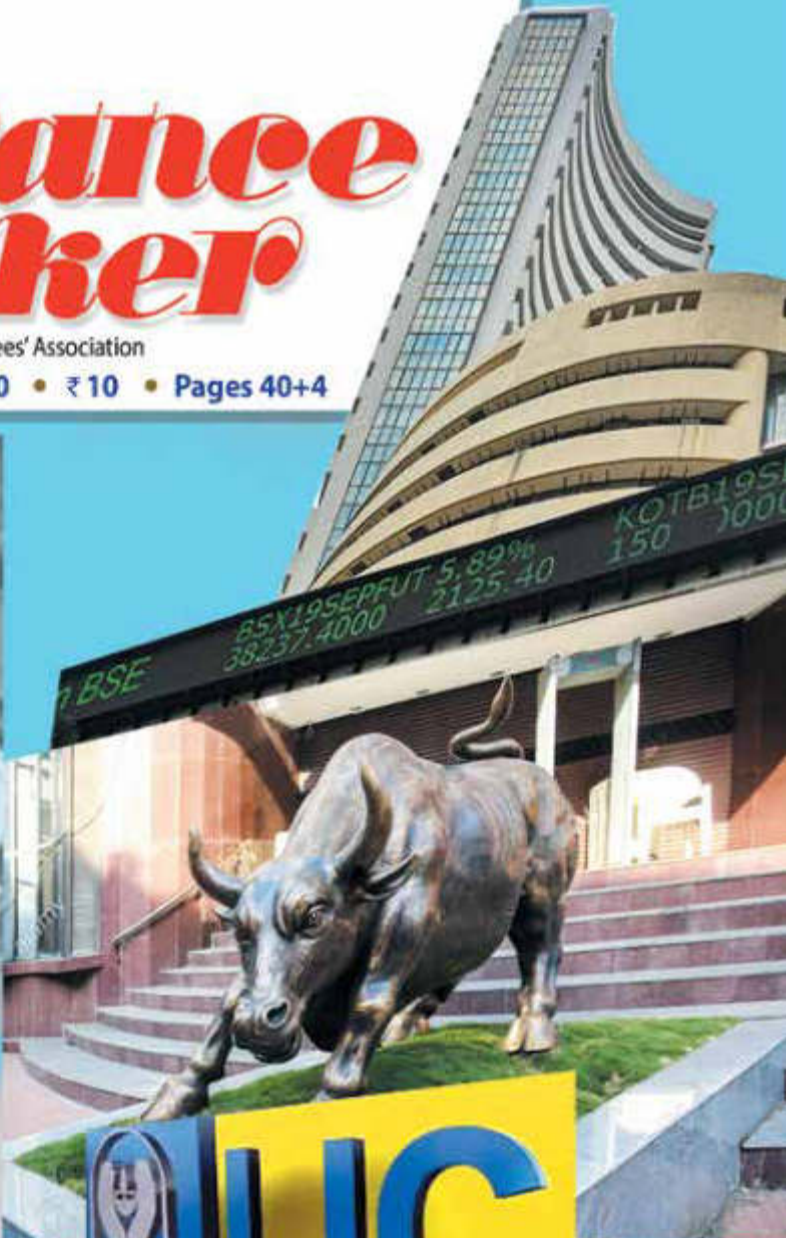


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## BUDGET 2020-21

\* A WASTED OPPORTUNITY

\* A CLUELESS GOVT.

\* आरबी आई और एलआईसी  
के बूते कब तक...

## Listing of LIC

- ◆ A Desperate Move
- ◆ Outrageous idea
- ◆ Destroying a premier institution  
- Harming the Nation & the Poor



Women in  
the forefront  
to defend  
Indian  
Democracy

Landmark  
Judgement







*Belagavi*



*Cuttack*

## **WELCOME to the great fraternity of AIIEA**

The process of recruitment of Assistants in LIC is completed except in some divisions where some Court cases are pending. Overwhelming numbers of new recruits have joined the AIIEA. The AIIEA is following up with LIC on the operating of contingency lists, some issues related to bio-metrics and extension of time to join. Insurance Worker welcomes these new Assistants to the great fraternity of AIIEA.



*Gandhinagar*



*Kanpur*

*Ludhiana*

*Jalpaiguri*



## BUDGET 2020-21 – A WASTED OPPORTUNITY

The Budget 2020-21 presented by Smt Nirmala Sitharaman on February 1 is yet another wasted opportunity. There were expectations that the Finance Minister would address issues like slowing down of private consumption, unemployment and stagnating real incomes. But after a record breaking speech of 160 minutes, the nation was left deeply disappointed. The Finance Minister has absolutely no idea as to how to revive the economy.

It is estimated that 60 percent of the economy is driven by private consumption. The slowdown in consumption has to be addressed by increasing the disposable incomes. But rather than doing this the government gave tax concessions to the corporate sector amounting to Rs.1.5 lakh crore by reducing tax rates from 30% to 22% in September and now further concession is given through the budgetary proposal by eliminating the dividend tax payable by the companies. The assumption that reduction of tax rates will attract investment especially the foreign funds is hollow and far from the experiences around the world. The experience world over suggest that the investment decisions are taken on the basis of the market size, availability of skilled workforce and an efficient infrastructure and not just on the levels of taxes. Today, India has excessive capacities and therefore the issue is not of supply but of lack of demand. The Budget fails to take any steps to create demand in the economy.

India today is experiencing a 45 year high unemployment rates. It is estimated that more than 30% of the youth are neither employed nor in education or in training institutes. This is a serious issue and wastage of the demographic advantage. This problem has to be tackled with creating of jobs not precarious but decent. Massive public investment in infrastructure is required to create such jobs but adherence to fiscal fundamentalism has not allowed the government to take this step. Even allocations under the Mahatma Gandhi National Rural Employment Guarantee Scheme are inadequate. The allocations for this scheme has been scaled down by 13% at Rs.61500 crore from the total estimated expenditure for 2019-20 which was at Rs.71002 crore. This is at a time when the periodic labour force survey suggest high drop in total employment. The fund allocation for rural development as a percentage of the total budget show a decline from 4.5% in 2019-

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20 (RE) to 3.9% in 2020-21 (BE). The Budget fails to take effective policy measures for employment generation and rural development.

The agriculture sector which employs more than 50% of the total workforce and contributes 16.5% of the GDP does not get the attention it deserves. This sector is in a serious crisis impacting the life of overwhelming sections of the population. The funds allocated to this sector amount to 7.3% of the total budget, a mere increase of 1% over 2019-20 (RE). The government claims that it has provided relief to farmers through direct cash transfer. It must be understood that this direct cash transfer may offer some short term relief but do not address the root causes of agrarian crisis. Moreover the benefits of cash transfer are applicable only to the land owners and not available to tenant farmers, women farmers and landless agriculture labour who constitute an overwhelming majority.

The budgetary allocations for the social sector are inadequate. There is no policy for public investment in education to make education accessible and affordable to the poor. Indian education sector is highly privatised. The government continues to place reliance on external commercial borrowings and FDI for investments in the education. The national commitment of spending 6% of the GDP on education appears a distant dream. The Budget continues the trend of declining allocations on education as a percentage of total budget expenditure. It declined from 4.1% in 2014-15 to 3.3% in 2020-21 and as a percentage of GDP it declined from 0.55% to 0.44% during the same period.

The National Health Policy stipulates an expenditure of 2.5% of GDP on health by the year 2025. However, the combined allocation of the Centre and the States stand only around 1.6% of the GDP. The central allocation on health has remained stagnant at 0.3% of the GDP and as a proportion of the Budget 2020-21, it has declined to 2.3% from 2.4% the year earlier. Education and Health are the basic services. It is the responsibility of the State to make them available to the citizens under the Directive Principles of the State Policy as mandated by the Constitution. But there is an increasing trend to withdraw the government from these key social areas and rely heavily on the private sector. There is a clear shift from the government being a provider of health to a purchaser through insurance schemes.

There is a decline in the gender budget. The allocation for Beti Bachao Beti Padhao scheme has declined by 21.4%. The funds for SC/ST development is just 4.5% of the total budget allocations. This has no relation to their size in the total population. The minorities who constitute nearly 18% of the population get just 0.17% of the total budget outlay for their welfare schemes.

The Budget clearly demonstrates that there is a serious resource crunch. The central tax collection has seen the slowest growth since 2008-09 crisis. The tax collection is expected to decline to Rs.2163423 crore from the budgeted Rs.2461195 crore for the year 2019-20. The shortfall is Rs.297772 crore. The Budget 2020-21 aims to raise resources amounting to Rs.2423020 crore which is lower than what was budgeted for the earlier fiscal. The tax concessions to income tax payers is more a hype rather than reality. Moreover the tendency to raise resources through cess and surcharge which is not shared with the States is further straining Federalism. The decision to hike the Deposit Insurance limit to Rs.5 lakh in the face of bank failure is welcome though the government do not have to make any allocation for this.

Despite suggestions to raise resources through wealth and inheritance taxes, the government is unwilling to do so. It has placed excessive reliance on raising resources through sale of public sector units and extracting ever increasing dividends from PSUs. The Budget targets to generate resources through disinvestment amounting to Rs. 2.1 lakh crore. It has decided to sell BPCL and Air India. The Finance Minister announced listing of LIC in the stock markets through IPO. It has also decided to further sell its stake in IDBI. These are retrograde measures. The government is recklessly selling the precious national assets to meet its day to day expenses. The Budget targets to raise Rs.65747 crore through dividend from the public sector units.

The Budget remains committed to neo-liberalism. It seeks to run in a suicidal competition to lowering taxes in the hope of attracting foreign capital. It continues the path of reckless privatisation. The Budget takes further steps to withdraw the government from its role as a provider of basic services to the people. The Budget has no policy measure that can revive the economy and improve the life standards of the people. It is an exercise which will land Indian economy into deeper crisis.

## बजट 2020-21 एक अवसर व्यर्थ

एक फरवरी को श्रीमती निर्मला सीतारमण द्वारा प्रस्तुत बजट 2020-21 एक और अवसर को व्यर्थ गंवाना है। ऐसी उम्मीदें थीं कि वित्त मंत्री निजी खपत के कम होने, बेरोजगारी और रूकी हुई वास्तविक आय जैसे मुद्दों को संबोधित करेंगी। लेकिन 160 मिनट के रिकार्ड तोड़ भाषण के बाद राष्ट्र को गहरी निराशा हाथ लगी। वित्त मंत्री के पास अर्थव्यवस्था को पुनर्जीवित करने का कोई भी विचार नहीं है।

ऐसा अनुमान है कि 60 प्रतिशत अर्थव्यवस्था निजी खपत से संचालित होती है। व्यय योग्य आय को बढ़ाकर उपभोग में छापी मंदी को सम्बोधित किया जाना चाहिये था। लेकिन ऐसा करने के बजाये इस सरकार ने कारपोरेट क्षेत्र को सितम्बर माह में करों की दर 30 प्रतिशत से घटाकर 22 प्रतिशत करके 1.5 लाख करोड़ रुपये की कर रियायतें दीं और अब कम्पनियों के लाभांश कर को समाप्त करके बजटीय प्रस्ताव के माध्यम से आगे की रियायत दी जा रही हैं। इस प्रकार के अनुमान कि टैक्स दरों में कमी करके निवेश, विशेषकर विदेशी फंडों के माध्यम से, बढ़ते हैं, खोखले हैं तथा ऐसे अनुभव दुनिया में कहीं भी नहीं हुए हैं। दुनिया भर के अनुभव यह बताते हैं कि निवेश के फसले बाजार के आकार, कुशल कर्मचारियों की उपलब्धता और एक कुशल बुनियादी ढाँचे के आधार पर लिए जाते हैं, न कि केवल करों के विभिन्न स्तर पर। आज, भारत में अत्यधिक क्षमताएं हैं और इसलिए यह मुद्दा आपूर्ति का नहीं है, बल्कि मांग की कमी का है। अर्थव्यवस्था में मांग पैदा करने के लिए बजट कोई भी कदम उठाने में विफल रहता है।

भारत आज 45 साल की उच्च बेरोजगारी दर का सामना कर रहा है। यह अनुमान है कि 30 प्रतिशत से अधिक युवा न तो रोजगार में हैं और न ही शिक्षा या प्रशिक्षण संस्थानों में। यह एक गंभीर मुद्दा है और जनसांख्यिकी लाभ का अपव्यय है। इस समस्या से निपटने के लिए असुरक्षित नहीं बल्कि सम्मानपूर्ण रोजगार सृजन करने होंगे। इस तरह के रोजगार पैदा करने के लिए बुनियादी ढाँचे में व्यापक सार्वजनिक निवेश की आवश्यकता है लेकिन राजकोषीय कट्टरता के पालन ने सरकार को यह कदम उठाने की अनुमति नहीं दी है। यहां तक कि महात्मा गांधी राष्ट्रीय ग्रामीण रोजगार गारंटी योजना के तहत आवंटन अपर्याप्त हैं। इस योजना के लिए आवंटन 2019-20 के लिए अनुमानित व्यय से 13 प्रतिशत कम होकर 61,500 करोड़ रुपये हो गया है जेकि 71,002 करोड़ रुपये था। यह ऐसे समय में हो रहा है जब समय-समय पर किये गये श्रम बल सर्वेक्षण कुल रोजगार में उच्च गिरावट दर्शा रहे हैं। कुल बजट के प्रतिशत के रूप में ग्रामीण विकास के लिए धन आवंटन 2019-20 (संशोधित अनुमान) में 4.5 प्रतिशत की बजाए 2020-21 (बजट अनुमान) में 3.9 प्रतिशत हो गया है। रोजगार सृजन और ग्रामीण विकास के लिए प्रभावी नीतिगत उपाय करने में बजट विफल रहा है।

कृषि क्षेत्र जो कुल कार्यबल के 50 प्रतिशत से अधिक को रोजगार देता है और जीडीपी में 16.5 प्रतिशत का योगदान करता है, उस पर समुचित ध्यान नहीं दिया गया है।

यह क्षेत्र एक गंभीर संकट में है जो आबादी के अधिकांश वर्गों के जीवन को प्रभावित करता है। इस क्षेत्र के लिए कुल बजट आवंटन में 2020-21 (बजट अनुमान) के अनुसार 7.3 प्रतिशत की राशि रखी गयी है जोकि 2019-20 के संशोधित अनुमानों से मात्र एक प्रतिशत अधिक है। सरकार का दावा है कि उसने सीधे नकद हस्तांतरण के माध्यम से किसानों को राहत दी है। यह समझा जाना चाहिए कि यह प्रत्यक्ष नकद हस्तांतरण कुछ अल्पाकिलक राहत तो प्रदान कर सकता है लेकिन कृषि संकट के मूल कारणों का समाधान नहीं करता है। इसके अलावा नकद हस्तांतरण का लाभ केवल भूमि मालिकों पर लागू होता है और किरायेदार किसानों, महिला किसानों और भूमिहीन कृषि श्रमिकों के लिए उपलब्ध नहीं होता है जिनकी संख्या बहुतायत में है।

सामाजिक क्षेत्र के लिए बजटीय आवंटन अपर्याप्त हैं। गरीबों को सुलभ और सस्ती शिक्षा उपलब्ध कराने के लिए शिक्षा में सार्वजनिक निवेश की कोई नीति नहीं है। भारत में शिक्षा क्षेत्र का अत्यधिक निजीकरण हुआ है। सरकार शिक्षा में निवेश के लिए बाहरी वाणिज्यिक उधार और एफडीआई पर निर्भरता जारी रखे हुए है। शिक्षा पर जीडीपी का 6 प्रतिशत खर्च करने की राष्ट्रीय प्रतिबद्धता दूर का सपना प्रतीत होती है। बजट शिक्षा पर कुल बजट खर्च के प्रतिशत के रूप में आवंटन में गिरावट की प्रवृत्ति को जारी रखता है। यह 2014-15 में 4.1 प्रतिशत से घटकर 2020-21 में 3.3 प्रतिशत हो गया और जीडीपी के प्रतिशत के रूप में यह इसी अवधि के दौरान 0.55 प्रतिशत से घटकर 0.44 प्रतिशत हो गया।

राष्ट्रीय स्वास्थ्य नति वर्ष 2025 तक स्वास्थ्य पर सकल घरेलू उत्पाद का 2.5 प्रतिशत का व्यय निर्धारित करती है। हालांकि, केन्द्र और राज्यों का संयुक्त आवंटन सकल घरेलू उत्पाद का लगभग 1.6 प्रतिशत है। स्वास्थ्य पर केन्द्रीय आवंटन जीडीपी के 0.3 प्रतिशत पर स्थिर बना हुआ है और बजट 2020-21 के अनुपात में, यह एक साल पहले के 2.4 प्रतिशत से घटकर 2.3 प्रतिशत रह गया है। शिक्षा और स्वास्थ्य बुनियादी सेवाएं हैं। राज्य की यह जिम्मेदारी है कि वे संविधान के अनुसार अनिवार्य रूप से राज्य नीति के निर्देशक सिद्धांतों के तहत इन्हें नागरिकों को उपलब्ध कराएं। लेकिन इन प्रमुख सामाजिक क्षेत्रों से सरकार की अपना व्यय कम करने की और निजी क्षेत्र पर बहुत अधिक भरोसा करने की प्रवृत्ति बढ़ रही है। सीधे स्वास्थ्य सेवाएं देने के स्थान पर बीमा योजनाओं के माध्यम से सेवाएं देना इस सरकार की नीतियों में बदलाव को दर्शाता है।

लैंगिक बजट में गिरावट है। बेटी बचाओ बेटी पढ़ाओ योजना के लिए आवंटन में 21.4 प्रतिशत गिरावट आई है। अनुसूचित जाति/जनजाति के विकास के लिए धन कुल बजट आवंटन का सिर्फ 4.5 प्रतिशत है। इसका कुल आबादी में उनके आकार से कोई सम्बन्ध नहीं है। लगभग 18 प्रतिशत आबादी वाले अल्पसंख्यकों को उनकी कल्याणकारी योजनाओं के लिए कुल बजट परिव्यय का सिर्फ 0.17 प्रतिशत आवंटित किया गया है।

Please see page 6

## DISINVESTMENT IN LIC – A DESPERATE MOVE

The Finance Minister set a target of 2.1 lakh crore through disinvestment in the public sector undertakings in the financial year 2020-21. She also announced that government will pare its holding in LIC through an Initial Public Offering to help raise these resources. There was no plausible explanation as to why LIC should be listed in the stock exchanges. This clearly is a desperate measure by a government facing severe resource crunch due to its mismanagement of the economy. The LIC employees responded to this announcement with a spontaneous one hour stoppage of work on February 4, 2020. It was a very successful industrial action. This successful action demonstrates the depth of anger and the determination to resist the government push towards privatisation of LIC.

