

Insurance Worker

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The doyen of Hindustani music

The workers hit the hardest



Disdain for the Poor



Grossly Undervalued LIC's IPO



बुलडोज किसको..और क्यों?



Desperate Govt sends 'feel good' message to the global investors and expresses loyalty to anti-people neo-liberalism



BUT WE SHALL CONTINUE OUR STRUGGLE AT EVERY STEP AND IN EVERY CORNER

to ensure LIC's foundational objective of People's Money for People's Welfare



UNFAZED AND UNDETERRED WE SHALL CONTINUE TO RESIST





With Best Compliments from



**INSURANCE CORPORATION
EMPLOYEES' UNION
CHENNAI DIVISION I**



**UNFAZED AND UNDETERRED
WE SHALL CONTINUE TO RESIST
GOVERNMENT POLICY OF PRIVATISATION
OF LIC AND PSGI COMPANIES**

UNFAZED AND UNDETERRED WE SHALL CONTINUE TO RESIST

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The LIC was listed on stock exchanges and its shares sold through IPO started trading on 17th May 2022. The administration of LIC wanted to convert this occasion into big celebrations by singing the song 'ring out the old and ring in the new'. Every office of the Corporation was asked to conduct these celebrations in a grand manner. The administration in their eagerness to please the political bosses decided to dispatch the 66 years of glorious existence of LIC into history and declare the beginning of a new journey. From a standing as the finest financial institution that was serving the national development goals and advancing the larger societal interests, a loud and clear message was sent out that LIC now has to function as a pure business organization. It looks that LIC has decided to follow the advice of the most prominent advocate of neoliberal economic thought Milton Friedman who said "the only job of a business organization is to maximize profits and everything else is just unadulterated socialism". It is this image of the new LIC that is a cause of great concern to all those who believe that the 'people's money should be used for people's welfare'.

The AIIEA has campaigned vigorously against the LIC IPO with the firm belief that this process will ultimately lead to privatization of the most successful public sector institution. The soundness of our arguments against IPO stirred the wider sections of the civil society. A large number of trade unions from different sectors of the economy extended solidarity to the struggle of LIC employees. Civil society organizations like People First and People's Commission against Privatisation comprising of eminent economists, retired civil servants, legal luminaries, journalists, social activists etc brought out massive literature making a strong case against LIC IPO. Unfortunately, today we have a ruling dispensation which suffers from democratic deficit and it chose to brush aside all objections to go ahead with the LIC IPO.

Our campaign had raised both legal and moral questions over the decision to sell LIC shares. It was pointed out that the LIC Act 1956 under which LIC was established envisaged the role of the government only as a Trustee. Unlike any other business where the shareholder or owner provides capital for running business and its expansion, in the case

of LIC, the entire risk capital was provided by the participating policyholders. The government in blatant disregard to this understanding and reality has expropriated the fund which belongs to the policyholders. The enormity of this expropriation can be seen from the fact that the value of the shareholder as on 31.3.2021 when LIC was maintaining a single life fund was estimated to be 0.97 lakh crore and the same jumped to 5.4 lakh crore on 30/9/2021 after separating the life fund. The activists belonging to the organisation People First have mounted a legal challenge on this issue in the Supreme Court.

The Government was desperate to list LIC not only to raise resources to meet its fiscal deficit but also to send a message to the global investors that it is committed to remain loyal to neo-liberalism. The Government was aware that the global stock markets were choppy and foreign institutional investors were withdrawing from the markets of developing countries. Rising inflation and unemployment were other concerns. There were reports that the Bankers to the Issue were warning the government about the perils of going for an IPO in such circumstances. Not unaware of these developments, the government scaled down the size of the IPO to 3.5% and it made a huge compromise on the valuation of LIC. It justified the lower valuation on the ground that global insurers command only such valuation totally ignoring the valuation factor used for the private listed life insurance companies in the country. This is the biggest scam of privatization in India. Despite all these attempts to please the global finance capital, the foreign capital stayed away from the LIC IPO. The LIC IPO succeeded only because of the respect and admiration it commands from the people within the country.

