

# Insurance Worker



Monthly Journal of ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION  
Volume 66 • Number 12 • December 2023 • ₹ 10 • Pages 40+4



एक देश कई दुनिया



Genocidal War on Gaza



Question over Parliamentary Democracy



Working Class under Neo-liberalism

Rising Financial Distress



"I have decided that the BJP government will extend the scheme of providing free rations to 80 crore poor people in the country for the next 5 years. Your love and blessings always give me the strength to make sacred decisions."  
-PM at an Election Rally (4th Nov. 2023)

**...rather than gloating on the GDP growth & the size of the economy, address the alarming rise in INEQUALITIES**

**NEGOTIATIONS on WAGE REVISION without further delay for Peace & Progress of LIC**

**'TAAREEKH PE TAAREEKH'**  
The Experience of LIC Pensioners



*With Best Wishes  
and  
Season's Greetings*



*From*  
**Insurance Corporation  
Employees Union**  
*Warangal Division*

## OPEN NEGOTIATIONS ON WAGE REVISION

The wage revision in LIC fell due on August 1, 2022. The AIIEA submitted its Charter of Demands for wage revision on 11<sup>th</sup> August 2022 to the Chairperson of LIC. The AIIEA explained that the demands contained in the charter were framed after widest consultations with the employees across the country. Therefore, the Charter of Demands is a reflection of the collective hopes and aspirations of the LIC employees. The Chairperson was informed in detail about the justification of the demands in the context of the progress registered by the institution in the 5-year period since the last wage revision. It was emphasised that there should not be any undue delay in beginning a dialogue on the demands and all efforts must be made to arrive at a satisfactory settlement at the earliest. The other partners of the Joint Front too have submitted their respective Charters.

It is nearing 16 months since the Charters of Demands were placed. It is surprising as to why LIC has not even had a preliminary discussion with the Unions on the demands raised. The LIC had enough time to analyse and study the implications of the demands. LIC would have also informed the government about the wage revision having fallen

due and the demands for upward revision. In the meantime, the government has advised IBA to reach a settlement with the Bank Unions on their wage revision as early as possible and the discussions there are at an advance stage. Why then, LIC is not opening a dialogue on this important issue? There could be only two reasons. One, the government for reasons well known is continuing the policy of discrimination against the insurance employees. Second, the LIC has not been able to forcefully place the case for wage revision before the government. In either case, LIC employees have to chart out their path to secure the demands which are eminently justified.

Undoubtedly, LIC is the finest public financial institution in the country. It has been made so by the sweat and toil of its workforce. In a capitalist system of production, a worker is alienated from the institution. But the great efforts of AIIEA made the employees realise that LIC is not just an employer but it is their ideological commitment - a commitment to nation building; a commitment to building of a welfare state. It is this commitment that has made LIC employees defend their institution braving great odds. Not just programs are undertaken by the employees to continuously strive to improve the

### In this issue

10 Stop this Genocidal War on Gaza  
*Shreekant Mishra*

13 Time to repeal GST on Insurance  
*P Satish*

15 Rising Financial Distress  
*Dr S K Mohapatra*

17 The question over  
Parliamentary Democracy  
*S.Sivasubramanian*

20 एक देश कई दुनिया  
*रामजी तिवारी*

22 The Working Class under  
Neo-liberalism

*Prof. Prabhat Patnaik*

24 Whither India's Armed Forces:  
Politicisation by Default or Design?  
*Maj.Gen S.G.Vombatkere*

Insurance News-A M Khan  
Working Class Struggles-S Sridhar  
Economic Tid-bits-J Suresh  
For our Field Force-Arivukkadal

Cover design & Lay-out:  
*M Ramu, Kriya Prakashana*

servicing; but they have also taken up the task in many parts of the country to motivate the agency force and help business procurement. Therefore, to expect that LIC would recognise this contribution and ensure the fulfilment of their legitimate aspirations is totally justified.

The LIC has been registering continuous progress. There is no parallel anywhere in the world where after a quarter century of intense competition, with both the government and the regulator privileging the private sector, a single institution dominates the market in the manner LIC does. It controls the market share in premium income by nearly 60% and in number of policies by 70%. There is no doubt that in the coming period, LIC will further increase its market share. It is managing assets amounting to an astonishing figure of over 47 lakh crore. This dominance in the market at a time when financial savings have touched low levels, and overcoming the uncertainties created by IPO and the campaign unleashed on investments in

Adani firms, is something to cheer about. What is more important to understand is that the increasing premium earned and policies serviced are being done by ever decreasing number of employees. This is a powerful statement about the high productivity of the employees.

The LIC and the government must no longer adopt a policy of delay in consideration of the legitimate demands of the employees. The LIC must immediately begin the process of negotiations and make all efforts to reach a settlement meeting the hopes and aspirations of the employees. The LIC has been immensely benefitted by the loyalty and commitment of its workforce. It should not fritter away this goodwill. Rather, it must harness this goodwill and the capabilities to meet the enormous challenges of the competitive environment. Therefore, negotiations must begin without further delay and settlement must be arrived at the earliest in the interest of industrial peace and progress of the institution.

---

## TAREEKH PE TAREEKH

In a recently held program, the Chief Justice of India Y.V.Chandrachud commented that he does not want the Supreme Court to become a ‘Tareekh Pe Tareekh’ court. He was very critical of the unnecessary adjournments sought delaying the process of final disposal of the cases. But the experience of the LIC Pensioners is something different. They are disappointed with ‘Tareekh Pe Tareekh’ not because their Counsels are seeking adjournments but the refusal of the Court itself to hear their case on the fixed date. The requests of their Counsels to the Bench to fix up a date and place their case on top of the list so that finality can be reached on the dispute raised, find no sympathy from the Court.

The present SLP in the Supreme Court was registered on 4 / 8 / 2017. The Petitioners have raised two specific issues. One, while the Delhi High Court agreed that there is discrimination in payment of Dearness Allowance between those retired prior and after 1.8.1997. However, instead of directing LIC to end this discrimination, the Court took up the responsibility of deciding a formula which does not end discrimination. Second, the petitioners have argued that since Pension in LIC

is introduced on the lines of Civil Services Rules of the Central Government, they also should get the benefit of upward revision of pension as in the case of central government employees whenever existing employees get the wage revision.

The issues raised do not require a prolonged hearing. They can be heard and decided fast but unfortunately even after 6 years of registration of SLP, the case is not heard even once. This is really disappointing and agonising to the pensioners. During the pendency of the case, a very large number of pensioners have died. A large number of very senior pensioners from across the country wrote to the Chief Justice, explained their plight and requested his intervention for fixing early hearing of the case. Unfortunately, there has been no response. It is also unfortunate that the Bench is not sympathetic to the suggestion by the petitioners to fix an early date for hearing.

This is the sorry state of the justice delivery system in India. The Government has informed the Parliament that more than 50 million cases are pending in various courts in the country. Some of the cases are pending for decades making the people losing confidence in the justice delivery system. If the

Chief Justice does not want his Court to become a Tareekh pe Tareekh Court, he should not only think of only adjournments as the cause of delay but also set things right in the Court for proper fixing and hearing of the cases where Petitioners sincerely desire to bring finality to the dispute they have raised. If the

Court can hear cases of influential people, often sitting on holidays, why it should not hear early the dispute raised by senior and octogenarian citizens. Let us hope the Chief Justice deliberates on the requests made by the LIC Pensioners and take steps for early disposal of their case.

## RISING INEQUALITIES

The Prime Minister in an election rally in Chhattisgarh announced that his government will extend by another 5 years the free foodgrain supply to 810 million Indians. This roughly translates to around 60% of the population if we take India's current population to be 1.4 billion. This clearly vindicates many of the recent reports about the distress, vulnerabilities and sufferings of the vast majority of the population due to the lopsided economic development. The Global Hunger Index had placed India at 111 out of 125 countries. The government had rejected this report but the current announcement of the Prime Minister is a clear admission of the failure of his government's economic policies.

There is a wide consensus that India today is one of the most unequal countries. The World Inequality Report 2022 estimates that the top 1% of the population has a share of 33 percent in national wealth and 22 percent in national income. The top 10% control 65 percent of wealth and 57% of income. Compare this to the pathetic situation of the bottom 50% of the population. They have a meagre share of 5.9 percent in wealth and 13.1 percent in income. Such is the level of inequalities and the resultant miseries for the vast majority of the people.

Instead of working to reduce these inequalities, the government is still banking on the trickle-down

effect, which stands discredited across the globe. There are proud claims that in terms of the size of the economy, India will be the third largest in a few years from now. We have repeatedly said that GDP is not the true measure of the welfare of the people. It is a fact that India has a low rank of 142 out of 197 countries in terms of per capita income. There is a wide consensus now that Indian economy is experiencing a K type recovery where the rich are cornering the benefit of growth while the poor continue to languish. There are claims that bank credit is picking up. But a closer scrutiny reveals that there is no credit offtake by the industry while credit is increasing in personal loans and gold loans which are normally taken for consumption. This shows that household debt is phenomenally increasing due to rising inflation and stagnant wages. This is a serious cause of concern.

The Government rather than gloating on the GDP growth and the size of the economy must seriously address the alarming rise in inequalities by a just redistribution of wealth and by investments in human and social capital. This is possible only by revisiting the neoliberal economic policies. But, we are afraid that based on our experience, the government would chose the easy option of polarising the society to remain in power. This is a challenge for the working class of India today.

## AIEA demands Immediate Commencement of Wage Negotiations

### **Letter to LIC Chairperson dt 26 / 10 / 2023**

"The Unions in LIC submitted their Charter of Demands in August 2022 for revision of wages effective from 01.08.2022. Even after lapse of more than one year, negotiations are yet to commence in LIC. This has naturally given rise to restiveness among employees. It is to be noted that, in the meanwhile, public sector banks have already had several rounds of discussions with a view to settle the wage question early. This being the position in analogous institutions, there should be no reason why the negotiations cannot start in LIC.

We would request you to initiate steps for immediate commencement of the wage negotiations with an intention to settle the issue early, keeping the aspirations of the employees in mind."

## वेतन पुनरीक्षण पर बातचीत शुरू करें

एलआईसी में वेतन संशोधन एक अगस्त 2022 को देय हो गया था। एआईआईईए ने 11 अगस्त 2022 को एलआईसी के चेयरपर्सन को वेतन संशोधन के लिए अपनी मांगों का चार्टर प्रस्तुत कर दिया था। एआईआईईए ने बताया कि चार्टर में शामिल मांगों को देश भर के कर्मचारियों के साथ व्यापक विचार-विमर्श के बाद तैयार किया गया था। इसलिए, मांगों का चार्टर एलआईसी कर्मचारियों की सामूहिक आशाओं और आकांक्षाओं का प्रतिबिंब है। चेयरपर्सन को पिछले वेतन संशोधन के बाद से साल की अवधि में संस्था द्वारा दर्ज की गई प्रगति और मांगों के बीच तर्कसंगतता के बारे में विस्तार से बताया गया। इस बात पर जोर दिया गया था कि मांगों पर बातचीत शुरू करने में कोई अनुचित देरी नहीं होनी चाहिए और जल्द से जल्द संतोषजनक समाधान पर पहुंचने के लिए सभी प्रयास किए जाने चाहिए। जॉइंट फ्रंट के अन्य भागीदारों ने भी अपना-अपना चार्टर जमा कर दिया है।

मांगों का चार्टर रखे हुए 16 महीने होने वाले हैं। यह आश्चर्य की बात है कि एलआईसी ने उठाई गई मांगों पर यूनियनों के साथ प्रारंभिक चर्चा भी क्यों नहीं की है। एलआईसी के पास मांगों के निहितार्थों का विश्लेषण और अध्ययन करने के लिए पर्याप्त समय था। एलआईसी ने सरकार को वेतन संशोधन के

लंबित होने और बढ़ोतरी की मांग के बारे में भी सूचित किया होगा। इस बीच, सरकार ने आईबीए को बैंक यूनियनों के साथ वेतन संशोधन पर जल्द से जल्द समझौता करने की सलाह दी है और वहां चर्चा अंतिम चरण में है। फिर भी क्यों एलआईसी इस महत्वपूर्ण मुद्दे पर बातचीत नहीं शुरू कर रही है? इसके केवल दो कारण हो सकते हैं। एक तो सरकार सर्वविदित पूर्वाग्रही कारणों से बीमा कर्मचारियों के प्रति अपनी भेदभाव की नीति जारी रखे हुए है। दूसरा, एलआईसी वेतन संशोधन के मामले को सरकार के सामने मजबूती से नहीं रख पा रही हो। कारण कोई भी हो, एलआईसी कर्मचारियों को इन बहुत उचित मांगों को पूरा करने के लिए अपना रास्ता तैयार करना होगा।

निस्संदेह, एलआईसी देश का सबसे बेहतरीन सार्वजनिक वित्तीय संस्थान है। इसे इसके कार्यबल के पसीने और परिश्रम से बनाया गया है। पूंजीवादी उत्पादन प्रणाली में एक श्रमिक को उसकी संस्था से अलग-थलग कर दिया जाता है। लेकिन एआईआईईए के खास प्रयासों ने कर्मचारियों को यह एहसास कराया कि एलआईसी सिर्फ एक नियोक्ता नहीं है, बल्कि यह उनकी वैचारिक प्रतिबद्धता है— राष्ट्र निर्माण के प्रति प्रतिबद्धता; एक कल्याणकारी राज्य के निर्माण के प्रति प्रतिबद्धता। यह वह

## तारीख पर तारीख

हाल ही में आयोजित एक कार्यक्रम में भारत के मुख्य न्यायाधीश वार्ड.वी.चंद्रचूड ने टिप्पणी की कि वह नहीं चाहते कि सुप्रीम कोर्ट तारीख पर तारीख अदालत बने। वह मामलों के अंतिम निपटान की प्रक्रिया में देरी के लिए मांगे गए अनावश्यक स्थगन के बहुत आलोचक थे। लेकिन एलआईसी पेंशनर्स का अनुभव कुछ अलग है। वे तारीख पर तारीख से निराश हैं, इसलिए नहीं कि उनके वकील स्थगन की मांग करते रहते हैं, बल्कि अदालत द्वारा खुद मामले की अपनी तय तारीख पर सुनने से इन्कार कर दिया जाता है। उनसे वकीलों ने बैंच से एक तारीख तय करने और उनके मामले को सूची में सबसे ऊपर रखने का अनुरोध किया गया ताकि उठाए गए विवाद पर अंतिम निर्णय पर पहुंचा जा सके, लेकिन अदालत की ओर से कोई सहानुभूति नहीं मिली।

सुप्रीम कोर्ट में मौजूदा एसएलपी 4 अगस्त 2017 को दर्ज की गई थी। याचिकाकर्ताओं ने दो विशिष्ट मुद्दे उठाए हैं। एक, जबकि दिल्ली उच्च न्यायालय ने यह मान लिया कि 1.8.1997 से पहले और उसके बाद हुए सेवानिवृत्त लोगों के बीच महंगाई भत्ते के भुगतान में भेदभाव हुआ है। उस पर, बजाए इसके कि अदालत एलआईसी को इस भेदभाव को खत्म करने का निर्देश देती, अदालत ने एक फार्मूला तय करने की जिम्मेदारी उठाली जिससे भेदभाव खत्म ही नहीं होता है। दूसरा, याचिकाकर्ताओं ने तर्क दिया है कि चूंकि एलआईसी में पेंशन केंद्र सरकार के सिविल सेवा नियमों की तर्ज पर शुरू की गई है, इसलिए उन्हें भी केंद्र सरकार के कर्मचारियों की तरह ही पेंशन बढ़ोतरी में पुनरीक्षण का लाभ मिलना चाहिए जहां मौजूदा कर्मचारियों को जब कभी भी वेतन पुनरीक्षण हो उसके साथ यह लाभ मिलता है।

ये उठाए गए मुद्दे ऐसे नहीं हैं जिनमें कोई बहुत लंबी सुनवाई की जरूरत हो। इन पर तेजी से सुनवाई और फैसला

हो सकता है लेकिन दुर्भाग्य से एसएलपी के 6 साल बाद भी मामले की एक बार भी सुनवाई नहीं हुई है। यह पेंशनभोगियों के लिए वास्तव में निराशाजनक और अति पीड़ादायक है। मामले के लंबित रहने के दौरान बहुत बड़ी संख्या में पेंशनभोगियों की मृत्यु हो गई है। देश भर से बड़ी संख्या में वरिष्ठ पेंशनभोगियों ने मुख्य न्यायाधीश को पत्र लिखकर अपनी दुर्दशा बताई और मामले की शीघ्र सुनवाई तय करने के लिए उनके हस्तप का अनुरोध किया था। दुर्भाग्य से, कोई जवाब नहीं मिला। यह भी दुर्भाग्यपूर्ण है कि पीठ सुनवाई के लिए शीघ्र तारीख तय करने के याचिकाकर्ताओं के सुझाव के प्रति सहानुभूति नहीं रखती है।

यह भारत में न्याय वितरण प्रणाली की दयनीय दशा को दर्शाता है। सरकार ने संसद को बताया है कि देश की विभिन्न अदालतों में 5 करोड़ से ज्यादा मामले लंबित हैं। कुछ मामले दशकों से लंबित हैं, जिससे लोगों का न्याय वितरण प्रणाली पर से विश्वास उठ रहा है। यदि मुख्य न्यायाधीश नहीं चाहते कि उनकी अदालत तारीख-पे-तारीख वाली अदालत बने, तो उन्हें न केवल स्थगन को देरी का कारण मानना चाहिए, बल्कि उन मामलों की उचित सुनवाई और सुनवाई के लिए अदालत में चीजों को सही करना चाहिए, जहां याचिकाकर्ता ईमानदारी से चाहते हैं कि उनके द्वारा उठाए गए विवाद को अंतिम रूप दिया जाए। यदि अदालत प्रभावशाली लोगों के मामलों की सुनवाई कर सकती है, बहुधा अवकाश में भी बैठ लेते हैं, तो उसे वरिष्ठ और अस्सी वर्ष से अधिक उम्र के नागरिकों द्वारा उठाए गए विवाद की सुनवाई जल्दी क्यों नहीं करनी चाहिए। आइए आशा करें कि मुख्य न्यायाधीश एलआईसी पेंशनभोगियों द्वारा किए गए अनुरोधों पर विचार-विमर्श करेंगे और उनके मामले के शीघ्र निपटान के लिए कदम उठाएंगे।