This is not the first time such an attempt is being made. The Malhotra Committee appointed by PV Narasimha Rao government had recommended the raising of capital in LIC and divesting 50 percent of the same in the market. Subsequently, during the Vajpayee government the management consultant Deloitte was asked to suggest improvement in the working and restructuring of LIC. The Deloitte recommended the corporatisation of LIC by increasing its capital and thereafter divesting substantial portion in the stock markets to what they called as unlocking the true value of the Corporation. Both these governments found it impossible to implement these recommendations due to public perception of LIC. The Indian people see LIC as the ultimate in security, they were impressed with its work, they were aware of its national importance and its immense contribution to the national development. This strong public sentiments in favour of LIC coupled with the glorious resistance put up by its employees did not allow the governments to succeed in their plans. This glorious struggle halted a government policy for over a quarter century. There is no such parallel in the history of the resistance movement of global working class.

The attempts to divest LIC shares were revived once again in 2016 when Arun Jaitely, then Finance Minister visited LIC to participate in its golden jubilee celebrations. Acknowledging the successes of LIC, he pointed out that it will be the most valuable company in India if listed on the stock

exchanges. Therefore, the announcement of the present Finance Minister comes as no surprise. Though privatisation became the most important policy of the governments since India adopted neoliberalism, no government was as hostile towards public sector as the present regime.

The Public Sector in India was created to lay the foundations for industrialisation in the backward agricultural economy. The LIC was established to help this process through mobilisation of small savings and converting them into capital for long term investments in infrastructure. The LIC played a glorious role in helping India industrialise while at the same time giving total security to the policy monies and ensuring decent returns to the policyholders. In the process, LIC emerged as the most influential and premier public financial institution in the country. In a country which is still struggling with low incomes, where poverty and hunger are disturbing realities, it is to the credit of LIC that it has insured substantial number of Indians and given them the much needed security. It is unsurprising that LIC is the most admired institution in the country as also the most valuable brand.

There are different reactions to the announcement of the Finance Minister. The votaries of privatisation and apologists of neoliberalism are unable to hide their happiness. The policyholders and concerned citizens are anxious. The employees are angry that an institution that is built by their blood and toil is targeted for disinvestment. The votaries of privatisation argue that since LIC is used by the government to bail out its programs, the policyholders' interests can be safe only when there is transparency in governance and that can come about only when the government pares its holding. They also point out to the increasing NPAs. These arguments do not stand scrutiny of truth. If LIC today is the most valuable institution, it is because of its transparency in governance and it being an efficient board managed institution. The majority of its investments are in government securities which are totally safe. It has a great track record of earning profits in its investments in equities. Its corporate loan investment is done on the basis of strong credit ratings. The vested interests talk about high NPAs that are only in relation to its loan portfolio. In terms of the total investments of LIC, the NPAs are less than one percent. The scare these

votaries want to create is a deliberate attempt to achieve their aim of transferring the huge value created by the blood and toil of LIC employees and its agency force to the elite of this country.

The policyholders must be informed that their interests are totally safe. LIC is a very strong financial institution. The strength of this financial institution combined with the vigilance of the trade union movement will ensure the safety and interests of the policyholders. This is the immediate task that needs to be undertaken by the trade union movement and the growth momentum in the new business of LIC must be kept going.

The employees must understand the process of disinvestment will not stop with the dilution of a small portion as IPO. As per the existing regulations, any listed company will have to have a minimum of 35% of its shares floating in the market.

Therefore, attempts will be made to continuously pare the stakes in LIC. The experiences of the other institutions explain that the ultimate aim of divestment is privatisation. There is absolutely no reason for divestment in LIC. If the public sector Banks have had to offload their shares in the market, it was to raise capital to expand their operations and meeting the regulatory requirement for lending. In the case of LIC, it is to fund the government expenses. We cannot allow the sale of this 'Jewel in the Crown' to help the government meet its fund requirement for its day to day needs. The Trade Union movement in LIC has to come out with a sustained program of campaign on this very important task. The LIC is a national asset and it must continue to remain the most precious asset of the public.

## एलआईसी में विनिवेश – एक हताश कदम

वित्त मंत्री ने वित्त वर्ष 2020-21 में सार्वजनिक क्षेत्र के उपक्रमों में विनिवेश के माध्यम से 2.1 लाख करोड़ का लक्ष्य रखा है। उन्होंने यह भी घोषणा की कि सरकार संसाधनों को बढ़ाने में मदद करने के लिए एक प्रारम्भिक सार्वजनिक पेशकश (आई.पी.ओ.) के माध्यम से एलआईसी में अपना हिस्सा कम करेगी। इस बारे में कोई विश्वसनीय स्पष्टीकरण नहीं था कि एलआईसी को पूंजी बाजार में क्यों सूचीबद्ध किया जाना चाहिये। यह स्पष्ट रूप से अर्थव्यवस्था के कुप्रबंधन के कारण गम्भीर संसाधन संकट का सामना कर रही सरकार द्वारा एक हताश उपाय है। एलआईसी के कर्मचारियों ने 4 फरवरी, 2020 को एक घंटे की बहिर्गमन हड़ताल के साथ इस घोषणा का जवाब दिया। यह एक बहुत ही सफल औद्योगिक कार्यवाही थी। यह सफल कार्यवाही गुस्से की गहराई और एलआईसी के निजीकरण की दिशा में सरकार के कदम का विरोध करने के संकल्प को प्रदर्शित करती है।

यह पहली बार नहीं है जब इस तरह का प्रयास किया जा रहा है। पीवी नरसिम्हा राव सरकार द्वारा नियुक्त मल्होत्रा कमेटी ने एलआईसी से पूंजी जुटाने और बाजार में 50 प्रतिशत का विनिवेश करने की सिफारिश की थी। इसके बाद, बाजपेयी सरकार के दौरान प्रबन्धन सलाहकार डेलोइट को एलआईसी के कामकाज और पुर्नगठन में सुधार देने के लिए कहा गया था। डेलोइट ने अपनी पूंजी को बढ़ाते हुए एलआईसी के निगमीकरण की सिफारिश की और उसके बाद पूंजी बाजारों में इसके एक भाग को विनिवेश करके एलआईसी का मूल्य खोल देने के लिए कहा। इन दोनों सरकारों ने एलआईसी की सार्वजनिक छवि के कारण इन सिफारिशों को लागू करना असंभव पाया। भारत के लोग एलआईसी को सुरक्षा के लिए अंतिम उपाय के रूप में देखते हैं। वे इसके कार्य से प्रभावित थे एवं इसके राष्ट्रीय महत्व और राष्ट्रीय विकास में इसके अपार

योगदान से अवगत थे। एलआईसी के पक्ष में इन मजबूत जनभावनाओं के साथ कर्मचारियों द्वारा की गयी शानदार प्रतिरोध कार्यवाहियों ने सरकारों को अपनी योजनाओं में सफल नहीं होने दिया। इस शानदार संघर्ष ने एक चौथाई शताब्दी से अधिक समय तक सरकार की नीति को रोके रखा। वैश्विक श्रमिक वर्ग के प्रतिरोध आन्दोलन के इतिहास में ऐसा कोई उदाहरण नहीं है।

एलआईसी के शेयरों को विनिवेश करने के प्रयासों को 2016 में एक बार फिर से पुनर्जीवित किया गया जब वित्त मंत्री अरूण जेटली ने स्वर्ण जयन्ती समारोह में भाग लेने के लिए एलआईसी का दौरा किया। एलआईसी की सफलताओं को स्वीकार करते हुए उन्होंने कहा कि शेयर बाजारों में सूचीबद्ध होने पर यह भारत की सबसे मूल्यवान कम्पनी होगी। इसलिए वर्तमान वित्त मंत्री की घोषणा कोई आश्चर्य की बात नहीं है। यद्यपि निजीकरण सरकारों की सबसे महत्वपूर्ण नीति बन गई क्योंकि भारत ने नवउदारवाद को अपना लिया है लेकिन वर्तमान शासन के रूप में कोई भी सरकार सार्वजनिक क्षेत्र के प्रति ऐसी शत्रुतापूर्ण नहीं थी।

भारत में सार्वजनिक क्षेत्र का निर्माण पिछड़ी कृषि अर्थव्यवस्था में औद्योगीकरण की नींव रखने के लिए किया गया था। एलआईसी को इस प्रक्रिया में मदद करने के लिए स्थापित किया गया था ताकि छोटी बचत को जुटाया जा सके और बुनियादी ढांचे में दीर्घकालिक निवेश के लिए उन्हें पूंजी में परिवर्तित किया जा सके। एलआईसी ने भारत के औद्योगीकरण में मदद करने में एक शानदार भूमिका निभाई, साथ ही साथ एक ही समय में पॉलिसी धन को पूरी सुरक्षा प्रदान की और पॉलिसीधारकों को उचित प्रतिफल सुनिश्चित किया। इस प्रक्रिया में, एलआईसी देश की सबसे प्रभावशाली और प्रमुख सार्वजनिक वित्तीय संस्था बनकर उभरी। एक ऐसे देश में जो अभी भी कम आय से जूझ रहा है, जहां गरीबी और भूख वास्तविकताओं



को विचलित कर रही है, यह एलआईसी का ही श्रेय है कि इसने पर्याप्त संख्या में भारतीयों का बीमा किया और उन्हें पूरी सुरक्षा प्रदान की। यह कोई आश्चर्यजनक नहीं है कि एलआईसी देश का सबसे प्रशंसनीय संस्थान है और सबसे मूल्यवान ब्रांड भी है।

वित्त मंत्री की घोषणा पर अलग-अलग प्रतिक्रियाएं आयी हैं। नवउदारवाद के प्रशंसक और निजीकरण के समर्थक अपनी खुशी को छिपा नहीं पा रहे हैं। पॉलिसीधारक और सम्बन्धित नागरिक चिंतित हैं। कर्मचारी गुस्से में हैं कि एक संस्था जो उनके खून-पसीने द्वारा निर्मित हुई है, का विनिवेश किया जा रहा है। निजीकरण के समर्थकों का तर्क है कि चूंकि एलआईसी का उपयोग सरकार द्वारा अपने कार्यक्रमों को पूरा करने के लिए किया जाता है, इसलिए पॉलिसीधारकों के हित तभी सुरक्षित हो सकते हैं जब शासन में पारदर्शिता हो और यह तभी आ सकता है जब सरकार अपनी हिस्सेदारी को कम करे। वे बढ़ते एनपीए की ओर भी इशारा करते हैं। ये तर्क सच्चाई की जांच में खरे नहीं उतरते हैं। अगर आज एलआईसी सबसे मूल्यवान संस्था है तो इसकी वजह शासन में पारदर्शिता है और यह एक कुशल बोर्ड द्वारा प्रबन्धित संस्था है। इसके अधिकांश निवेश सरकारी प्रतिभूतियों में हैं जो पूरी तरह से सुरक्षित हैं। इक्विटी में इसके निवेश में मुनाफा कमाने का शानदार टेक्निक रिकार्ड है। इसका कारपोरेट ऋण निवेश मजबूत क्रेडिट रेटिंग के आधार पर किया जाता है। निहित स्वार्थ उच्च एनपीए के बारे में केवल उसके ऋण पोर्टफोलिया के सम्बन्ध में बात करते हैं। एलआईसी के कुल निवेश के सन्दर्भ में, एलआईसी में एनपीए एक प्रतिशत से भी कम है। इन समर्थकों द्वारा जो डर पैदा किया जा रहा है वह कर्मचारियों व अभिकर्ताओं के खून पसीने से निर्मित इस

देश की विशाल सम्पत्ति को हस्तान्तरित करने के अपने उद्देश्य को प्राप्त करने का एक जानबूझकर प्रयास है।

पॉलिसीधारकों को सूचित किया जाना चाहिए कि उनके हित पूरी तरह से सुरक्षित हैं। एलआईसी एक बहुत मजबूत वित्तीय संस्थान है। ट्रेड यूनियन आन्दोलन की सतर्कता के साथ संयुक्त रूप से जुड़कर इस वित्तीय संस्थान की ताकत पॉलिसीधारकों की सुरक्षा और हितों को सुनिश्चित करेगी। यह तात्कालिक कार्य है कि ट्रेड यूनियन आन्दोलन जारी रहे और एलआईसी के नए व्यवसाय में विकास की गति को बनाए रखा जाय।

कर्मचारियों को समझना चाहिए कि विनिवेश की प्रक्रिया आईपीओ के रूप में एक छोटे हिस्से के विनिवेश से नहीं रुकेगी। मौजूदा नियमों के अनुसार, किसी भी सूचीबद्ध कम्पनी के बाजार में कम से कम 35 प्रतिशत शेयर होने चाहिए। इसलिए एलआईसी में सरकार द्वारा लगातार अपनी हिस्सेदारी कम करने का प्रयास किया जाता रहेगा। अन्य संस्थानों के अनुभव बताते हैं कि विनिवेश का अन्तिम उद्देश्य निजीकरण है। एलआईसी में विनिवेश का कोई कारण नहीं है। यदि सार्वजनिक क्षेत्र के बैंकों को बाजार में अपने शेयरों को उतारना पड़ा है तो उन्हें अपने परिचालन का विस्तार करने और ऋण देने के लिए नियामक आवश्यकता को पूरा करने के लिए पूंजी जुटाना था। एलआईसी के मामले में, यह सरकारी खर्चों को पूरा करने के लिए है। हम दैनिक खर्चों की आवश्यकता को पूरा करने के लिए इस 'मुकुट के नगीने' को बेचने की अनुमति नहीं दे सकते। एलआईसी में ट्रेड यूनियन आन्दोलन को इस महत्वपूर्ण कार्य पर अभियान के निरन्तर कार्यक्रम के साथ सामने आना है। एलआईसी एक राष्ट्रीय सम्पत्ति है और इसे जनता की सबसे कीमती सम्पत्ति बनी रहनी चाहिए।

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बजट स्पष्ट रूप से दर्शाता है कि सरकार के समक्ष गम्भीर संसाधन संकट है। 2008-09 के संकट के बाद केन्द्रीय कर संग्रह में सबसे धीमी वृद्धि देखी गई है। वर्ष 2019-20 के लिए बजट में कर संग्रह 24,6,1,195 करोड़ रुपये से घटकर 21,63,423 करोड़ रुपये रहने की उम्मीद है। यह कमी 2,97,772 करोड़ रुपये की है। बजट 2020-21 का लक्ष्य 24,23,020 करोड़ रुपये तक के संसाधन जुटाना है जोकि पिछले वित्तीय वर्ष के बजट से कम है। आयकर दाताओं को दी गयी कर रियायतें वास्तविकता कम प्रचार ज्यादा हैं। इसके अलावा उपकर और अधिभार के माध्यम से संसाधन जुटाने की प्रवृत्ति जो कि राज्यों के साथ साझा नहीं की जाती है, संघवाद को कमजोर कर रही है। बैंकों की विफलता की स्थिति में डिपॉजिट इन्श्योरेंस की सीमा 5 लाख रुपये तक बढ़ाने का निर्णय स्वागत योग्य है, हालांकि सरकार को इसके लिए कोई आवंटन करने की आवश्यकता नहीं होती है।

सम्पत्ति और विरासत करों के माध्यम से संसाधन जुटाने के सुझावों के बावजूद, सरकार ऐसा करने के लिए तैयार नहीं है। इसने सार्वजनिक क्षेत्र की इकाईयों की बिक्री के माध्यम से संसाधन जुटाने और सार्वजनिक उपक्रमों से

लगातार बढ़ते लाभांश को निकालने पर अत्यधिक निर्भरता दिखाई है। बजट में विनिवेश के माध्यम से संसाधनों को उत्पन्न करने का लक्ष्य 2.1 लाख करोड़ रुपये रखा गया है। उसने बीपीसीएल और एयर इंडिया को बेचने का फैसला किया है। वित्त मंत्री ने आईपीओ के माध्यम से शेयर बाजारों में एलआईसी को सूचीबद्ध करने की घोषणा की है। इसने आईडीबीआई में अपनी हिस्सेदारी बेचने का भी फैसला किया है। ये प्रतिगामी उपाय हैं। सरकार अपने दिन-प्रतिदिन के खर्चों को पूरा करने के लिए बेशकीमती राष्ट्रीय सम्पत्ति बेच रही है। बजट में सार्वजनिक क्षेत्र की इकाईयों से लाभांश के माध्यम से 65,747 करोड़ रुपये जुटाने का लक्ष्य रखा गया है।

बजट नव-उदारवाद के लिए प्रतिबद्ध है। यह विदेशी पूंजी को आकर्षित करने की उम्मीद में करों को कम करने की एक आत्मघाती प्रतियोगिता में भाग लेना चाहता है। यह अंधाधुंध निजीकरण का मार्ग जारी रखता है। बजट लोगों की बुनियादी जरूरतों के प्रदाता के रूप में सरकार को अपनी भूमिका से हटाने के लिए और कदम उठाता है। बजट में अर्थव्यवस्था को पुनर्जीवित करने और लोगों के जीवन स्तर में सुधार करने हेतु कोई नीतिगत उपाय नहीं किया गया है। यह एक ऐसी कार्यवाही है जो भारतीय अर्थव्यवस्था को गहरे संकट में डालती है।



# LIC EMPLOYEES REGISTER STRONG PROTEST AGAINST THE PROPOSAL FOR LIC IPO

The entire workforce of LIC went on a one hour walk out strike on 4<sup>th</sup> February 2020 to register a very strong protest against the announcement of Finance Minister of LIC IPO. The strike call was given by the Joint Front comprising of Federation of LIC Class I Officers'Associations, National Federation of Insurance Field Workers of India and All India Insurance Employees' Association. Even those employees outside these unions too joined the strike. The Association of Agents joined the protests across the country. The Statement of the Joint Front dated 7/2/2020 is reproduced hereunder:

'We extend our revolutionary congratulations to all our members for their spontaneous observation of the protest programme on 3rd and 4th February 2020 against government's proposal for disinvestment of a portion of its holding in LIC. Without spending a single idle moment, the major forum on 01.02.2020 decided to go for the programme of lunch hour demonstration on 03.02.2020 (Monday) and one hour walk out strike immediately before recess on 04.02.2020 (Tuesday) in protest against the announcement to disinvest some portion of Govt. share in LIC through IPO, during the presentation of budget proposals for 2020-21 by the Honourable Finance Minister in the parliament on 01.02.2020.