The government argued that LIC IPO is an effort to redistribute the wealth. The enormous value created by LIC, the government said, it wants to share with the people and the policyholders. This argument cannot obscure the fact that those Indians who invest in equities constitute less than 3% of the Indian population. It is atrocious to suggest that the wealth that truly belongs to the nation is allowed to be exploited by the small section of those who have interest in equity investments. As far as the policyholders are concerned, they are shortchanged. The exact numbers of investors who are allotted shares of LIC are still not known. Even assuming that all the 76 lakh

applicants are shareholders, they constitute 0.56% of the total Indian population. We estimate that around 5 lakh policyholders would have been allotted shares out of the nearly 25 crore individual policyholders on books of LIC. Therefore the claim that overwhelming numbers of Indians and policyholders now have become a class of shareholders in LIC is a fact which is far from truth.

The Government may take comfort from the fact that LIC IPO has helped deepen capital markets. But this has been done by damaging the image of LIC. The listing of LIC shares at a discount has disappointed a large number of investors. There is a possibility that insuring public may confuse the performance of LIC stock with that of its real business performance creating doubts about the integrity of the institution. This may possibly pose a threat to the growth of business of LIC. The promotion of equity culture utilizing brand LIC is to create an illusion that capitalism is rewarding while at the same time weakening the challenge to this exploitative order. This also succeeds in creating

एलआईसी को शेयर बाजारों में सूचीबद्ध किया गया था और आईपीओ के माध्यम से बेचे गए इसके शेयरों ने 17 मई 2022 से कारोबार करना शुरू कर दिया था। एलआईसी के प्रशासन ने इस अवसर को "रिंग आउट द ओल्ड एण्ड रिंग इन द न्यू" (पुराने को घरे से निकाल बाहर करें और नए को घरे के भीतर लाएं) नामक गीत गाकर बड़े समारोहों में बदलने की चेष्टा की थी। निगम के प्रत्येक कार्यालय को इस तरीके के समारोहों को भव्यता के साथ आयोजित करने के लिए कहा गया था। प्रशासन ने राजनीतिक आकाओं को खुश करने की आतुरता में एलआईसी के 66 साल के गौरवशाली अस्तित्व को इतिहास में धकेलने और एक नई यात्रा की शुरुआत की घोषणा करने का फैसला किया। इस प्रकार जहाँ यह एक बेहतरीन वित्तीय संस्थान के रूप में खड़ा होकर राष्ट्रीय विकास के हेतुक लक्ष्यों की सेवा कर रहा था और बड़े सामाजिक हितों को आगे बढ़ा रहा था, वहीं इससे एक जोरदार और स्पष्ट संदेश भेजा गया कि एलआईसी को अब एक शुद्ध व्यावसायिक संगठन के रूप में कार्य करना है। ऐसा लगता है कि एलआईसी ने नवउदारवादी आर्थिक विचार के सबसे प्रमुख अधिवक्ता मिल्टन फ्रीडमैन की सलाह का पालन करने का फैसला किया है, जिन्होंने कहा था कि "एक व्यावसायिक संगठन का एकमात्र काम मुनाफे को अधिकतम करना है और इसके अलावा जो कुछ भी है वही सिर्फ मिलावट रहित समाजवाद है"। यही वह गढ़ी जा रही एलआईसी की नई छवि है जो उन सभी लोगों के लिए बड़ी चिन्ता का विषय

conflicts where employees see themselves both as the shareholders and workers. It is needless to say that the interests of the shareholders and the workers cannot be the same.

The AIIEA is aware of the enormous challenges it has to face post IPO. It is absolutely clear that Indian State is a capitalist State. Therefore, the State controlled by capitalist class will use all institutions to expand capitalism and LIC is no exception. The struggle, therefore, is to mobilize and educate people about the role of a public sector institution and its responsibilities towards the society as laid down in the Directive Principles of the State Policy under the Indian Constitution. Post IPO, the entire effort of LIC will be to deliver value and maximize profits for the shareholders. In the process, the business model of LIC may undergo a change. There will be a tendency to sell products which offer greater profits to the shareholders in what we term as privileging the shareholders over the policyholders. This shift in the marketing strategy is already visible. There will also be effort to concentrate energies on high net-worth

policies ignoring the middle and lower end of the Indian society.