प्रतिबद्धता है जिसने एलआईसी कर्मचारियों को बड़ी बाधाओं का सामना करते हुए अपने संस्थान की रक्षा करने हेतु प्रेरित किया है। सर्विसिंग में सुधार के लगातार प्रयास करने की दिशा में कर्मचारियों द्वारा न केवल अनेक कार्यक्रम चलाए गए हैं; बल्कि उन्होंने इसके साथ में एजेंसी बल को प्रेरित करने और व्यवसाय को हासिल करने में मदद करने के लिए देश के कई हिस्सों में अनेक कार्यक्रम किए हैं। इसलिए, यह उम्मीद करना पूरी तरह से उचित है कि एलआईसी इस योगदान की कद्र करेगी और उनकी वैध आकांक्षाओं की पूर्ति सुनिश्चित करेगी।

एलआईसी लगातार प्रगति दर्ज कर रही है। दुनिया में कहीं भी ऐसी कोई मिसाल नहीं है जहां एक चौथाई सदी की तीव्र प्रतिस्पर्धा और सरकार तथा नियामक संस्था दोनों के ही द्वारा निजी क्षेत्र को दिये गए विशेषाधिकार समर्थन के बावजूद अकेले एक संस्थान बाजार पर इस तरह हावी रहा हो जैसे एलआईसी रही है। यह प्रीमियम आय में बाजार हिस्सेदारी को लगभग 60 प्रतिशत और पॉलिसियों की संख्या में 70 प्रतिशत तक नियंत्रित करता है। इसमें कोई संदेह नहीं है कि आने वाले समय में एलआईसी अपनी बाजार हिस्सेदारी और बढ़ाएगी। यह आश्चर्यजनक रूप से 47 लाख करोड़ से अधिक की संपत्ति का प्रबंधन कर रहा है। ऐसे समय में जब वित्तीय बचत निचले स्तर पर पहुंच गई हों और अडानी फर्मों में निवेश को लेकर

फैलाए गए दुष्प्रचार अभियान से पैदा हुई अनिश्चितताओं पर काबू पाकर बाजार में यह दबदबा बनाए रखना कुछ ऐसी बात है जो प्रोत्साहित करती है। यह समझना अधिक महत्वपूर्ण है कि अधिक अर्जित प्रीमियम और अधिक पॉलिसियों की सेवा कर्मचारियों की लगातार घटती संख्या द्वारा की जा रही है। यह कर्मचारियों की उच्च उत्पादकता को दर्शाने वाला एक सशक्त कथन है।

एलआईसी और सरकार को अब कर्मचारियों की जायज मांगों पर विचार करने में देरी की नीति नहीं अपनानी चाहिए। एलआईसी को तुरंत बातचीत की प्रक्रिया शुरू करनी चाहिए और कर्मचारियों की आशाओं और आकांक्षाओं को पूरा करते हुए किसी समझौते पर पहुंचने के लिए सभी प्रयास करने चाहिए। एलआईसी को अपने कार्यबल की निष्ठा और प्रतिबद्धता से अत्यधिक लाभ हुआ है। इस सद्भावना को नष्ट नहीं करना चाहिए। बल्कि, उसे प्रतिस्पर्धी माहौल की भारी चुनौतियों का सामना करने के लिए इस सद्भावना और क्षमताओं का उपयोग करना चाहिए। इसलिए, बातचीत बिना किसी देरी के शुरू होनी चाहिए और औद्योगिक शांति और संस्था की प्रगति के हित में जल्द से जल्द समझौता होना चाहिए।

## बढ़ती असमानता

प्रधानमंत्री ने छत्तीसगढ़ में एक चुनावी रैली में घोषणा की कि उनकी सरकार 81 करोड़ भारतीयों को मुफ्त खाद्यान्न आपूर्ति अगले 5 वर्षों के लिए बढ़ाएगी। यदि हम भारत की वर्तमान जनसंख्या 140 करोड़ मानें तो यह लगभग 60 प्रतिशत जनसंख्या होती है। यह असंतुलित आर्थिक विकास के कारण आबादी के विशाल बहुमत के संकट, कमजोरियों और पीड़ाओं के बारे में हाल की कई रिपोर्टों की स्पष्ट रूप से पुष्टि करता है। ग्लोबल हंगर इंडेक्स ने भारत को 125 देशों में से 111वें स्थान पर रखा था। सरकार ने इस रिपोर्ट को खारिज कर दिया था लेकिन प्रधानमंत्री की वर्तमान घोषणा उनकी सरकार की आर्थिक नीतियों की विफलता की स्पष्ट स्वीकारोक्ति है।

इस बात पर व्यापक सहमति है कि भारत आज सबसे असमान देशों में से एक है। विश्व असमानता रिपोर्ट 2022 का अनुमान है कि जनसंख्या के शीर्ष प्रतिशत की राष्ट्रीय संपत्ति में 33 प्रतिशत और राष्ट्रीय आय में 22 प्रतिशत की हिस्सेदारी है। शीर्ष 10 प्रतिशत का 65 प्रतिशत धन और 57 प्रतिशत आय पर नियंत्रण है। इसकी तुलना निचली 50 प्रतिशत आबादी की दयनीय स्थिति से करें। उनके पास संपत्ति में 5.9 प्रतिशत और आय में 13.1 प्रतिशत की मामूली हिस्सेदारी है। बहुसंख्यक आबादी में लोगों के लिए असमानताओं का स्तर और उसकी वजह से मुसीबत यही है।

इन असमानताओं को कम करने के लिए काम करने के बजाए, सरकार अभी भी ट्रिगल-डाउन प्रभाव पर भरोसा कर रही है, जो दुनिया भर में बदनाम है। बड़े, गर्व से दावा किया

जा रहा है कि अर्थव्यवस्था के आकार के मामले में, भारत अब से कुछ वर्षों में तीसरी सबसे बड़ी अर्थव्यवस्था होगी। हमने बार-बार कहा है कि जीडीपी लोगों के कल्याण का सही पैमाना नहीं है। यह सच है कि प्रति व्यक्ति आय के मामले में भारत 197 देशों में से 142 वें स्थान पर है। अब इस बात पर व्यापक सहमति है कि भारतीय अर्थव्यवस्था के आकार की रिकवरी का अनुभव कर रही है जहां अमीर लोग विकास का लाभ अपनी ओर मोड़ रहे हैं जबकि गरीब लगातार परेशान हो रहे हैं। ऐसे दावे हैं कि बैंक ऋण बढ़ रहा है। लेकिन बारीकी से जांच करने पर पता चलता है कि उद्योग द्वारा ऋण को नहीं उठाया जा रहा है बल्कि ऋण उठाव व्यक्तिगत ऋण और स्वर्ण ऋण में बढ़ रहा है जो आम तौर पर उपभोग के लिए लिया जाता है। इससे पता चलता है कि घरेलू कर्ज बढ़ती मुद्रास्फीति और स्थिर मजदूरी के कारण अभूतपूर्व रूप से बढ़ रहा है। यह चिंता का एक गंभीर कारण है।

सरकार को सकल घरेलू उत्पाद की वृद्धि और अर्थव्यवस्था के आकार पर इतराने के बजाए धन के उचित पुनर्वितरण और मानव और सामाजिक पूंजी में निवेश के माध्यम से असमानताओं में खतरनाक वृद्धि को गंभीरता से संबोधित करना चाहिए। यह नवउदारवादी आर्थिक नीतियों पर दोबारा गौर करने से ही संभव है। लेकिन, हमें डर है कि हमारे अनुभव के आधार पर सरकार सत्ता में बने रहने के लिए समाज का ध्रुवीकरण करने का आसान विकल्प चुनेगी। भारत के श्रमिक वर्ग के लिए आज यह एक चुनौती है।

# Veteran Trade Union Leader and Parliamentarian Com. Basudev Acharia is no more

***Veteran trade union leader and parliamentarian Com. Basudev Acharia breathed his last on November 13, 2023 at Hyderabad after a period of prolonged illness. He was 81. He is survived by two daughters and one son.***

In his demise, the working class movement lost one of its staunchest allies; the country lost one of the exemplar parliamentarians who always held peoples' issues dear to his heart. His demise creates a void which is difficult to be filled up. The AIIEA expresses its profound grief at the untimely demise of Com. Basudev Acharia.

Born on July 11, 1942 in Purulia in the state of West Bengal, Com. Acharia joined active politics right from his student days. After a brief stint as a school teacher, he worked as a full time worker of the CPI (M). He was elected to the Lok Sabha in 1980, 1989, 1991, 1996, 1998, 1999, 2004 and 2009. Despite repeated electoral successes and a long parliamentary career, he was untouched by the trappings of power. His simple, amiable and gentle demeanour endeared him to a wide section of the people. His entire parliamentary career was devoted to championing the cause of the working people inside Parliament. As Chairman of the Parliamentary

Standing Committee on Railways, he played a stellar role in protecting and strengthening Indian railways from the diabolical designs of neoliberalism.

Quite early in his political life, Com. Basudev Acharia joined the working class movement. He was deeply associated with the coal and railway workers' movement. He played a significant role in getting a large number of temporary/contract workers regularised as permanent employees in the railways. He has led many a militant struggle in the coal workers' movement. He took a lot of initiative for organising agents of LIC and till very recently, he was the President of the LIC Agents' Organisation of India. For decades, he was the national Vice President of the CITU and a permanent invitee to the national Secretariat of the CITU for the last six years.

Com. Basudev Acharia had a very close association with AIIEA. He took keen interest in taking up issues of insurance employees with the government as well as placing our points of view in Parliament. He was so thorough and conversant on issues of insurance employees that people unaware of his political credentials often mistook him for a leader of insurance employees' movement. His commitment for public sector institutions at large and LIC in particular was something exemplary. It would be instructive to mention two of his important interventions. The then Minister of State for Finance in the Vajpayee government, Sri Anandrao Vithoba Adsul, made some unsavoury comments against the financial health of LIC by comparing it to the erstwhile UTI. This naturally created a lot of confusion and anxiety amongst the policy holders and prospective clients. At the request of AIIEA, Com. Basudev Acharia who was then Chairman of the Petitions Committee (Lok Sabha) fixed up a meeting with then Union Finance Minister Late Jaswant Singh and led a delegation consisting of Comrades R.P. Manchanda, Com. K. Venugopal and Com. J. Gurumurthy. The Union Finance Minister not only appreciated the concerns of AIIEA, but he was candid enough to admit that he did not agree with





the understanding of his Minister of State so far as LIC's financial health was concerned. The second issue pertains to the unfair treatment accorded to profits earned by co-operative banks. When the Government of India decided to tax the profits of co-operative banks, our Co-Operative Bank in Bangalore (named Comptrollers' Office Co-Operative Bank) started a signature campaign against this proposal of the Government and all co-operative banks were made a part of this mobilisation. Com. Basudev Acharia fixed up a meeting with then Prime Minister of India Dr. Manmohan Singh and led our delegation. There are examples galore where Com. Acharia's intervention has ensured flow of benefits

to insurance employees.

With his passing away, the working class has lost one of its valiant leaders; the AIIEA lost one of its dependable allies. A delegation of AIIEA consisting of Comrades K. Venugopal, Shreekant Mishra and T.V.N.S. Ravindranath paid last respects to Com. Acharia late yesterday evening at Hyderabad. His body is being flown today to Kolkata.

The AIIEA conveys its heartfelt condolences to the bereaved family members, particularly his two daughters and son, and dips its banner in deepest respect to Com. Basudev Acharia.

***Long Live Com. Basudev Acharia.....***

## Com N Sankaraiah

***Com N Sankaraiah, Veteran Leader of Communist Movement and Freedom fighter aged 102 breathed his last on 15 / 11 / 2023 in Chennai after brief hospitalisation.***

He got involved in Freedom struggle during his college days and imprisoned by British regime. He had to abandon studies as he decided to fully involve himself in struggle for independence. He got released from Madurai Prison on 14/8/1947 on the eve of Independence.

He was attracted towards communist movement and continued his public life after independence also. He spent 8 years in prison before and after independence for public cause.

He was three time MLA in State legislature of TN and took up many issues of public interest. He was one of the founding leaders of CPI M and held various positions in party as State Secretary, Central Committee Member and Chair person of Control commission.

The state government of TN conferred the most Prestigious award of "Thagaisal Tamilian" in 2021 along with Rs 10 Lac cash award. He donated the Cash award in full next minute in the award function itself to TN CM Relief fund for Covid Relief.

He was a frontline leader of farmers. He played a vital role in building trade union movement. He evinced keen interest in the movement of the insurance employees. He Inaugurated SZIEF conference in ... in Chennai. He supported all our programs and campaign against opening up of insurance sector and attempts to privatise LIC and PSGI companies.

The AIIEA dips its banner in memory of this great leader and offers heartfelt condolences to the bereaved family and his innumerable admirers.



# AIIEA OPPOSES OUTSOURCING OF JOBS DEMANDS RECRUITMENT IN CLASS III & IV CADRES

The AIIEA has written to LIC Chairperson on 26/10/23 stating that “There is an acute shortage of manpower in Class III & IV cadres. Out of the 8000 Class III vacancies notified in 2020, more than 2700 vacancies could not be filled up for various reasons. With many exits due in all cadres in the next couple of years, there is an urgent need for recruitment to keep up with the soaring customer expectations and to retain our pre-eminent position as the insurer of choice.

Unfortunately, the response of LIC has been less than encouraging on the issue. Every time we take up the issue, we are assured that the issue would be looked into with all seriousness and the management requests for some more time for a detailed examination of the issue. We have suggested, on innumerable occasions, to immediately fill up the around 2700 unfilled vacancies existing from the last recruitment round pending the closer scrutiny of the exact need for recruitment. This would have been extremely helpful in augmenting our customer servicing in the immediate context. Sadly enough, neither that was done nor is there any serious

attempt to examine the issue in its entirety for a resolution of the problem. On the contrary, we are deeply anguished to point out, while there is no meaningful dialogue with the unions on this issue, some wild and preposterous statistics are doing the rounds in social media giving some weird projections of manpower strength in the future.

The position is more acute in the cadre of Class IV. There has been no recruitment to class IV cadre since long. Rather than addressing the issue by way of recruitment, attempts are being made at some places to outsource the Class IV jobs altogether. These attempts are in flagrant violations of the agreed position that jobs of permanent nature in Class IV cadre will not be outsourced. We would like to inform that the simmering discontent on the issue across the country has the potentiality of flaring up into a major IR problem vitiating the industrial atmosphere.

We would therefore request you to initiate the process of recruitment to Class III and IV cadres in the interest of the institution and in the interest of the policy holders.”

## AIIEA WRITES TO ED(P) on

- Enhancement of Family Pension to RPT Employees • Fixation of Pay on Promotion – ‘Stagnation’ to ‘Stagnation’ stage • Staff Housing Loan Issues

*AIIEA has addressed following letter to Executive Director (P) on 30.10.2023 on the above issues:*

“In September 2023, the Pension Rules 1995 have been amended whereby the Family Pension rate has been enhanced to 30% uniformly, irrespectively of Pay. However, this benefit has not been extended to RPT Employees who are governed by Pension Scheme, 1999. During the meeting of our delegation on 10.10.2023, this issue was also raised. We request you to extend this benefit to RPT Employees also at the earliest by taking up the issue with the appropriate authority.

We have been urging the LIC management, since long, to issue instructions allowing Fixation of Pay on Promotion, from Stagnation stage in pre-promoted

cadre to stagnation stage in the promoted cadre. We were assured, time and again, that suitable instructions would be released at the earliest. But till date, we find no progress on this issue. In this regard, we enclose herewith a copy of the Circular issued by National Insurance Company Ltd., dated 30.03.2023, wherein, the said facility has been granted to their employees and we see no reason why this benefit is delayed to LIC employees. Hence, we once again request you to release suitable instructions at the earliest and allow the employees to avail the benefit of fixation on promotion during the last phase of their career.

We also bring to your immediate attention, the problems being faced by employees with

regard to Staff Housing Loan availed from LICHFL. Employees have been requesting for conversion of extended cadre loan and (market rate loan, if any) to Basic Loan subsequent to the benefit of enhanced quantum of Basic Loan w.e.f. 1.12.2021. The employees in many Divisions have been waiting for more than a year for such conversion. We are informed that the employees are being replied by the HFL officials that a “revised Software patch had not been released from their Head Office” to allow

conversion of Extended Loan to Basic Loan. This arbitrary response from HFL authorities is causing financial loss to the employees for no fault of theirs. We request the immediate intervention of LIC management in resolving this problem and ensure that the conversions are effected from the eligible date (so that the employees are not deprived of the benefit of lower rate of loan on subsidy), without further delay.”

## AIIPA meets GIPSA Chairperson

Today, (15.11.2023), a delegation of the All India Insurance Pensioners’ Association (AIIPA) consisting of Comrades Satanjib Das, President, M. Kunhikrishnan, General Secretary, P. V. Subbarao and Priyabrata Bagchi, both Joint Secretaries met Shri. R.R. Singh, Chairperson, GIPSA at GIPSA Office, New Delhi and held discussion on the issue of enhancement of family pension at a uniform rate of 30% to Pensioners of PSGI Companies. The delegation submitted a memorandum to the Chairperson on this issue.

In the discussion, Shri. C.G. Prasad, Chief Executive and Shri. Sanjeev Seth, DGM were also present. The meeting was very cordial. The AIIPA delegation during the course of discussion pointed out that despite the recommendations of the Governing Body of GIPSA to the Government of India as far back as in December, 2021 for enhancement of family pension to 30%, it is yet to be acceded to PSGIC pensioners. It is extremely unfortunate and disappointing that among the Pensioners of the public sector financial institutions, only the PSGIC pensioners have been left out. This is highly discriminatory. The AIIPA delegation informed the Chairperson of the efforts undertaken by the organisation at the level of DFS and particular at the Finance Ministry level when it met the Union Finance Minister on 2nd August last. Hon’ble Finance Minister was categorical in her assurance that the recommendations by LIC Board and GIPSA Governing Body on this issue should be implemented. But when the Government issued the Gazette notification on 11th September, 2023 increasing the rate of family pension to LIC pensioners, the PSGIC pensioners were left out. The delegation asserted that there cannot be any reason and justification for such

blatant discrimination. The delegation urged upon the Chairperson, GIPSA to make all out efforts to get its recommendation for increasing the family pension to a uniform rate of 30% cleared by the Government and implemented without any further loss of time.

Responding to the submission of the AIIPA, the Chairperson said that they made efforts at the level of DFS to get the recommendation of enhancing the family pension cleared by the Government. But perhaps due to the downward trend in the financial position of some of the PSGIC Companies these efforts did not materialise. But he asserted that the situation had been improving of late and expressed the hope that given the continuous improvements the benefit of enhancement of family pension would come about for PSGIC pensioners also soon. He assured to pursue the matter. AIIPA is engaged in pursuing the issue at the level of Finance Ministry officials.