The decision was communicated to all the members of the respective trade unions under the joint forum, viz. LIC class-I Officers Federation, National Federation of Insurance Field Workers of India and All India Insurance Employees Association almost instantly after the decision. Notice in this regard was also served to the Chairman by the Secretary Generals of all the three unions. From the central level leadership, leaders down the line at all levels and also the common members were suggested to issue press release to the leading News Papers and the electronic media in every nook and corner of the country and to communicate the issue to all our valued customers and the agents without making them panicky. Accordingly, all the leading news papers and the important electronic media covered our programme of protest and interviewed many of our leaders all over the country to give a message to the government that we are not going to take the matter lightly

and ready to go further to stop the government to from such an illogical, unethical, disastrous and anti-people move.

It is a matter of much importance that the members of all the organisations constituting the major forum came out spontaneously and addressed the issue in every gathering on 3rd and 4th of February 2020. Leaders at all levels explained their grave concern over the issue to print as well as electronic media very clearly. Agents were also with us in large number in all our gathering. We succeeded to make all concerned understand the ill effects of disinvestment of any portion of LIC, however small it may be. We questioned the government about the necessity of disinvestment of LIC when this PSU has been running most successfully with a capital of only 5 Cr. paid by the government in 1956. Today LIC's total asset crossed 31 lakh Cr. As per the LIC act of 1956, we paid bulk amount as share of surplus to the government every year since 1957 which was Rs. 2611 cr. for the year 2018-19. We contributed for all the 5-year plans to build the nation. LIC is a great employer in the country where apart from 1.25 lakh employees and officers more than 11 lakh people are engaged in the agency profession. It is their sweat and blood that created today's LIC with a customer base of more than 40 Cr. (including 10 lakh GI) maintaining a market share of more than 70% even after opening up of insurance sector in 2000. LIC acts as a trustee of all the policy holders and that is why the entire surplus amount is distributed amongst the policy holders every year after the payment of government share. LIC has never been required to get any help from the government after 1956,

rather played the role of the saviour whenever asked by the government, may it be the cases of Railways, IDBI or probable crashes in the share market. In fact, government has no moral right to sell any portion of LIC in any form at any point of time. We vehemently oppose the move of the government and vow to extend further our movement with more vigour and conviction to resist the government.

We are really thankful to each and every employee, officer, development officer and agent

that they have protested the announcement of the government very spontaneously everywhere. Members attending different training and felicitation programmes also observed the one hour walk out strike programme on 04.02.2020. Once again, we salute all our members and request them to prepare for further course of agitational programme, in case the government does not put an ear to the tremendous sound of our voice.'



## Joint Front Demands Immediate Resumption of Wage Discussions

**The Joint Front of Federation of LIC Class I Officers' Associations, National Federation of Insurance Field Workers of India and All India Insurance Employees' Association expressed strong resentment against the inordinate Delay in resumption of Wage Negotiations through a letter addressed to LIC Chairman on 15/2/2020. The contents of the letter are reproduced hereunder:**

"It is more than two and half years now since our Wage Revision fell due and our organisations submitted their respective Charter of Demands for upward revision of wages. The entire workforce of LIC felt happy when negotiations were opened in March 2019. The offer of 10% fell far short of the genuine aspirations of the employees and officers. It, nevertheless, gave some positive vibes inasmuch as a beginning was made. We are constrained to observe that the goodwill generated is fast petering out because not a single round of discussion has taken place during the course of the last one year.

Today even the greatest detractors of public sector would admit that LIC is the finest financial institution in the country due to the dedication and commitment of its workforce. The LIC has made huge progress and the productivity of the employees has increased manifold since the last wage revision in 2012. Since the facts are too well known to be repeated here, we do not intend to burden you with facts. But we may add with justifiable pride that LIC has not only held its ground in a competitive scenario, but the market share is also improving in a manner that LIC is surpassing itself. We are extremely happy that LIC has crossed the historic landmark of mobilising Rs.1.5 lakh crore

New Business Premium Income much before the end of the financial year. It is to be noted that at a time when the Indian economy is struggling to grow at 4.5 per cent, LIC's individual New Business has shown an impressive growth of 17.48% in terms of first year premium and 29.42% in terms of number of policies as in January 2020. It is also a matter of pride for all of us that LIC's Total Income has grown at a handsome rate of 17.79%.

Against the backdrop of such commendable performance of the Corporation, it is reasonable for the officers and employees to expect a good wage revision commensurate with their increased productivity and financial strength of LIC. The inordinate delay in resumption of the process of negotiations and improvement in the wage offer has the potential of giving rise to serious industrial unrest. Such industrial unrest at a time when LIC has to meet multiple challenges is totally undesirable.

Therefore, we would request you to commence the process of negotiations with improved offers with an aim to conclude the wage settlement at an early date so that we can give our undivided attention to other challenges plaguing the institution and the industry."





# Listing of LIC: Wanton Destruction of a Premier Public Sector Financial Institution



Shreekant Mishra

Finance Minister Nirmala Sitharaman announced during her second Budget Speech on February 01 that the government will list LIC in the stock exchange and sell part of its stake via Initial Public Offer (IPO). In justification of her proposal she said, "Listing of companies on stock exchanges disciplines a company and provides access to financial markets and unlocks its value. It also gives opportunity for retail investors to participate in the wealth so created." The hired pen pushers of the government have gone gung-ho after this announcement. It is being claimed that listing of LIC will be of immense help to the policy holders; it will allow analysts to monitor LIC's governance; LIC will come under the Securities and Exchange Board of India (SEBI)'s direct watch and strengthen corporate governance.

This announcement has created anxiety among the policyholders and the general public. They are at a loss to understand why the government has taken this undesirable step. The workforce of LIC is shocked and concerned. They see this as the first steps towards privatisation of the most successful and premier institution of the country. The entire workforce of LIC led by AIEA registered a very strong protest by observing a one hour walk-out strike on 4<sup>th</sup> February 2020. The Unions and Associations of all classes of employees joined this protest. The 12 lakh strong agency force joined

hands with the employees to register their protest. The entire staff and field force has decided to build up a strong resistance movement against this move of the government through massive public mobilisation.

## ARGUMENTS ARE HOLLOW

The arguments advanced to list LIC in the stock market are hollow. The LIC is a transparent and efficient Board managed institution. It comes out with Public Disclosures every quarter. It submits Report of its functioning every month to the Regulator IRDAI. It places its accounts in the Parliament for scrutiny. If this is not transparent functioning, why else it is? The LIC is the largest investor in the Indian economy. The reason that listing will help LIC access funds from the market is laughable. LIC generates investible funds to the extent of Rs.3.5 to 4 lakh crore annually and therefore there is no necessity for LIC to access the market for funds. It is common knowledge that only around 3% of the total participants in the stock market as retail investors. To say listing will enhance the value for retail investors is far from truth. It will enhance value and profit for the rich, foreign capital and domestic institutional investors. This simply means handing over the finest financial institutions for enhancement of value for the rich. To say that listing will protect the interests of policyholders means that LIC is lacking in this



Cartoon courtesy: Sajith Kumar, Deccan Herald

The real reasons for the decision to list LIC are the economic compulsion and ideological position of the present government. The government is starved of resources due to its mishandling of economy...and BJP traditionally has been against the public sector. The Prime Minister is on record showing his dislike for the public sector units. This move will severely impact the economy and vulnerable sections of the Indian people. The objectives of nationalisation will recede to the background and LIC will have to concentrate on delivering increasing profits to the shareholders.

aspect which again is not true. The LIC has fully protected the interests of its policyholders. While ensuring total safety of the funds of policyholders, it has the track record to giving the best returns in the form of bonus. It has set very high servicing standards and its claim settlement performance is the best in the global insurance industry. It has the lowest operating cost in the entire life insurance industry in India. Therefore the arguments of better transparency, policyholders' interests etc totally fall flat in the face of existing reality.

### REAL REASONS

The real reasons for the decision to list LIC are the economic compulsion and ideological position of the present government. The government is starved of resources due to its mishandling of economy. It has been lowering the corporate taxes to make investment profitable and to attract the foreign capital. It has recently doled out tax concessions to the tune of Rs.1.5 lakh crore to the corporate sector and has proposed perhaps the lowest corporate tax in the world for the year 2020-21. Therefore, starved of resources it has been concentrating on disinvestment of public sector units and extracting increasing dividend from them. The recent transfer of reserves from the RBI is a classic example. Therefore the decision to list LIC is to raise resources to meet the budgetary expenses. This is akin to selling the most valuable asset of the family to meet the day to day expenses.

The second reason is ideological. The BJP traditionally has been against the public sector. The Prime Minister is on record showing his dislike for the public sector units. It is not the business of the government to be in business is the oft repeated slogan of the present government. It must be remembered that it was during the first NDA government in 1999 that the insurance industry was opened up for private sector though the process was initiated by the Congress Government. Again it was under NDA I under Modi that Insurance Laws Amendment Bill was pushed through the Parliament hiking the foreign equity limit and paving way for disinvestment in the general insurance industry. That LIC was on the radar for quite sometime was never in doubt. The Former Finance Minister Late Arun Jaitley had indicated of things to come when he pointed out during the Diamond Jubilee Celebrations of LIC in 2016 that if listed it could be the most valuable company in the country.

### AN IMMORAL EXERCISE

The LIC was formed with Rs.5 crore initial equity given by the government in 1956 and this was subsequently enhanced to Rs.100 crore in 2011 to meet the policy guideline laid by the Regulator. This was more in the nature of working capital than real capital. It must be noted that government did not invest any capital for the expansion of the institution nor to meet the solvency requirement. The funds for this purpose were internally generated. Therefore LIC can be called a Mutual Benefit Life Insurance Company with all its policyholders acting as shareholders and the government acting as a trustee with a minor shareholding. The profits of LIC are shared among its participating policyholders in the ratio of 95:5. Naturally, with policy holders providing almost 95 per cent of the capital LIC is a Mutual insurance company where the policy holders are the real owners of the Corporation. With an ownership of only 5%, the government is at best a minority shareholder. It is therefore outrageously immoral that the minority shareholder is now seeking to unilaterally change the structure of the LIC and wants to profit by leveraging its value.

### LIC IS THE GOLDEN GOOSE

Listing of LIC will amount to wanton destruction of the premier public sector financial institution in the country. The LIC mobilises small savings of the people and makes them available for national development. Since its inception in the year 1956, the LIC has earned the trust and goodwill of millions of Indians and has crossed many milestones. The LIC has set unprecedented performance records in various aspects of life insurance business. Commencing its operations with a paltry sum of Rs. 5 crore in the year 1956, the LIC today commands over an astronomically huge asset base of over Rs.31 lakh crore. It is the largest life insurance company in the world in terms of number of policies with a customer base of over 40 crore. It has 30 crore individual policies in force and another 12 crore are covered under its group policies. Even after over two decades of competition in the life insurance business, the LIC stands tall with a market share of more than 73 per cent. The LIC has the proud distinction of contributing more than 25 per cent to the total budgetary efforts of the government of India. The LIC has recently paid a dividend of Rs.2611 crore to the government of India against an initial equity of Rs.100 crore. It is pertinent to mention here that the total dividend paid by LIC till



date since its inception is a huge Rs.26,005.38 crore. The contribution of LIC to independent India's planned development process and its investments in the social sectors of the economy have simply been phenomenal. Selling part of LIC's stake to private interests and its disinvestment would be a surest blow to the resource mobilization efforts of India. At a time when the government is faced with a severe resource crunch because of dwindling tax revenue collections, selling part of government equity in LIC would be akin to killing the golden goose that lays golden eggs.

### **IMPACT OF PRIVATISATION**

The Government is yet to decide the percentage of stake it wants to sell. As per the present rules any listed company should have 35% of its shares floating in the market. This makes it clear that in the next few years the government will have to disinvest around 35% of its stake in LIC. With increasing cries of total privatisation of public sector banks, there is a real danger for the very existence of LIC as a public sector company.

Therefore this move will severely impact the economy and vulnerable sections of the Indian people. The objectives of nationalisation will recede in the background and LIC will have to concentrate on delivering increasing profits to the shareholders. The LIC like the private companies have to target the big policies which bring greater profits. In the process the small size policies which the poor, vulnerable and lower middle classes purchase will no more be attractive. The social objective of providing insurance cover to the weaker sections will receive a set-back. The aim to expand insurance in the unprofitable rural areas too will suffer. Therefore, disturbing the character of LIC will harm the interests of the national economy and the poorer sections of the Indian population.

Insurance employees under the banner of the All India Insurance Employees' Association (AIIEA) are committed to protect the interests of the policyholders. They are equally committed to an equitable economic growth in which public sector has a great role to play. Public Sector is the property of the people. The rulers therefore have no right to sell it. The insurance employees are determined to protect LIC and the nation's economic sovereignty. The AIIEA seeks the support of all trade unions, progressive organisations and the general public to build up a strong resistance movement against the LIC IPO which ultimately would lead to the dismantling of the finest financial institution of the country.

## **AIIEA DEMANDS IMPROVEMENT IN GROUP MEDICLAIM SCHEME**

The LIC Group Mediclaim Scheme is due for renewal. The AIIEA has asked LIC to negotiate with the insurer for some improvements in the scheme. Some of the improvements suggested by AIIEA are as follows and the same will be pursued.

1. Dependents ( Parents / parents-in-law, as the case may be) who were earlier members in Mediclaim scheme and went out of scheme due to ineligibility on account of crossing the income limits should be allowed to join the scheme automatically once their ineligibility on income grounds ceases.
2. Dependents, who could not be included in the scheme earlier on income criterion, should also be allowed to join the Mediclaim scheme automatically if they are eligible on the said grounds.
3. A one-time Option should be offered to all the existing / retired / and the dependents of the deceased since they were not given option even after some major improvements in the scheme were incorporated - such as Floater facility, inclusion of disabled dependent children etc. The last option to join the Mediclaim scheme was given in 2011. A uniform coverage of Compulsory Family Floater Sum Insured of Rs. 12 lakhs to all the employees of LIC independent of Basic Pay / cadre of the employee and provide subsidy of 100% on Compulsory Family Floater Sum Insured amount of Rs. 12 lakhs.
4. Option to increase the Optional Sum Insured once in 3 years and on marriage, child-birth.
5. Option to decrease the Optional Sum Insured to be allowed in the immediate following policy year when there is decrease in family size due to death / exit of a family member.
6. Certain diseases like Multiple Sclerosis, psychiatric and psychosomatic disorders, infertility and sterility disorders; all dental problems; all ophthalmological problems; allowing domiciliary treatment for Asthma and Bronchial related illnesses; reimbursement of cost of oxygen concentrator for Bronchial Asthmatic condition and infusion pump etc. The diseases referred are not self-inflicted and it is unfair to exclude them.
7. Robotic Surgery should be allowed for all types of surgeries if the Hospital is able to provide such surgeries and not just confined to Brain, Spine and Cancer surgeries.
8. Children born with congenital defects which need surgery or other medication in hospital should be covered even if it is external.
9. Hassle free settlement of claims either by TPA or by the Insurer.



## LIC's Growth Story Continues..

(Press Release dated 7/2/2020)

Life Insurance Corporation of India (LIC), India's largest life insurer, continues to better its performance, thereby winning people's trust by crossing Rs 1.5 lakh crore New Business Premium first time in its history and maintaining dominant leadership in this sector.

Individual New Business performance of the Corporation as at January 2020 has shown an impressive growth of 17.48% in its first year premium and 29.42 % in number of policies by posting a figure of Rs. 45,199 Crore and 1,95,85,635 policies respectively.

The Composite Market share in No. of Policies and First Year Premium as at 31<sup>st</sup> January 2020 is 77.61% and 70.02% respectively which has increased from 73.54% in No. of Policies and 66.26% in First Year Premium as on 31<sup>st</sup> January, 2019

LIC's Pension and Group Schemes Vertical, looking after Group Schemes and Superannuation business of the Corporation, created a new record by clocking more than One Lakh Crore Rupees New Premium Income during the Current Financial Year. P&GS contributed Rs.1,05,566 Crore as New Business Premium Income as against Rs. 66,748 Crore in the previous year corresponding period. The vertical has covered 2.45 crore lives (for 2019-20) under its Social Security Schemes as at 31.01.2020.

During the current FY, LIC has paid 1,42,93,289 Maturity claims amounting to Rs. 69,748 crores as on 31/01/2020. LIC also settled 5,99,881 Death Claims amounting to Rs. 9,866 crores out of which 96.83% Non Early Death Claims were settled within 15 days of intimation.

In order to comply with new IRDAI Regulations, LIC of India has modified the existing products with features such as revised Surrender Value and extension of Revival period from 2 years to 5 years. Further, more optional benefits in the

form of Riders, option to take Claim payments in instalments (Settlement Option) are added in most of the products. These modified products are available for sale from 1<sup>st</sup> February, 2020.

The Corporation's Total Income grew to Rs 2,97,017.28 cr for the period ending 30.09.2019 from Rs 2,52,149.60 cr as at the last corresponding period, showing a handsome growth of over 17.79%.

Total Assets of the Corporation stood at Rs 32,25,905.42 cr as at 30.09.2019 as compared to 29,89,276.53 cr for the corresponding period last year thus posting a growth of 7.92% in the six month period.