This has to be challenged by the trade union. The policyholders both existing and prospective have to be assured that trade union movement in the industry will do everything possible to protect and advance their interests. **We have to make it clear through our campaign that the intrinsic value of LIC is many times more than what is reflected on the stock market.** LIC is a great institution. It was set up to advance the interests of small policyholders, weaker and vulnerable sections of the society. Its foundational objective was to run its business in a manner that will benefit the entire society. Unfazed and undeterred by the LIC IPO, our movement must continue its struggle to ensure that LIC does not deviate from its foundational objective. The efforts of capitalist state to dismantle this fine institution have to be fought at every step and in every corner. The LIC employees under the leadership of AIIEA are committed and determined to wage such a struggle.

अप्रभावित और अविचलित हम प्रतिरोध करना जारी रखेंगे

है जो मानते हैं कि “लोगों के पैसे का इस्तेमाल लोगों के कल्याण के लिए किया जाना चाहिए”।

एआईआईईए ने इस दृढ़ विश्वास के साथ एलआईसी आईपीओ के खिलाफ जोरदार अभियान चलाया है कि यह प्रक्रिया अंततः सार्वजनिक क्षेत्र के इस सबसे सफल संस्थान को निजीकरण की ओर ले जायेगी। आईपीओ के खिलाफ हमारे तर्कों की सुदृढ़ता ने नागरिक समाज के व्यापक वर्गों में हलचल मचा दी। अर्थव्यवस्था के विभिन्न क्षेत्रों की ट्रेड यूनियनों ने बड़ी संख्या में एलआईसी कर्मचारियों के संघर्ष के प्रति एकजुटता दिखाई है। निजीकरण के खिलाफ प्यूपिल फर्स्ट और प्यूपिल्स कमीशन जैसे नागरिक समाज संगठनों के प्रख्यात अर्थशास्त्रियों, सेवानिवृत्त सिविल सेवकों, कानूनी दिग्गजों, पत्रकारों, सामाजिक कार्यकर्ताओं आदि ने एलआईसी आईपीओ के खिलाफ एक मजबूत मामला बनाते हुए बड़े पैमाने पर साहित्य प्रकाशित किया है। दुर्भाग्य से, आज हमारे पास एक ऐसी सतारूढ़ सरकार है जो लोकतान्त्रिक अभावों से ग्रस्त है और उसने एलआईसी आईपीओ के साथ आगे बढ़ने के लिए सभी आपत्तियों को नकारने का फैसला किया है।

हमारे अभियान ने एलआईसी के शेयर बेचने के फैसले पर कानूनी और नैतिक दोनों तरह के सवाल खड़े किए थे। यह स्पष्ट किया गया कि एलआईसी की स्थापना जिस एलआईसी

अधिनियम 1956 के तहत की गई थी उसमें सरकार की भूमिका की परिपक्वता सिर्फ एक ट्रस्टी के रूप में की गई थी। किसी भी अन्य व्यवसाय के विपरीत जहां शेयरधारक या मालिक व्यवसाय चलाने और उसके विस्तार के लिए पूंजी प्रदान करता है, एलआईसी के मामले में यह सम्पूर्ण जोखिम पूंजी इसके भागीदार पॉलिसीधारकों द्वारा मुहैया कराई गई थी। सरकार ने इस समझ और वास्तविकता की घोर अवहेलना करते हुए पॉलिसीधारकों की निधि को हथिया लिया है। इस अधिग्रहण में व्याप्त बदनीयति को इस तथ्य से देखा जा सकता है कि 31 मार्च 2021 को शेयरधारक का मूल्य जब एलआईसी अकेला इस जीवन निधि का रखरखाव कर रहा था, अनुमानित रूप से 0.97 लाख करोड़ था और 30 सितम्बर 2021 को अलग होने के बाद यह जीवन निधि बढ़कर 5.4 लाख करोड़ हो गई। गुरुप प्यूपिल फर्स्ट के कार्यकर्ताओं ने इस मुद्दे पर सुप्रीम कोर्ट में कानूनी चुनौती दी है।

सरकार न केवल अपने राजकोषीय घाटे को पूरा करने हेतु संसाधन जुटाने के लिए बल्कि वैश्विक निवेशकों को यह संदेश देने के लिए भी एलआईसी को सूचीबद्ध करने के लिए बेताब थी कि वह नव-उदारवाद के प्रति वफादार रहने के लिए प्रतिबद्ध है। सरकार इस बात से अवगत थी कि वैश्विक शेयर बाजारों में घबराहट है और विदेशी संस्थागत