The delegation also raised the issue of providing pension option to erstwhile TAC employees/ retirees who have been left out. The matter is pending with DFS. The GIPSA officials agreed to take up concrete cases with DFS for clearance.

This, in a nutshell, is the outcome of today’s discussion. We would once again call upon all Units to make the programme of demonstration on 22nd November, 2023 a massive one. LIC pensioners under the banner of AIIPA would have to join the demonstrations on that day. Memorandum will also be submitted by AIIPA to the CMDs of all four PSGI Companies at Kolkata, Delhi, Mumbai and Chennai.



## Stop this Genocidal War on Gaza Implement the UN mandated “Two States” Solution

The war on Palestinian people has to halt. There are protests and anger across the world. This has clearly shown that governments across the world are out of sync with global public opinion. The most noteworthy feature is the significant participation of the Jewish community in these protests and the growing worldwide support of the working people to the cause of the Palestinian people. Workers are also surrounding the factories that manufacture the deadly weapons in many places in US and Europe.

### Shreekant Mishra

On October 7, 2023, Hamas carried out a brutal attack in Israel killing around 1400 civilian and military personnel and taking over 200 as hostages. In retaliation Israel has been raining down bombs on Gaza causing unimaginable death and destruction on its civilian inhabitants in collective punishment of an entire population for the brutal act of Hamas. The death toll has already crossed 12,000, including that of around 5,000 children. With food, water and electricity supplies to Gaza cut off by Israel, the Palestinians are facing the worst form of collective punishment. The western imperialist powers are defending this genocide on the ground that Israel has a right to defend itself against terrorist attacks. The western understanding is that Hamas is a terrorist organisation and it is using the civilians as human shield; naturally therefore some civilians will die in the war against the Hamas. It is another matter that Hamas is not designated as a terrorist organisation

by the United Nations and it is common knowledge that it was supported and encouraged by Israel as a counter to the Palestinian Authority. To kill innocent civilians, even in hospitals and refugee camps, in the name of fighting terrorism is utterly inhuman.

#### THE BACKGROUND OF THE CONFLICT

The narrative of the western powers and corporate media does not make any mention of the imperial game plans and decades long Israeli occupation and subjugation of the Palestinian people. Britain took control of the area known as Palestine following the defeat of the Ottoman Empire in World War one. The land was inhabited by a Jewish minority and Arab majority then. Tension between the two peoples started growing when colonial Britain's foreign secretary Arthur Balfour promised the Jewish community in 1917 "the establishment in Palestine of a national home for the Jewish people" by way of the infamous Balfour

Declaration. The colonial hypocrisy can be seen from the fact that a European power promised the Zionist movement a country where Palestinian Arab natives made up more than 90 per cent of the population. Subsequently, the British facilitated mass Jewish immigration into Palestinian lands during the 1920s to 1940s. The persecution of the Jews at the hands of the Nazis led by Hitler gave a fillip to the process of immigration. In 1947, the UN voted for Palestine to be split into separate Jewish and Arab states. However, unable to settle the problem, Britain withdrew from the region in 1948 and the Jewish leaders declared the creation of the State of Israel forcing nearly a million Palestinians out of their homes and land, destroying hundreds of villages and killing over 15000 Arabs. This violent dispossession, destruction and displacement is what the Palestinian Arabs call as Nakbah, which means catastrophe. Over the years, Israel started controlling most of the territory.

Israel took over whatever was left of Palestinian territory in the six day war of 1967. It occupied the West Bank (including East Jerusalem) and the Gaza strip apart from the Syrian Golan Heights and the Egyptian Sinai Peninsula. For the past 56 years these are under Israeli occupation. These settlements are held to be illegal under international law. Israel did not even comply with the UN resolution “for a just and lasting peace in the Middle East” by way of “withdrawal of Israeli armed forces from territories occupied during the conflict”. Israel not only did not withdraw; On the contrary, it aggressively expanded Israeli settlements in the occupied territories. The result is that today there are around 7,50,000 Israeli Jews as settlers in 250 settlements in the occupied West Bank and East Jerusalem. Moreover, not that Israel is bombing Gaza now in response to the

Hamas attack. It has bombed Gaza earlier also; in 2008, 2012, 2014 and 2021 killing thousands of innocent Palestinians in the process. Unfortunately, these killings did not evoke any outrage like they did this time after the Hamas attack. The fact is that six million Palestinian refugees now live in refugee camps in the neighbouring countries of Lebanon, Syria, Jordan and Egypt. In Jerusalem and Gaza strip, Palestinian families are evicted by force and their homes occupied. Israel has imposed a blockade of Gaza strip for the past 16 years. So much so, Gaza has become an open air prison for the last 16 years.

### NETANYAHU HEADING

#### A GOVERNMENT OF EXTREME RIGHT

The situation has gone from bad to worse during the reign of Benjamin Netanyahu. The Oslo peace process of 1993, based on the Camp David Accord of 1978, gave limited recognition to the Palestinians. But even that was sabotaged by Netanyahu because he refused to withdraw and did not even agree to the “Two States” resolution plan.

Benjamin Netanyahu is an unpopular and polarizing leader in Israel. With only 23.41 per cent of the votes polled in the national elections in November 2022, his Likud party heads the most ultra-right coalition in the history of Israel. Having ruled Israel on and off for 17 years, Netanyahu’s popularity was at its lowest ebb. Hardly a couple of months ago, tens of thousands of Israelis including the opposition leaders, former officials in Israel’s military, intelligence and security services, former chief justices, military reservists including air force pilots were on the streets against his policies. His decision to unleash the genocidal war against Gaza and the Palestinians is but a last ditch effort to regain some lost political ground.

Israel is not only carpet bombing Gaza. It is dehumanizing an entire people. Senior Israeli officials have gone to the extent of describing the Palestinians as ‘human animals’. One of its Ministers has openly declared that dropping an atom bomb on Gaza is an option. Unfortunately, the big powers- the self- proclaimed champions of democracy and human rights- like the US have been playing an utterly partisan role. The US has been supplying lethal arms to the Israeli army. This is understandable given the fact that the US has eight million influential Jews accounting or 2.4 per cent of the population. No American administration can afford to ignore this powerful lobby. Along with Biden, British Prime



Cartoon courtesy:  
Alok,,facebook

Minister Sunak and French President Macron also trooped in to express solidarity with Israel. India unfortunately echoed the US position by expressing solidarity with Israel. India also abstained from voting in the UN General Assembly on a resolution calling for a humanitarian truce. While claiming to be the leader of the Global South, India in fact did not stand with the Global South on this issue. India has always stood by the Palestinian people since the days of the national movement under Gandhiji's leadership. Belatedly the Prime Minister and Ministry of External Affairs officials have been speaking about the need to address the grievances of the Palestinian people. Unfortunately, the Indian media as well as social media have tried to turn the struggle of Palestinian people for a homeland as a Muslim issue and are supportive of the move to cleanse the Palestinians from their homeland. That is why protests against the Israeli aggression and in support of the Palestinian people are being suppressed.

### **WORKING CLASS ACROSS WORLD DEMAND END TO WAR**

A heartwarming feature however is the growing worldwide support of the working people to the cause of the Palestinian people. The workers in Europe and United States have refused to load and unload ships that are supposed to carry arms to Israel. The workers blocked all gates of Boeing in Missouri to disrupt the delivery of over 1000 bombs to Israel. In Spain and Belgium too, workers have refused to help the armament shipments to Israel. The workers have realised that capitalism wants to reap profit from any human disaster. They see

that the military industrial complex of US and other imperialist powers are the huge beneficiaries of the war and United States wants world to be perennially at war. Therefore workers are also surrounding the factories that manufacture the deadly weapons in many places in US and Europe. The world has already seen the massive human suffering caused on the pretext of finding weapons of mass destruction in Iraq. Imperialism has weaponized lies to wage wars.

The war on Palestinian people has to halt. There are protests and anger across the world. This has clearly shown that governments across the world are out of sync with global public opinion. The most noteworthy feature is the significant participation of the Jewish community in these protests. The American Jews had occupied a Congress building and Central Metro Station demanding an end to war and making it clear that the Zionist regime of Israel cannot kill the women and children in Gaza in their name. The Jews for Peace had also surrounded the Statue of Liberty calling upon Biden administration to end the genocide in Gaza. The progressive forces within Israel too are raising the demand for end to this inhumane aggression and a dialogue with Palestinians to work for a peaceful solution. There are powerful demands within Israel for Netanyahu to resign. Insurance employees join millions of workers worldwide in demanding an immediate stoppage of the genocidal war and implementation of the UN mandated "Two States" solution with East Jerusalem as the Capital of the Palestinian State with pre-1967 borders and a right of return to the Palestinian refugees as also the right of Israel to exist.

Oh rascal children of Gaza.

You who constantly disturb me  
with your screams under my window.  
You who filled every morning  
with rush and chaos.  
You who broke my vase  
and stole the lonely flower on my balcony.  
Come back,  
and scream as you want  
and break all the vases.  
Steal all the flowers.  
Come back..  
Just come back..

-Khaled Juma

The Palestinian poet of Gaza wrote this heartbreaking tribute to the children of the Gaza Strip amidst the missiles striking his hometown in July 2014. At least 506 Palestinian children were killed then. Now, since October 7, 2023, the number of children killed has already crossed 4000.



Cartoon courtesy:  
Satish Acharya



# Time to repeal GST on Insurance

There is 3% GST on luxury items like gold, 0.25% tax on engraved diamonds, where as 12 to 18% GST is imposed on vital medicines, Oxygen, 18% GST on the insurance sector which provides social security and health insurance services to people!! 18% tax on social security is unheard of in any country across the world. It defies logic to tax exorbitantly on the Savings of the People!!

**P Satish**

**G**oods and Services Tax (GST) collections for the month of October increased by 13 per cent Y-o-Y to Rs 1.72 lakh crore, which is second highest after April 2023. Finance Minister attributed this to Festive Season and steady economic growth. However, the situation on the ground is quite alarming as the country has been experiencing considerable strain on households striving to meet growing financial commitments.

The recent report of RBI for 2022-23 has laid bare that the net financial savings of households as a percentage of GDP dropped to a near-five-decade low of 5.1 percent, compared to 7.2 percent in 2021-22. The net financial assets of households have consistently declined from 11.5% in FY21 to 7.2% in FY22. The RBI's report further elaborated that household debt, as measured by financial liabilities, remained notably high at 37.6 per cent of GDP in FY23 compared to 36.9 per cent in FY22. The rate of increase in financial liabilities in FY22 was the second highest since Independence.

The RBI's report was categorical that primary cause of decreasing savings and increased borrowing is likely the combination of stagnant or declining household incomes in the face of rising inflation. There has been no significant growth in real wages at the all-India level over the past eight years even during the period of high inflation. The cost of healthcare and education has gone up exponentially, most of which has to be borne privately. In such a scenario, it appears that falling or stagnant household incomes, amid high inflation, are the root cause for the subdued savings and higher

borrowings.

Financial savings consisting of Bank deposits, Insurance, Bonds, Stocks is under tremendous strain now. Owing to increase in debts of families, the net financial assets which were Rs 22.8 lakh crore in 2020-21, have come down to Rs 13.8 lakh crore in 2022-23. Financial debts of families have increased by 76% in one year. By July 2023, household debt has reached Rs 47 lakh crore. Continued decline in the financial savings rate results into decrease in available funds for investment in the economy. This could pose a major concern, especially as private-sector investment has been dwindling in recent years, dropping from a peak of 27.5% of GDP in the financial year March 2008 to 22.1% in March 2020 and then to 19.6% the following year. Owing to deep shocks in Indian Economy since 2014 due to fiscal imprudence, growing fiscal deficit, degradation in the value of Rupee, Non Banking Crisis, Demonetization, Haphazard implementation of GST, Carona Pandemic, the savings ratio has plummeted to below 30% in 2021-22.

### **Why removal of GST on Insurance is Quintessential ?**

The Government of India has rolled out Goods and Service Tax (GST) from 1st July 2017. GST is being projected as a major tax reform initiated by the government aimed at doing good to the people and the nation at large. Insurance protection is an important need of the people. The GST on Term Insurance, Health and ULIP policies have been fixed at 18%. The GST on new business premium including single premium of life and pension products have

been fixed at 4.5% while GST of 2.25% is fixed for renewal premiums and 1.8% for single premium annuities.

The experience for the last six years of implementation of GST has confirmed our apprehensions that Imposition of GST on life insurance products and premiums has become burdensome on Policyholders and became a huge disincentive for savings. It has become an impediment for the growth of the insurance industry. The policyholders had to shell out higher premiums on their Insurance due to increase in GST rates. An average family with life, health and car insurance found an increase on their insurance expenses

Sri Neelesh Sathe, Former IRDA Member while opposing levy on 18% GST on Insurance Premium commented that In the absence of any social security available to the citizens, Insurance becomes a necessity. When all essential commodities were kept out of the purview of GST, why should premium be taxed, he questioned. He bemoaned that nowhere in the world one has to pay such heavy tax on insurance premium like the way in India

There is 3% GST on luxury items like gold, 0.25% tax on engraved diamonds, where as 12 to 18% GST is imposed on vital medicines, Oxygen, 18% GST on the insurance sector which provides social security and health insurance services to people!! 18% tax on social security is unheard of in any country across the world. It defies logic to tax exorbitantly on the Savings of the People!!

The Investments of life insurance industry as at 2021-22, stands at Rs 49,52,187 crores out of which LIC alone (Rs 36,79,475 crore) has a share of 74.3%. The total insurance industry has invested Rs 18,94,074 crore in central government securities, of which LIC's share is Rs 15,40,381 crore. The total insurance industry has invested Rs 10,79,100 crore in state government securities and projects, in which the share of LIC alone is Rs 10,04,957 crore. According to the estimates of Swiss Re, India will become the 6th largest insurance market in the world by 2032. In 2021, the health insurance premiums in our country increased by 22.5% due to the impact of the Covid pandemic. In 2022, when the economy recovers from the post-Covid situation, the motor premiums were also increased by about 2.9%. 18% GST on Health insurance and Third party premium has become a huge burden on the social security that people provide for themselves!!

It is commendable that the Indian insurance

sector registered spectacular progress in the midst of adverse financial conditions. Modi Government in the recent budget 2023-24 announced a new tax regime that offers no incentives for savings. The insurance industry has for years, been demanding, for raising limits and introducing a separate tax incentive under 80 (C) to make insurance products attractive. Rather than giving any concession to promote the industry, the government has imposed fresh taxes on high premium policies. These moves spell doom for the industry in the long run.

The Insurance Regulatory Authority of India (IRDA) has set an ambitious target to provide Insurance facility to every citizen by 2047. To make it happen, the life insurance industry should invariably attract the 44 crore millennials (young employees) in the country and the savings through insurance should be made attractive by giving tax incentives. This move will enable greater insurance penetration in the country as insurable population will get attracted to purchase insurance policies. This will not only provide the necessary financial security to the policy holder's family in case of his untimely death but also help the government in investing the long term savings of the people for nation building activities.

The Life Insurance council, which is the collective body of all life insurers in Indian Insurance Industry, has reiterated time and again to do away with the GST burden on Insurance Premium. The Life Insurance Industry has been rightfully demanding withdrawal of GST on life and health insurance premium but unfortunately the government is refusing to listen.

AIIEA has been demanding removal of GST on Insurance and taken up many activities like meeting MPs, Opinion Makers etc. It is to the credit of AIIEA that it could convince more than 46 Lakhs of Policyholders to write to the Finance minister asking for removal of GST on Insurance. Many Parliamentarians cutting across party lines lent their support to the demand of AIIEA, Agents Associations to consider the merits of arguments in doing away with GST on Insurance Premium.

In the background of dent in the financial savings of our country, a coherent policy framework effecting crucial policy changes are quintessential to shore up the dwindling savings ratio in our country. It goes without saying that the overall situation warrants repeal of GST on Insurance.

*(Author is President SCZIEF)*



# Rising Financial Distress

The precipitous fall in net financial savings, rising indebtedness, financial liabilities indicate growing financial distress and decline in the trust of people in the financial system. It also indicates a severe income crunch and how people are borrowing more to sustain livelihoods. Further, it is not net financial savings have declined as a proportion of GDP but share of insurance and bank deposits have declined too.



## Dr Santosh Kumar Mohapatra

The importance of savings in development is well known. The savings of a nation is known as national savings or aggregate savings. In the case of our country, it is known as Gross Domestic Savings (GDS) which is measured only in current market prices and originates from three distinct sectors viz. public, private, and household sectors. Savings of the above sector are known as public sector savings, private corporate sector savings, and household sector savings respectively.

The gross domestic saving (GDS) rate as a percentage of GDP at current market prices moved away from a scant average of 9.9% of GDP in the 'fifties to touch record high of 37.8 % in 2007-08 before it started dwindling to 28.2 % in 2020-21. It revolves around 30% of GDP now, a fall by 7% from peak rate. Similarly, the household savings (net) which was at its peak of 25.2 % of GDP in 2008-09 has declined to 22.2% in 2020-21. Due to a decline in savings, the rate of investment as expressed through gross fixed capital formation has declined persistently from a peak of 34.7 % in 2007-08 to 26.6 % in 2020-21. Further, government expenditure exceeding the revenues, the public sector savings are now negative. Government dissaving has averaged 2.1% of GDP in the past 10 years.

The saving of the household sector is an indicator of the well-being of people and is measured in the form of financial assets and physical assets. Households contribute to, over 65% of GDS in 2021-22. Household sector saving comprises saving in financial assets (financial savings) and saving in physical assets (physical savings). Gross financial assets otherwise known as gross financial savings are of two types; (i) Non contractual savings in the form of currency holdings of households, deposit holdings

of banks and non-bank companies, provident funds, share and debenture (including mutual funds), and net trade debt, net claim on government in the form of small savings, investment in central and state government securities (rupee debt) (ii) the contractual savings are in the form of life insurance, provident fund, and pension funds, etc.

However, net financial savings are calculated by subtracting the financial liabilities of the household from gross financial savings. Financial liabilities cover the loans and advances from banks, other financial institutions, government, and cooperative non-credit societies. Similarly, saving in physical assets comprises net addition to investments in fixed assets of construction, machinery, equipment, and change in stocks. Since direct annual data on household income expenditure of households are not available, the savings of the major part of the household sector are worked out by the residual method. But in common parlance, physical savings means savings or investment in gold, jewellery, property, buildings (estate), etc.