During the fiscal yr 2018-19, LIC generated the highest ever total Valuation Surplus of Rs. 53214.41 Crore, registering a growth of around 9.9% over the previous year and paid a dividend of Rs. 2610.74 Crore to the Government again highest in the history.

Being the largest insurer in India, LIC has always explored all the avenues that technology offers to provide the best of services to its valued customers and other stakeholders. LIC has a strong online presence and has provided digital platform for new business and servicing operations to both internal and external customers. LIC Customer Portal has 1,33,78,231 users. Premium payments can be made on all available digital channels. The AI driven voice enabled chatbot of LIC named LIC MITRA was launched on 06<sup>th</sup> of January, 2020 on the official website of LIC of India. LIC MITRA is capable of answering most queries on LIC's products and services such as revival, nomination, assignment, Policy loan, claim procedures and associated forms etc. LIC has implemented Internet based secure Branch Office connectivity solutions to ensure continuous network connectivity for business continuity.



# LIC 'disinvestment': Outrageous idea

V. Sridhar

The biggest bombshell in the Finance Minister's budget speech lay in something that the Finance Minister does not even have the authority to do: the proposed sale of government "stake" in the Life Insurance Corporation of India. The breathtaking audacity of the announcement sent millions of anxious policy holders who have invested their lifelong savings in insurance and pension products in the LIC scurrying for information about what lay in store for them. To even begin to understand why, one has to appreciate the simple fact that the LIC is *sui generis* in the world of finance — nothing like it exists anywhere in the world, even in the era of globalised finance.

For all the derision that advocates of socialism face, the LIC is a classic example of how innovation for the greatest common good is possible even in the game of finance. Nirmala Sitharaman or anyone in the Modi regime cannot sell off LIC right away simply because it is not structured as a company. Instead, it is uniquely structured as a corporation in which *all* profits, barring the 5 per cent dividend to the government for its equity, are distributed to policy holders. Indeed, its structure as a trust, a giant mutual benefit fund if you will, have given it a popular respect that is unrivalled since its inception in 1956. If private financial sector behemoths have acted recklessly assuming the mantle of being Too Big To Fail, LIC can be said to have been the exact opposite, Too Good To Fail.

Nirmala Sitharaman's perfunctory statement, "The government now proposes to sell a part of its holding in LIC by way of Initial Public Offer (IPO)," is vacuous for the simple moral reason that the government has never ever, apart from the initial equity of Rs. 5 crores in 1956, ever made any investment in the LIC to now stake a claim to ownership of the corporation, its assets or its reputation. Even when the Insurance Regulatory Authority of India mandated an increase in equity to Rs. 100 crores, the funds were raised internally by the LIC. The only support, provided by the government, has been intangible, in terms



Cartoon Courtesy; Satish Acharya

*The Finance Minister's casual announcement of the intention to privatise India's largest financial institution, the Life Insurance Corporation, sparks off widespread outrage from millions of policy holders... The FM's statement is vacuous..She or anyone in the Modi regime cannot sell off LIC right away simply because it is not structured as a company... Indeed, its structure as a trust, a giant mutual benefit fund, have given it a popular respect that is unrivalled since its inception in 1956. If private financial sector behemoths have acted recklessly assuming the mantle of being Too Big To Fail, LIC can be said to have been the exact opposite, Too Good To Fail.*

**(Courtesy: Frontline, Feb.14,2020)**

of the government's sovereign guarantee that backs policies it has issued in the last 64 years. A claim on that guarantee has never ever had to be made simply because LIC has been by far the biggest investor in the Indian market. Instead, on umpteen occasions it has been commanded by the government of the day to rescue the stock market from a collapse, rescue a public issue by a government company or even make investments in government undertakings, such as the Indian Railways.

The LIC has held its own despite the entry of private insurance operators. More than 70 per cent of all life insurance premium paid in India goes towards policies issued by the LIC. More than three-quarters of all life insurance policies issued in India are by this single entity. It commands assets worth over Rs. 31 lakh crores and churns an investible

surplus to the tune of at least Rs. 3-4 lakh crores every year. In short, there is nothing like it in India. Is it possible to imagine any entity that makes no profit for itself, yet has the scale of operations that the LIC has in the finance industry anywhere in the world? For starters, how does one even value this kind of an enterprise?

The SEBI guidelines governing the extent of listing of public limited companies stipulate that 35 per cent of the shares be offloaded in the market. Given the extreme reluctance of Indian private industry to invest - which is a significant cause of the ongoing economic slowdown — it is extremely unlikely that any of them, or even a consortia, would have the stomach to buy the LIC if or when it is on sale. The only solution to this, which is perhaps what the Modi regime is banking on, as is evident from its approach to the Air India privatisation — is for a sale at a bargain basement price. Surely, that would be a scandal by any moral standard.

The Finance Minister's utter irresponsibility in making such a statement lies in the fact that she has announced a stake sale which threatens the status of millions of policy holders. There are 420 million LIC policy holders, of which 300 million hold individual policies while the remaining 120 million subscribe to group insurance policies. Soon after her announcement social media was abuzz with anxious and irate policy holders and pension investors who had committed lifelong savings to the LIC and wondered what lay in store for them. Among the questions raised by many were: what would happen to the sovereign guarantee that covered existing policies? How could the government change the terms of the contract midstream? What would happen to savings despoiled in pension schemes of the LIC? Of course, these and many other queries were met with bureaucratic waffling in the days after the budget. The only tangible response was in the vague statement by Finance Ministry bureaucrats that the "privatisation" would happen only towards the latter half of the next financial year. Clearly, the government's realisation that selling LIC was not even immediately possible.

That offers a ray of hope. Amanulla Khan, who stepped down in January as President of the All India Insurance Employees Association (AIIEA) told *Frontline* that for the IPO to be even possible, the LIC needs to be converted into a government-owned company. (AIIEA is the leading union in the industry). How this would be done or what

would happen to the LIC's assets, over which the government can legally stake a claim to the extent of 5 per cent only, remain vexatious issues about which none in the Modi regime appears to have even thought about. The first step in the rocky road to privatisation would be to amend the LIC Act, which governs the functioning of the LIC. Indeed, the Act specifies that 95 per cent of the profits made every year be distributed in the form of bonuses to policy holders. The fact that the Modi regime would have to seek Parliamentary sanction for an amendment to the Act provides the opportunity for a political articulation of the groundswell of opposition that is sure to emerge from millions of policy holders.

Meanwhile, opposition to the move has already emerged from the rank and file within the LIC. On February 4, across the country thousands of LIC employees participated in a one hour "lunch hour" demonstration at its offices. Amanulla Khan said employees from all ranks within the organisation participated in the protests. The AIIEA, which is known for its innovative and novel methods of protests, tuned to ensure that policy holders and other customers are inconvenienced to the least extent possible, is also planning to harness support from the LIC's "extended family" that has kept the organisation going for decades. Amanulla Khan said LIC agents, numbering 1.2 million, who are likely to be affected by the move to privatise the organisation, are the more than one lakh employees' natural allies in the battle ahead.

The union plans to use the LIC Policy Holders' Councils within the LIC's existing structure, meant for redressal of policy holders' concerns, to mobilise opposition in order to escalate the resistance to the proposal.



Cartoon courtesy: Satish Acharya, Newssting



BUDGET 2020-21

## Blind man's buff

The budget speech shows the government is clueless about tackling the crises plaguing the country's economy including a slowdown, stagflation, job losses, unemployment, rising inequality, dwindling rural consumption and demand, rising rural poverty, agrarian distress, decline in consumer spending, and fall in savings and investment.

Santosh Kumar Mohapatra

**T**he budget speech Finance Minister Nirmala Sitharaman gave in parliament obscured the grim realities of a floundering economy and hoodwinked masses using statistical jugglery. Normally, the budgetary outlay is decided in tandem with expected rise of nominal GDP growth. Wrong assumption of growth rate makes budgetary outlay flawed and unviable.

Budget 2020-21 envisages 10 per cent increase in nominal GDP growth and 6 to 6.5 per cent real GDP growth. This seems preposterous and unrealistic compared with earlier trends. In the last three years, GDP growth has been declining, which corroborates the onset of slowdown and recessionary tendencies. In 2019-20, the budget envisaged 7 per cent real GDP growth and 12 per cent nominal GDP growth. But real GDP growth is expected to be around 5 per cent, whereas nominal GDP is expected to be 7.5 per cent only. Even in 2018-19, the growth rate of 6.8 per cent by earlier estimate has turned out to be

6.1 per cent only.

There lies the deception as the government has made snobbish claim of higher outlay for 2020-21 when revenue receipts are falling and growth is decelerating. The total expenditure is estimated to be '30.42 lakh crore as against the target of '27.86 lakh crore in 2019-20, indicating a rise of 9.18 per cent, which is closer to the projected nominal GDP growth. But compared with revised outlay of '26.98 lakh crore, the rise will be 12.7 per cent. Hence, budgetary outlay based on overambitious growth rate will prove erroneous.

Projections for 2020-21 reflect the same bias of inflating revenue projections. Gross revenue receipt is expected to rise 9.18 per cent. It is estimated to be '20.20 lakh crore against revised estimate of '18.50 lakh crore in 2019-20. But total receipts without borrowing is expected to rise 16.3 per cent, which is unrealistic.

Fiscal deficit is estimated to be 3.5 per cent in 2020-21. But achieving this target depends on a



bulky increase in disinvestment receipts of '2.1 lakh crore, an increase of over 323 per cent over '65,000 crore achieved in the 2019-20. This includes '90,000 crore from financial institutions. Disinvestment is tantamount to selling the family silver to pay the grocer's bill.

What is worrying is that the government's revenue receipts will fall short of '1.12 lakh crore as actual total revenue receipt would be '18.50 lakh crore against the target of '19.62 lakh crore in 2019-20. But the net shortfall of central taxes will be about '1.85 lakh crore.

Fiscal deficit for 2019-20 is modified to 3.8 per cent as against the budgeted estimate of 3.5 per cent with slippage of 0.3 per cent. The target of 3 per cent was originally scheduled for 2007-08, but it could not be implemented owing to the inability of the government to raise resources by taxing the rich. Fiscal deficit is not bad if it is within repayment capacity and used to create assets. The tragedy is that higher fiscal deficit did not yield good result as about '1.45 lakh crore were given to the corporate sector through tax cut.

As government finances are under severe stress, the finance minister is balancing a shrinking fiscal space by increasing non-tax revenues such as dividends from RBI and public sector units. But it is worrying that the government has cut its expenditure by '87,757 crore as revised budgetary outlay for 2019-20 was '26.98 lakh crore as against budgeted estimate of '27.86 lakh crore. The revised estimate figures also show gigantic cuts under several heads.

Actually, if off-budgeted borrowing — especially by the Food Corporation of India for food subsidy — is included, the actual deficit will be much higher at about 4.5 per cent of GDP in 2019-20 and 4.36 per cent in 2020-21.

The expenditure profile of the budget reveals that extra-budgetary outlays have risen from '88,000 crore in 2017-18 to '1.73 lakh crore in 2019-20. It is expected to climb to '1.86 lakh crore in 2020-21.

Cartoon courtesy:  
Sandeep Adhwaryu,  
Times of India

The new income tax rate regime which gives the taxpayer the option to either avail exemptions while paying a higher rate of tax or forgoing exemptions while paying a lower rate of tax is perplexing. Although the taxpayer now gets to choose, it will complicate the role of the income tax department. It is tantamount to tax terrorism.

Increased reliance on cesses and surcharges has contravened the spirit of fiscal federalism, since the funds collected are not shared with States. States again suffer as the fifteenth Finance Commission (FC), in its report for fiscal year 2020-21 has recommended marginal reduction in vertical devolution of the divisible tax pool from 42 per cent to 41 per cent.

This owes to the newly formed Union Territories Jammu and Kashmir and Ladakh. It is disquieting that the share of States in the central tax pool is at a 50-year low. States will get '6.56 lakh crore in 2019-20 as against budgeted estimates of '8.1 lakh crore, impacting state finances heavily. The share of Odisha will be reduced to 4.06 per cent from 4.64 per cent in the 14th FC. It had declined from 5.16 per cent in the 12th FC to 4.77 per cent in the 13th FC.

The budget speech shows the government is clueless about tackling the crises plaguing the country's economy including a slowdown, stagflation, job losses, unemployment, rising inequality, dwindling rural consumption and demand, rising rural poverty, agrarian distress, decline in consumer spending, and fall in savings and investment. The government should go for higher spending through monetisation of deficit, that is printing currency.





## आरबीआई और एलआईसी के बूते कब तक आर्थिक संकट से निपटेंगी सरकार?

### एम के वेणु

पिछले साल सरकार ने भारतीय रिज़र्व बैंक से 1.76 लाख करोड़ रुपये लेने का फ़ैसला किया। इस साल यह एलआईसी से 50,000 करोड़ से ज्यादा ले सकती है। बीपीसीएल, कॉन्कोर जैसे कुछ सार्वजनिक क्षेत्र के उद्यमों को पूरी तरह से बेचा जा सकता है।

एक तरफ जहाँ आर्थिक वृद्धि में संरचनात्मक गिरावट दिखाई दे रही है, वहीं दूसरी तरफ भारत का राजकोषीय संकट भी गहराता जा रहा है। राजकोषीय घाटे के लक्ष्य में ढील देने के बावजूद सरकार को खर्च के मामले में अपने हाथ सिकोड़ने पर विवश होना पड़ा है।

2019-20 के दौरान कुल खर्च (संशोधित अनुमान), बजट में निर्धारित 27.86 लाख से 1 लाख करोड़ रुपये कम है। यह किसी को मालूम नहीं है कि किन योजनाओं के खर्च पर कैंची चली है या बस उनके फंड खर्च न होने का मामला है।

यह एक अभूतपूर्व हालात है, जिसने सरकार को फंड जुटाने के लिए अन्य गैरपरंपरागत तरीकों की ओर देखने पर मजबूर कर दिया है, ताकि विकास को रफ्तार देने के लिए अतिरिक्त राजस्व जमा किया जा सके और पूंजीगत खर्च में बढ़ोतरी की जा सके।

इस बेचैनी के कारण ही सरकार एशिया की सबसे बड़ी जीवन बीमा कंपनियों में से एक भारतीय जीवन बीमा निगम (एलआईसी) जिसकी कुल परिसंपत्ति 36 लाख करोड़ रुपये है— के शेयर को बेचने जैसा राजनीतिक रूप से विवादास्पद कदम उठा रही है।

चूँकि कर-राजस्व संकलन की रफ्तार सुस्त पड़ गई है— जिसके लिए वस्तु एवं सेवा कर (जीएसटी) में आशा से कम वृद्धि प्रमुख तौर पर जिम्मेदार है— इसलिए केंद्र सरकार जल्दी से पैसा दिलाने वाली परिसंपत्तियों को बेच डालने की अस्थायी नीति पर चल पड़ी है। एलआईसी में अपनी हिस्सेदारी को बेचना इस नीति का एक हिस्सा है।

यह किसी परिवार द्वारा अपने रोजाना के खर्च को पूरा करने के लिए अपने घर की हर संपत्ति— सोना, चांदी, जमीन, शेयर आदि— को बेचने के समान ही है। सवाल है कि इस सबकी उम्र कितनी है?

पिछले साल सरकार ने भारतीय रिज़र्व बैंक से 1.76 लाख करोड़ रुपये लेने का फ़ैसला किया। इस साल यह एलआईसी से 50,000 करोड़ रुपये से ज्यादा ले सकती है।

Last year, the Govt decided to take Rs. 1.76 lakh from RBI. This year it may take Rs.50,000 crore or more from LIC. BPCL and other PSUs may be completely sold off. Thereafter what? How long the Govt can sustain this? The whole of the budget speech was so much riddled with platitudes that, even ruling party members looked tired of the 2hr, 45 minutes long budget speech and the Defence Minister had to suggest the Finance minister that the remaining part could be taken as read.

Courtesy: The Wire, 09/02/2020

बीपीसीएल, कॉन्कोर जैसे कुछ सार्वजनिक क्षेत्र के उद्यमों को पूरी तरह से बेचा जा सकता है। इसके बाद क्या? क्या यह सिलसिला हमेशा कायम रह सकता है?

अर्थशास्त्री रथिन रॉय, जो पिछले साल तक प्रधानमंत्री के आर्थिक सलाहकार परिषद के सदस्य थे, ने कहा कि राजकोषीय हिसाब से केंद्र सरकार एक "मूक हृदयाघात" से जूझ रही है। वे 2018-19 के वास्तविक राजस्व संकलन में 1.7 लाख करोड़ रुपये की भारी कमी के संदर्भ में बात कर रहे थे। यह "मूक हृदयाघात" 2019-20 में और भी गंभीर हो गया है क्योंकि राजस्व में कुल कमी 3 लाख करोड़ रुपये की है।

नोटबंदी के बाद हमें कहा गया था कि इससे बड़ी मात्रा में काले धन के मुख्यधारा में आने से राजस्व में बड़ा इजाफा होगा। हमें यह भी कहा गया था कि जीएसटी से काले धन की अर्थव्यवस्था का औपचारिकरण होगा। इन वादों का क्या हुआ? ऐसा लगता है कि हम उलटी दिशा में जा रहे हैं। नोटबंदी और जीएसटी से देश के खजाने में संरचनात्मक बढ़ोतरी का अनुमान लगाया गया था, लेकिन नतीजा इसका उलटा निकला है और ये संरचनात्मक गिरावट की ही वजह बन गए हैं।

वित्तमंत्री के बजट भाषण में जीडीपी वृद्धि में गिरावट के कारण राजस्व में सुस्ती को लेकर कोई भी विश्लेषण नहीं है। यह सोचना कि यह एक चक्रीय समस्या है, दरअसल शूतुरमुर्ग की तरह रेत में सिर छिपाने जैसा है।

2020-21 के लिए अनुमानित राजस्व वृद्धि जीडीपी में

10 प्रतिशत की नाममात्र वृद्धि के अनुमान पर आधारित है। अगर यह विकास जीडीपी में 5 प्रतिशत वास्तविक वृद्धि और 5 फीसदी मुद्रास्फीति के रूप में आता है, जिसकी काफी संभावना दिखाई दे रही है, तो स्टैगफ्लेशन (मुद्रास्फीतिजनित मंदी) की भविष्यवाणी सच साबित हो जाएगी।

इस स्थिति में कुल राजस्व में वृद्धि का अनुमान एक बार फिर गलत साबित होगा और यह सरकार को ज्यादा आक्रामक तरीके से परिसंपत्तियों को बेचने के लिए प्रेरित करेगा। यह आरबीआई, एलआईसी और लाभदायक सार्वजनिक उद्यमों को गर्दन मरोड़े जाने के लिए तैयार सोने का अंडा देनेवाली मुर्गी बना देगा!