निवेशक विकासशा?ल देशों के बाजारों से हट रहे थे। बढ़ती महंगाई और बेरोजगारी की अन्य चिन्ताएं भी थीं। ऐसी खबरें थीं कि निर्गम से जुड़े बैंकर्स सरकार को ऐसी परिस्थितियों में आईपीओ के लिए जाने के खतरों के बारे में चेतावनी दे रहे थे। सरकार इन घटनाक्रमों से अनजान नहीं थी इस पर आईपीओ के आकार को घटाकर 3.5 प्रतिशत कर दिया और इसने एलआईसी के मूल्यांकन पर एक बड़ा समझौता किया। इसने कम मूल्यांकन को इस आधार पर उचित ठहराया कि वैश्विक बीमाकर्ताओं का मूल्यांकन केवल इसी तरह के निर्देशों के तहत होता है जबकि देश की ही निजी सूचीबद्ध जीवन बीमा कम्पनियों के मूल्यांकन के लिए जो गुणक का उपयोग किया गया उसे पूरी तरह से अनदेखा कर दिया गया। यह भारत में निजीकरण का सबसे बड़ा घोटाला है। वैश्विक वित्तीय पूंजी को खुश करने के इन तमाम प्रयासों के बावजूद विदेशी पूंजी एलआईसी के आईपीओ से दूर रही। एलआईसी का आईपीओ केवल देश के लोगों से हासिल सम्मान और प्रशंसा के कारण ही सफल हो पाया।

सरकार ने तर्क दिया कि एलआईसी आईपीओ सम्पदा के पुनर्वितरण का एक प्रयास है। सरकार ने कहा कि वह एलआईसी द्वारा बनाया गया भारी मूल्य लोगों और पॉलिसीधारकों के साथ साझा करना चाहती है। यह तर्क इस तथ्य को दबा नहीं सकता है कि भारतीय आबादी के 3 प्रतिशत से कम लोग हैं जो भारतवर्ष में शेयर में निवेश करते हैं। यह कितना अत्याचारी सुझाव है कि जो धन वास्तव में राष्ट्र का है, उसका शोषण शेयर निवेश में रूचि रखने वालों के छोटे वर्ग द्वारा किया जा सकता है। जहां तक पॉलिसीधारकों का सवाल है, तो उन्हें अशुद्ध जानकारी देकर धोखा किया जाता है। एलआईसी के शेयर आवंटित करने वाले निवेशकों की सही संख्या अभी भी ज्ञात नहीं है। यह मानकर भी कि सभी 76 लाख आवेदक शेयरधारक हैं, वे कुल भारतीय आबादी का 0.56 प्रतिशत है। हमारा अनुमान है कि एलआईसी की पुस्तकों पर लगभग 25 करोड़ व्यक्तिगत पॉलिसीधारकों में से लगभग 5 लाख पॉलिसीधारकों को शेयर आवंटित किए गए होंगे। इसलिए यह दावा कि बड़ी संख्या में भारतीय और पॉलिसीधारक अब एलआईसी में शेयरधारकों का वर्ग बन गए हैं, एक ऐसा तथ्य है जो सच्चाई से बहुत दूर है।

सरकार को इस बात से राहत मिल सकती है कि एलआईसी के आईपीओ ने पूंजी बाजार को गहराई प्रदान करने में मदद की है। लेकिन यह एलआईसी की छवि को नुकसान पहुंचाकर किया गया है। एलआईसी के शेयरों को छूट पर सूचीबद्ध होने से बड़ी संख्या में निवेशकों का निराश किया है। ऐसी संभावना है कि बीमा कराने वाली जनता एलआईसी शेयर के प्रदर्शन को उसके वास्तविक व्यावसायिक प्रदर्शन के साथ भ्रमित कर सकती है जिससे संस्था की अखंडता के बारे में संदेह पैदा हो सकता है। यह संभवतः एलआईसी के कारोबार

के विकास के लिए खतरा पैदा कर सकता है। एलआईसी ब्रांड का उपयोग करते हुए इक्विटी संस्कृति को बढ़ावा देना यह भ्रम पैदा करना है कि पूंजीवाद फायदेमन्द है साथ ही साथ इस शोषक व्यवस्था के समतल उपस्थित चुनौती को भी कमजोर कर रहा है। यह टकराव पैदा करने में भी सफल होता है जहां कर्मचारी खुद को शेयरधारकों और श्रमिकों दोनों के रूप में देखते हैं। यह कहने की आवश्यकता नहीं है कि शेयरधारकों और श्रमिकों के हित समान नहीं हो सकते।