According to the RBI, net financial savings of households plummeted to a 47-year low of 5.1% of GDP in 2022-23, (the lowest since 1975-76 when it was at 4.7 %) down from 7.2% in 2021-22. In 2018-19, the net financial savings of households stood at 7.9% of GDP, which rose subsequently to 8.1% in 2019-20 and then 11.5% in 2020-21 the pandemic year. During pandemic year, it increased because due to precautionary motive and people failed to spend the way they wanted. Financial liabilities (which are roughly three-fourths of financial savings) have increased more sharply at a faster rate than the rise of gross financial savings leading to the decline of net financial savings.

Further net financial savings not only came down as a proportion of GDP but also fell in absolute terms, declining to a year low of Rs 13.8 lakh crore during 2022-23. It was even lower than the Rs 16.3 lakh crore in 2019-20, when the economy started to show the ravages of the nationwide lockdown induced by the Covid-19 pandemic.

The worrying trend is that it is not only net financial savings but gross financial savings have declined too. In proportion to GDP, the gross financial savings at 10.9 % in 2022-23 are at their lowest in recent years too. It was 15.4% of GDP in 2007-08. Further gross financial savings fell in absolute terms, declining from 30.6 lakh crore in 2020-21 to Rs 13.8 lakh crore during 2022-23.

Financial liabilities of households shot up by 5.8% of GDP in 2022-23 as compared with 3.8% in 2021-22 which also indicated that part of the consumption was being financed by loans. The RBI said the rate of increase in financial liabilities in 2022-23 was the second highest since Independence. The only time the flow was sharper was during 2006-07 when it was 6.7%. In absolute numbers, the financial liabilities ballooned to Rs. 15.8 lakh crore during 2022-23 -the highest so far. Household debt, also was high at 37.6% of the GDP in 2022-23, as against 36.9% in the previous fiscal. The financial liabilities have jumped 30.1% in 2017-18 to 37.3% of the GDP in the pandemic year 2020-21 confirming the deeper financial impact of COVID-19, GST and demonetization. Household debt includes retail loans, crop loans, and business loans from financial institutions like banks, credit societies, non-banks, and housing finance companies.

The precipitous fall in net financial savings, rising indebtedness, financial liabilities indicate growing financial distress and decline in the trust of people in the financial system. It also indicates a severe income crunch and how people are borrowing more to sustain livelihoods.

However, SBI research and the finance ministry hold different opinions and do not admit the detrimental impact of declining financial savings. They argue that financial liabilities and household debt, much of which are home loans, will show as investments in the next year. In order to dispel fears, the finance ministry has said that GDP is growing and it is the widely accepted measure of

a country's economic health. Actually, the GDP is not an indicator of the well-being of people but economic activities which may be seen when the rich spend, and consume more too. Further, in terms of per capita GDP, India is behind 141 countries, and in terms of human development, India is behind 131 countries.

SBI research also says that key components of these loans are those for real estate and vehicles, both of which have collaterals. It also says that there has been double-digit growth in loans for housing since May 2021. In reality, such unbridled growth does not augur well and may lead to a crisis as seen in the US in 2007-08. As long as people borrow to create assets, it is a positive trend. But if the value of assets falls, then borrowers will not be able to repay loans and the housing market may collapse.

Actually, people's financial liabilities and debt are growing because of rise of cost of livings, decline of real wages, erosion of net worth/wealth due to persistence inflation, increase in health and education and marriage expenditure and farmers suffering from distress sale and not getting remunerative prices for their products.

Soumya Kanta Ghose, Chief economist of SBI, attributes the probable rise in physical assets to a lower interest rate. This is wrong because it is not the nominal interest rate but real interest (nominal interest -inflation) matters most. He is referring to the lower lending rate. But actually, it is not a lower lending rate but a lower real deposit interest rate which is discouraging people to save in financial instruments. The impact of inflation; tax on the interest of savings, insurance premium, maturity of insurance proceeds, and other savings instruments have reduced the real value of financial savings of people, even made negative and discouragement to save.

Further, no rise in tax exemption limit in line with consumer inflation has discouraged people from saving under section 80C. So, it is not common people but rich, and the salaried class preferred to invest in real estate as the investment in real estate, gold, jewellery act as a hedge against inflation. Many purchased costly vehicles, assets, consumer durables too being affected by the demonetisation effect. Those are the reasons for the rise of loans

Continued on Page 19

# The question over Parliamentary Democracy

S.Sivasubramanian

With its majority in the Parliament, the Modi government is going ahead with passing bills which give enormous and absolute power into its hands. It is trying to deny the rights ensured by the Constitution. Clearly, the government wants the Constitutional institutions to be subservient to the Executive.

“The country is celebrating Amrit Mahotsav. In this Amrit Mahotsav, the people of India have gifted new building of Parliament to their democracy. This is not just a building. It is a reflection of the aspirations and dreams of 140 crore Indians. This is the temple of democracy...” said Prime Minister Narendra Modi while inaugurating the new Parliament building recently. The question is, whether the Parliament truly reflects the dreams and aspirations of crores of Indians. Whether Parliamentary democracy is observed? Whether the sacred values of the Parliament are preserved? Debatable questions indeed. In two recent incidents the Modi government has introduced/passed bills, which deprive/deny the rights ensured in the Constitution. In one incident, the government has passed a bill in the monsoon session denying the State of Delhi of its rights ensured in the Constitution, and in the other incident, the government has brought a bill which, if passed, will deprive the Election Commission of its independence.

### ***Depriving the right of the State***

The Constitution bench of the Supreme Court

held in its judgement delivered on May 11, 2023 declared that services come under the jurisdiction of the Delhi Assembly and therefore, the Delhi government has absolute control over it. The Supreme Court gave services back to Delhi because the Court felt that no government can function without having complete control over the bureaucracy.

Within days of the judgement, the Union government came out with an ordinance nullifying the Supreme Court order. Through this ordinance, the Union government has not only taken away services from the Delhi government but made some far reaching structural changes in the relationship between the Delhi government and the Lieutenant Governor who is the representative of the Union government. Later the Government of National Capital Territory of Delhi (Amendment) Bill was introduced in the Parliament and was passed in the recent monsoon session.

The bill establishes the National Capital Civil Services Authority which will make recommendations to the Lieutenant Governor who is appointed by the

union government. The NCCSA will include the Chief Minister who will serve as the Chairperson, the Principal Home Secretary of Delhi, who will serve as the member Secretary and the Chief Secretary of Delhi, who will serve as member. Both the Principal Home Secretary and Chief Secretary will be appointed by the Central Government.

The NCCSA will make recommendations to the LG on matters related to transfers and postings, vigilance, disciplinary proceedings and prosecution sanctions of Civil Servants of Group A of All India Services (except Indian Police Service) and Delhi, Andaman and Nicobar, Lakshadweep, Daman and Diu and Dadra and Nagar Haveli (Civil) Services.

The decisions of the body will be based on a majority. There is a possibility for the Union Government appointed members to overrule the decisions of the Chief Minister.

The bill also allows department Secretaries to take matters to the LG, Chief Minister and Chief Secretary without consulting the concerned Minister.

In its analysis of the bill, the PRS Legislative Research noted that by taking away the Delhi government's power over services, it violates the Constitution's basic structure. "The bill effectively gives the Central Government powers over services in Delhi. If the Delhi government does not have control over Civil Servants, it cannot execute any programmes across any sector in its jurisdiction. This may violate the triple chain of accountability, which is an essential feature of Parliamentary Democracy" the analysis said.

It is to be remembered here that the triple chain of accountability "requires the permanent executives to be responsible to the elected government, the elected government to be responsible to the legislature, and the legislature to be responsible to the public."

On August 12, the Government of National Capital Territory of Delhi Amendment Act 2023, which seeks to diminish the powers of the elected government of Delhi over services, received the assent of the President and came in to effect from May 19, 2023.

### ***Depriving the independence of Constitutional Institutions***

The second incident pertains to the independent functioning of the Election Commission. On March

2, 2023, in Anoop Baranwal vs Union of India, the Supreme Court directed that the appointments of the Chief Election Commissioner and the Election Commissioners "shall be done by the President of India on the basis of the advice tendered by a Committee consisting of the Prime Minister of India, Leader of the Opposition in the Lok Sabha and the Chief Justice of India" The Court also said "This norm will hold good till a law is made by the Parliament". What happened was, on August 10, 2023, the Modi government introduced "The Chief Election Commissioner and the Other Election Commissioners (Appointment, Conditions of Service and Terms of Office) Bill 2023" in the Rajya Sabha. The bill says "the Chief Election Commissioner and Other Election Commissioners shall be appointed by the President on the recommendations of a Selection Committee consisting of a)the Prime Minister, b)the Leader of the opposition in the House of People - Member, and c)a Union Cabinet Minister to be nominated by the Prime Minister (Member). It is absolutely clear that this bill will make things worse by making the ECI virtually subservient to the PMO. Free and fair elections in the world's largest democracy will not be possible. According to the former Supreme Court Judge Madan B.Lokur, "the spirit of the judgement of the Supreme Court was an expression of the views of the Constituent Assembly. The Constituent Assembly was quite clear that the election machinery should be outside the control of the executive government".

### ***Immense contribution of Dr.Ambedkar***

Justice Madan B.Lokur was referring to the debates in the Constituent Assembly. In the Constitution Drafting Committee, and in the Constituent Assembly enormous discussions were held on the draft Constitution. In those discussions, the contribution of Dr.Ambedkar was an immense one. Dr. Ambedkar was very firm that the Chief Election Commissioner should be insulated from the grip of the executive of the day. His was an important contribution to Article 324 which deals with the appointment of Chief Election Commissioner. Ambedkar became the Chairman of the Constitution Drafting Committee on 30th August, 1947. Before the intervention of Dr.Ambedkar, the original Article 324 (Draft Article 289) read: "There should be one Election Commission to deal with election to the Central Legislature (in those days), both the Upper and Lower Houses, and that there should be a

separate Election Commission for each province and each State, to be appointed by the Governor or Ruler of the State". While speaking on Article 324 in the Constituent Assembly, Dr. Ambedkar said, "comparing that with the present Article 324 (Draft Article 289), there is, undoubtedly a radical change. This Article, in the present form proposes to centralise the election machinery in the hands of a single commission to be provided by Regional Commissioners, not working under the Provincial government but working under the superintendence and control of the Central Election Commission. This is undoubtedly a radical change from the earlier draft". It is to be noted here that, the CEC cannot be removed by the executive at its will. He can be removed, as the Judge of the Supreme Court, through an impeachment by Parliament only. Ambedkar said "If the object of this house (Constituent Assembly) is that all matters relating to elections should be outside the control of the Executive Government of the day, it is absolutely necessary that the new machinery which we are setting up, namely the Election Commission, should be irremovable by the executive, by a mere fiat. We have therefore given the Chief Election Commissioner, the same status, as far as removability is concerned, as we have given to the Judge of the Supreme Court. We have made provision to ensure that the Chief Election Commissioner shall not be liable to be removed except in a manner, as a Judge of the Supreme Court (through an impeachment by Parliament)".

Dr. Ambedkar's farsightedness has given India so far with an independent Election Commission free from the influence of the executive and even the judiciary. Now this independence is sought to be removed by the introduction of this bill.

### ***Dangerous to Democracy***

With its majority in the Parliament, the Modi government is going ahead with passing bills which give enormous and absolute power at its hands. In both these incidents, the government tries to deny the rights ensured by the Constitution. In both these incidents it becomes clear that the government wants the constitutional institutions to be subservient to the executive. This is dangerous to democracy.

*(Author is Treasurer SZIEF)*

## **Rising Financial Distress**

▷ Continued from Page 16



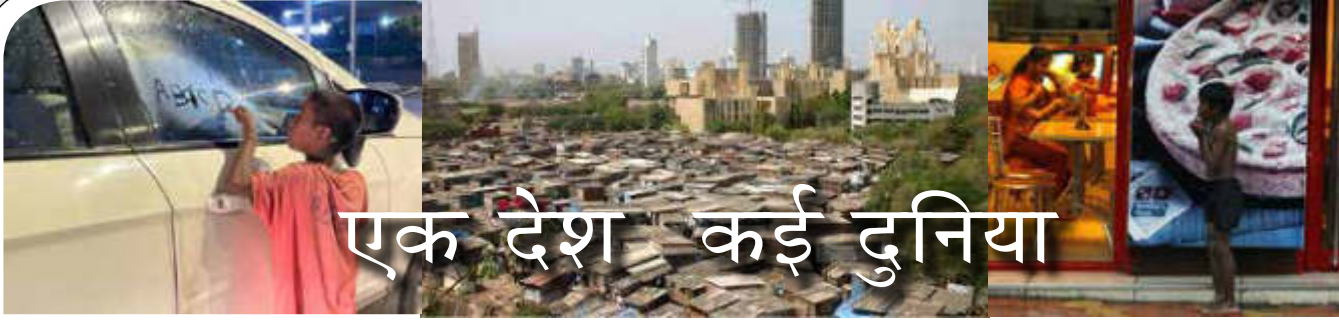
and investment in physical assets.

However, savings in physical assets like real estate, gold jewellery are inflationary and unproductive. It is not physical savings but financial savings that provide much-needed capital for government and corporations to borrow at cheaper rate. The government is likely to borrow around 16 lakh crores in the current financial year. But financial savings being low may pose problems. Further, there will be nothing left for corporates to borrow. They may borrow from foreign sources which is risky too.

The growth of the insurance industry or banking industry depends upon how much money people are diverting towards financial savings and from total financial savings, how much going towards bank deposits and insurance. It is not net financial savings have declined as a proportion of GDP but share of insurance and bank deposits have declined too. Bank deposits as proportion of GDP fell from 4.11% in 2018-19 to 3.77% in 2022-23. Life insurance funds have declined in same period from 2.07% to 1.96%. The mutual funds declined from 0.80% to 0.66%, equity 0.03% to 0.08%, small savings 0.108% to 0.74%. Only provident and pension funds, PPF increased from 2.12% to 2.43%.

In 2022-23, as proportion of financial savings, deposits accounts 37.1% while life insurance funds accounts 18.1%, provident and pension funds including PPF 22.4%, currency 8%, other investments 7.2%, small savings excluding PPF 6.8%. Insurance industry especially LIC should try to snatch more share of financial savings while government should formulate policies that will enhance disposable income of people and more resources being diverted to financial instruments.

*(The Author is President of CDIEA, Cuttack)*



## एक देश कई दुनिया

The practical implication of the value of Equality, one of the four pillars of modern democracy, is that everyone in the society should have a dignified life and no one should have a high concentration of wealth, nor should anyone have a complete lack of it. The sad thing is that in today's India we see both. In terms of statistics, India ranks 111 in Hunger Index, 126 in Happiness Index, 127 in Gender Equality Index and 161 in Press Freedom Index. This is a matter of concern and contemplation for all of us. **रामजी तिवारी**

समानता, स्वतंत्रता और न्याय को आधुनिक लोकतंत्र का आधार माना जाता है लगभग दो सदी पहले फ्रांसीसी क्रांति से जन्मा यह ध्येयवाक्य आज भी दुनियावी लोकतंत्र के लिए एक रोडमैप बना हुआ है. कम से कम लोकतांत्रिक व्यवस्थाएं अपनी जनता से यह वायदा तो जरूर करती हैं कि वे इस दिशा में प्रयास करेंगी. और लोकतांत्रिक मन-मिजाज वाली जनता भी अपनी सरकारों से इस मांग को जरूर दुहराती है कि उन्हें ऐसा समाज चाहिए, जो समानता पर आधारित हो, स्वतंत्रता के मूल्य की रक्षा करता हो और न्यायप्रिय हो. दुर्भाग्य यह कि वर्तमान लोकतांत्रिक व्यवस्थाओं में लोकतंत्र के इन आधारभूत सिद्धांतों की कमी होती जा रही है. अब वे पहले से अधिक असमान, अधिक नियंत्रण वाली और अधिक अन्यायपूर्ण दिखाई देती हैं. यदि हम इस बहस को केवल समानता के मूल्य तक सीमित करें और क्षेत्रीय दायरे को सीमित करते हुए सिर्फ भारत की सीमा में देखने का प्रयास करें तो भी परिणाम इसी प्रतिगामी दिशा को इंगित करते हैं.

समानता के मूल्य का व्याहारिक निहितार्थ यह है कि समाज में सबके पास गरिमापूर्ण जीवन जीने लायक अनिवार्य सुविधाएं हों. देश और समाज के विकास का लाभ सभी वर्गों तक पहुंचता हो. धर्म, जाति, क्षेत्र, रंग, भाषा और लिंग जैसे किसी भी आधार पर विभेद न हो. सबके लिए आगे बढ़ने का समान अवसर हो. और यदि राज्य द्वारा कोई विभेद किया भी जाता तो वह कमजोर वर्ग के लोगों को मुख्यधारा के भीतर लाने के लिए हो. किसी के पास न तो संपत्ति का अधिक संकेन्द्रण हो, और न ही किसी के पास उसका एकदम अभाव हो.

दुखद यह कि आज के भारत में हमें ये दोनों चीजें दिखाई देती हैं. इस देश में बनने वाली एक दुनिया चकाचौंध और हर तरह की सुख-सुविधाओं से भरी हुई है, जिसमें मलाईदार लोग निवास करते हैं. इनके नीचे मध्यवर्ग का एक बड़ा समूह आता है, जिसके पास जीवन की अनिवार्य स्थितियां तो हासिल है, लेकिन वह उन्हें बनाये रखने के लिए लगातार संघर्षरत भी है. वह उच्च-वर्ग में शामिल होने को लालायित रहता है और ऐसा नहीं होने पर उसे आलोचित भी करता है. लेकिन इन दोनों के नीचे एक तीसरा वर्ग भी निवास करता है, जिसके पास

जीवन की मूलभूत दशाएं उपलब्ध नहीं हैं. रोटी, कपड़ा और मकान का उसका संघर्ष आज भी जारी है. शिक्षा, स्वास्थ्य और इंटरनेट जैसी जरूरी सुविधाएं उसके लिए अभी भी सरकार की दया पर निर्भर हैं. दुर्भाग्य यह कि हमारे समाज में इस वर्ग की उपस्थिति इतनी बड़ी है कि तमाम प्रगति के बाद भी वह भारत को सबसे अधिक भूखे, कुपोषित और मानव विकास सूचकांक में फिसड्डी देशों की श्रेणी में खींच ले आता है.