जब बाजार ने 1000 अंक गिरकर बजट को लेकर अपनी निराशा का इजहार किया, तब भाजपा के ज्यादातर प्रवक्ता बजट की तारीफ करते हुए उसे नए दशक के लिए विजन स्टेटमेंट करार दे रहे थे और "बजट को वार्षिक विवरण की तरह न पढ़ने" का आग्रह कर रहे थे।

यहां यह गौरतलब है कि पिछले कुछ दशकों में बजट पर बाजार की ऐसी निराशावादी प्रतिक्रिया एक विरल घटना है। समस्या यह है कि कोई भी एक दसवर्षीय विजन की मांग नहीं कर रहा था। हर कोई बजट से लघु और मध्यम अवधि में विकास और मांग को फिर से पटरी पर लाने के लिए कुछ ठोस कदमों की अपेक्षा कर रहा था। लेकिन ऐसे किसी कदम का नामोनिशान नहीं था।

लीक से हटते हुए प्रमुख उद्योगपतियों ने भी कहा कि उन्हें मांग को बढ़ावा देनेवाला कोई तात्कालिक उपाय बजट में नजर नहीं आया। आयकर में कटौती और जटिल टैक्स स्लैबों को देखते हुए वेतनभोगी लोग यह समझ ही नहीं पा रहे हैं कि क्या वे पिछली व्यवस्था में ज्यादा अच्छी स्थिति में हैं, जिसमें अभी भी टैक्स छूट सुरक्षित है।

सिर्फ एक महीने पहले, वित्त मंत्री ने अगले पांच वर्षों में बुनियादी ढांचे की परियोजनाओं पर 102 लाख करोड़ रुपये खर्च करने का बड़ा ऐलान किया था, जिसमें केंद्र, राज्यों और निजी सेक्टर का क्रमशः 39%, 39% और 22% योगदान होगा। ऐसे में यह उम्मीद थी कि पहले साल में बुनियादी ढांचे पर खर्च में केंद्र के हिस्से (8 लाख करोड़) का ब्योरा विस्तार से दिया जाएगा। लेकिन आश्चर्यजनक ढंग से यह नदारद था।

क्या सरकार ने इस योजना को स्थगित कर दिया है? यह केंद्र सरकार की तरफ से पेश की गयी विकास और मांग को बढ़ावा देनेवाली एक ठोस योजना थी, जिसको लेकर कोई तफसील बजट में नहीं थी।

कुल मिलाकर पूरा बजट भाषण इस कदर बार-बार दोहराए गए सामान्य विवरणों से भरा हुआ था कि सत्ताधारी दल के लोग भी 2 घंटे 45 मिनट के भाषण के अंत तक थके हुए से दिखाई देने लगे।

अंत में रक्षामंत्री राजनाथ सिंह को वित्त मंत्री को यह इशारा करना पड़ा कि बजट भाषण के बाकी हिस्से को पढ़ा हुआ माना जा सकता है। पिछले कई सालों में यह शायद सबसे ज्यादा उबाऊ और दिशाहीन बजट था।



**A**cross the world, preparations are going on to celebrate International Women's Day on 8<sup>th</sup> March. UN has coined the theme for IWD 2020 as "I am Generation Equality: Realizing Women's Rights". The theme is aligned with UN Women's new multigenerational campaign, Generation Equality, which marks the 25<sup>th</sup> anniversary of the Beijing Declaration and Platform for Action. This year, the International Women's Day acquires much more importance in the background of the women worldwide increasingly opposing the oppressions and discriminations. They are expressing their unequivocal opposition to the oppression that is being meted out on them. They are asserting their rights more clearly than ever before. Women are in the forefront of the struggles against the neoliberal policies being pursued by the rulers of their nations. They raise their voice demanding end of wars and halt of militarisation. They are shoulder to shoulder with men for the protection of the hard earned democratic rights. In India too, we could see tens of thousands of women out onto the streets on their economic demands and for protecting their basic democratic rights. The history of the nation shows that this is not the first time the women are stepping out of their homes and keeping the flame of protest burning.

If we look back through the pages of Indian history, Indian women have played a significant role in the struggle against the British imperialism. Thousands of women sacrificed their lives for the independence of the nation. They aspired for an independent India where women and men would live and work with dignity and participate equally in shaping the future of the society. In the independent India too, several thousands of women actively took part in the struggle against the injustices and oppressions that the people of the country faced. They came out on the streets to protest the targeting of people on the basis of their religious beliefs. Since the advent of neoliberal policies in India by the successive rulers,



# WOMEN IN THE FOREFRONT TO PRESERVE INDIAN DEMOCRACY

M.Girija



The nation is witnessing the struggle by the women to protect their basic democratic rights. Indian women have shown that they won't let up and will persist with their aspirations. The protests are not just by the women of one community but progressive people from all communities have joined hands to fight against a repressive State. These protests have many meaning. It is a protest to defend the Constitution. By defending the Constitution, they are also demanding equality that is guaranteed. These protests by women have the potential to bring about positive change in the Indian society.

women have been increasingly participating in the struggles for protecting their rights as women, as workers, as peasants and as human beings. When the communal and divisive forces attempt to divide them in the name of caste and religion, they organise and defend the unity of the people.

For the past few months, unabated protests are taking place across the country against the CAA-NRC-NPR. Since then, the nation is witnessing the struggle by the women to protect their basic democratic rights. The protests have been against the outright attack by the present Government on the Constitution. They are not against the government giving citizenship to the persecuted people from anywhere. They are only against

determining the citizenship on the basis of religion. This is totally against the Constitution and is aimed polarise the Indian society for electoral gains. The Women today through these protests are trying to save the soul of India.

The progressive sections of the Indian society including women are aghast at the barbarity and cruelty of the State against all those who are protesting against an anti-constitutional law. Their protest is also against the brutality of the police on students and women who firmly stand up in defence of their rights. It is significant to note that hundreds of women are actively participating day in and day out in these protests. They were not taken aback by the aggressive verbal attacks and threats of the political leaders or their hoodlums. They are on the agitations braving the lathi charges and tear gas of the police. The protests by the women have emerged as the strongest rallying point in the protest. Protests by Muslim women at Shaheen Bagh in response to the police action on the Jamia Millia Islamia Campus attracted international attention. In spite of the freezing cold in Delhi, these women were resolute in their protests.

The protests of the women of Shaheen Bagh



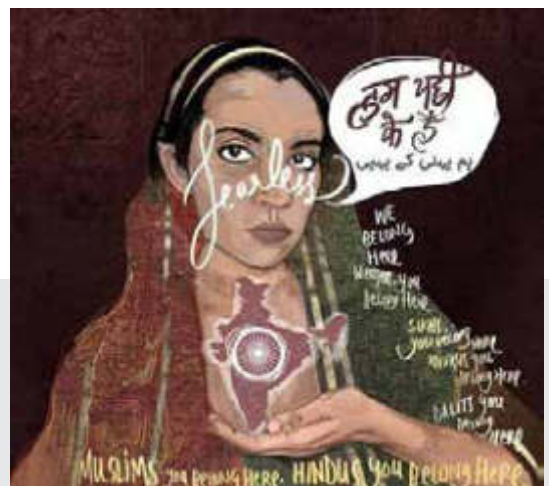


is followed by such protests from Waseypur in Jharkhand to Jaipur in Rajasthan, from Allahabad, Kanpur, Etawah and Lucknow in UP to Patna and Gaya in Bihar, from Azad Maidan in Mumbai to Park circus Maidan in Kolkata. Beyond urban centres, people in several towns, semi-urban conglomerations and even rural areas are inspired to organise several sit in protests. Even in small town such as Gopalganj, Kishanganj and Bhadurganj in Bihar, Muslim women have come out and are protesting. Cities such as Raipur and Pune, which have not been known for public protests, have also seen women in huge numbers. In several towns and villages across India, women have participated in large numbers in protests against the CAA for days and endless nights on the streets. In these protests, hundreds of women, college and university going girls of all castes and age groups could be seen. At Kolkata's Park Circus, the maidan hosts both the namaz and the pooja pandal. Many women could be seen participating with their children. Many women say they have not stepped out of home to participate in a public protest before this. In all these and several other places, women have come out on the streets for a vigil of round the clock, demanding answers from the Government on the CAA, the NPR and the NRC. The women of Shaheen Bagh and very many other places have ensured that posterity will recall their brave action of a long, peaceful protest. Without resorting to any violence, they have just stood their ground in

the face of a grim attack on the values of the nation. In fact, these women have given the men a shot in the arm with their firm actions.

Indian women have shown that they won't let up and will persist with their aspirations. The protests are not just by the women of one community but progressive people from all communities have joined hands to fight against a repressive State. These protests have many meaning. It is a protest to defend the constitution. By defending the constitution, they are also demanding equality that is guaranteed. The protest is also against patriarchy and an assertion of their rights as equal citizens. These protests by women have the potential to bring about positive change in the Indian society. Swami Vivekananda said, "Educate your women first and leave them to themselves; then they will tell you what reforms are necessary for them." And today that could be seen in India. Indian women have started asserting rights and started coming to the streets to save religious pluralism, secularism and democracy of the country.

Fearless-Hum Yaheen ke hain  
We belong here  
Poster by Shilo Shiv Sulaiman







J.Vijaya, Joint.Convenor, WWCC, South Zone

**“The time has come for a realization that women officers in the army are not adjuncts to a male dominated establishment” - Supreme Court**

We are happy that the Supreme Court ordered the government to grant permanent commission and command posts to women officers in the Indian Army. We welcome the landmark judgment delivered by a bench of justices D.Y. Chandrachud and Hemant Gupta. It is yet another milestone in the struggle towards gender justice.

Women Army Officers were denied eligibility to permanent commission and command posts. They were given only the Short Service Commission (SSC) in the army for a period of 10 or 14 years as per their terms of engagement. Since Pension benefit will be available only to those who have put in 20 or more years of service, that benefit is denied. This is a gross injustice. They have not been considered at all for command appointments.

The court flayed the government’s attitude of denying higher positions to women on the ground of gender. It ruled out that women are not weaker sex and should not be denied opportunities quoting the domestic role played by women in society. In fact Government has admitted in the court that 30% of women officers have been deputed to conflict zones. Justice Chandrachud was highly critical of government’s note on the age old patriarchal notion about

women

Women are not recruited in lower ranks in the army. Though women officers have been inducted into the armed forces since the early 1990s, they number just 1,653 in the Army, 1,905 in IAF and 490 in Navy in the 65,000-strong officer cadre of the 15- lakh strong armed forces. Even though they compete with their male counterparts in all aspects, the denial of eligibility to permanent commission is both discriminatory and unconstitutional.

The verdict came on a decade long appeal by the Government made in 2010 against the Delhi High Court judgment to grant SSC women officers permanent commission. The Supreme Court has ordered the government to implement its judgment in three months.

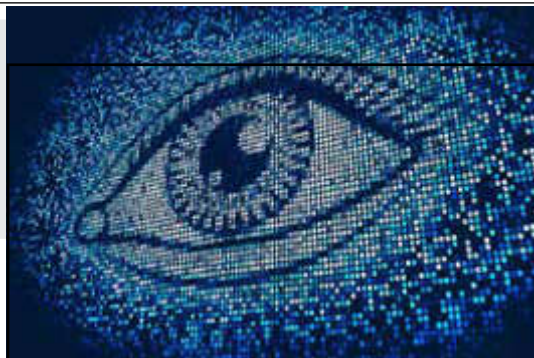
The Central Government often proclaims and takes pride that the Republic day and Independence Day parades are being led by women. But, if it is the question of granting opportunity to women officers in the army, the Government upholds the age old patriarchal and social stigma on women. It is the responsibility of the Government to implement the judgment within the deadline of 3 months.

We congratulate the women army officers who were on a legal battle for more than a decade to achieve gender justice. The untiring efforts of women army officers stand as an icon of confidence for those fighting for their democratic rights.



# Accessing the Data & Denying the Access

S.SIVASUBRAMANIAN



**O**n December 11, 2019, in the Winter Session of the Parliament, the Personal Data Protection Bill was tabled in the Parliament by the NDA Government. The bill seeks to establish who can access and benefit from data generated by Indian Citizens. The bill would allow the government unfettered access to citizen data for “national security” purposes and in several other sets of circumstances, essentially creating a backdoor to all of the online accounts of citizens that could be opened with relatively minimal effort. Experts are warning that being expansive and ambiguous, its provisions could lead to an Orwellian state.

## Access to Data – Unwieldy Power

The bill calls for the creation of a Data Protection Authority and defines the categories of sensitive personal data that are to be protected. The socio-economic status of citizens can be drawn from such data. It has provisions for deletion of personal data post-use and withdrawal of consent by the person to whom the personal data relates.

After having provided for privacy safeguards, the bill empowers the Central government, in Section 35, to allow any government agency to bypass all those safeguards

- In the interest of the sovereignty and integrity of India, security of the State, friendly relations with foreign States or Public Order; and
- For preventing any cognizable offence relating to the above (a).

The government can even direct data processing companies to “provide any personal data anonymised or other non-personal data to enable better targeting of delivery of services or formulation of evidence-based policies by the Central government”. If the government wants access to protected personal data, it can invoke a concern about national security, “the sovereignty or integrity” of the State, relations with foreign countries or the incredibly vague “Public order” to

The Personal Data Protection Bill, now referred to a Joint Select Committee of Parliament instead of the Standing Committee, after providing for privacy safeguards, empowers the Central government to allow any government agency to bypass all those safeguards

In a democracy like India, the constitutional rights of Right to Privacy, Right to Life, Right to Information etc. should be ensured to all its citizens. With the people being denied these constitutional rights, it will lead to a state of despair and progress and advancement will take the back seat.

compel private companies to give it access.

“The bill in its current form will negate people’s data protection when it comes to the government and government agencies” say cyber security experts. “The State becomes the party, the arbitrator and the judge in the same breath; and judge of its own cause. As the government becomes the biggest handler, processor and collector of personal data, it will make sure that none of its operations get covered under this law”. There are no checks and balances. Section 35 stands to negate the enjoyment of personal privacy and other digital liberties. The new Data Protection Bill would provide the government with greatly expanded powers to conduct surveillance of citizens.

Justice B.N.Srikrishna, author of the white paper that laid the groundwork for the bill, says he is “angry” with the government’s attitude. The bill has been referred to a Joint Select Committee of Parliament instead of the Standing Committee – an “unprecedented” move. “The government

has found ingenious ways to bypass Parliamentary procedure.” This is a very significant legislation, which, if not enacted properly, would in the long-term harm India’s progress towards becoming an IT superpower.

### **Curbing the Rights – It is another way**

In an era of “Surveillance State”, if accessing the data of the citizens of the country through a legislation is one thing, curbing the rights of the citizens to access to internet whenever the government feels it is against its own interests is another. The blockage of Internet services in Jammu & Kashmir for months together after the abrogation of Article 370 on August 5 and blockage of Internet services in Uttar Pradesh and some other States after the emergence of struggles against CAA, NRC and NPR are some telling examples. The shutting down of the Internet in Delhi and several States as a response to growing protests against the Citizenship Amendment act (CAA) 2019 is a deeply damaging one to the social life and the economy of the country. Meghalaya, Tripura and Arunachal Pradesh were entirely cut off, and parts of Assam, West Bengal, Karnataka and Uttar Pradesh were deprived of Internet access, in an attempt to quell the demonstrations opposing the moves of the government. The connectivity block-out in Jammu and Kashmir proved lethal to entrepreneurship crippling the business environment of that State including start-ups and made thousands of people losing their jobs. According to a study, it is estimated that the State (now a Union Territory) had lost business to the tune of Rs.80,000/- crores since the abrogation of Article 370 and blockade of Internet services since August 5, 2019. These type of interventions and interruptions have been placing India among the cluster of intolerant countries that routinely shut down the Internet to block criticism of the government.

A recent report in Live Mint underscores that 67 percent of the documented cases of web shutdowns around the world last year (2019) had taken place in India alone. A disrupted internet is dealing a blow to digital financial transactions across several States, to e-governance initiatives, and economic productivity.

### **It is part of Right to Privacy**

It is pertinent to remember here the judgement of the Kerala High Court on the ban on the use

of internet. The Kerala High Court affirmed in an order holding access to the net a fundamental right that could not be denied arbitrarily. The court pointed out that the apprehension of a gadget being misused is not a legitimate ground for denial of service.

The Kerala High Court, in September 2019, in a case of a College student in Kozhikode, held that the right to have access to the internet is part of the fundamental right to education as well as the right to privacy under Article 21 of the Constitution. The Court observed: “When the Human Rights Council of the United Nations has found that the rights of access to Internet is a fundamental freedom and a tool to ensure right to education, a rule or instruction which impairs the said right of the students cannot be permitted to stand in the eye of law”. The verdict came on a petition filed by Faheema Shirin, a third semester BA student of the college at Chelanur, challenging her expulsion for not adhering to restrictions on the use of mobile phone.

The Court while citing the observations of Supreme Court in the S.Rengarajan and Others vs. P.Jagjivan Ram(1989) case said “the fundamental freedom under Article 19(1)(a) can be reasonably restricted only for the purposes mentioned in Article 19(2) and the restriction must be justified on the anvil of necessity and not the quicksand of convenience or expediency”.

