

**ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION**  
**LIC BUILDING SECRETARIAT ROAD HYDERABAD 500 004**  
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April 16, 2025

To,  
All the Zonal/Divisional/State/Regional Units

Dear Comrades,

**AIIEA Secretariat Meeting at Hyderabad on 12-13 April 2025 Decides**  
**To Join the Nationwide General Strike on 20<sup>th</sup> May 2025**  
**To Intensify Campaign against FDI hike in Insurance, Further Dilution of Equity from LIC**  
**To Press for Immediate Wage Settlement in PSGI Companies**  
**To Campaign on the Demand of Merger of PSGI Companies**  
**To Intensify Agitation on the Demand of Recruitment in LIC**  
**To Celebrate the Platinum Jubilee Year of AIIEA in a Grand Manner**

The Secretariat of AIIEA met at Hyderabad on 12-13 April 2025. The primary task before the Secretariat was to take stock of the developments in the insurance industry in the background of the prevailing political and economic situation, at the national and international levels, and come out with appropriate organizational strategies to successfully meet the challenges. The Secretariat congratulated LIC employees throughout the country for the massive success of the One-Hour walk-out strike on 20<sup>th</sup> February 2025 demanding recruitment in LIC. The meeting also congratulated the employees and officers of PSGI companies for their united and spirited struggle on the demands of immediate wage revision, enhancement of family pension to a uniform rate of 30 per cent and enhancement of management's contribution to NPS from 10 to 14 per cent (without prejudice to the demand for abolition of NPS and its replacement with the 1995 pension scheme). The meeting underscored the need for more intensified actions in the days to come for realising the long pending demands of the employees.

The Secretariat expressed concern over the way the Trump administration was trying to upend the international order. Slogans like 'America First' and 'Make America Great Again' are indicative of the hegemonic aspirations of US imperialism, noted the Secretariat. The craven attitude of the government towards the Trump administration even in the face of the latter's hostile actions against India on tariffs, visas and inhuman deportation of Indian immigrants came in for sharp criticism. At a time when countries like Canada, Mexico, China and the EU are standing up to US threats and preparing their economies to meet the challenges, the submissive attitude of our government stood in direct contrast to its nationalist pretensions. The Secretariat took strong exceptions to the recent remark in the 2025 National Trade Estimate Report of the US States Trade Representative (USTR) that LIC enjoys unfair competitive advantage due to the Sovereign Guarantee of the Government. The Secretariat was equally critical of the recent IMF-World Bank Report titled Financial Sector Assessment Programme (FSAP) which made an oblique reference to the uneven playing field for private insurance industry in India. Terming these insinuations as unwarranted and unbecoming, the Secretariat felt that the US has made bold to interfere in the internal functioning of our financial system because of the tame surrender of the government to the dictates of the US.

The Secretariat noted that the demands of US imperialism to further liberalise India's insurance sector was perfectly in sync with the economic ideology of the present government. The recent Union Budget has fixed a target of Rs. 47,000 crore in the FY 2025-26 to be mobilized from disinvestment of PSUs. Further dilution of government equity from the LIC is an easy option for the government; there are already reports in the media that the government is planning to do this through Offer For Sale (OFS)- a method by which promoters of a company sell shares to the public. There are also moves underway to privatise one of the PSGI companies. The meeting cautioned that the government is likely to introduce a Bill in the monsoon session of Parliament incorporating therein provisions to raise FDI limit to 100%, to introduce composite licenses, to allow insurers to offer multiple categories of insurance under a single license, to empower IRDAI to specify lower entry capital (not less than Rs.50 crore), to bring down the requirement of Net Owned Funds for foreign re-insurers from the existing Rs.5,000 crore to Rs.1,000 crore and a host of issues portending dangers for public sector insurance industry.

The Secretariat was critical of the move of the government to destabilise India's public sector insurance industry at a time when they are performing admirably well in spite of severe challenges. LIC is the unparalleled leader in the insurance industry housing policies with a combined sum assured of ₹60 trillion, a share of around 60% in new business premium, 70% of individual insurance policies, almost 90% in group insurance policies and ₹55 trillion in assets under management (for perspective, the AUM of India's entire mutual funds industry is ₹67 trillion). The LIC is expected to close the FY 2024-25 with a reasonable growth despite the fact that the economy is beset with a severe crisis. Commending the impressive turnaround made by the PSGI companies, the Secretariat noted with satisfaction that the four PSGI companies have mopped up a premium income of ₹95,196.04 crore in the FY 2024-25 compared to ₹90,252.13 crore in the previous FY, thereby registering a growth rate of 5.47% which is more than the growth of the private general insurance industry. Merger of the PSGI companies, as demanded by AIIEA, would go a long way in further enhancing the performance of these companies, felt the Secretariat. The secretariat termed the silence of the government on the merger issue of PSGI companies as duplicitous. The meeting called upon the employees to call out the double-standard of the government on the issue of merger of public sector banks and Regional Rural Banks (One State One RRB) on the one hand and that of PSGI companies on the other. If PSB merger and One State One RRB are intended to improve operational efficiency and usher in economies of scale, how can the stand be different in respect of PSGI companies; questioned the Secretariat. The Secretariat was of the firm understanding that genuine demands of employees of PSGI companies like revision of wages, enhancement of family pension to a uniform rate of 30 per cent and enhancement of management's contribution to NPS from 10 to 14 per cent (without prejudice to the demand for abolition of NPS and its replacement with the 1995 pension scheme) cannot brook any delay. Any delay on these issues would invite industrial unrest, warned the Secretariat.