भारत में बन रही पहली दुनिया की कहानी एक अलग ध्रुव की कहानी लगती है. यदि आप देश के किसी भी एअरपोर्ट पर चले जाएं तो आपकी आँखें चौंधिया जायेंगी. वहां देर रात में भी दिन जैसा उजाला और चहल पहल मची हुई है. बाहर सर्दी है या गर्मी, पता ही नहीं चलता. वहां सीढियां ही नहीं, वरन रास्ते भी चलते हुए नजर आते हैं. प्रत्येक यात्री के लिए बैठने के लिए वातानुकूलित व्यवस्था है. कहीं कोई असुविधा नहीं. कहीं कोई दिक्कत नहीं. यदि आपकी जेब हवाई यात्रा को सहन कर सकती है तो आपके लिए भारत एक विकसित देश है.

लगभग वही स्थिति देश के राष्ट्रीय राजमार्गों की भी है. दो और चार लेन की सड़कें अब बीते जमाने की बातें हो गयी हैं. अब उनकी जगह पर आठ और दस लेन की चमचमाती हुई सड़कें आपका इंतजार कर रही हैं. शर्त वही है. आपकी जेब पर्याप्त रूप से गरम होनी चाहिए. मसलन बनारस से दिल्ली की यात्रा में आपको उतना टोल टैक्स देना पड़ेगा, जितने में आप रेलगाड़ी की एयरकंडीशंड यात्रा कर सकते हैं. इन्हीं के साथ पैदा हुए माल-कल्चर की दुनिया भी एक अलग कहानी रचती है. यहाँ दुनिया के लगभग सारे महंगे और महत्वपूर्ण ब्रांड मौजूद हैं. एक छत के नीचे आप किसी भी बड़े ब्रांड के कपड़े, जूते, आभूषण, खाना, और जरूरत-गैर जरूरत की सभी वस्तुएं खरीद सकते हैं. यहाँ तक कि मनोरंजन के सभी महंगे उत्पाद भी इसी छत के नीचे उपलब्ध हैं.

इस दुनिया के पास पांच सितारा स्कूल भी हैं, जहाँ नर्सरी और केजी के बच्चों की फीस भी लाखों में पड़ती है. और सात सितारा अस्पताल भी हैं, जहाँ कोरोना महामारी में भी दसियों लाख का बिल वसूला गया है. इस दुनिया की छुट्टियाँ अब यूरोप और अमेरिका जैसी जगहों में व्यतीत होती हैं. और जब

कभी वे भारत में यात्रा करते हैं तो उनके लिए पांच और सात सितारा होटलों की श्रृंखला मौजूद है। अभी अंडमान की यात्रा में मैंने देखा कि एक दशक पहले हैवलाक द्वीप पर जो काटेज नुमा होटल हजार रूपये से नीचे की रेंज में सर्वत्र उपलब्ध थे, अब उन पर तीन और पांच सितारा होटलों का कब्जा हो गया है, जिनमें ठहरने का एक दिन का खर्च दस हजार रूपये से अधिक का आता है। और यह बात देश के लगभग सभी महत्वपूर्ण टूरिस्ट स्थानों पर लागू होती है।

पैसे वाले लोगों की इस दुनिया पास देश के लगभग सभी शहरों में कई-कई पाश कालोनियां हैं, जिनमें फ्लैट और घरों की कीमत करोड़ों में आंकी जाती है। वे किसी भी तीज त्योहार पर दसियों हजार के कपडे और जूते खरीद सकते हैं। दीपावली में प्रतिवर्ष सोने और आभूषण खरीद का रिकार्ड बना सकते हैं। महंगे सेगमेंट की गाड़ियों की रिकार्ड खरीद कर सकते हैं। और हमारे देश को दुनिया के सबसे अधिक डालर अरबपति भी दे सकते हैं। कहना न होगा कि दुनिया के सबसे अधिक अमीर लोगों की सूची भी यहाँ पैदा होने लगी है। इस लम्बी होती फेहरिस्त को एक वाक्य में यह कहकर समेटा जा सकता है कि भारत में एक ऐसा वर्ग भी रहता है, जिसकेपास उपलब्ध सुख-सुविधाएं दुनिया के किसी भी विकसित देश के मुकाबले उन्नीस नहीं हैं।

मगर इस चकाचौंध वाली दुनिया से उलट इसी देश में एक दूसरी दुनिया भी रहती है, जिसके पास जीवन की आवश्यक दशाएं भी उपलब्ध नहीं हैं। रोटी, कपड़ा और मकान का उसका संघर्ष अभी पूरा नहीं हुआ है। एक अनुमान के अनुसार हमारे देश में लगभग 3 से 4 करोड़ लोग फुटपाथ पर रात गुजारते हैं। 25 से 30 करोड़ लोग ऐसे हैं, जिनके छप्परों को घर की संज्ञा नहीं दी जा सकती है। कोरोना समय में लाकडाउन के दौरान हमने देखा था कि लोगबाग महानगरों से सैकड़ों हजारों किलोमीटर की पदयात्रा करते हुए अपने गाँव के लिए निकल पड़े थे, क्योंकि उनके पास रहने के लिए कोई घर नहीं था। आप किसी भी महानगर के बगल में बसने वाली झुग्गी झोपड़ियों की तरफ नजर दौड़ा लीजिये, आपको इस वर्ग के रहन-सहन का अंदाजा लग जायेगा।

इस दुनिया में 10 हजार की नौकरी के लिए युवाओं की लम्बी कतार हर शहर और कस्बे में तैयार खड़ी है। अपने देश की प्रति व्यक्ति आय आज भले ही 15 हजार रूपये मासिक की हो गयी हो, लेकिन 25 से 30 करोड़ लोग ऐसे भी हैं, जिनकी मासिक आमदनी 5 हजार रूपये से भी कम है। जब

रोटी का संघर्ष ही अभी करोड़ों लोगों के जीवन में बचा हुआ है तो फिर ऐसे में गरिमामय जीवन का संघर्ष तो बचा रह ही जाएगा। ऐसी आबादी के लिए शिक्षा, स्वास्थ्य, बिजली और इंटरनेट की सुविधाएं अभी बहुत दूर की कौड़ी दिखाई देंगी। इस दुनिया के लोग महंगी होती शिक्षा को अफोर्ड नहीं कर सकते हैं, इसलिए अपने बच्चों को उनकी प्रतिभा के लायक शिक्षा नहीं दिला सकते। अब वे अपने बच्चों को बस किसी तरह से साक्षर बना पा रहे हैं, गुडवत्ता वाली शिक्षा देना उनके लिए संभव नहीं।

उत्तर-प्रदेश और बिहार के सरकारी अस्पतालों की लचर व्यवस्था बताती है कि लोगबाग किसी बड़ी आर्थिक मजबूरी में ही यहाँ इलाज के लिए आते हैं। वे निजी अस्पतालों के एक दिन का खर्च भी एफोर्ड नहीं कर सकते। रेलगाड़ियाँ कहने के लिए एयरकंडीशंड होती जा रही हैं, लेकिन दूसरी तरफ वे सामान्य आदमी की पहुँच से बाहर भी होती जा रही है। अभी त्योहार के सीजन में इन ट्रेनों में भीड़ की स्थिति चिंताजनक दिखाई देती है। यानि कि लगभग 40 करोड़ लोगों के लिए न तो इस देश के एअरपोर्ट किसी काम के हैं और नहीं आधुनिक रेलगाड़ियाँ। हार्डवे पर भी वे चलना एफोर्ड नहीं कर सकते हैं। और उनके लिए आधुनिक शिक्षा और स्वास्थ्य सुविधाएं भी दूर की कौड़ी हैं। इंटरनेट का डाटा जरूर उनके पास है, लेकिन उसे बरतने की सलाहियत नहीं। किसी भी आधुनिक माल में वे नहीं जा सकते हैं, क्योंकि एक चाय उनके दिन भर की कमाई के बराबर बैठती है। अभी विश्वकप क्रिकेट के आधुनिक स्टेडियम में भी उनके लिए प्रवेश पाना चाँद पर जाने के बराबर है, क्योंकि उसका टिकट बहुत महंगा है।

अर्थात हमलोग वर्तमान भारत की जिन भी उपलब्धियों पर इतरा रहे हैं, वे सब इस देश के एक बड़े तबके की पहुँच बाहर हैं। यही कारण है कि इतनी चकाचौंध के बावजूद हमारा देश दुनिया में प्रगति और विकास के सभी मानकों पर लगातार पिछड़ता जा रहा है। यदि हम आंकड़ों की बात करें तो भारत हंगर इंडेक्स में 111, हैपीनेस इंडेक्स में 126, जेंडर समानता इंडेक्स में 127 और प्रेस फ्रीडम इंडेक्स में 161 वें स्थान पर आता है। यह हम सबके लिए चिंतन और मनन का विषय है। क्योंकि यदि हम दुनिया में अपनी बेहतर स्थिति देखना चाहते हैं तो सबसे पहले अपने देश के सबसे कमजोर लोगों को साथ लेना होगा। उन्हें मुख्यधारा में लाने का प्रयास करना होगा। इसके बिना हमारी सारी प्रगति और सारा विकास बेमानी और असंतुलित माना जाएगा।

Author is Activist of Varanasi Division

## One Country, Many Worlds - as Cartoonists see it



Cartoons courtesy; Sorit (Down to Earth), Nala Ponnappa (DH) & Uday Deb (TOI)



(Paper presented in the Trade Union class of CZIEA at Bhopal on 23.9.2023)

## Prof. Prabhat Patnaik **THE WORKING CLASS UNDER NEO-LIBERALISM**

A neo-liberal regime entails a spontaneous change in the balance of class power against the working class everywhere. This happens for a number of reasons. First, since capital becomes globally mobile while labour is not, such globally mobile capital gets an opportunity to pit the working class of one country against that of another. If the workers of one country go on strike, then capital has the option of relocating its production at the margin to another country; and its very threat to do so serves to keep down the militancy of the workers in every country.

If the workers had been internationally organized, so that strike actions were not just nationally organized but could occur simultaneously across several countries, then such a threat by capital would not have worked; but class actions by the working class alas are not yet internationally coordinated, because of which such threats work. True, even if workers had been internationally organized, capital could still have threatened to shift production to *some entirely new location*, but this would have been more difficult from its point of view. The fact that workers even in the current production locations of capital are not internationally organized, works in favour of capital and keeps down the level of militancy in each location.

This is simply an instance of the well-known fact that centralization of capital

is a means of subduing the militancy of workers: since centralization of capital is typically associated with the deployment of such centralized capital across a set of scattered activities or across scattered geographical locations, militant action by the workers in any particular location or branch of activity faces the threat of capital shifting to another branch or location. Neo-liberal globalization entails centralization of capital but with a global dispersion, and hence imposes similar effective restraint upon the militancy of the workers.

The second factor working in the same direction is this: even as activities shift from the metropolis to some countries of the periphery, thereby weakening the workers' bargaining and striking strength in the metropolis, the vast labour reserves of the periphery do not get exhausted, so that the workers in the periphery acquire no greater strength.

The fact that workers in the metropolis get restrained by being linked to the vast labour reserves of the periphery, which is what neo-liberalism ensures, is well recognized. The increasing gap between the conditions of the metropolitan workers

Neo-liberalism weakens the working class in its struggle against capital, but despite this weakening, neo-liberalism is witnessing at present an upsurge of workers' militancy. The typical explanation for this upsurge, according to the Western press is inflation, caused by factors, like the Ukraine war or Covid-induced disruptions in supply chains and thus wholly extraneous to the functioning of neo-liberal capitalism. This explanation, however, is inadequate. It is direct assault on the living standards of workers and everywhere workers are vehemently protesting against. This assault, in turn, is symptomatic of the dead-end of neo-liberalism.



and those in the periphery that had characterized capitalism in the earlier period when it had segmented the world economy into two parts, across which neither labour nor capital moved, can no longer be sustained; but neo-liberalism had always held out the promise that relocation-aided rapid growth of the peripheral economy, would use up the labour reserves there, i.e. that these reserves which are a legacy of colonialism and semi-colonialism (though neo-liberal ideology does not recognize this fact), would finally dwindle.

This promise however gets belied. In fact rather than reduce the magnitude of labour reserves in the periphery, the neo-liberal regime actually increases it. Neo-liberalism is associated there with an *increase* in unemployment, though this fact may manifest itself as a reduction in the number of days that each worker works rather than as a decrease in the number of workers employed.

This increase in unemployment follows from two characteristics of neo-liberalism. One is the withdrawal of state support from petty production and peasant agriculture with a view to opening up this sector to encroachment by big capital and agribusiness. The second characteristic is the opening up of the economy to freer cross-border flows of goods and services which greatly increases the compulsion of every producer to introduce technological progress in order to defend market shares against imports. Since saving on labour is the typical form taken by technological progress under capitalism, this means a rise in the rate of growth of labour productivity and hence a decline in the rate of growth of employment. Thus, as displaced peasants and artisans enlarge the number of job-seekers in the capitalist sector of the economy, the growth in the number of jobs shrinks in that sector, causing a swelling of the relative size of labour reserves. This

*fact weakens the position of the working class in all countries.*

The third factor that weakens the position of workers everywhere is the privatization of public sector units. Workers in public sector units are invariably better organized than those in private sector units, a fact evident from the extent of unionization in the two sectors. In the U.S. for instance almost a third of public sector employees (including in the sphere of education) are unionized, compared to only about 7 percent of private sector employees. It follows that privatization has the effect of subduing working class militancy. This in turn subdues workers' militancy in the economy as a whole.

It is for this reason that France which still has a sizeable public sector continues to witness militant workers' struggles. In India where there had been a substantial public sector with a history of glorious struggles, gradual privatization has made such struggles undoubtedly more difficult; it has led to a shift in the locus of unionization to the small-scale sector.

What is striking however is not so much the fact that neo-liberalism weakens the working class in its struggle against capital, but that *despite this weakening neo-liberalism is witnessing at present an upsurge of workers' militancy*. In Britain rail workers have staged several strikes this year, including, during the previous summer, the biggest strike seen for decades. Even at present, the rail workers have rejected the pay offer made by the employers as being too paltry and are threatening further strike action in December and January. Railway workers however are not alone. Postal workers, nurses, ambulance workers and others have been either engaged in strike action or going to be, so much so that the Chairman of the ruling Conservative Party has talked of bringing in the army to run "essential services". In Germany, port workers, public transport workers, aviation security workers, construction workers, and railway workers have all been either engaged in strikes or are soon going to be. The same is true of other European countries. In other words, the relative quiescence of workers that had characterized the neo-liberal era until now is coming to an end.

The typical explanation for this upsurge of militancy that one comes across in the Western press



attributes it to inflation. Inflation in turn is believed to have been caused by factors, like the Ukraine war or Covid-induced disruptions in supply chains, that are supposedly wholly extraneous to the functioning of neo-liberal capitalism.

This explanation however is inadequate for two obvious reasons: one, neither the Covid episode nor the Ukraine war is extraneous to the functioning of neo-liberal capitalism. This is clear in the case of the Ukraine war whose genesis lies in the attempt to maintain the hegemony of Western imperialism that neo-liberal capitalism also seeks to buttress. But even the Covid episode is not extraneous to neo-liberal capitalism: its sweep and intensity owe much to the Western reluctance to part with monopoly control over vaccine technology; besides, even the origin of Covid, it now appears from the report of a *Lancet*-appointed committee, has been in a laboratory which could well make it a fall-out of military-linked research on behalf of imperialism.

The second reason why the current inflation is not extraneous to neo-liberal capitalism is the following. Capitalist crises have this characteristic that attempts to resolve them often simply lead to crises in a different form. The tendency towards over-production that neo-liberal capitalism has generated because of the rise in the share of surplus in output in the world capitalist economy as a whole, as well as in individual capitalist economies, has been sought to be overcome for a long time in the U.S., the leading metropolitan country, by keeping interest rates close to zero and pumping in huge amounts of liquidity into the economy through what is called “quantitative easing”.

Now, capitalists, in deciding any course of action, evaluate the risks associated with that course. The availability of huge amounts of liquidity at very low interest rates greatly reduces the risks for corporates associated with jacking up their profit margins. This is why several American corporations at the first opportunity jacked up their margins, precipitating the current inflation. Other factors no doubt played a role but this basic cause of the current inflation must not be forgotten.

It is this direct assault on their living standards that workers everywhere are vehemently protesting against. This assault in turn is symptomatic of the dead-end of neo-liberalism.



Before joining active service, an Indian soldier – all ranks of the Army, from jawan to General, and their equivalents in the Navy and Air Force – takes oath as follows:

“I will bear true faith and allegiance to the Constitution of India as by law established and that I will, as in duty bound, honestly and faithfully serve in the regular Army of the Union of India and go wherever ordered by land, sea or air, and that I will observe and obey all commands of the President of the Union of India and the commands of any officer set over me even to the peril of my life.”

Thus, the soldier’s obedience is to the President of India and his loyalty is to the Constitution of India.

While the serving soldier is governed by military law in addition to every other law which governs every citizen, certain fundamental rights available to every citizen are denied to him by Section 21 of the Army Act and the Army Rules “because of the nature of duties performed by the members of the regular Army and for the maintenance of discipline among them”. Specifically, Army Rule 20 prohibits “political and non-military activities”.

Over the decades, the command structure of India’s armed forces has preserved the highest standards of professional conduct and performance, and the apolitical character of the serving soldier.

Back in 1932, a Field Marshal advised young Indian Army officers:

“The young Indian man of education seems very attracted by politics. May I urge you to remember that politics do not, and cannot, find any place in army life. An army can have no place in politics. Once there is any suspicion that an Army, or any part of it, is biased politically, from that moment that Army has lost the confidence of the nation which pays for it. It is no longer impartial, and that way lies chaos and civil war.”

#### Public trust

A 2019 survey of public opinion relating to politics, society, and governance, revealed that

# Whither India's Armed Forces: Politicisation by Default or Design?

Central and state governments prepare development plans and schemes to benefit the people, but advertising them is the ruling party's political agenda. Soldiers promoting government schemes is unambiguously political activity. The "soldier-volunteer" and "selfie-point" are initiatives for political purposes and are measures which politicise the armed forces. The government cannot be unaware of the Army Act and Army Rules, which prohibit political activity.

**Maj.Gen S.G.Vombatkere** , Courtesy: The Wire, 8 Nov. 2023

people trust the Army the most, with the judiciary next. The least trusted are the police, government officials, and political parties.

India's public recognises the apolitical nature of India's armed forces, as a criterion for trust.

## **Soldiers on leave**

The Army has the legacy problem of short-staffing of officers, and post-COVID-19, among personnel below officer rank. The Army has maintained operational capability and readiness, at the cost of increased stress during active service. It is established that stress is a prime reason for suicide among troops. Leave is a de-stressing, precious time away from the extreme rigours of service, when soldiers spend quality time with family and attend to matters that spouses were unable to do.