In August 2017, in a ruling, India’s Supreme Court declared that privacy is a fundamental right for each of its 1.3 billion citizens protected under the country’s constitution. Nine Justices unanimously joined the decision that was an exhaustive treatise on personal liberties. The judgement overturned earlier cases and declared “privacy is the constitutional core of human dignity”. This was the unanimous judgement by the Supreme Court of India in Justice K.S.Puttaswamy(Retd) vs Union of India.

Modern Technology itself does not ensure development and growth of a society in a State. In a democracy like India, the constitutional rights of Right to Privacy, Right to Life, Right to Information etc. should be ensured to all its citizens. With the people being denied these constitutional rights, it will lead to a state of despair and progress and advancement will take the back seat.

# Please, Do Not Misquote Gandhi on Citizenship



It is rather painful to note that top leadership of our country is taking Gandhi's quote out of context and twisting it by hiding its substantive portions. Twisting the thoughts of Gandhi on the occasion of the 150th birth anniversary of Mahatma Gandhi is nothing but doing violence to him and to his worldview which was never exclusive but inclusive. Our top leadership must eschew misquoting Mahatma Gandhi, and remain wedded to his ideal of broad based citizenship beyond the scope of any religion.

**S.N.SAHU** former Officer on Special Duty and Press Secretary to President of India late K R Narayanan,  
(Courtesy: The Citizen.in, 15 February , 2020)

**A**re the leaders of our Republic be it the Prime Minister, Home Minister or even the President of India correct in saying that Mahatma Gandhi wanted Hindus and Sikhs of Pakistan to be given citizenship of India on their entry to India?

Union Home Minister Amit Shah said in Parliament that on September 26, 1947 Gandhi had said that Hindus and Sikhs coming from Pakistan should be made citizens of India. President of India Ram Nath Kovind repeated the same in his address to the Parliament on January 31m 2020, ""In the environment prevailing in the aftermath of Partition, the Father of the Nation Mahatma Gandhi had said: 'Hindus and Sikhs of Pakistan, who do not wish to live there, can come to India. It is the duty of the Government of India to ensure a normal life for them.'" He went on to claim that Citizenship Amendment Act fulfilled the vision of Mahatma Gandhi.

Such a statement attributed to Gandhi distorts what he said while addressing a prayer meeting in Delhi on September 26, 1947. It is worthwhile to quote his exact words. He said " If we regard all the Muslims as fifth-columnists, will not the Hindus and the Sikhs in Pakistan be also considered fifth-columnists? That would not do. The Hindus and the

Sikhs staying there can come here by all means if they do not wish to continue staying there. In that case, it is the first duty of the Indian Government to give them jobs and make their lives comfortable. But they cannot continue to stay there and become petty spies and work for us and not for Pakistan. Such a thing cannot be done and I would not be a party to it".

It is quite clear that Mahatma Gandhi said very categorically that Hindus and Sikhs could not afford to stay in Pakistan if they intended to work as spies for India. Only in that context he exhorted them to leave Pakistan and come to India and wanted the Government of India to make their life comfortable.

It is crystal clear that Gandhi took a firm stand that Muslims in India should not be spying for Pakistan while living in India and the Hindus and Sikhs should not be doing the same thing to Pakistan while being part of that country. It is rather painful to note that top leadership of our country is taking Gandhi's quote out of context and twisting it by hiding its substantive portions. Twisting the thoughts of Gandhi on the occasion of the 150th birth anniversary of Mahatma Gandhi is nothing but doing violence to him and to his worldview which was never exclusive but inclusive.



In fact the way our top leadership is repeatedly asserting inside and outside Parliament that Gandhi wanted Indian Government to grant citizenship of India to non-Muslims of Pakistan gives an impression that he was in favour of only non-Muslims of Pakistan and not for Muslims. Such an impression generates a false idea that Gandhi's worldview on the issue of citizenship was exclusive and not inclusive.

In fact a survey of his numerous writings and speeches reveal that he was open to give status of Indian citizenship to even the Muslims of Pakistan in case they preferred to come to India. While addressing a prayer meeting in Delhi on July 10, 1947 he said " But if people do leave their houses in Sind and other places and come to India, must we drive them out? If we do that, how can we call ourselves Indians? With what face can we shout Jai Hind? For what had Netaji fought? We are all Indians whether living in Delhi or Gujarat. They will be our guests. We shall welcome them saying that India is their country as much as Pakistan. If Nationalist Muslims also have to leave Pakistan we shall welcome them here. As Indians we all have the same status."

On September 19, 1947, a month after India got independence, Mahatma Gandhi said in a prayer meeting in Delhi that " Just because the Muslims of Pakistan have committed atrocities, let us not be frightened by the Muslims living here. Let us not frighten them either. There are also some Muslims who just cannot live in Pakistan."

Such pronouncements of Gandhi to embrace people of Pakistan regardless of their religion and accord them equality at par with Indians brought out his inclusive and non-discriminatory approach to the idea of citizenship. He not only followed an inclusive approach but also advocated that a broad and liberal approach beyond religion should be followed for the purpose of governing the country. That was why he cautioned by saying on January 20, 1948, ten days before his martyrdom, that "It would spell the ruin of both the Hindu religion and the majority community if the latter, in the intoxication of power, entertains the belief that it can crush the minority community and establish a

purely Hindu Raj".

Any approach to reduce citizenship of India to religion would be contrary to the ethos of India, constitutionally enshrined idea of citizenship and the vision of Mahatma Gandhi.

Speaking in the Federal Structure Committee in London on November 19th, 1931 Mahatma Gandhi had said, "**The definition of "citizen" is a terrific job" and "...we do not want any racial discrimination"** in defining it. If he was keeping the idea of citizenship issue above racial factors he would have been pained to see citizenship of India getting reduced to a few religions and nationalities for the purpose of granting citizenship status of India to Hindus, Christians, Buddhists, Jains and Buddhists of Pakistan, Bangladesh and Afghanistan.

No wonder that in 1947 he wrote, "Religion is my personal concern. It ought not to interfere with my duty as a citizen of India". Reduction of citizenship of India to a few religions by the powers that be is a violation of the duty which they are bound to perform as citizen of India based on constitutional provisions.

As early as October 30th, 1934 in a statement to the press Mahatma Gandhi had said, " The root meaning of politics is the science of citizenship.... Since the boundaries of citizenship have been extended to cover continents, the science of politics includes attainment of advancement of humanity along all lines, social, moral, economic and political."

Our top leadership must eschew misquoting Mahatma Gandhi, the father of our nation, and remain wedded to his ideal of broad based citizenship beyond the scope of any religion.

**Gandhiji also wished for demonetisation & GST?**  
Cartoon courtesy:  
Kirtish, BBC HINDI NEWS



# ‘Why I chose that painting of Gandhi for my Budget speech’

Thomas Issac

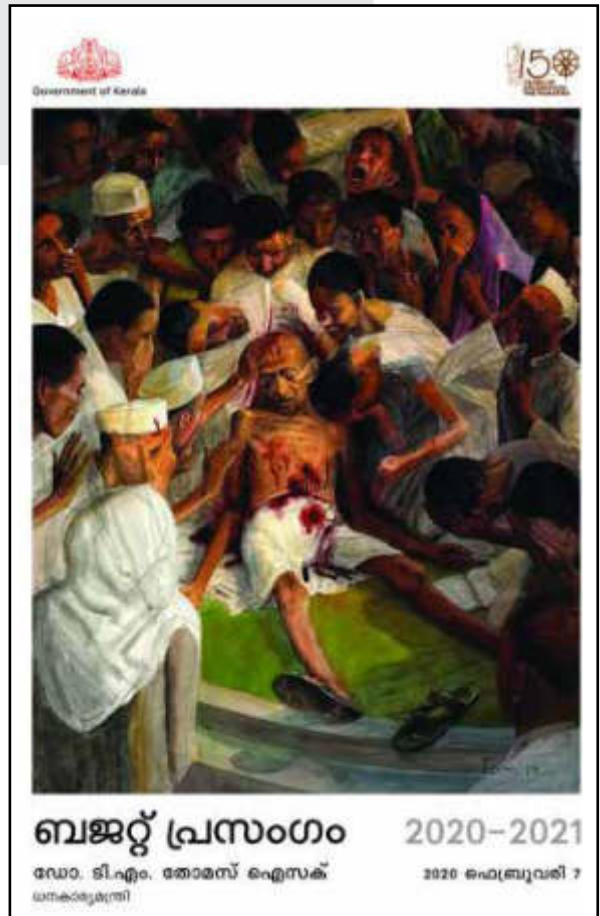
Finance Minister, Govt. of Kerala.

(Courtesy: Deccan Herald FEB 14 2020)

The cover of my Kerala Budget speech was as much a subject of animated discussion as the Budget itself. The striking painting by Tom Vattakuzhy showing the death of Mahatma Gandhi, captured in stark detail the horror and grief of the people around as Gandhiji lay in front of the prayer hall, blood gushing out of bullet wounds. Though it focuses on the scene of the assassination, it conveys the sense of loss of the nation and also the gruesomeness of the murder, most foul in human history. Very rarely have liberators of nations been killed in cold blood within weeks of attaining freedom. It was not the wanton act of a demented zealot; it was a cold-blooded deed planned meticulously by a group of people whose motive was only hatred.

This picture on the cover page of the Kerala Budget speech has evoked a strong reaction. Stung by its evocation, the BJP spokesperson condemned it outright and, I thought, naturally so. But some independent thinking persons also wondered whether the choice was appropriate on the cover of a Budget document.

I chose it consciously, to make a political statement on the dangers that Indian society, and polity – and the economy – are facing today. There is an insidious attempt, even more dangerous than the original conspiracy to kill Gandhiji, this time to kill the Mahatma’s Atma, the soul. There are Goebbelsian attempts being made to change the Gandhi narrative. Outrageous comments and actions are made, all by senior political and social functionaries of the ruling dispensation. Desecration of statues of Gandhiji, shooting at a picture of the Mahatma, outrageous acts of planning temples for his killer Nathuram Godse,



“This picture on the cover page of the Kerala Budget speech has evoked a strong reaction. Stung by its evocation, the BJP spokesperson condemned it outright and, I thought, naturally so. But some independent thinking persons also wondered whether the choice was appropriate on the cover of a Budget document.

I chose it consciously, to make a political statement on the dangers that Indian society, and polity – and the economy – are facing today.”

asking students a question that casts a doubt on the assassination itself in a school examination in Gujarat, removal of the photos of Gandhiji's assassination from the National Gandhi Museum are all part of this.

However, the latest and most shocking outrage was the description of the Indian freedom struggle, which has a unique place in world history for sustained non-violent mass mobilisation, as a drama staged with the consent of the British to fool the nation.

The feeble condemnation of these despicable acts and the fact that the perpetrators of these outrages continue to strut on the political stage makes one feel that they are all well-orchestrated acts to test the mood of the nation, to find out if the time is right for the second murder. That this should happen while the nation is celebrating the 150th birth anniversary of Mahatma Gandhi is ironic, to put it mildly.

At a time when the country is facing the prospect of economic recession and collapse of development, it is ridiculous that the central government gives priority to the CAA-NRC exercise. The official explanation for the CAA and NRC is that Gandhiji's wish is being realised. An instrument for communal polarisation is being rolled out in the name of Mahatma Gandhi!

The misery experienced by the ordinary people is increasing day by day. Huge tax concessions have been given to the corporates, 42% of revenue collections from whom rightfully belongs to state governments. When good sense makes it clear that public spending needs to increase to tide over the crisis, states have been denied the freedom to increase their borrowings from the market. Shockingly, the allocation for MGNREGA has been cut substantially, which is nothing but an insult to the toiling masses, to use a Gandhian term. We have the sad spectacle of an expenditure squeeze being effected at a time when the aggregate demand in the economy is slackening. This supply-side approach is very much a part of the reactionary policies of the central government. Therefore, my Budget speech is prefaced by a discussion of the contemporary political situation in the country. The cover I chose conveyed the message far more effectively than words could.

The Kerala Budget, in contrast, considers the economic crisis to be the most important challenge and attempts, within the limitations of a state

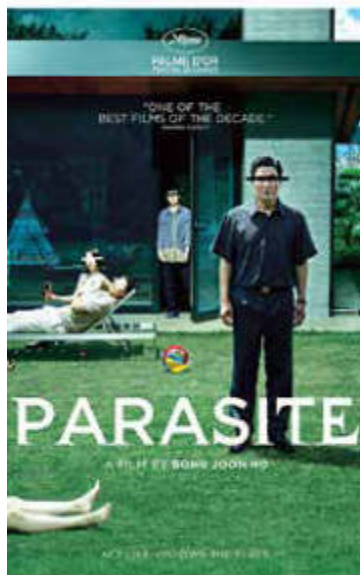
government, to stimulate demand by strengthening employment generation and welfare measures. We are implementing a Rs 50,000-crore infrastructure programme using Special Purpose Vehicles. The main obstacle to this programme is the major reduction in central transfers and cut in the market borrowings of the state government. The focus of the Kerala Budget on welfare and economic development and boosting investment is a healthy contrast to the national Budget and offers several lessons to the country.

Recently, I read a newspaper article by SM Vijayanand highlighting the Gandhian aspects of Kerala's development, which includes space for public action, citizen-centric politics, deep Panchayati Raj, Antyodaya-focused schemes like palliative care and Asraya for the destitute, a vibrant public healthcare system, cooperative action for development, the literacy movement, and so on. Kerala, which was the poorest state in the country in the 1960s, is now one of the least poor, and one recalls Gandhiji's words "Swaraj has but one meaning – eradication of poverty." Many a Gandhian visiting our panchayats has commented that it is here that Grama Swaraj is being realised today.

Coming back to the Budget, I have included several references to artists and writers in my speech. The cover page of the 'Gender Budget' of 2020-21 has aroused keen interest in social media circles even outside the country. The painting by Anujath Sindhu Vinayal, a Class 9 student from a school in Trissur, titled "My mother and other mothers in the neighbourhood," depicts unpaid work by women and conveys the multiple burdens on women and their contribution to the economy. Eliane Vigneron from France has commented, "HI WORLD...what an artist and how he recognises and shares the unpaid activities of Mothers...it's worldwide."

The Budget speech is not, and should not be, a drab document of schemes and announcements, full of numbers and statistics read out monotonously. It is an important means of communication with citizens. It has to reveal the spirit and philosophy of the government, its attitude and concern for the people. Hence the paintings and the quotes stress that the government and the people are one and are determined to work and act together to uphold constitutional values, which is a Gandhian legacy.





## TWO MOVIE REVIEWS

## Bong Joon Ho film is like poetry



**The South Korean Movie Parasite has won the Oscar 2020 for the Best Picture, Best Director, Best Foreign Language Film and Best Screenplay. A review of the Movie is reproduced courtesy India Today, Jan.28, 2020**

Nairita Mukherjee

**T**hrough Parasite, Bong Joon Ho gives you a very clear picture of the Korean society, or of any other place where unequal distribution and growth of wealth have resulted in the 'rich becoming richer, poor becoming poorer' model.

How does one get rid of a parasite?

Bong Joon Ho sets the tone for the Oscar-nominated, Cannes Palme d'Or 2019-winner and Golden Globes 2020 Best Foreign Language Film-winner Parasite in the first scene itself. A family of four, living in a semi-basement level home, scouts the corners of their house to find WiFi signal. The neighbour must have changed the password, let's try 123456789 or in reverse. Still not working? Oops, no WhatsApp then.

Kim Ki-taek (played by Song Kang-ho) leads an unambitious family with wife Chung-sook (played by Chang Hye-jin), daughter Kim Ki-jeong (played by Park So-dam) and son Kim Ki-woo (played by Choi Woo-shik). Their current source of income is folding pizza boxes for a pizza delivery joint, and it doesn't take someone solid knowledge in World Cinema to know that that money isn't going to be enough to feed four grown mouths. But, they have a plan, as Kim Ki-taek elaborates - it is to not have a plan at all. For then, the risk of anything going wrong is nil.

Parasite is, therefore, a story of submission. On one end of the spectrum, the Kim family has submitted to their condition never improving, of scavenging through life. On the other end of the spectrum, the Park family has submitted to never peeping out of their ivory towers. They don't need

to. Their ivory towers are guarded with surveillance cameras and windows are sealed with tempered glasses, monitoring even the sunlight seeping in. Led by Park Dong-ik (played by Lee Sun-kyun) with wife Yeon-gyo (played by Cho Yeo-jeong), daughter Park Da-hye (played by Jeong Ji-so) and son Park Da-song (played by Jung Hyeon-jun), the Park family doesn't live in a bubble; they live in a fortress, fortified by wilful ignorance.

And then their worlds collide. The Kim family slowly and steadily creeps into the Park family, landing odd jobs with them, eliminating the competition as they move ahead. The son takes up the job of the English tutor replacing a friend, the daughter becomes the art teacher to the son, playing a hapless (and clueless) mother; the father lands the job of the driver replacing the older one, and finally, the older housekeeper is practically thrown out overnight and replaced with the mother. All this without letting the Parks catch a whiff that the Kims know each other, lest their finally steady quadruple income is snatched away. But the whiff is too strong, too strong coming from poverty.

The more they collide, the more apparent their differences get. They are separated by class, a difference that is almost flowing in their bloodstreams now, they are basically sweating class difference. It appears the Kims have gotten so used to living in hiding that they'd prefer living the life of a parasite, rather than disclose they are related and have a fair chance at being judged on the basis

of their good work. Even they don't think they are worth it. Of course, the Parks don't either.

Through *Parasite*, Bong Joon Ho gives you a very clear picture of the South Korean society, or of any other place where unequal distribution and growth of wealth have resulted in the 'rich becoming richer, poor becoming poorer' model. This could very well be the story of a family living in the slums of Dharavi, juxtaposed against another living in that plush skyscraper on Altamont Road, both in Mumbai. Which is why it hits so hard.

In *Parasite*, the cinematography by Kyung-pyo Hong, and editing by Jinmo Yang (nominated in the Best Achievement in Film Editing category at Oscars 2020) deserve a special mention. Staring out the window at Parks', you soak in the lush green of their front yard, while at the Kims', there's a drunkard peeing at the lamppost, who wouldn't stop even

if you were to throw a bucket of water at him. But the visuals of those water droplets twinkling against the light from the lamppost, in slow motion, and the good laugh the have-nots like the Kim family share at that moment, is like poetry.