आईपीओ के बाद सामने आने वाली भारी चुनौतियों से एआईआईईए अवगत है। यह बिल्कुल स्पष्ट है कि भारतीय राज्य एक पूंजीवादी राज्य है। इसलिए, पूंजीपति वर्ग द्वारा नियन्त्रित राज्य पूंजीवाद के विस्तार के लिए सभी संस्थानों का उपयोग करेगा और एलआईसी कोई अपवाद नहीं है। इसलिए, संघर्ष एक सार्वजनिक क्षेत्र की संस्था की भूमिका और भारतीय संविधान के तहत राज्य के नीति निर्देशक सिद्धांतों में निर्धारित समाज के प्रति उसकी जिम्मेदारियों के बारे में लोगों को संगठित और शिक्षित करना है। आईपीओ के बाद, एलआईसी का पूरा प्रयास शेयरधारकों के लिए मूल्य प्रदान करने और मुनाफे को अधिकतम करने को होगा। इस प्रक्रिया में एलआईसी के बिजनेस मॉडल में बदलाव हो सकता है। ऐसे उत्पादों को बेचने की प्रवृत्ति होगी जो शेयरधारकों को अधिक लाभ प्रदान करते हैं, जिसे हम पॉलिसीधारकों पर शेयरधारकों को विशेषाधिकार के रूप में कहते हैं। विपणन रणनीति में यह बदलाव पहले से ही दिखाई दे रहा है। भारतीय समाज के मध्य और निचले छोर की अनदेखी करते हुए उच्च निवल मूल्य की पॉलिसियों पर ऊर्जा केन्द्रित करने का भी प्रयास किया जाएगा।

ट्रेड यूनियन को इसे चुनौती देनी होगी। मौजूदा और भविष्य के होने वाले, दोनों ही तरह के पॉलिसीधारकों को यह विश्वास दिलाना होगा कि इस उद्योग का ट्रेड यूनियन आन्दोलन उनके हितों की रक्षा करेगा और उन्हें आगे बढ़ाने के लिए हर सम्भव प्रयास करेगा। हमें अपने अभियान के माध्यम से यह स्पष्ट करना होगा कि एलआईसी का वास्तविक मूल्य शेयर बाजार में दिखाई देने वाले मूल्य से कई गुना अधिक है। एलआईसी एक बेहतरीन संस्था है। यह छोटे पॉलिसीधारकों, समाज के कमजोर और असुरक्षित वर्गों के हितों को आगे बढ़ाने के लिए स्थापित किया गया था। इसका मूल उद्देश्य अपने व्यवसाय को इस तरह से चलाना था जिससे पूरे समाज को लाभ हो। एलआईसी के आईपीओ से बेपरवाह और अडिग, हमारे आन्दोलन को यह सुनिश्चित करने के लिए अपना संघर्ष जारी रखना चाहिए कि एलआईसी अपने मूलभूत उद्देश्य से विचलित न हो। इस बेहतरीन संस्था को खत्म करने की पूंजीवादी शासन की साजिशों से हर कदम हर तरफ से लड़ना होगा। एआईआईईए के नेतृत्व में एलआईसी के कर्मचारी इस तरह के संघर्ष को छेड़ने के लिए प्रतिबद्ध और दृढ़ हैं।



AIIEA SECRETARIAT MEETING

- ◆ Approves draft Charter of Demands for LIC
- ◆ Decides to intensify Agitation on Wage Revision in PSGI
- ◆ Continue Struggle against Privatisation without any let up
- ◆ Decides to Celebrate 75TH Year of Independence

The Secretariat of AIIEA met at Bhubaneswar on 30th April and 1st May 2022 to take stock of the developments in the insurance industry and draw up appropriate response to meet the challenging situation successfully. Earlier on 29th May, the Charter Sub Committee met to discuss the proposals placed by Com H.I.Bhatt, Convenor. The Committee analysed the economic and political situation in great detail. There was unanimity that the country is facing a serious economic crisis and the government has failed to take proper measures to revive the economy which had been in decline even before the Covid pandemic. Moreover, these measures continue the attack on the hard won rights and working conditions of the working class while giving enormous concessions to the corporate sector and rich. The LIC despite the pandemic has recorded significant progress in the last five years during which period the premium income is expected to grow by about 45% and LIC is continuing to have a competitive edge over its rivals in terms of expenses. Therefore, the Committee unanimously decided to place a demand for 40% wage increase across the board on the wage bill as on 1.8.2022.