Ensuring soldiers' leave is a responsibility of military commanders, essential for individual and unit morale, far more than a welfare measure or part of terms of service.

In this well-understood situation, the Army Headquarters directed – although the word used is "recommended" – that "every soldier proceeding on leave volunteers to choose any subject/domain as per own interest/competency and the felt need of one's local community, and engages citizens, thereby making an individual contribution to the Indian Army's nation-building effort".

Short-staffed units are to provide soldiers with literature, to use for their "voluntary" efforts on social, civic and patriotic themes, such as Swachh Bharat Abhiyan, Sarva Shiksha Abhiyan, etc. The unit will monitor compliance using photographs and videos which the soldier takes. Pressure to comply

will cause stress during leave, and anxiety on return to duty station, perhaps defeating the purpose of leave.

The soldier-on-leave "voluntarily" promoting government schemes can be negative for the Army's morale and functioning.

## **Showcasing performance**

On October 9, 2023, the Ministry of Defence directed defence establishments to set up 822 geo-tagged 'selfie points' in nine cities, to "showcase good works done in defence", and "attract public attention".

The armed forces are to set up and operationalise 100 'selfie points' under government-defined themes of 'Atmanirbhar Bharat' and 'Sashaktikaran', and send "action taken reports".

The scheme, using the armed forces to promote and advertise government policies, has an obvious political purpose.

## **Civil-military relations**

India's armed forces are subordinate to control by the Union government of the day. However, the government should consult the service chiefs (or the Chief of Defence Staff) before issuing directions such as soldiers-on-leave "volunteering" to promote government schemes, or establish "selfie-points" for the same purpose, because they impact the soldier and the service. It will never be known whether the government consulted the four-star top brass, or if consulted, what they advised the government.

Even earlier, the four-star top brass had complied with directions to arrange yoga mats on Raj Path (2015) for the government to set a world record,



and clear garbage thrown by Himalayan pilgrimage tourists (2017). Both these tasks were within the ambit of duty and competence of other agencies.

Getting soldiers to do such tasks indicates the government's step-motherly attitude towards the armed forces. Other examples are: death and disability benefits to soldiers made lower than for their civilian counterparts; denying non-functional financial up-gradation (NFU) to the armed forces although the Central Armed Police Forces (CAPFs) receive it; and delaying the payment of OROP arrears ordered by the Supreme Court.

### **Politicisation**

It is the duty of military top brass to convince the political leadership to not pass orders which are political in nature and intent, or impact adversely on the soldier and the service, and thereby on national security. This is easier said than done in the best of times, but under the present dispensation, it is much more difficult. Notwithstanding the difficulty, when the military leadership fails, the armed forces get politicised by default.

The government's "soldier-volunteer" and "selfie-point" initiatives for political purposes are measures which politicise the armed forces, since the government cannot be unaware of the Army Act and Army Rules, which prohibit political activity.

Senior military veterans have expressed concern about the deleterious long-term impact of politics on the morale and cohesion of our armed forces.

Central and state governments prepare development plans and schemes to benefit the people, but advertising them is the ruling party's political agenda. Soldiers promoting government schemes is unambiguously political activity. When it is ordered by the highest military authority in compliance with government directives, it politicises the armed forces. The government would do well to cease using the Army for political purposes, and the military top brass would do well to maintain the apolitical nature of the soldier and the service, in the interest of national security.

*Major General S.G. Vombatkere, VSM,  
retired as additional DG  
(Discipline & Vigilance)  
in the Army HQ AG's Branch.*

## **DECLINE IN MARKET SHARE OF LIC**

**– AIIEA demands proper response  
Writes to chairperson on 27/10/23**

"The continual and progressive decline in LIC's market share over the last couple of months has given rise to understandable concern amongst the employees. It is for the first time that our market share in new business premium has come down to less than 60 per cent as at the end of September 2023. The decline is seen not only in our individual line of business, but also in the group segment where we have had a sway over our peers historically. We are of the considered opinion that retaining a market share of 60 per cent even after more than two decades of competition is by itself a remarkable achievement. Nevertheless, the need to look for reasons of the decline, arrest it and regain the market share can never be overemphasised.

We do feel that a holistic approach and a strategic vision are the absolute needs of the hour. This will be possible only by harnessing the goodwill and collective strength of the workforce. The long and glorious journey of the LIC for over six decades has demonstrated it beyond any shade of doubt that the institution's progress critically depends on the support and allegiance of the workforce. There is an imperative need therefore to hold constructive dialogue with the unions on the wide ranging changes that are taking place in LIC in terms of business models and the application of higher technology. Any unilateralism on vital issues relating to the institution and the employees, however pious the intentions might be, have the potentiality to mar rather than make any positive contribution to the growth and prosperity of the institution.

We would request you to please resume the long forgotten practice of conducting information sharing session so that all the stake holders synergize their efforts to regain the market share and ensure all- round progress for LIC."



## 30<sup>th</sup> General Conference of IEA Hazaribagh Division

The 30th General Conference of the Insurance Employees Association Hazaribagh Division was held at Ramgarh from 7<sup>th</sup> to 8<sup>th</sup> October 2023.

Before the start of the conference, a massive and enthusiastic rally was taken out in which not only young comrades but many lady comrades participated. A total of more than 350 comrades including comrades from other fraternal organizations participated in the rally. After the conclusion of the rally, the conference was formally started by hoisting the flag of IEAHD by Com. Hemant Kumar Mishra, President of Insurance Employees Association Hazaribagh Division amid thunderous slogans; it was followed by floral tributes in Martyr's Column.

The conference was inaugurated by Comrade Pradeep Mukherjee, President of East Central Zone Insurance Employees Association. In his inaugural address, he said that Life Insurance Corporation of India is an ideological commitment of AIEA. AIEA is the organization due to whose efforts the Life Insurance Corporation of India was born and nationalized. We fought many battles to maintain the public nature of Life Insurance Corporation of India. An attempt was made to tarnish the image of Life Insurance Corporation of India through the Adani episode that arose after the Hindenburg Report. But Life Insurance Corporation of India proved with its performance that even today we lead the Indian life insurance market.

Comrade Dharamraj Mohapatra, Joint Secretary of All India Insurance Employees Association addressed the open session as the Chief Speaker. He said that the present time is a time of crisis. Democracy is in danger in the country. The poison

of communalism is being spread by the present government by polarizing the society on religious basis. People's constitutional rights are in danger. Expressing concern over the hostile policies being adopted by the government towards public sector undertakings, he said that we have to worry about whether the Life Insurance Corporation of India will be able to maintain its existence in the future? Life Insurance Corporation of India is the property of its 40 crore policyholders. The future of Life Insurance Corporation of India cannot be decided by any leader, any political party or any Prime Minister. From 1951 till today 2023, we have fought a long battle to keep the Life Insurance Corporation of India intact and our struggle continues even today. The conference was greeted by Maharana Pratap, Com. Kanhaiya Singh (LIAFI), Hemant Bhojak (NFIFWI), Manoj Sahoo (Class-I federation), Com. Baijnath Mistry (AICCTU).

The delegate session started with the placement of report of on behalf of working committee for discussion by Com. Jagdish Chand Mittal, General Secretary and Annual statement of accounts by Com. Rabindra Prasad, Treasurer. Com. Sumit Kumar Sinha Jt. Secretary initiated the discussion and a total of 31 comrades participated in the discussion on the report, which included 3 women comrades. Com Pradeep Mukherjee intervened during the discussion and made an informed submission about the dangers confronting the country and the industry. He asked the employees to remain in vigilance to defend unity of the country and for protection of the industry.

Summing up the report Com. J.C. Mittal, General

Secretary urged the members to fight against those policies which take away our rights. Every member of our organization has the ability, commitment and determination due to which we will not allow the government to succeed in their nefarious plans. Finally the report and accounts of statement were approved by the house unanimously. A total of 16 resolutions of national importance and related to

the corporation were passed in the conference. Com. Hemant Kumar Mishra, Com. Jagdish Chand Mittal and Com.Vijay Kumar Choubey were unanimously elected as President, General Secretary and Treasurer respectively for the ensuing term. The conference ended with the vote of thanks by Com. Pankaj Kumar Sahu, Secretary Reception Committee followed by revolutionary slogans.

## 30<sup>th</sup> Annual Conference of ICEU Tirunelveli

The 30<sup>th</sup> Annual Conference of Insurance Corporation Employees Union, Tirunelveli Division and Inauguration of the new building of the Divisional union were successfully held on 14<sup>th</sup> and 15<sup>th</sup> October, 2023. On 14.10.2023, Com.C.Muthukumarasamy, President, ICEU, Tirunelveli Division presided over the Delegates' Session. Com. Girija, Joint Secretary, AIIEA delivered the inaugural address in the Delegates' session. Com. N.Ponniah, General Secretary, ICEU, Tirunelveli Division presented the General Secretary's Report. 20 comrades including 3 women comrades participated in the debate on the report. The report was unanimously adopted after the summing up by the General Secretary.

Com. Gopinath, Joint Secretary, SZIEF addressed the Delegates' session and praised the activities conducted by ICEU, Tirunelveli Division. Former General Secretary of the Divisional unit, Com. Sivasankaran was felicitated in the Delegates' session and it was an emotional moment. Com. Amanulla

Khan, Former President, AIIEA delivered a special address in the Delegates' session.

25 resolutions including resolutions demanding Wage revision, 14% PF contribution by LIC Management, demanding recognition to AIIEA were unanimously passed.

Com. C.Muthukumarasamy, Com.N.Ponniah and Com.S.Krishnan were elected as President, General Secretary and Treasurer respectively for the ensuing term.

On 15.10.2023 the new building of the Divisional union, "SAROJ NINAIVAGAM" was inaugurated by Com.Amanulla Khan, Former President, AIIEA and Com.Srikanth Mishra, General Secretary, AIIEA. In the new building there is a meeting hall in the ground floor and in the first floor, there are 4 guest rooms and one office room.

Immediately after the inauguration of the new building, the open session of the Divisional Conference was held. Com. C.Muthukumarasamy, President of the Divisional unit presided over the open session. Com.N.Ponniah, General Secretary, delivered the welcome address. Com.Shreekanth Mishra, General Secretary, AIIEA delivered the inaugural address. Com. Amanulla Khan, Former President, AIIEA, Com.Girija, Joint Secretary, AIIEA, Com.P.P.Krishnan, President, SZIEF and



Com.T.Senthilkumar, General Secretary, SZIEF addressed the open session. Divisional leaders of Tamilnadu and Kerala, District leaders of CITU, Tamilnadu Government Emoloyees Association, Postal Employees Union, BEFI, Divisional leaders

of Class I Officers Federation, NFIFWI, LICAUI and leaders of MRGIEA participated in the open session. Com.S.Krishnan, Treasurer, ICEU, Tirunelveli Division proposed vote of thanks.

## 38<sup>th</sup> General Conference of LICEU Ernakulam

The 38th General conference of LICEU, ERNAKULAM Division was held on 9th and 10 th September 2023 at Aluva.

The conference started with the flag hoisting by com R Preethy, President of LICEU Ernakulam. Inaugural session started with the welcome song by comrades of LICEU followed by a “Sangeetha shilpam”-a poetic drama based on the poem “ kanalpottu” written by famous Malayalam poet Murugan Kattakkada and directed by Com P K Rajeev, Vice President, LICEU, EKM was performed by women comrades of D.O base unit. The session was presided over by Com. R Preeti.

Com.V Salim , chairman of the reception committee and former chairman of GCDA, welcomed the gathering. The conference was inaugurated by Com M Girija, Joint secretary of AIIEA. She narrated the present situation the country is going through by pointing out to the irrational policies of the government and the caste based discriminations taking place in some states. She also elaborated upon the challenges before the public sector LIC in the context of proposed amendments by IRDA. She also explained about the negative attitude of the central Government towards our genuine demands and the need for struggle to achieve the improvement in family pension, enhancement of management contribution to NPS to 14%. She underlined the fact that only by protecting the public sector in general,

we can protect LIC.

With that aim we have to join hands with the people in their united struggles across the country and to achieve withdrawal of the anti people policies of the Government.

Com S Sivasubramanian, treasurer SZIEf, Com P P Krishnan, president of SZIEF, Com, I .K.Biju ,joint secretary , SZIEf, Com Aji M G state committee member, CITU, Com Viju Paul, General secretary KSGEU, Com Rema from BEFI, Com K V Tomy, LICAUI ,Com TD Stevin , AILICAF, Com K .K.Sajeevan , General secretary LICPA greeted the conference. The inaugural session concluded with vote of thanks by Com T J Martin. General Secretary, LICEU.

Delegate session was inaugurated by com S Sivasubramanian, Treasurer SZIEF.

He pointed out that proposed changes that IRDA is planning to implement in the insurance sector will take the insurance industry to the pre 1956 era. Com T J Martin placed the report and Com John Mathew presented the statements of accounts for the year 2022.

Com K R Sunilkunar, Working Committee member initiated the discussion and 17 comrades, including 4 women, participated in the discussions. Com. M Girija and Com. P P Krishnan, Joint Secretary and Vice President respectively of AIIEA intervened in the discussions and clarified the doubts of the comrades. Com. I K Biju, Joint Secretay SZIEF also greeted the General Council. The report and accounts were unanimously accepted after the reply by the General Secretary.

The conference elected Com R Preethy, Com T J Martin and Com John Mathew as president, General secretary and Treasurer respectively. Delegate session concluded with the vote of thanks by com V V Suma, joint secretary LICEU Ekm. The experience of conducting the conference at a branch centre was really encouraging and it will definitely strengthen the organisation to take the movement forward with more confidence.



## 30<sup>th</sup> Conference of IEA Thane Division

The 30<sup>th</sup> Annual General Conference of Insurance Employees' Association, Thane was held on 28<sup>th</sup> October 2023 at Jeevan Chintamani, Thane with a massive attendance of lady comrades and new comrades of 2020 batch.

Com. H. I. Bhat, General Secretary, WZIEA in his inaugural speech expressed a deep concern over the recent declined market share of new business of LIC. He narrated the contribution of AIEA in the struggle against the disinvestment of LIC and safeguarding the interest of employees, industry and the policyholders. He spoke about the fast developing technological advancements and the tactics to balance the needs of the institution and the protection of jobs.

Com. Anil Dhokpande, President, WZIEA reminded the history of AIEA and expressed gratitude over the left's political support in our struggle. He stressed upon the need for recruitment in LIC and raising a parallel struggle to achieve it. He appealed the house to further strengthen our organisation.

Com. Harshadbhai Popat Vice president, AIEA as a chief guest exposed the Gujarat model of 'Vikas' and appealed the house to play their role in bringing political change. He pointed out that the misery of BSNL & Air India is the result of the government decision to dismantle the public sector and appealed the house to take part in every struggle of AIEA to



protect LIC.

Com. Trigunesh Joshi General Secretary, IEA Thane placed the report before the house and 7 comrades expressed their views on the report & prevailing condition of their branches after which report was unanimously accepted. 8 resolutions on various subjects were passed by the house; the accounts were passed unanimously. The meeting unanimously elected office bearers for ensuing term with Com. Nandkumar Chavan, Com. Pravin Shinde and Com. Sandesh Kadam as President, General Secretary and Treasurer respectively. Com. Nayan Haldankar and Com. Megha Chogle were elected as President and Convenor respectively for women sub-committee.

Com. Trigunesh Joshi proposed the vote of thanks.

## Conference of LICPA Salem

The 13th Conference of Salem Division LIC Pensioners Association was held on 10th October 2023. Com.V.Jayaprakash presided over the function. Com.Nethaji Bose, District Secretary of state and central & Public Sector Pensioners co-ordination committee inaugurated the conference. He referred to the ongoing struggles against NPS and asked the gathering to forcefully agitate for restoration of old pension scheme.

Com.R.Narasimhan, President of ICEU Salem Division & Com.R.Anandan General Secretary of ICEU Salem Division attended the meeting. Com.R Anandan addressed the Pensioners & explained the present situation of LIC.

The General Secretary Com. D.S.Seshagiri LICPA

Salem Division placed the brief report on the activities of LICPA since last two years. The report gave details of the signature campaign and meeting of the Members of Parliament as per the call of AIPPA on the issue of hike in family pension and updation. The significant achievements of increase in Family Pension in LIC was greatly appreciated..The Secretary report was unanimously accepted.

The conference unanimously elected Com P.Lakshmana, Com K.M.Parvathi and Com. R.Ravindran as President, General Secretary and Treasurer respectively for the ensuing term.

Com.R.Ravindran, treasure proposed a vote of thanks. With this the conference came to a successful close.



## Conference of Jabalpur Division Pensioners

The Conference of Jabalpur Division Insurance Pensioners' Association was held on 17<sup>th</sup> September 2023. The conference began with the presentation of General Secretary's report on behalf of Working Committee by Com. Vinay Gupta, General Secretary



, JDIPA. Com. Shreekant Mishra, General secretary, AIIEA dealt at length on the larger issues of pensioners viz. upward revision of basic pension and the achievements secured by AIIEA and AIIPA, like, Family Pension from 15% to 30%, another option for inclusion in Mediclaim, the improvements made in the Group Mediclaim policy. Comrade D. R. Mahapatra, General Secretary, CZIEA and Comrade Ajit Ketkar,

President also spoke in conference congratulating the pensioners on the achievement of enhancement of Family Pension from 15% to 30% of Basic Pension. Com. Vijay Malajpure, Vice President, AIIPA also greeted the Conference.

The Conference unanimously elected Com. Vandana Choube, Com. N. Chakravarty and Com. Suresh Thakur as President, General Secretary and Treasurer respectively.

## Seminar on Universal Pension Scheme at Hyderabad

As per the call of AIIPA, Insurance Corporation Retired Employees' Association (ICREA), Hyderabad and General Insurance Pensioners Association (GIPA), Hyderabad have organised a Seminar on 'Universal social security/ pension Scheme', on 10<sup>th</sup> October, 2023 in the Sundarayya Vignana Kendram, Hyderabad. The seminar is organised with the active involvement of other Trade Unions and Pensioners organisations like BSNL Emp. Union, BEFI, TPARPA etc. and support and guidance of ICEU/SCZIEF leadership. About 350 pensioners/family pensioners attended the seminar. Com. K. Vijay Bhaskar Reddy, Gen. Secretary, GIPA welcomed the gathering. Com. Adhish Reddy, President, ICREA presided over the meeting. Com. Shreekant Mishra, General Secretary, AIIEA; Com. K. Venu Gopal, former General Secretary, AIIEA; Com. Shanker Narayana, GIPA; Com. B. Ramachandrudu, Circle secretary, AIBDPA, Telangana; Com. P. Krishna Murthy, General Secretary, TPARPA; Com. M.V. Harish Babu, Secretary, RBIEA, Hyderabad; Com. Goli Ramesh, Secretary,

SNPWA; Com. V. Nageswara Rao, President, CCGEW and Com. RVS Raghava Rao from Railways have attended the seminar.

