% and cuts are imposed on public sector employees' pensions. All these proposals are placed as per IMF conditionality imposed for providing US $ 1.5 billion loan. According to Central Bank, exports declined by 2.6% in 2016 and trade deficit by 3.7% to $ US 7.2 billion. The GDP growth is downgraded from 5% to 4.5%.

■

• In Argentina, the percentage of households making more than $ 50 per day increased from 6.1% to 28.3% between 2000 and 2012. Today, the top 20% of income earners in Argentina receive about half of the total personal income. After the 1998-2002 recession in Argentina, GDP growth of 6.5% per year due to boom in commodity prices allowed ruling classes to redistributes some of its income. However, today bottom half of income earners still make less than minimum and vital salary of $ 500 per month while the top 20% grew even wealthier.

■

• General Motors, world's third largest automaker made $ 9.43 billion profits in 2016. Most of its profits came from North American operation, which brought in $ 12 billion in 2016, up from $ 11 billion in 2015. The company lost money in economically stagnant South America and Europe, while profits remain flat in China. However, the company has eliminated 3300 jobs in Michigan and Ohio and another 2000 jobs in Detroit.

■

• In 2015-16, India's GDP was just $ 2.3 trillion while that of US which has about one-quarter of India's population, was $ 18 trillion. India's fiscal deficit is 3.2% of its GDP. Total projected expenditure of India is Rs. 21.47 trillion ($ 315.7 billion) which is a slight increase from the actual expenditure - as against the original budget estimate of Rs.2014 trillion in 2016-17. The budgetary allocation for military expenditure for 2017-18 is Rs.3.6 trillion or about $ 53 billion. Over 800 million people in India live on less than $ 2 a day, yet military spending accounts for close to 17% of the budget. India is the world's largest importer of weapons, consuming 14% of world's arm sales.

■

• According to the latest Oxfam Report, 8 billionaires, 6 of them from USA own as much as combined wealth of bottom half of the world's population, some 3.6 billion people. Since 2015, the richest 1 percent of the world's population has owned more than the rest of the world put together and that over the past quarter century, the top 1 percent has gained more income that the bottom 50% combined. 1810 billionaires on the Forbes 2016 rich list own $ 6.5 trillion, "as much wealth as the bottom 70% of humanity". Over the next 20 years, some 500 people will hand over their heirs more than $ 2.1 trillion, an amount larger than the GDP of India with a population of 1.3 billion people. The report also estimates $ 7.6 trillion of global wealth is hidden in offshore tax heavens. Africa alone loses $ 14 billion in annual revenues, which is enough to pay health care which would save the lives of 4 million children and employ enough teachers to ensure every African child went to school. ■

J.SURESH, MYSORE

WORKING CLASS STRUGGLES

Strikes by German airport staff disrupt flights

Thousands of ground crew at four German airports went on strike on 8th February. The strikes lasted about six hours and led to the disruption or cancellation of more than 100 flights. They are seeking a pay rise of €1 an hour plus improved conditions and better promotion opportunities. In a separate dispute, teachers, who are members of various unions, took part in strikes throughout Germany on February 1 and 2 in pursuit of a 6 percent pay increase.

UK Equality Commission staff continue dispute

Staff working for the UK government's Equality and Human Rights Commission (EHRC) were on strike on 7th February 2017 as part of their ongoing campaign against cuts and compulsory redundancies. A further four days of strikes have been panned for the period up to mid-May.

Strike threat by Finnish aviation workers

Staff at Finnish travel groups TUI and Tjareborg, along with staff employed by Norwegian Airlines in Finland have threatened to strike in the run-up to the half-term holiday, due to begin February 20. The workers are demanding a wage increase.

Strike by Egyptian textile workers

On 7th February, nearly 3,000 women textile workers came out on strike at the Mahalla Textile and Weaving Company in El Mahalla El Kubra in the Nile delta. Their main demand is for a 10 percent increase in pay and enhanced benefits. The company is one of the biggest cotton producers in the country, with around 30 plants employing a total of 60,000 staff.

Israeli airline flights disrupted by pilots' action

Pilots working for the Israeli airline El Al are continuing to disrupt flights in an on-going dispute over senior pilots. Under international regulations, pilots aged 65 or over are not allowed to pilot international flights, however the retirement age in Israel in 67. The pilots involved, who are aged between 65 and 67, have been sidelined into lesser roles, with a consequent two-thirds cut in pay.

Tunisian construction workers announce hunger strike

Around 60,000 Tunisian construction workers held a mass hunger strike together with protests outside governors' offices across the country on 7th February to protest the precarious nature of their employment. According to Tunis Afrique Presse, the workers vowed to hold a national strike on March 9, with a mass demonstration outside the Kasbah Government Palace.

South African mining unions protest mining companies' arbitrary action

Coal mining unions in South Africa have threatened to strike over a dispute at the opening of the annual wage negotiations. The Chamber of Mines, the coal mining companies' negotiating body that includes international companies such as Glencore Operations SA and Anglo American Coal, told the unions that national bargaining will not continue, and future agreements will be carried out on a bilateral basis. The unions are objecting to the arbitrary decision taken by the mining companies, under conditions in which talks between the two sides had agreed to move towards decentralisation. Unions claim the agreement was to take place only after they had reached a settlement and a new bargaining arrangement had been put in place.

Kenyan academic staff continue strike

A national strike at Kenya's universities and colleges now entering its third week is continued in February 2017. The strike was organised by the University Academics Staff Union (UASU), which is demanding the implementation of a 2013 collective bargaining agreement (CBA) due to end this year. The union wants to base a new CBA on the implemented 2013-17 agreement. The vice chancellors negotiating body, the Inter-Public Universities Council Consultative Forum, has not responded to the union's demands. The Kenyan Education Ministry is considering abandoning the 2017 first semester due to the standoff.