The Sub-Committee took serious note of the situation relating to wage revision in PSGI companies. The wage revision due from 01 August 2017 has not yet been settled. The charter subcommittee deplored the callous attitude of the GIPSA management and the government towards the legitimate demands of the employees in PSGI companies. The charter subcommittee was critical of the fact that let alone concluding the wage settlement, even meaningful discussions had not taken place in PSGI industry. The subcommittee was unanimous in the understanding that intense

struggle had to be launched in the PSGI industry to clinch the wage issue without further loss of time. Making a departure from the earlier practice of simultaneously preparing the draft charter for both LIC and PSGI employees, the charter subcommittee this time decided to prepare the draft charter for LIC employees and subsequently prepare the draft for PSGI employees by applying the same broad principles once their wage issue is settled.

These proposals were placed before the Secretariat on 30th April. The Secretariat approved these proposals and decided to seek opinion from all units on the draft. The Draft will be sent to the units soon. The Charter will be finalised after considering the suggestions from units and discussions in the Working Committee of AIIEA which is expected to meet at Raipur from 24-26 July 2022.

No to IPO of LIC and Privatisation of PSGI Companies:

The secretariat was highly critical of the government move to go ahead with the IPO of LIC and decision to offload 3.5% of its equity ignoring public opinion. The secretariat was unhappy that the government had deliberately undervalued the LIC to keep the issue price artificially low and make it attractive for the prospective investors. It is beyond comprehension as to how a multiplication factor of 1.11 only was adopted in the case of LIC's valuation when smaller private life insurance companies like HDFC Life, SBI Life and ICICI Prudential got a multiplication factor of 4, 3.5 and 2.5 respectively, felt the secretariat. The secretariat decried that the valuation of LIC has been significantly brought down from the earlier estimates of around Rs.13.5-Rs.16.2 lakh crore to a mere Rs.6 lakh crore. This is a

serious breach of trust with the policy holders apart from being a grievous loss to the national exchequer, noted the secretariat.

The secretariat was clear in its understanding that the IPO of LIC was not only an act of desperation to mobilise resources for meeting fiscal deficit targets. It was rather part of a larger government policy to transfer wealth from the hands of the poor to that of the rich. The secretariat called upon the employees to expose the government policy by mobilising broader sections of the people. The meeting noted with satisfaction that our campaign had brought into sharp national focus the perils of LIC IPO. The unanimous resolution against LIC IPO adopted by the Kerala state assembly, the resolution in the 23rd Congress of the CPI (M), statements in support of our struggle by institutions like the People's Commission on Public Sector and Public Services, TUIBIFU (under WFTU) were all reflective of the sweep and depth of our campaign, noted the secretariat.

In this context, the secretariat congratulated the employees for the massive success of the two day nationwide strike on 28-29 March 2022 and resolved to go ahead with the planned two hour walkout strike on 4th May 2022.

It was the considered opinion of the secretariat that we cannot afford to let our guards down on the issue of privatisation of public sector general insurance companies also.

Check-Off in PSGI Companies:

The secretariat was happy to note that AIIEA successfully retained its check-off status in National Insurance and United India by securing 34.77% and 31.34% of the LOAs. The secretariat hailed the achievement of our comrades in PSGI companies who worked very hard for this success. It also thanked the employees for reposing their confidence in AIIEA.