**Com. Shreekanth Mishra** explained about Article 41 of the constitution which dealt with old age people and their health issues. The present National Security Assistance Programme (NSAP) which covers about 3 crore old age people providing a meagre Rs. 200/- per month, is wholly inadequate, he expressed. There is need for a universal pension, providing a decent amount to lead a dignified life, Com. Mishra demanded.

**Com. K Venu Gopal**, in his address said that there are 14 crore old age people in the country and they should be taken care of, by the Government, by providing universal pension. He stressed the need to convert this in to a political demand to exert pressure on the government. Promises, like the Rs. 6000/- monthly pension, made by Sri. B. Dattatreya, when he was labour minister, tend to be forgotten, he lamented.



Leaders from all the participating organisations have also addressed the seminar. All the speakers emphasized the need for universal social security/ pension for all. The seminar has adopted a suitably drafted resolution, on this occasion. Com. B. Jayaraju, CC member proposed the vote of thanks.

# 1st Zonal women TU Workshop of NCZIEF – A small idea turned into roaring success

In order to bring more and more women comrades into organizational activities in the zone and to educate them to understand the challenges in the society and within the institution, a TU workshop exclusively for women was successfully held at Mussoorie on 23rd September 2023.

The topics of the workshop were

1. Trade union movement and Role of women comrades.
2. Social, political and economical environment and its impact on working people.
3. Role of AIEA in protecting LIC and clinching Employees Benefits.
4. Role of public sectors in nation building and in providing decent job opportunities.

**Com. Geeta Shant, Convenor, Women's Sub-Committee, NCZIEF** spoke on the Topic Trade union movement and Role of women comrades. She beautifully explained the importance of women comrades to be in the trade union movement. She said that as a women employee, we can't afford to restrict ourselves to the women centric issues alone. We are equally affected with what is happening in society and in Industry too. She said that the platform of AIEA gives equal opportunity to female comrades to work for the organization.

**Com. Venugopal, Former General Secretary, AIEA** spoke on the present social and economic environment. He said that the growth of economy is benefitting the rich and the workers are adversely impacted. He said that it is not only harmful for small saving Industry like ours but also hampering the role of small savings in national building. Appreciating the performance of LIC of India despite all hostile efforts



by Govt. of India to patronize private capital, he said that in spite of gloomy economic scenario LIC of India earned a total income of nearly 7.88 lakh crore in 2022-2023. He said that without social integration or unity, the unity of employees is not possible and without a political will to strengthen Public Sectors or to provide jobs, the dangers on us too are looming at large. While praising NCZIEF for organizing this TU workshop, he recalled that it was the decision of AIEA conference at Jaipur in 1988 to unite and educate women comrades and expressed happiness that NCZIEF is doing it in right earnest.

**Com. Sanjeev Sharma, President, NCZIEF** addressed the workshop on the topic Role of AIEA in protecting LIC and clinching Employees Benefits. He emphatically placed in detail how this great movement named AIEA fought for formation of LIC for 5 long years from 1951 to 1956. He spoke on the role of AIEA in protecting the jobs of thousand of LIC employees, when it successfully won the battle against automation from 1964-1969. He pointed out that the AIEA through a correct political understanding could defeat the moves to split LIC, improve the service conditions, secure pension and regular wage increases and medical benefits. He called upon the participants to understand the role of AIEA and united struggle to carry forward our movement, which is proved to be a boon for LIC Employees and working people.

**Com. Rajiv Nigam, General Secretary, NCZIEF** covered the topic Role of public sectors in nation building and in providing decent job opportunities. He said that as this topic is almost got covered in the address by other speakers, he would like to call on cadre building and responsibilities of our members. He said that at a time when religious fanatics with the support of ruling dispensation and capitalist forces are creating a divide among the common people, the working class too is badly affected and at this



crucial juncture this class can give us the necessary understanding to build up our organization, so that we may effectively challenge the challenges. He briefly spoke on the role of public sector in nation building.

The Zonal Women Co-Conveners Com. Poonam Gupta, Com. Bharti Sood, Com. Pratibha Mishra, Com.

Ruby Nigam, Com. Sunita Singh splendidly performed the responsibility of Principal for various sessions.

Com. Nandlal Sharma, General Secretary, DDIEU welcomed the participants and presented them mementos and Com. Pramod Goyal, President, DDIEU proposed vote of thanks.

## BKS Lucknow Division organises T U Classes



A Trade Union Workshop was organised at Landmark Hotel, Lakhimpur on 28th and 29th October 2023 for all comrades working under Lucknow Division. 150 comrades from all the units participated in the workshop with zeal. The workshop was unique in its kind, as for the first time almost all new young recruits of 2020 batch participated in it. Com Rajiv Nigam, General Secretary, NCZIEF guided the classes. The classes were presided over by Com Sandeep Nigam, President, BKSLD.

Com Amanulla Khan, Former President, AIEEA took the class on Socio-economic and political challenges and role of trade unions. He complimented the Lucknow Division for emerging as a vibrant unit of AIEEA despite affected by the split in the organisation in 1972. He said the principled stand of the AIEEA endeared the organisation to the employees and today it has overwhelming support of employees in the Division. He made elaborate presentation on the issues impacting the working class today due to the social and economic environment. He said today the unity of the nation and the working class is being impacted due to the policies of polarisation and division for electorate gains. He pointed out that people are branded as anti-national if they criticise the policy of the government. The economic policies have created huge disparities in incomes and wealth. The governance has become hostage to the big capital and international finance capital. He said it is important for the working class to understand these issues and fight the

policies of social division and communal polarisation. The working class also has to force the government to reverse the economic policies. He ended with an optimistic note that insurance employees in Lucknow Division under the guidance of AIEEA will be able to successfully meet the enormous challenges of the present times.

The Second class on "Struggles of AIEEA, employee benefits and challenges in Post IPO" was dealt with by Com Shreekanth Mishra, General Secretary, AIEEA. He traced the birth of AIEEA and its struggles in an elaborate manner. He said that these struggles have brought immense benefit to the insurance employees and improvement in their life standards. He gave the political and ideological reasons for which AIEEA campaigned for nationalisation and thereafter the struggle to protect the institution from the onslaught of privatisation. He spoke on various struggles for wage revision that resulted in best wage compensation for the LIC employees. He pointed out the reasons for our opposition to IPO and said that the situation has thrown up many challenges. These challenges related to retaining market dominance by understanding the competitive environment and by innovative product development and other marketing strategies. He hoped that whatever may be the odds, the insurance employees under the guidance of AIEEA will emerge successful.

Com Rajiv Nigam explained the steps that are required to be taken for organisational consolidation. Com Alok Tewari gave details of the objective behind organisation of the trade union camp. The trade union classes were highly appreciated by the participants.

The workshop came to a successful conclusion with vote of thanks by Com Ajay Shekhar Sigh, Vice President, BKSLD.



## “ANGIKAR” PROGRAM by KSDIEA

Kolkata Suburban Divisional Insurance Employees Association, Womens' Sub Committee organised a philanthropic activity-"Angikar" (Commitment) on 19th October 2023 (on the auspicious occasion of Durga Panchami) at "Jeevan Prabha" Building, DD-5, Sector-I, Saltlake, Kolkata-700064, to extend a helping hand towards the welfare of slum dwelling children from Barasat area. Womens' Sub Committee has been conducting such events from last few years for the cause of social development. Alike every year, this year also new clothes, school bags, pencil boxes, sharpeners, erasers, copies, water bottles were distributed by committee to 30 children under 12 years. Lunch was organised for them. Womens' Sub Committee is going to organise the same program- "ANGIKAR" at Nadia and Murshidabad districts.



## Bangalore: Get together of agents “Mission 100 Crores”

The management of Bangalore DO-1 had floated a business competition on 25<sup>th</sup> september 2023 with an intention of collecting a premium of Rs.100 Crores on a single day. The had sought the support of ICEU in accomplishing this goal.

ICEU took up this task in right earnest and all the members were motivated to call up each and every agent in the division to ask them to bring maximum business on that day. Leadership of ICEU visited all the base units and held meetings to motivate the employees in this task. With all this efforts an amount of Rs. 21 crores total first premium was collected on that day. This has been the highest premium collected in a day in the Zone with an activation of 12% of agents in a single day.

The division could secure 137 annuities 116 Dhan Vridhi and 100 ULIP policies. 335 policies could be procured through ANANDA. Two branches that is Malleswaram Branch in city and Tiptur Branch in mofussil could achieve little over 5% of their annual target in the FPI.



ICEU had decided to honour three top agents in the competition in every branch. Accordingly a get together was arranged for them in our union office SOUHARDA on 7<sup>th</sup> Oct 2023. A motivational speech "Think beyond yourself - facing the challenges in Insurance market" was also arranged. Com. Subramanya, our active cadre from Mysore Division conducted the same. He enthralled the audience by quoting live examples and eliciting the information from agents regarding the experience with customers in selling various products of LIC. He also shared information regarding income tax and agency regulations. Agents whole heartedly participated in the interaction with him.

Smt Jacqueline Abraham, Marketing Manager expressed gratitude and appreciations to AIEA for all the support and efforts of ICEU. Though the mission was very ambitious what we achieved is no less she informed. She called upon agents to continue with same zeal so that Bangalore Division-1 would scale the greater heights.

Sri Girish Murthy leader of NFIFW thanked ICEU for the opportunity to be a part of such wonderful programme and sought the same co-operation in the days to come.

Sri. B.G.Mogera organising secretary of LIAFI thanked ICEU for all the support extended to agents. He said he was thrilled to be present in such a meeting organised by the trade union for agents and conveyed the heartfelt thanks on behalf of all agents. The programme was presided over by Com.R.Padmanabha, President of ICEU Bangalore -1. Com S.K.Geetha, General Secretary gave a brief introduction and made the initial

Contd on P. 38

## JFTU KERALA STATE MEET

The Joint Front of Trade Unions (JFTU) in General Insurance sector comprising AIEA, GIEAIA, NFGIE, NIAOA, NICOA, OICOA, UIIOA, GIOAIA, AIGIFWA, GIDOF, AIGI SC/ST EWA, AIGI SC/ST EP, GIBCEWA, organized a Convention at Ernakulam and highlighted the issues and challenges facing the public sector general insurance companies (PSGIC) and the impact on the sector and various stakeholders.

A Resolution, unanimously adopted at the Convention demanded scraping Key Performance Indicators (KPI) and restructuring that adversely impacted financial performance and customer services. The Resolution demanded immediate merger of three companies as per the 2018 Budget proposal and demanded recruitment in all cares. It was further decided to oppose the irrational productivity linked Wages and Promotion Policy and closure of offices.

Com. Chandran Pillai, National Secretary, CITU and Chairman of GCDA, who inaugurated the Convention, expressed happiness that all Unions and Association in the Public Sector General Insurance Industry have come together to fight the regressive anti-public sector and anti-people policies of the Union Government. He said only similar broad-based struggle of the working class will ensure the economic sovereignty of our country. In this situation, the working class must understand the devious games being played by the ruling class and use the ensuing national election to remove the undemocratic government.

Com. Binoy Viswom, Member of Parliament and Working President of AITUC, in his key-note address said the government's agenda has been to destroy the Public Sector and the most undemocratic methods adopted in Parliament to pass various legislations including GIBNA, bodes ill for the polity. He said the attack on public sector is increasing by the day and cronyism has become the official economic policy.

Sri. Hybi Eaden, Member of Parliament and INTUC leader said that the Union Government is not in a position to decide the economic policies and the corporate sector is dictating them. He stressed the important role played by the PSGIC in the country's economic development and the need to protect the companies.

Com.G. Anand, Vice-President, AIEA and Joint Convenor JFTU, South Zone said the public sector general insurance industry performed remarkably well in this otherwise gloomy economic scenario. He said that GIPSA management was unnecessarily vitiating the industrial atmosphere by resorting to the KPI and other restructuring initiatives at the instance of the government. He deplored the moves of the government to privatise the PSGI companies rather than working towards merger of the PSGI companies as announced in the Budget proposals of the year 2018. He said the reform measures mooted by the IRDA in the name of ensuring 'insurance for all' had some diabolical designs behind it.

## BLOOD DONATION CAMP AT KOLKATA

On 21<sup>st</sup> September 2023, Women Sub Committee of Kolkata Division Life Insurance Employees' Association organised a voluntary Blood donation Camp at L. I.E. Sports club, Kolkata premises. The camp was a huge success.

L.I.C. Employees in large number, from all sections, donated blood spiritedly. Agents of LIC and others were also present in the camp. Employees of the local branch of IDBI Bank also donated blood in the said camp. Total 116 donors, 12 women donors included, donated blood.

The camp was inaugurated by Mr. Anirban Saha, Sr. D.M., K.M.D.O-1 with his brief speech. In that simple inaugural programme many officials of

our division were also present.

Com. Amitava Ghosh, General Secretary, E.Z.I.E.A. delivered a brief and inspiring speech. His daughter donated blood in the camp. Presence of his whole family graced the occasion.

Many former leaders of K.D.L.I.E.A. visited the camp to encourage the comrades. Presence of President, LIC Pensioners' Association, KMDO-1 encouraged the comrades and donors. In true sense the camp was a thumping success.

Women Sub Committee, KDLIEA is committed to carry on such social activities in days to come.



- ▶ LIC has recorded highest ever Half Yearly Profit After Tax of Rs.17,469 crore for the second quarter of Financial Year 2023-24. This includes an amount of Rs.13,768 crore (Net of Tax), pertaining to the accretions on the available solvency margin, transferred from Non-Par fund to the shareholders account.
- ▶ The Indian Embedded Value (IEV) as on September 30th, 2023 has been determined as Rs 6,62,605 crore as compared to Rs.5,44,291 crore as on September 30th, 2022 registering an increase of 21.74 per cent over the previous year. The Solvency Ratio as on September 30th, 2023 improved to 1.90 as against 1.88 on September 30th, 2022. The Value of New Business (VNB) for the six month period ended September 30th, 2023 was Rs. 3,304 crore as compared to Rs. 3,677 crore for the six month ended September 30th, 2022. The Assets Under Management (AUM) increased to Rs. 47,43,389 crore as on September 30th, 2023 as compared to Rs. 42,93,778 crore on September 30th, 2022 registering an increase of 10.47 per cent year on year. The Overall Expense Ratio for the half year ended September 30th, 2023 was 15.14% as compared to 16.69% for the half year ended September 30th, 2022. The yield on Investments on policyholders funds excluding unrealised gains was 9.06 per cent for half year ended September 30th, 2023 as against 8.32 per cent for half year ended September 30th, 2022. The Net NPA in the policyholders fund was Rs. 8.77 crore as on September 30th, 2023 as compared to Rs. 12.72 crore as on September 30th, 2022.
- ▶ Complaints against insurance companies lodged with ombudsman office in Chennai, which has jurisdiction over Tamil Nadu and Puducherry, have increased by 21.6 per cent at 1630 between April and October 2023. During the same seven month period of last financial Year the number of complaints were 1340. Across the country, in the FY 2023 the number of complaints filed with ombudsman were 51,000 which is an increase by 19 % over the previous year.
- ▶ National Insurance Company registered a profit of Rs 424.10 crore in the second quarter of financial year 2023-24 compared to a loss of Rs 1,465.88 crore in the year-ago period. In the first quarter of FY24, the loss of the company stood at Rs 379.28 crore. The Gross Written Premium of the state-owned insurer rose to Rs 5,113.20 crore in the reported quarter from Rs 4,801.15 crore in Q2

of FY23.

- ▶ Switzerland-based Zurich Insurance Group will acquire a 51 per cent stake in Kotak Mahindra General Insurance Company for about Rs 4,051 crore through a combination of fresh capital infusion and share purchase. This will be the largest investment by a global strategic insurer in an Indian non-life insurance firm.

Once Zurich Insurance acquires the 51 per cent stake, Kotak General Insurance will cease to be a subsidiary of Kotak Mahindra Bank. At present, the bank holds 100 per cent stake in the general insurance firm. Zurich Insurance intends to acquire an additional 19 per cent stake within three years of closing the deal, which will take its holding in the Indian general insurance firm to 70 per cent.

- ▶ The IRDAI has issued an exposure draft of a regulation that consolidates and simplifies rules governing the expenses of management (EoM), including commission, of insurers. According to it, the main objective of the proposed regulations, called "IRDAI (Expenses of Management, including commission, of insurers) Regulations, 2023", when finalised, is to enable and provide flexibility to the insurers to manage their expenses, including commissions, within the overall limits as specified by the IRDAI
- ▶ A Swiss Re Institute study reveals – *"The life market in India is more developed than non-life. The penetration of life insurance was 3.0% in 2022, almost twice the emerging market and slightly above the global average. However, the mortality resilience index in India was still low in 2021, with a household asset and insurance coverage shortfall of around 91%. Another issue in India's market is inequality of coverage. A great proportion of the country's burgeoning population works in the informal sector and many cannot afford private insurance. India's so-called "missing middle" number around 400 million or 30% of the population. Household income levels are characterised as being "too poor to be rich, and too rich to be poor". The missing middle are not poor enough to be eligible for the state health insurance scheme, but also cannot afford private cover. Out of pocket expenses on health can be high and force families into poverty."* A separate study by it found that lack of affordability is a main reason for lack on inclusivity of India's Life and Health insurance marke.

## WORKING CLASS Struggle

■ S. Sridhara, Mysore

Over 10000 Anganawadi and helpers from 5000 childcare centers in Bihar state have been on strike since September 29<sup>th</sup> demanding a pay increase. Police used water cannons and batons in an attempt to break up their demonstration in front of the Bihar state assembly in Patna on 7<sup>th</sup> November. Several protestors were arrested.

Anganawadi workers are fighting for a charter of five demands, which include salary instead of honorarium, the status of Government employee and increase in their retirement age and another demand is that the monthly wage to Rs.27000/- and 18000/- Rupees respectively. Currently they are paid a poverty wage of 5900 and 2700 rupees a month respectively.

Over 1000 retrenched workers from General Motors India's shuttered plant at Talegaon near Pune in Maharashtra state are continuing a hunger protest that began on 2<sup>nd</sup> October 2023. They want reinstatement at the plant which has been sold to Hyundai Motor India. Hyundai refused to absorb the existing General Motors workers as part of its deal to acquire the Talegaon Plant. The General Motors Employee's Union has been ineffective in its attempt to get the Government to intervention. The workers hope the Maharashtra State Government will intervene and ensure their employment at the Plant which is expected to start production by 2024.