Oil workers strike in Cote d'Ivoire

Cote d'Ivoire oil workers employed by Canadian Natural Resources at the Baobab and Espoir oil and gas field went on a 72-hour strike on February 1 and then extended the walkout for another 72-hours as they sought to bring in workers from other sectors to support their protest. The stoppage resulted in a 33 percent reduction in the country's production of gas. According to reports, the SISPOO union called the strike over working conditions and to demand contract staff be incorporated into the permanent workforce. The oil field produces between 40,000 and 50,000 barrels of oil per day and the country's power plants are dependent on natural gas. Industrial action by oil workers follows strikes by public sector workers and military personnel over unpaid wages and bonuses.

S.SRIDHARA, MYSORE

For our Field Force

LIC Grows 39%

LIC has collected Rs.8,724.59 cr first premium while 23 private life insurers together have collected Rs.4,413.50 crs During April 2016 to January 2017 period. LIC's growth is 39% while private players' growth is 26.3%. Reliance Nippon Life, Star Union Dai-ichi, Aegon, Avia are facing negative growth during this period.

World's largest

India's life insurance sector is the biggest in the world with about 360 million policies which are expected to increase between 12-15% over the next five years. The country's insurance market is expected to quadruple in size over the next 10 years from its current size of $60 billion. During this period, the life insurance market is slated to cross US$ 160 billion. The Indian insurance market is a huge business opportunity waiting to be harnessed. India currently accounts for less than 1.5% of the world's total insurance premiums and about 2% of the world's life insurance premiums despite being the second most populous nation. The country is the fifteenth largest insurance market in the world in terms of premium volume, and has the potential to grow exponentially in the coming years.

New Products

In the financial year 2016-17, about 70 new products, including add-ons, have been launched in the general insurance segment, according to IRDAI. While several products were add-ons to the existing policies, most new policies were in crop insurance and motor insurance. In life sector 162 new products including 7 riders have been introduced in the same period.

Banks' share

Private life insurance companies have significantly increased their exposure to bancassurance which refers to banks selling insurance products. From 44% in FY14, the number has gone up to 50% in first half of FY17. During the same period, business from agency channel went down to 32% from 40%. A majority of private life insurers either have banks as promoters or as partners which gives them an almost exclusive access to their entire branch network. For instance, **private banks which have access to wealthy customers have sold a large chunk of unit-linked insurance products which has directly reflected in the product mix of the industry**. Due to this, insurers like ICICI Prudential Life have more than 80% Ulips in their product mix.

UCO Bank seeks 1000 cr

UCO Bank has written to LIC requesting it to invest Rs 1,000 crore in Tier-2 bonds of the bank. Already in November, UCO Bank had raised Rs 271 crore from LIC through a preferential allotment of equity shares at Rs 37.74 a share. LIC currently has 14.5% stake in UCO Bank, while the government's holding stands at 76.67%.

Star Health investors exiting

Star Health is a joint venture between ICICI Ventures, Sequoia Capital, Tata Capital Growth Fund, Alpha TC Holdings and Oman Insurance Company. Indian shareholders own 63.76% while the rest is owned by foreign investors, according to the data available until September 2016. Indian investors, including ICICI Ventures, Sequoia Capital and Oman Insurance, are trying to sell their holdings since it is getting fiercely competitive.

One time third party insurance

A Parliamentary Standing committee headed by Trinamool MP Mukul Roy has recommended one time collection of third party insurance premium at the time of registration. The panel said, "The registration tax is a one-time affair, likewise the third party insurance should also be made a one-time affair."

PMSBY Losses

Non-life insurance companies have urged the government to hike the premium for the Pradhan Mantri Suraksha Bima Yojana (PMSBY), as they are facing huge underwriting losses in the scheme. The industry has witnessed a claim ratio of 250% under the scheme in the very first year. As of now, there are 15 non-life insurers, including the four state-owned ones, which are active in the space.

Trump claims

AXA Insurance of UK promised to compensate customers for costs arising from President Donald Trump's " unprecedented and unforeseen" executive order banning people from seven majority Muslim countries from travelling to the US. According to a spokesperson at AXA Insurance UK, "Although not technically covered, we view the current situation as unprecedented and unforeseen and as such we are extending the cover under our policies."

ARIVUKKADAL, THANJAVUR

Response

Editorial of February IW is very educative on government policies vis-à-vis trade union, especially after the advent of NDA dispensation under Modi . Since 1978 I have been a reader of Insurance Worker as my parents R.Janardan and Indiravathi were LIC employees who worked at Machilipatnam Division.

R.Sudha Bhaskar, Vice President, CITU

DONATIONS

RECEPTION COMMITTEE	
24TH GEN CONF OF AIIEA, SZIEF,ERNAKULAM	Rs.50000
Com.Avatar Singh, Khanna Br.,Ludhiana Div.	1100
Com. Gnanasekaran, Vellore Division	1000
Com. K.Babu, Ranipet Br.Vellore Div.	1000
Com.Seema Deo, Uditnagar Br.,Sambalpur Div.	1000
Com.K.Manoharan, Ramanatukkara Br., Kozhikode Div.	1000
Com.T.Madhavan Nair, Kasargod Br.,Kozhikode Div.	500
Com. R.Balu, Periyakulam Br., Madurai Div.	1000

The Insurance Worker thanks these comrades for their fine gesture shown to the journal.

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I, Vedaraja N.K, hereby declare that the particulars given above are true to the best of my knowledge and belief.

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ERNAKULAM

GREETS ALL READERS OF INSURANCE WORKER AND WISHES THEM WELL

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