Celebrating 75th anniversary of India's independence:

The year 2022 marks 75 years of India's independence from British colonial rule. While 75th anniversary of independence is an occasion for celebration by all, attempts are being made to dilute the noble values of the freedom movement. The secretariat of the AIIEA felt that there is an urgent need to reinforce the foundational values of our constitutional democracy. Accordingly, the secretariat has called upon insurance employees throughout the country to celebrate the 75th anniversary of Indian independence by involving their family members also. In this context, it has been decided to organise a **two-day national seminar on the occasion of 75th Year of independence at Hyderabad on 6-7 August 2022**. Eminent speakers from across the country will be invited to speak on the glorious achievements of our freedom movement and the need to preserve the values of the freedom struggle. **The secretariat has**



also given a call that all the divisional units in the life sector and the local unit of general insurance sector should jointly celebrate the 76th Independence Day on 15th of August 2022 by way of family get-togethers, cultural programmes depicting our freedom struggle and mass singing of the national Anthem. We are confident that our units all over the country will celebrate the occasion in a befitting manner. The modalities of the two day seminar and eligibility of participants will be communicated in due course.

Pending Industrial Issues to be settled forthwith:

The Secretariat was critical of LIC management for the indifference shown towards many issues represented and its failure to resolve them. The Meeting noted that improvement in Family Pension approved by the Board nearly two years back are still to flow to the pensioners. The Meeting was clear that it is the responsibility of LIC to secure the necessary approval from the government and ensure flow of benefits. The restoration of increment deferred for participation in strike on 26th November 2020 is pending for over one year despite repeated reminders. LIC is the only institution where increments are deferred and wage recovery is made for participation in strike. This is a double punishment for a single action. This is both illegal and immoral. The arbitrary and unwarranted withdrawal of the provision of ACL is awaiting resolution. The secretariat felt that employees have waited with patience

for long enough and warned that the industry will be engulfed in serious industrial unrest if the issues are not resolved forthwith.

26th AIIEA Conference:

The secretariat was informed that EZIEA headquarters along with comrades of EZGIEA have started hectic preparations for the ensuing 26th General Conference of the AIIEA at Kolkata. The tentative dates of the Conference are 8-11 January 2023.

5th All India Working Women Convention of AIIEA:

The secretariat of the AIIEA decided to organise the 5th all India convention of working women in the month of September 2022. South Zone Insurance Employees Federation has offered to host the convention. The exact date and venue of the Convention will be decided shortly and communicated to the units.

18th Congress of the World Federation of Trade Unions (WFTU):

The 18th Congress of the WFTU will be held at Rome, Italy from 6-8 May 2022. Com. Shreekant Mishra, General Secretary AIIEA has been nominated as a delegate to the said Conference by CITU. He will be participating in the virtual mode.

The secretariat meeting of the AIIEA had a detailed discussion on the issue of organisation. It was felt that there was an imperative need to develop young cadres for taking up responsibilities of the organisation in the future. Given the ideological offensive from the forces inimical to the interests of the working class, the secretariat underscored the need of ideological orientation of our cadres. It was the unanimous understanding of the secretariat that Insurance Worker should be utilised to hone the ideological understanding of the cadres. Units were called upon to decide appropriate programs to achieve this objective.

Bhubaneswar Divisional Unit does it again:

Comrades of Bhubaneswar Division Life Insurance Employees' Association organised the meeting of the Secretariat in a flawless manner. This was the second occasion when they organised a meeting of all India nature after hosting the Working Committee meeting of AIIEA in the year 2015. Camaraderie, warmth of affection, loyalty and love for the organisation were all in ample display during the three day period of the meeting. We place on record our gratitude to Bhubaneswar comrades for the excellent arrangements.

Secretariat ends with a massive public meeting at Cuttack:

The secretariat meeting of the AIIEA concluded with a largely attended public meeting at Cuttack in the evening of 01 May. Around 450 employees from various units of AIIEA in the state of Odisha, both from the general and life sector attended the meeting. A large number of retired employees and representatives of fraternal organisations also attended the meeting. AIIEA profusely thanks and congratulates CDIEA Cuttack for the arrangements made and unity displayed.

The Secretariat has called upon all insurance employees across the country to implement the decisions of the AIIEA secretariat meeting in letter and spirit.

Two Hour Walkout Strike on 4TH May 2022 Against IPO of LIC -A Huge Success

Employees Determined to Fight against the moves to weaken LIC

The two hour walkout strike against the IPO of LIC on 4th May 2022 was a resounding success all over the country. This strike was jointly called by the AIIEA and the AILICEF to register our protest against the IPO on the day it opened for subscription. The AIIEA congratulates the employees for the massive response to the strike action even when it came close on the heels of the two-day nationwide strike on March 28- 29, 2022.