The storytelling style of *Parasite* is also unique. Bong Joon Ho goes from dark comedy to absurd comedy, to simply dark, and then darker. Finally, it touches a point of hope, and while one could look at it as just hope, it could also be the point where the film reached its darkest - for there is no hope. Let's just submit to that, shall we?

Bong Joon Ho had said at an interview that the idea for *Parasite* had been in his brain for a while - like a parasite, if you will. We're glad he didn't get rid of it, though.

(The Delhi premiere of *Parasite* was organised by the Embassy of the Republic of Korea in India.

## SHIKARA

The movie seeks to strike a long-awaited conversation. A story that the screen should have told ago.' It is an attempt to cure that epidemic of social media opinion and provoke us to leave our rhetorical positions for once and see the issue purely as a great tragedy which happened for more reasons than we give to ourselves.

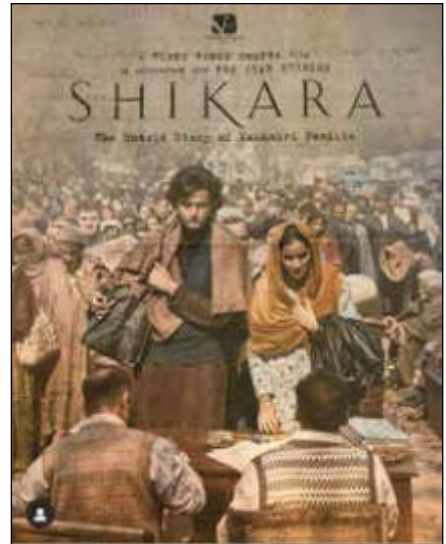
UTKARSH MISHRA

(Courtesy: Rediff 7/2/2020)

When the virus of sectarian politics found a gullible vector in social media, it resulted in the outbreak of an epidemic that left all of us infected with some opinion on the issue of Kashmiri Pandits. But how many of us have actually met one of those who are, as the oft-repeated phrase goes, 'living like refugees in their own country'? Not those who masquerade as persecuted Pandits on social media or TV studios, but those who've actually lived — or in many cases still living — that life in refugee camps.

All we have is a perception — one way or the other. And this happened because we were never told the story the way it deserved to be told. *Shikara* is an attempt in that direction.

The movie seems to be loosely based on Rahul Pandita's book, *Our Moon has Blood Clots*, which is the spine-chilling story of the exodus of Pandita himself and his family and other Pandits of



neighbourhood on that fateful day of January 19, 1990. Pandita is a co-writer of the movie, so you find a lot of traces of his own story in the movie, including a few real-life names and incidents. And, of course, all of us know that Director Vidhu Vinod Chopra, himself a Kashmiri who witnessed the exodus, has put in a lot of his experiences too in the film.

The movie tells the tragic story through the life of a lovely couple: Dr Shiv Kumar Dhar and his wife Shanti, played convincingly by debutants Aadil Khan and Sadia. Both are of Kashmiri descent. Chopra could have cast any star had he wanted, but I think he decided to keep the viewers's focus on the story and doesn't want it to look like too much of a Bollywood film.

It helps you immerse in the story and live the horror and hope that Shiv, Shanti and others are living throughout the movie.

The movie begins in a refugee camp, where the Dhars live with others of their community.

Shiv's means of catharsis are the letters that he writes to none other than the president of the United States. Why? How is the US president responsible for their plight? The movie will tell you. Answer it is not something bizarre but a plain and simple fact.

Shiv wants to tell his story as no one else did, contrary to the expectations they had while leaving their houses. 'So many Pandits have been rendered homeless. Now you see what happens in Delhi. Parliament will be rocked,' Shiv's neighbour had remarked while they were leaving their homes. It never happened. Why? Aren't they victim enough? Has their issue been appropriated by the wrong political side? Even then, what stopped others from talking about it and finding a solution? All these questions will stare at you more than they do to Shiv and others around him.

As Shiv returns after posting another letter, he is greeted by a rare sight of celebration at the refugee camp. There's a 'good news', the happiness of which takes the Dhars back in time, to their lives in the valley, which they began together with no apprehensions.

But soon the politics, not just in India but in the world, take a turn for the worse and their living at the home they so laboriously built is now difficult. Though some friends are still friends, but they can only do so much. Others have bigger obligations, though they fulfil what's expected of them as personal friends, they hate the community at large.

And thus begins Shiv and Shanti's life in exile. Death and despair loom large, but hope never leaves the heart. Over the years, they lose dear ones, extreme miseries give way to insufficient comforts, but Shanti always chides Shiv to 'write something positive and happy'.

Despite all the evidences to the contrary, they never cease hoping that one day they will return. The dream is partly realised, but the price paid is too heavy. Nevertheless, Shiv continues to do till the end what he knows best: Writing letters. Though dealing with such a subject and telling the story in the least rhetorical way possible, the movie isn't a documentary. It involves a lot of Bollywood drama too, especially in the beginning.

Aadil Khan and Sadia have done a great job for debutants, and hopefully they will gradually learn

to be a bit more subtle in their acting.

All the Kashmir scenes have been shot in the valley, giving an authenticity to the film it needed. Some of the wide shots of Kashmiri neighbourhoods are breathtaking.

The movie doesn't shy away from giving a message to those also who might be waiting for it to exploit it in favour of their sinister agenda of dividing society on communal lines.

Have they actually done anything about the community they proclaim to care about?

Or is it just an issue to serve their political interest and promote their brand of politics?

And if you are one of those who sees only that Kashmir which is in the 'clutches of a mighty administration and tramples by military boots', it asks you where were those forces then when men with Kalashnikovs roamed freely on the streets, killing at their will, burning down houses of those who belonged to the wrong religion, even gunning down their co-religionists too if they come in the way; when passenger buses carried youngsters across the border as if they are crossing a canal in the neighbourhood; when people living there for centuries were suddenly asked to leave their homes or die?

Maybe one aspect of the situation today can't be seen in the vacuum. And we need a full perspective. So the movie seeks to strike a long-awaited conversation. A story that the screen should have told long ago. It was much needed. It is an attempt to cure that epidemic of social media opinion and provoke us to leave our rhetorical positions for once and see the issue purely as a great tragedy which happened for more reasons than we give to ourselves.

I conclude with addressing the questions that have been raised over the 'timing' of the movie. When Kashmir is under longest-ever lockdown, will this story not serve as a justification for what is being done there? Well, there are two reasons it won't be.

One, it doesn't incite hate against anyone. It also doesn't pin blame on someone — a government, a community, a prime minister — for the situation. On the contrary, it tells us aptly how we can actually discuss this issue without fearing the consequences we might be concerned about. And two, there could not have been a better timing for a story that tells what happens when religion becomes the sole criterion to determine who belongs where.



## RECOMMENDED READING

We are introducing a new column titled Recommended Reading. We already have four regular columns on subjects of interests. We invite comments from the readers about the usefulness of these columns and their suggestions for improvements.



### **Justice Chandrachud: Labelling dissent as anti-national strikes at heart of democracy**

Court judge Justice D Y Chandrachud on Saturday said “blanket labelling of such dissent as anti-national or anti-democratic strikes at the heart of our commitment to the protection of constitutional values and promotion of a deliberative democracy”.

Speaking on “The hues that make India: From plurality to pluralism” at the 15th Justice PD Desai Memorial Lecture here, Justice Chandrachud said “employment of state machinery to curb dissent instils fear and creates a chilling atmosphere on free speech which violates the rule of law and detracts from the constitutional vision of a pluralist society.” Further Reading:

<https://indianexpress.com/article/india/justice-chandrachud-democracy-dissent-nationalism-6270332/>

### **Anti-CAA movement: Litigation not a democratic substitute for the praxis for peaceful agitation**

It is the political part of the Citizenship Amendment Act (CAA) rather than its pure legal aspect that is more significant. Therefore, it is unsafe and even unwise to wait for what the Supreme Court may say on the subject and to dispense with the peaceful protests during the interregnum. Further Reading:

[www.deccanherald.com/opinion/main-article/anti-cao-movement-litigation](http://www.deccanherald.com/opinion/main-article/anti-cao-movement-litigation)

### **A Major Ideological Power-Shift in American Politics**

Senator Bernie Sanders’s victory in the New Hampshire Democratic party primary election, strong showing in Iowa, and lead in national polls, indicates a major ideological-power-shift in American politics is underway. The United States should prepare for the possibility of a socialist in the White House – an unprecedented prospect in a nation born capitalist, dominated by a business culture, the American Dream of the “self-made man”, and beyond the spectre of class conflict.

The American Dream, however, is increasingly out of reach and seen as such. This is by now so obvious that even the corporate-friendly *Forbes* magazine, in a recent article entitled ‘Why Young Voters are Embracing Bernie Sanders and Democratic Socialism’, argued:

“A combination of crushing student loan debt, low-wage jobs and escalating home and rental costs has a huge impact on Millennials... In light of their situation, it’s not surprising that Bernie Sanders is surging in the polls and the idea of socialism is gaining traction among young people”. Further Reading

<https://thewire.in/world/ideological-power-shift-american-politics-bernie-sanders>

### **With better development indicators, spectre of a Bangladeshi cross-over to India is ill-founded**

In the last decade, on a range of social development indicators, Bangladesh has fared better than India. Even on the cricket pitch, Bangladesh beat India at the junior World Cup. So why would Bangladeshis en masse want to leave their cherished homeland?

Further Reading: <http://indianexpress.com/article/opinion/columns/bangladesh-fares-better>



## Insurance Employees' Union, Dharwad Division Enters Golden Jubilee Year

Leaving back to the pages of history the glorious, eventful and successful journey of 49 years, the Insurance Employees' Union, Dharwad Division entered the GOLDEN JUBILEE YEAR on 15<sup>th</sup> February 2020. Born on 15-02-1971 after LIC opening a Divisional Office at Dharwad, bifurcating Udupi Division in August 1970, Insurance Employees' Union has grown up in struggles, faced several challenges and came out victorious with flying colours in every struggle. Since its birth, the Union has effectively played a crucial and important role in framing the life and living of not only the members of the Union but also of all those employees who worked in this Division all these years.

Being a militant Divisional Unit of AIEA, Insurance Employees' Union had to face many tough situations like lockout and indefinite strike in 1974, its very nascent age, but came out with stupendous success. Strongly committed to the ideological moorings of AIEA, Insurance Employees' Union carved a niche for itself not only amongst the Divisional Units of AIEA but also amongst the trade unions in this part of the State. Due to its social commitment and its culture of helping the workers in struggle, the Insurance Employees' Union was looked upon with admiration and appreciation by the unions in this region and Insurance Employees' Union was treated as a trustworthy friend to fall back upon in case of need.

It is quite but natural that when such a great organisation enters its golden jubilee year, the event deserves a grand celebration. Accordingly, a function befitting to the occasion was organised on 16-02-2020 in AlurVenkatrao Sabha Bhavan, Dharwad.

The day's programme started with hoisting of flag of AIEA by Com.Anand Archak, President of Insurance Employees' Union, in front of the LIC Divisional Office. After that everybody moved to AlurVenkatrao Sabha Bhavan, Dharwad, the venue of the meeting.

The session started with women comrades of Dharwad Division rendering a song. The meeting was presided over by Com.Anand Archak, President of IEU, Dharwad Division. Com.U M Gadagkar, General Secretary, welcomed the guests and the audience.

Com.Amanulla Khan in his inaugural address, recollected his association with the leadership of Insurance Employees' Union, Dharwad and expressed his happiness and appreciation for the way in which Insurance Employees' Union has been functioning. Discussing about the present political, economic and social situation in the country, Com. Amanulla said that country is in deep crisis and the situation is alarming. Social fabric of the country is attempted to be fragmented and economy is virtually facing stagflation, he said. Bitterly criticising

the announcement by the Finance Minister while presenting the Union Budget that the shares of LIC would be sold through IPO, he cautioned all to be in readiness to fight a bitter struggle to protect and defend LIC. Com.M.K.Deshpande, former President of Insurance Employees' Union, Dharwad Division narrated about the formation of Insurance Employees' Union, Dharwad Division, the challenges it faced and struggles it launched and said that Union has maintained its high standard of performance. Com.K.Venugopal, remembered the help given by Com.M.K.Deshpande as Vice-President of SCZIEF and said that Insurance Employees' Union, Dharwad Division is having a very special place amongst the Divisional Units of AIIEA. Com.V.Ramesh, President, AIIEA explained in detail about our wage negotiation and assured that a good wage revision is possible but we should be prepared to fight. He was all appreciative of the way in which Insurance Employees' Union is functioning and wished it all glory.

Com.K.Natarajan, former General Secretary of SZIEF and Vice President of AIIPA spoke about his association with Insurance Employees' Union, Dharwad Division and wished the Union all the best. He also thanked AIIEA for clinching the issue of final option for joining pension scheme. Sri.H. K.Ravikiran, Sr.Divisional Manager, Sri.M.K Patil, President NFIFWI, Dharwad Division, Sri.A.M.Bongale of Class I Officers' Association also extended greetings on the occasion. Coms.Clement

Xavier Das, SKGeetha, J Suresh, R H Ayi, S SNagesh on behalf of all the Divisional Units of Karnataka and Com.MaheshPattar from CITU while recalling their association with Insurance Employees Union, Dharwad Division extended greetings on the occasion.

As a mark of appreciation of the great service rendered by Com.Amanulla Khan and Com.K.Venugopal, who demitted their offices in the recently held All India Conference of AIIEA, the meeting organised a warm felicitation to both of them.

Com.A.H.Archak , President, Insurance Employees' Union, Dharwad, who chaired the meeting assured that the present office-bearers will strive their best to further improve upon the functioning of the Union.

Com.Premalatha Dodmani, Vice President, Insurance Employees' Union, Dharwad Division proposed Vote of thanks. Com.Sharayu Devarmani, Convenor of Women's Sub-Committee compered the programme.

In fine, the inaugural function of the golden Jubilee celebrations of Insurance Employees' Union, Dharwad Division flagged off to a flying start on 16-02-2020. The presence of large number of women comrades who came in uniform attire added colour and festive look for the function. Participation of large number of our members in the celebration clearly shows how close the Insurance Employees' Union is to their hearts.





## 10th conference of the LIC pensioners, Guwahati Division

The 10<sup>th</sup> biennial conference of the LIC pensioners, Guwahati Division was held on the 6<sup>th</sup> February, 2020 at Pragjyoti Culture Complex, Machkhowa, Guwahati. The Conference got off to start with the hoisting of flag of the association by Dinesh Ch. Sarma, President of LIC Pensioners Association, Guwahati Division. Floral wreath were placed on the martyr's column. Sambhu Dutta, General Secretary, placed the biennial report and Nirmalendu Choudhury placed the income and expenditure report.

The report analysed the international, national and regional socio economic situation and also the present situation of nationalised insurance industry. After discussion both the report were adopted unanimously. Satanjib Das, veteran T.U leader inaugurated the conference. He elaborately analysed the anti-people economic policy of the BJP led NDA govt. and called upon the pensioners to join with movement of existing employees to protect nationalised Life Insurance Corporation(LIC). The conference elected a new



committee for the coming year with Dinesh Ch. Sarma as President, Sambhu Datta as a general secretary and Nirmalendu Choudhury as Treasurer. On the occasion of 10th biennial conference a 'Souvenir' was released by Saktipada Bhattacharjee. A presidium consisting of Dinesh Ch. Sarma, Paramananda Das and Binode Ranjan Kalita conducted the conference. Nine resolutions including against privatisation of LIC, against Citizenship Amendment Act (CAA) and demanding defined pension benefit for all.

## Seminar by Cuttack Div. IEA on Nationalisation day

The 19<sup>th</sup> January marks the ordinance day of our beloved organization. Since, it was holiday; a seminar was organized by CDIEA, Cuttack on 20<sup>th</sup> January in the Divisional office premises. It was a great honour for the organization that esteemed Sr Divisional manager of Cuttack division Sj Ashok Routray addressed meeting on Role of LIC on National building. Apart from him, com (Dr) Santosh Kumar Mohapatra, vice- president of CDIEA spoke on " Role of Public sectors and challenges". Sj Ashok Routray spoke about the genesis of LIC and how it has contributed nation's building activities. He also discussed types of problems faced by LIC of India. Com Mohapatra discussed in depth about genesis of public sector after independence and how it has played role of commanding heights of the economy. He also made scathing attack on present government who wants to destroy public sectors and resorting to disinvestment/

privatisation to bridge fiscal deficit. While Com Abhaya Das, General Secretary of CDIEA gave introductory address, Com Bikramjeet Mohanty, joint secretary proposed vote of thanks. Com. Managobinda Barik, president of CDIEA, presided over the meeting. A large number of employees belong to LIC and fraternal trade unions attended the meeting.





## All India Public Sector Athletic Championships 2020 Team LIC performs brilliantly

The All India Public Sector Athletic Championship was held at Kolkata from February 5-7, 2020. The sportspersons representing LIC gave sterling performances both in individual as well as Team Events.

Joyline Mural Lobo (South Central Zone) who won Gold in Triple Jump and Long Jump was declared as the Best Women Athlete. Kalidas Hirave (Western Zone) who won Gold in 5000 Mts and a Silver in 10000 Mts was declared as the Best Male Athlete.

Monica Athare (Western Zone) brought glory to herself and the institution by some sterling performances. She secured a double Gold by winning 1500 Mts and 5000 Mts. Other Athletes who won Gold were Supreeth Raj (South Central Zone) in High Jump, Dhiraj Mishra (WZ) in Triple Jump, Gurmeet Kaur (North Zone) in Javelin Throw, Dhiraj Mishra (WZ) in Triple Jump and V

Vasumathy (South Zone) in Discus Throw.

Ritesh Kumar (North Zone) won a Silver in Long Jump. Others who won Silver were V Vasumathy (South Zone) in Shot Put, Dhiraj Mishra in High Jump, Janisar Akhtar (NCZ) in Hammer Throw and Harshini Kumari (SCZ) in High Jump.