The Tamilnadu Salt Corporation (TNSC) Workers at Valinokkam in Ramanathapuram District, commenced on 6<sup>th</sup> November indefinite strike demanding the Government to increase their bonus from 10 to 20 percent. The workers affiliated to CITU, which argued that the other public sector undertakings received 20% Bonus and TNSC workers should be entitled to the same. The workers threatened that they will resort to road blockades if the Government continued to ignore their demand.

Hundreds of contract workers, the 112 women emergency, helpline demonstrated for a second day in Lucknow, the state capital on 7<sup>th</sup> November over low pay and other issues. The police intervened and arrested the protestors. Worker's demands were for a wage increase from 12000 Rupees to 18000 Rupees a month and job security, 2 paid holidays per month.

Over 500 Forest department workers including guards demonstrated in Dehradun on 6<sup>th</sup> November protesting the non-payment of wages. For the past eight months and failure of the Government to honour a previous commitment to provide promotions. The Uttarakhand Forest guard union organised the protest.

TATA Consultancy Service has issued transfer notices to nearly 2000 associate employees to join at new location. TCS ask employees to arrange for their travel and accommodation. KITU (Karnataka State IT/ITES Employee's Union) extends all support to the affected employees in TCS and urges the management to refrain from the unfair labour practices of mass transfer.

Nearly 2500 taxi drivers from OLA, UBER, Red Taxi Porter and Fast called off a two day strike. They were calling for the Government to regulate cab aggregators. Tamilnadu Road Transport Workers Federation in Press Statement said, companies are currently collecting a commission of 30% which drivers want to reduce to 10%. Other demands included Fixed meter charges. Drivers plan to hold demonstration in Madurai, Trichy, Coimbatore and Chennai.

Contract sanitation workers from Municipal Corporation of Gurugram (MCG) have been on strike since September 18<sup>th</sup> to demand cancellation of contract tenders and for the Corporation to directly employ sanitation workers hired by existing agencies.

Workers from the Tirunelveli Municipal Corporation (TMC) in Tamilnadu have been protesting against the State Government's decision to Privatise Sanitation and related operations. Workers submitted a petition at the Tirunelveli Collectorate on 17<sup>th</sup> October demanding the Government let them remain affiliated with self help groups (SHGs)

About 42000 contract doctors and class IV Health Mission (NHM) in Maharashtra held a statewide strike on October 16<sup>th</sup> to demand permanent jobs. Many workers have been working on contract basis for over a decade.

Government School teachers in Bihar observed a day long fast on 16<sup>th</sup> Oct to oppose the state education department's Residential Training Programme which runs from October 16<sup>th</sup> to 21<sup>st</sup>. They demand that the program to be rescheduled after Navarathri.

The Protest is being called by the workers across state of Karnataka, Municipal workers including auto-tipper drivers, helpers and loaders, employees in the collection and transportation of waste are on state wide protest on 15<sup>th</sup> November. Workers are not even paid minimum wages on time. Sometimes, Wages not paid for 3 to 6 months. Two main demands are all poura karmikas be brought under the direct payment system and abolish contract labour system.



- According to the latest UN Trade and Development Report, Global economy is heading for systemic crisis. The report says the global economy is wracked by lower investment and growth, the increased domination of giant corporations, financial speculation, a falling share of labour income and rising social inequality. The World economy started to grow at only 2.4% this year, with a slight rise to 2.5% in 2024. The report notes that the increasing domination of the global economy by giant Corporations has led to reduction of labours share of income from 57% in 2000 to 53% today. Roughly translated into raw figures, this means that with global GDP at close to \$100 Trillion, the income flowing to working people today is around \$4 trillion less than it has in 2000. The report notes that some 3.3 billion people – almost half of humanity – now live in countries spend more on debt interest payments than on education or health, with the external and publicly guaranteed debt tripling over the past decade. The proportion of government revenue used for debt service payments rose from 6% to 16% in 2021.
- The latest UN Report notes that there is a vicious interplay developing in which higher energy costs increased the price of fertilizers, leading to a reduction in their use and lower crop yields, which in turn led to higher food prices. The profits of the nine bit fertilizer companies over the past five years grew from an average of around \$14 billion before the pandemic to \$28 billion in 2021 and then to “astounding” \$ 49 billion in 2022. According to Oxfam aid agency report, food and beverage corporations made on an average \$ 14 billion a year in windfall profits for 2021 and 2022, more than enough to cover the \$6.4 billion needed to deliver life-saving assistance for East Africa twice over. Within the food commodity markets, speculative activities play a major role in price hike by many players. In other words, the global food market is a kind of giant casino in which the chips in the hands of the ultra-wealthy players are the livelihoods of billions of workers and their families.
- The World Bank has warned that oil prices could rise to as high as \$ 157 barrel, up from \$ 90, because

of the Israeli war on Gaza. Rising oil prices will not only life energy and fuel costs but also increase food inflation, via the impact on fertilizer prices. This would worsen the situation for more than 700 million people, almost one-tenth of the world’s population, who are already malnourished. Before the war, the world bank has predicted that the prices

of crude oil would fall to around \$81 per barrel while overall commodity prices were projected to decline by 4.1% in 2024. The World Bank forecast came in the wake of a recent note by Bank of America, which said the oil price could soar as high as \$ 250 per barrel. Analyzing further, World Bank notes that under a “small disruption”, such as took place with war on Libya in 2011, the oil price would increase by 3% to 13% and reach a range of \$ 93 to \$ 102 per barrel. In a “medium disruption” equivalent to what occurred in the 2003 invasion of Iraq, prices would be driven up by 21% to 35% and oil would fetch between \$ 109 and \$ 121 per barrel. In a “large disruption” the global oil supply would contract by between 6 million to 8 million barrels a day. This would drive up oil prices by between 56% and 75% with the price ranging from \$ 140 per barrel to as high as \$ 157 per barrel. The record price for crude oil is \$ 147 per barrel which it reached in 2008 on the eve of the global financial crisis.

- There is a swirl of uncertainty surrounding financial markets and the entire global financial system amid fears that one or other or a combination of ongoing inflation, rising interest rates, growing government debt, decoupling from China, a significant loss by firms involved in the so-called shadow banking system and the escalation of war could set off a major crisis. Shadow banking, which is largely outside the financial regulatory system, has had an explosive growth since the crisis of 2008 with roughly half of global financial assets now in the “shadow sector”. According to Colm Kelleher, the Chairman of the Swiss Bank UBS, next crisis when it happens will be in this sector, and it will be a fiduciary crisis. Such crisis of confidence can rapidly extend from the shadows and into the broader financial system.

## “Mission 100 Crores” Contd from P. 34

remarks on the programme. Com. Bharathi Deshpande, treasurer welcomed the audience and Com. Shantha L.K.Rao, convener, women sub-committee proposed the vote of thanks. All the prize winners were honoured with a memento by various guests.

The programme was very unique in many ways.

This competition helped our members to build bidges with the agency force. The level of involvement of our members was exemplary. They took the lead in planning up the activity in every branch. Many of the agents felt very touched when they were approached by our comrades. It indeed created a sense of oneness and gave the confidence that together we can face any challenge and over come it.





**For our  
FIELD FORCES**

■ Arivukkadal, Thanjavur

### LIC Performance:

LIC's Assets Under Management (AUM) increased to Rs.47,43,389 crore as on September 30, 2023 as compared to Rs.42,93,778 crore on September 30, 2022 registering an increase of 10.47%. The Overall Expense Ratio for the half year of 2023 was 15.14% as compared to 16.69%. Net NPA in the policyholders fund was Rs.8.77 crore as of September this year as compared to Rs.12.72 crore last year. The Total Individual Business Premium for the six month period ending September 30 increased to Rs.1,34,783 crore from Rs.1,27,738 crore. For six months ending September 30, 2023, the LIC had a market share of 40.35% in Individual business and 70.26% in the group business.

**Railway & LIC:** Central Railway's Mumbai Division and Life Insurance Corporation signed a Memorandum of Understanding for the implementation of Group Term Insurance Plan for the benefit of its employees. About 31,466 employees covered under this plan are likely to benefit from it. This is the first of its kind in the Government sector and Indian Railways

**Ombudsman complaints:** The insurance ombudsman disposed of over 92% of the complaints it received from the insured during 2022-23. It received 55,946 complaints during the year across its offices in the country, of which 51,625 were disposed of.

**Forged documents:** The district consumer disputes redressal commission, Nainital imposed a fine of Rs.50,000 on **SBI Life Insurance** for **forging documents**.

**Scan & Buy:** Aegon Life has developed a term insurance plan for a maximum sum insured of Rs.5 lakh, that can be purchased by scanning a QR code.

**Zurich Insurance:** Zurich Insurance Enters the Indian Market. Kotak Mahindra Bank has announced that Zurich Insurance Group have entered into definitive agreements to acquire a 51% stake in Kotak General Insurance for Rs 4,051 crore. This is the largest investment made by a global strategic insurer in an Indian non-life insurance company. Zurich Insurance intends to acquire an additional 19% stake in the general insurance provider within three years, taking its stake up to 70%.

**Bancassurance committee:** IRDAI has set up a high-level panel to suggest steps to increase the participation of banks for easy availability of insurance products across the country.

**Arbitration clause:** IRDAI has asked general insurance

companies to keep retail/individual policyholders out of the provisions of the arbitration clause in their policy document. The arbitration clause is a paragraph tucked away within the lengths of policy wordings of a general insurance policy. It typically states that if there is any dispute or difference to the amount payable under the policy, arbitration shall be conducted under the provisions of the Arbitration and Conciliation Act, 1996.

**De-tariff:** General Insurance companies may soon be able to set their own prices for motor (third-party), fire and accident insurance products. The Insurance Regulatory and Development Authority (IRDAI) has set up a task force to draw up the framework, which will guide how these companies can increase or decrease premiums on these products. This comes after existing tariffs were de-notified.

**Policy conditions:** IRDAI has directed insurance companies to ensure that all the main information about a policy are listed in a simple form on one page for the ease of the consumer, with effect from January 1, 2024. According to the regulator, simple language will enable the consumer to understand and follow the policy documents thoroughly. IRDAI has also set up a committee to simplify the wording of insurance policies to help people make an informed decision before buying cover.

**Unified network:** IRDAI is collaborating with industry stakeholders to create a unified network of hospitals accessible for all health insurance policies offered by any health insurance or general insurance provider nationwide, as well as the implementation of a fully cashless settlement system, covering all expenses. Currently, cashless settlement services are accessible in 49% of the hospitals in India.

**Employee insurance:** IRDAI has told insurance companies providing motor insurance to compulsorily include an inbuilt feature in the Third Party (TP) policy that will give coverage to employees who travel in their employer's vehicle. IRDAI also added that no additional premium will be charged until further directions are issued.

**State committees:** IRDAI is exploring the possibility of creating a body similar to the state-level bankers' committees (SLBCs). The SLBC concept, introduced in 1977 under the aegis of the Reserve Bank of India (RBI), is an inter-institutional forum at state level to enable coordination between the government and banks on issues concerning banking development.

# Kolkata: Seminar on Role of Working Class to Protect Humanism from Fascism



Kolkata Suburban Division Insurance Employees' Association observed its 37<sup>th</sup> foundation day with due seriousness and propriety of conduct on 7<sup>th</sup> November (Commencement day of Historic November Revolution), 2023 with raising flag of the association in every base under its jurisdiction. After the office hour, a central seminar was organized at the Head Quarter of KSDIEA on the topic of "ROLE OF WORKING CLASS TO PROTECT HUMANISM FROM FASCISM". Before an audience of more than 100 employees from different Bases, irrespective of cadres, Comrade Jiaul Alam, Secretary General, All India Plantation Workers Federation, who was the chief speaker on the topic, through his classic and thought provoking deliberations brought into sharp focus different aspect of Fascism over the different era and outlined the responsibilities of working class. Here is the summary of his speech below:-

*Due to inherent deformity, capitalism continued to face crisis in cyclic order. It encourages fundamentalism and ultra-nationalism to divert attention from the crisis. It had to stage two world wars within a narrow time frame of two decades to emerge out of economic recession. To mould the belief system of common people in favor of capitalism, it is compulsory to arrest the free thinking of human brain. Framing psychology of a whole human society in a homogeneous cage devoid of logic, curiosity and inquest is the sole intention*

*of Fascism. Artificial Intelligence is being utilized to create a conveyer belt of thinking, within which modern day common man is compelled to fit himself/herself. Scientific temper nurtures heterogeneous free thinking as well as inquest for alternatives; fascism, the most aggressive form of capitalism, cannot afford this rationality. The most unscientific idea of racial purity among Germans gave birth to Nazis. The same trend is being observed in Indian context of Hindutva. Fascism might change its external form superficially to be exhibited differently from the era of 20<sup>th</sup> century, but, the heritage of establishing majoritarian supremacy has been the cementing factor in 21<sup>st</sup> century Fascism also. As fascism uses religion as a weapon, women face all the harmful consequences of religious fundamentalism. Male supremacy, i.e., Patriarchy is an intrinsic character of fascism.*

*Working class need to identify themselves as the most effective, quantitative as well as qualitative contributor of production system. It should be clear that, no value addition is possible without the active contribution (both physical and intellectual) from workers. So, to arrest Fascism from creating a consensus in favor of exploitation of working class by capitalism, we need to be cautious to protect our brain and its free-thinking process from surrendering to all kind of fundamentalism.*

## CONSUMER PRICE INDEX

Month	Base 2016	2001	1960
Jan 2023	132.8	382.46	8730.09
Feb	132.7	382.18	8723.51
Mar	133.3	383.90	8762.95
Apr	134.2	386.50	8822.12
May	134.7	387.94	8854.99
June	136.4	392.83	8966.74
July	139.7	402.34	9183.68
Aug	139.2	400.90	9150.81
Sept	137.5	396.00	9039.06

Base 1960=Base 2001x22.8259 Base 2001=Base 2016x2.88

## DONATIONS TO INSURANCE WORKER AND AIEA

Com. Kumara Swamy, Kollegal Branch Rs.10000  
 Com. Sraswathi Nadiq, Branch 1 Mysore 5000  
 Com. Chitra Bhanu Naik, Sambalpur 1500  
 Com. V.Ramesh, President, AIEA 15000  
 Insurance Worker heartily thanks these comrades for their love and affection.

WITH  
BEST COMPLIMENTS

---



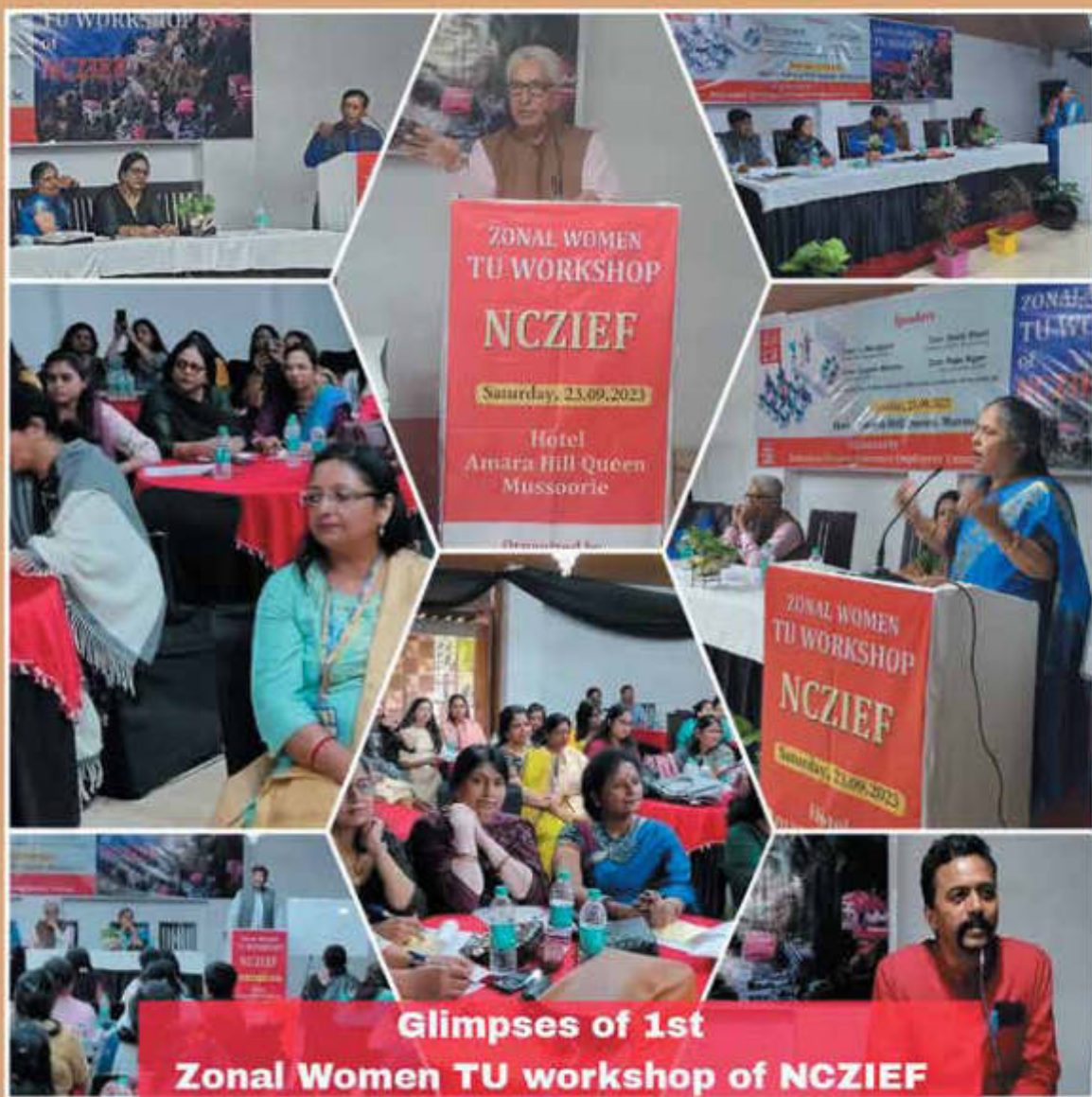
*from*  
**INSURANCE EMPLOYEES' UNION**  
**SHIMOGA**



With Best Compliments from



## North Central Zone Insurance Employees' Federation



**Glimpses of 1st  
Zonal Women TU workshop of NCZIEF**