The Secretariat had a detailed discussion on the changed business model and change in approach of LIC management in the post IPO period and decided to question these through serious agitations. The Secretariat called upon the employees to intensify their campaign against FDI hike in insurance up to 100%, further dilution of government equity from the LIC, privatization of PSUs in general and privatization of PSGI companies in particular, on the demand of merger of PSGI companies, on the demand of recruitment in LIC and the unilateral approach of the management on issues pertaining

to the institution and the employees.

The Secretariat had a dispassionate analysis of the state of the economy and came to the understanding that growing poverty, unemployment, joblessness and rising inequalities are acute manifestations of the failure of the neoliberal policies. Having miserably failed in the economy front and unable to meet the aspirations of the people, the ruling class in India was now utilizing communalism as a political mobilization strategy to divert the attention of the people from real issues and thereby remain entrenched in political power. The meeting felt that unemployment and the growing miseries of the people provided the class context in which the threat of communalism was spreading and therefore there was a need to integrate the struggle against neoliberalism with the struggle to protect the unity of the people irrespective of caste, creed and religion. The meeting felt that growing authoritarianism, fast erosion in the autonomy of constitutional bodies, savage attack on principles of federalism and unbridled powers to corporates at the expense of the workers are serious challenges that need to be countered through a broad mobilization of the workers. The meeting was critical of the four Labour Codes which are bound to strip the workers of their hard-earned rights like minimum wages, job security and collective bargaining. The meeting was unanimous in its condemnation of the draconian laws like UAPA and PMLA which were being misused to criminalise dissent including workers' protests. The meeting sought to draw attention of the employees to Section 111 of the recently enacted Bharatiya Nyay Samhita which brands collective worker actions as "organized crime" leading to arrests and repression. The Secretariat was unanimous in its understanding that all the draconian laws were intended to further help the profit maximization of the capitalists while imposing further burdens on the working people already groaning under the burden of price rise, unemployment, job losses and mounting debt.

In this context, the meeting noted with satisfaction that the joint platform of Central Trade Unions and Independent Sectoral National Federations/ Associations representing all sections of the working people of our country held a **National Convention of Workers on 18th March, 2025 at New Delhi** against the anti-labour and neo-liberal economic policies pursued by the BJP led NDA government. [The AIEA was represented by Coms. V. Ramesh, President; Shreekant Mishra, General Secretary; H.I. Bhatt, Joint Secretary, Bhanu Pratap Singh and Raghunandan Prasad (both from NZIEA headquarters)]. **This national Convention has given a call for a countrywide General Strike on 20<sup>th</sup> of May 2025 on a 17 point Charter of Demands which includes, among other issues, putting a halt to further FDI hike in insurance, stopping privatization of public sector enterprises, removal of all ceilings on payment and eligibility of Bonus, Provident Fund and increases quantum of Gratuity; scrapping NPS/UPS and restoration of the Old Pension Scheme, no casualization of work in any form like Outsourcing, Fixed Term Employment, Apprentices, Trainees etc. and the most important of all, scrapping of the four labour codes.**

Insurance employees under the banner of the AIEA are already in struggle on these issues. The coming together of a broad coalition of trade unions under the joint platform and putting up a united struggle is naturally a welcome development. The struggle and voice of insurance employees will naturally get a larger amplification because of the development of joint struggle on precisely the same set of issues on which we are already in struggle. **The Secretariat therefore unanimously decided that employees in LIC and PSGI companies will join this One Day Countrywide General Strike on 20<sup>th</sup> of May 2025 and called upon insurance employees to make this strike action a**

**historic success.** The Secretariat also authorized the headquarters of the AIEA to explore the possibilities of a joint struggle with like minded trade unions across the financial sector to make the strike action truly historic. The meeting of the Secretariat called upon the employees to start preparations for the strike action in right earnest.

The Secretariat of the AIEA held detailed discussions on issues pertaining to the organization, the Platinum Jubilee Year Celebrations of AIEA from July 2025 to June 2026, the 27<sup>th</sup> General Conference of AIEA at Bhubaneswar and a host of other issues. The AIEA will come out with detailed circular on all these issues shortly. In the meanwhile, we request our units and members to take the message of the Secretariat to all our members and start preparations in a big way for the all-out success of the ensuing 20<sup>th</sup> May 2025 Countrywide General Strike.

With Greetings,

Comradely Yours



General Secretary