The athletes who secured Bronze were Sunil Goswami (North Zone) in Javelin Throw, Harshini Kumari in Triple Jump and Gurmeet Kaur in Shot Put.

The Women's Team won the Bronze in 4x100 Mts relay race. Both the Men's and Women's Teams emerged as Winners in the Field Events and as Runners up in the Team Championship.

The Insurance Worker congratulates Team LIC for the brilliant performances and hopes that these athletes will continue to bring glory to our great institution.

## Insurance News in brief

■ A.M.KHAN, DHARWAD

Increasing cybercrime sends an all-round fear in European Union. The 11-trillion-euro European insurance sector faces growing cyber and climate risks. A top official of European Union says that Insurers in Europe may need to put aside money to protect their policyholders should they become insolvent, and regulators should be able to be shut them down swiftly without the need for taxpayer bailouts. But the European insurance industry opposes this move citing that there were already safeguards in place and that the new requirements could hit the sector's global competitiveness.



Digital tools are transforming the process of valuing in the insurance industry across the globe. A recent study by Swiss Re finds – “Digital transformation empowers consumers to be more informed and independent, and equips insurers with the tools to develop new tailored products and services and refine existing ones; Insurers increasingly will operate in an environment where they have continuous access to different data sources including from connected objects (such as connected cars, homes or wearables) and platform providers. They also will gain behavioural insights from consumer and environmental data, the report indicated. This will see the evolution of new-data driven business models taking insurers beyond their existing value chain.”



Total insurance industry merger and acquisition (M&A) deals in December 2019 were worth \$12.92 billion. The value marked an increase of 470.5% over the previous month and a rise of 336.3% when compared with the last 12-month average, which stood at \$2.96 billion. In 2019, as of the end of December 2019, insurance M&A deals worth \$43.63 billion were announced globally, marking a decrease of 50.1% year on year.



Britain which left the European Union on Jan. 31 will have full freedom to write its own rules for banks, asset managers and insurers once a transition period ends on Dec. 31. Hitherto financial bodies in UK were governed by rules framed in this regard by European Union.



As the crisis deepens in the NBFCs and HFCs, IRDAI revises stewardship guidelines of insurance companies to closely monitor the companies they

invest in, intervene if necessary and compulsorily vote if they own more than specified amount of equity in the company. The circular further says :“Insurance companies are significant institutional investors in listed companies, and the investments are held by them as custodians of policyholders’ funds. The state of governance of the investee companies is an important aspect, and insurance companies must ensure that investee companies maintain corporate governance standards at the high level,”



Slimy tongues get wet as the Union Finance Minister announces that the government will shed a portions of shares of LIC through IPO. Association of National Exchanges Members of India (ANIM) Has said it will help mobilise one crore investors for the offering. It goes on to assure - “It would be our endeavour to mobilise one crore investors for LIC’s IPO and unlock the true potential of India’s crown jewel, akin to Saudi Aramco in the Middle East and Apple’s listing in the US.”



Global Rating agency Moody’s Investor Service predicts that due to economic slow down in India will impact insurance premium collection in India. This, it says, will happen even though the insurance penetration is low.



Indian non-life insurance sector grew at 15 per cent in gross premium to register Rs.1.42 trillion during the period April-December 2019 which was Rs.1.23 trillion in the same period last year. The public sector non-life insurers recorded a growth by 12 percent garnering Rs.62,954 crore while the private non-life insurers grew by 17 per cent to Rs.69,488 crore. Health insurance witnessed an impressive growth of 32 per cent to Rs.9,677.02 crore.



What a sly means to demean the Jewel of India and those who are striving hard to keep it so. Jayant Sinha, BJP MP and former Minister of State for Finance, says that disinvestment of the LIC would bring “accountability, transparency and efficiency”!



IRDA seeks to bring insurers, the insured and the hospitals under one roof to standardise the claim settlement procedure and ensure payment in a time-bound manner. It has formed a committee to look into the matter and the platform will be developed by the Insurance Information Bureau.





# Working Class Struggles

S.SRIDHARA, MYSORE ■

## SRILANKAN GOVERNMENT WORKERS PROTEST IN COLOMBO:

Thousands of workers from several Srilankan Governments departments protested on 12<sup>th</sup> February opposite to the Presidential Secreteriate in Colombo. Series of protests that began a week earlier by sacked employees. Over 15000 Railway workers in Srilanka protest demanding their services to be regularised.

## NEW CALEDONIA MINERS STRIKE EXPANDS:

The workers at NEW CALEDONIA striking work since mid January 2020 against increasing of working hours. The Company reportedly wants workers to do 10.5 hours shifts and work 147 hour per month work from the existing 120 hours. Workers also demanding improvement in working conditions.

## CHANGES IN THE CAR INDUSTRY THREATEN WORKERS IN EUROPE:

Fundamental change is taking place in the Automotive industry, the Global downturn in the industry. Exacerbated mounting trade war resulted in a jobs massacre which resulted in the loss of more than 5 lakh jobs in 2019 alone in European countries. Car workers in the large assembly plants in Czech Republic, Romania, Hungary and Slovakia are particularly threatened. Last year, Volkswagon, the largest private employer laid off 5000 workers. Now new slogan emergency in Europe "JOIN THE FIGHT TO DEFEND AUTO JOBS AND WAGES".

## GROWING CLASS CONFLICT IN THE US AND THE RESURGENCE OF WORKING CLASS STRUGGLES:

According to report released on 13<sup>th</sup> February 2020 by the FEDERAL BUREAU OF LABOUR STATISTICS (BLS) working class struggles in the US are at their highest levels in decades. There were 25 work stoppages involving 1000 or more workers in 2019. This is the largest numbers in nearly two decades. Ten of these strikes involved 20000 or more workers. Number of workers involved in these strikes is increasing. There were 425000 workers who took part in Major work stoppages last year.

## MEXICAN UNIVERSITY WORKERS STRIKE OVER PAY, RETIREMENT AND OTHER ISSUES:

Workers began strike on 1<sup>st</sup> February, administrative insufficient response to the demands. The main demands include payment of over due wages, 20% increase in tabulation salaries. More than 2500 workers on strike.

## ARGENTINE INTERURBAN TRANSPORT DRIVERS STRIKE FOR DELIVERY OF WAGES:

Argentina's Northern Inland Province workers went on strike on February 7<sup>th</sup> demanding payment of full wages pending from months. Workers are not paid full wages since 2018.

## VENEZUELAN ELECTRICAL WORKERS PROTEST OVER

## WAGES ELIMINATION OF BENEFITS:

The workers of the State Power from CORPOELEC in North Western Venezuela, held protest on 4<sup>th</sup> February against low wages and elimination of benefits that had been framed in the collective contract.

## PROTEST IN BERMUDA OPPOSE HEALTH CARE SYSTEM:

Thousands of Bermudans held a protest at a park in Hamilton, the capital of Bermuda, on February 7<sup>th</sup> to voice opposition to a wholesale overhaul of the Island's Health Care System. The protestors included Doctors, Nurses, Students and Family members.

## FACULTY AND LIBRARIANS STRIKE AT NEW BRUNSWICK'S MOUNT ALISON UNIVERSITY, CANADA:

Over 2500 students, 200 full time Faculty Members and Librarians began a strike on 10<sup>th</sup> February for a wage increase and improved job security. Protection of jobs for part time employees. As in all Universities and Colleges across the Country, full time teaching positions have steadily been reduced as more part time workers are hired.

## BURMESE TEXTILE WORKERS PROTEST OVER MASS SACKINGS:

Over 15000 workers from 80 workplaces marched in YANGON, largest city in Burma (Myanmar) on February 2<sup>nd</sup> to protest the Arbitration Councils decision to sack striking workers.

## TAHITI WORKERS STRIKE AGAINST FRENCH GOVERNMENT ATTACK ON PENSIONS:

Workers in the French Territory of Tahiti are protesting planned pension reforms in solidarity with workers in mainland France state workers, particularly held one day strike on February 6<sup>th</sup>. Similar protest were held in December 2019. The workers also expressed concern over rise of cost of living and lack of proper funding to Education.

## ONE DAY PUBLIC SECTOR WORKERS STRIKE IN PORTUGAL:

Portugese Public Sector workers including health staff, teachers, transport workers held oneday strike on 31<sup>st</sup> January 2020. The strike led to the closure of around 1000 schools and disruption of services across Portugal. The workers are protesting against 0.3% pay raise offered by the Government.

## IRISH TEACHERS STRIKE OVER PAY PARITY:

School teachers in Irish Schools held one day strike on 31<sup>st</sup> January against pay disparity. Teachers recruited after 2011 are paid at a lower rate. The strike led to the closure of around half of the Country's 700 schools. ■

## Economic Tid Bits

■ J.SURESH, MYSORE

- ▶ According to latest Bloomberg report, the world's 500 richest people have increased their total wealth by \$ 1.2 trillion in 2019, an increase by 25% over 2018. Their collective net worth now stands at \$ 5.9 trillion. These 500 individuals control more wealth than the Gross Domestic Product of USA at the end of the third quarter of 2019, which was \$ 5.4 trillion. They year's biggest gains went to France's Bernard Arnault, who added \$ 36.5 billion to his fortune. Amazon's Jeff Bezos is the richest person in the world with \$ 116 billion followed by Bill Gates with \$ 113 billion. The 172 American billionaires on the Bloomberg list added \$ 500 billion, with Facebook's Mark Zuckerberg recording they year's biggest US gain at @ 27.3 billion, placing him in the fifth place worldwide with a net worth of \$ 79.3 billion.
- ▶ In January 2020, the unemployment rate in India was 7.16%. The average monthly unemployment rate over the 12 months ended January 2020 is 7.4%. During this period, the rate touched a high of 8.2% in August 2019 and it dipped to a low of 6.7% in March 2019 and stabilised around 7% which is the highest in the last 45 years.
- ▶ Moody's have revised downwards its projection for growth of Asia-Pacific region for 2020 from 5.8% to 5.2%, citing the outbreak of Coronavirus in China, which will weaker demand and supply chains. The rating agency expects the economic effect of the coronavirus outbreak to continue for a number of weeks to come. There are indications that the Chinese economy could experience zero growth for the first three months of the year, amid indications that as much as 2% could be cut from the growth rate in the first quarter.
- ▶ Global debt is on track to reach an all time high of more than \$ 257 trillion in the coming months after surging by around \$ 9 trillion in the first three quarters of 2019, according to a report issued by the Institute for International Finance recently. Total debt now amounts to \$ 32,500 for each of the world's population of 7.7 billion and stands 320% of global GDP. In the major economies, total debt is \$ 180 trillion, equivalent to 383 % of their combined GDP. Total government debt is more than \$ 65 trillion, up from \$ 37 trillion a decade ago, with the government debt to GDP ratio at an all time high in the USA and Australia. Non-financial corporate debt rose to more than \$ 72 trillion last year and is now at a record high of 92% of GDP. Household debt has risen to \$ 46 trillion. According to a recent World Bank report, since 2010 there had been a fourth "global debt wave", which had led to a developing country's accumulating a "towering" \$ 55 trillion of debt, the highest level in the history. It also noted that the three previous debt waves had ended in crisis – the Latin American crisis of the 1980s, the Asian financial crisis of the late 1990s and the global financial crisis of 2008-09. In this background, the IMF has cut its growth forecast for world economy from 3.4% to 3.3% for 2020 and for next year from 3.6% to 3.4%.
- ▶ JP Morgan Chase, a leading US Bank has made \$ 36.4 billion profit in 2019, the biggest annual profit of any bank in American history. According to a report, six largest US banks saved a combined \$ 32 billion last year from President Donald Trump's 2017 Corporate Tax cut. Meanwhile, the Americans are in deeper debt to JP Morgan and the other banks than at any time in history. Collective customer debt in USA is \$ 14 trillion last year. Credit Card debt has surpassed \$ 1 trillion for the first time. Auto debt is \$ 1.3 trillion and mortgage debt is now at \$ 9.4 trillion. Student debt has increased the fastest, surged from \$ 500 billion in 2006 to \$ 1.6 trillion today.
- ▶ According to a recent report, the Eurozone economy is experiencing its worst downturn since the currency crisis of 2012. It is reported that the growth in the Eurozone are was just 0.1% in the fourth quarter of last year. Germany, the Eurozone's leading economy recorded no growth in the fourth quarter, after growing at 0.2% in the previous quarter.

■

# For our Field Force

■ ARIVUKKADAL, THANJAVUR

**Un-interrupted growth:** LIC continues to better its performance, thereby winning people's trust by crossing Rs.1.5 lakh crore New Business Premium (NBP), first time in its history and maintaining dominant leadership in the sector. Individual New Business performance of the Corporation as at January 2020 has shown an impressive growth of 17.48% in its first year premium and 29.42% in number of policies. The Composite Market share in number of Policies and First Year Premium as on 31st January 2020 is 77.61% and 70.02% respectively. The Corporation's total income grew by 17.79% to Rs.2,97,017.28 crore and total assets increased by 7.92% to Rs.32,25,905.42 crore as of September 2019.

**Surpassing target:** Investments made by LIC in government securities stood at Rs 2.81 lakh crore in the period of April-January FY20 higher than the target of Rs 2.55 lakh crore. In the last financial year, LIC had invested Rs 1.91 lakh crore in government securities.

**Silent Heart Attack:** Economist Rathin Roy, who was a member of the Prime Ministers' Economic Advisory Council till last year, said the Centre was undergoing a "silent heart attack" in fiscal terms. He was referring to the massive shortfall of Rs.1.7 lakh crore in the actual revenue collection of 2018-19. This "silent heart attack" has become more serious in 2019-20, as the gross tax revenue shortfall is Rs.3 lakh crore.

**Economy Drags Insurance:** India's slowing economy will be a drag on insurance premium growth over the next two to three years, according to Moody's Investors Service. India's GDP growth weakened to its slowest rate in five years in the fiscal year ended March 2019, and the resultant financial pressure on rural households amid weaker job creation is in turn also weighing on premium growth.

**Agents are best:** Consumer NZ chief executive Sue Chetwin said those who bought life or general insurance (house, contents or car) from a bank or broker were significantly less likely to be satisfied, compared with those who bought directly from an insurance company. The survey showed banks and brokers were performing the worst.

**Good Health Reward:** IRDAI has directed insurance companies to introduce health-linked premium policy so that those who have a better health condition get rewarded. So, if someone is having good health but has taken a health insurance policy, then he or she will be rewarded by the insurer by charging a lower health insurance premium.

**No more Pre-existing diseases:** Last year in September, IRDAI had modified the definition of pre-existing diseases (PEDs) to include certain illnesses if

diagnosed within three months after purchasing the health insurance policy. However, through a new circular dated February 10, 2020, IRDAI has now deleted this clause. Thus, as per the new definition, no such disease will be treated as PED even if diagnosed within three months, or later, after buying the health insurance policy.

**Transport Departments to Follow:** Vehicle owners will now receive messages from the transport department if their vehicle doesn't have third party insurance or the policy has expired. State transport departments with IRDAI will run a pilot project with some of the states including Karnataka, Bihar, Odisha, Andhra Pradesh and Delhi, which will also alert the first owner to find whether the successive owners have updated their details.

**Penal Premium:** Traffic violators in Delhi could be in for a shock as insurance companies will soon charge higher premium for third-party insurance from them. The framework, to be finalised in the next one month, proposes negative points for traffic offences and this will be the basis for insurance companies to charge "penal" premium.

**Pay as you use:** Under IRDAI's Regulatory Sandbox initiative, Liberty General Insurance Ltd. has introduced a new and innovative feature 'Pay for the Distance' under its existing Private Car Package Policy. This will now enable the customers to pay based on how much they drive.

**Daily Premium Payment:** An IRDAI panel has suggested introduction of daily premium payment policies to deepen insurance penetration in low-income groups. The committee on 'micro-insurance' also said the product benefits need to be simple so that they can be easily understood by customers.

**Women are under-insured:** Although 48% of the citizens are women, less than 30% of insurance policies are owned by them. That too, for inadequate sum assured. The risk cover purchased by women is 22% less than what men have purchased on an average.

**Penalties:** IRDAI has imposed a penalty of Rs 1 crore each on ICICI Lombard GIC and Tata AIG General Insurance Company for violation of various norms. IRDAI found the advertisement of Acko General Insurance Limited (AGIL) with Amazon and imposed a penalty of Rs.1 Cr.



## Reception Committee AIIEA Conference donates to Insurance Worker



The Reception Committee of 25<sup>th</sup> Silver Jubilee General Conference of AIIEA held at Visakhapatnam from 27-30 January 2020 has donated Rs. 1 lakh to Insurance Worker. Insurance Worker thanks the Reception Committee for this great gesture.

### OTHER DONATIONS

Com. Debasish Gosh, Coochbehar Br.	Rs. 5000
Com. V.K.Desai, Surat Div.	10000
Com. Siddeswar Modi, Dhanbad Br.	1000
Com. Sreeja Palakkad Branch II	10000
Com. Asim Kumar Misra, Kharagpur DO	10000
Com. Vilas B Ninave, Ambarnath Br, Thane	1000
Com. Elangovan, Chennai Region Gen. Ins.	2000
Com. Sreevidya, Trivandrum DO	500
Com. Amirchand Arora, Kurukshetra Br.	500

### DONATIONS TO AIIEA

Com. Vinod K. Desai	
- Surat	Rs. 10,000
Com. B. Prakash Rao	
- Vizag	10,000
Com. K.V. Surayanarayana	
- Vizag	5,000
Com. Dilip kumar	
- Patna	5,200
Com. Bnashi Dhar Singh	
- Patna	2,000
Com. B. Prasad	
- Patna	1,001

Insurance Worker and AIIEA heartily thank these comrades for their love & affection.

### CONSUMER PRICE INDEX

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April	312	7121.68
May	314	7167.33
June	316	7212.98
July	319	7281.46
August	320	7304.29
September	322	7349.94
October	325	7418.42
November	328	7486.90
December	330	7532.55
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### FORM IV

#### (See Rule 8)

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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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