Employees responded massively to the call of the walkout strike. **Nellore** division (SCZ) recorded a strike percentage of 97.96%, followed by **Berhampur** division (ECZ) with 97.36%, **Vishakhapatnam** division (SCZ) with 96.91% and **Sambalpur** division (ECZ) with 96.12%. The divisions under **East Central Zone** did remarkably well. **Begusarai** division recorded a strike percentage of 94.44% followed by **Hazaribagh** 94.15%, **Cuttack** 93.47%, **Bhubaneswar** 91.55%, **Patna I** 90% and **Patna II** 89.97%. The strike percentage in other divisions has been more than 80 per cent. The strike was very good in **South Central Zone** also. Apart from the two zones mentioned above, **Kadapa** division did well with a strike percentage of 94.39% followed by **Raichur** with 94%, **Rajahmundry** with 91.78%, **Bengaluru II** with 88.36%, **Karimnagar** 85.11% and **Hyderabad** with 84.32%. Divisional units in **South Zone** also responded very well to the call for the strike. **Coimbatore** division recorded a strike percentage of 92.50%, followed by **Thrissur** with 91.85%, **Madurai** 90%, **Thanjavur** 87.60% and **Ernakulam** 86.88%. **Gorakhpur**, **Kanpur** and **Faizabad** divisions under **North Central Zone** recorded strike percentages of 87%, 85% and 81% respectively. **Amritsar**, **Jalandhar** and **Rohtak** divisions under **Northern Zone** recorded strike percentage of 89.74%, 88.72% and 85.22% respectively. **Satna** and **Raipur** divisions under **Central Zone** recorded strike percentages of 87.50% and 79.96% respectively. While the fuller details are still awaited, the strike has been equally good in Eastern and Western zone as well. Preliminary reports suggest that **Burdwan**, **KSDO** and **Jalpaiguri** divisions under **Eastern Zone** have recorded

strike percentages of 86.6%, 81.7% and 80.52% respectively. Similarly, **Gandhinagar** division under **Western Zone** has recorded a strike percentage of 89%.

The employees have clearly demonstrated their opposition to any move to weaken the LIC. Having built LIC as a premier public sector institution through their hard work and determined efforts, the employees are naturally agitated over the move to divest 3.5 per cent shares of the LIC. The employees of LIC are sorely unhappy that the government had deliberately undervalued the LIC to keep the issue price artificially low and make it attractive for the prospective investors. It is beyond comprehension as to how a multiplication factor of 1.11 only was adopted in the case of LIC's valuation when smaller private

life insurance companies like HDFC Life, SBI Life and ICICI Prudential got a multiplication factor of 4, 3.5 and 2.5 respectively. Employees are aghast that in the process the valuation of LIC has been significantly brought down from the earlier estimates of around Rs.13.5-Rs.16.2 lakh crore to a mere Rs.6 lakh crore. This is a serious breach of trust with the policy holders apart from being a grievous loss to the national exchequer. The two-hour walkout strike was therefore a collective protest of the employees against this sell-out to the interests of the rich and super rich at the cost of ordinary citizens of this country.

The employees led by the AIIEA clearly see the IPO as the first move towards the privatisation of LIC. They are therefore determined to fight every inch of the battle and resist any move to privatise the LIC. The government might have succeeded in offloading 3.5 per cent of its shares. But the employees are aware of the fact that it is their uncompromising struggle that has forced an authoritarian government to scale down the attack on LIC from privatisation to a mere 3.5 per cent disinvestment. The employees take pride in the fact that they could succeed in halting and resisting a government policy for almost three decades. This is something unheard of in the annals of the world trade union movement. They are also conscious of the

fact that a government committed to transferring wealth from the hands of the poor to that of the rich under the garb of privatisation, can never rest content with 3.5 per cent disinvestment of LIC. There would be attempts, sooner rather than later, to privatise the LIC. Our struggle therefore has to continue unabated. Drawing

inspiration from our epic struggle of over three decades, we shall march on with the courage of conviction.

The struggle to protect and strengthen LIC in the public sector will continue without any let up.



AIIEA Expresses Gratitude for Working Class Support

The campaign leading to 2 hour strike on 4th May 2022 by AIIEA and AILICEF against the LIC IPO received overwhelming support and solidarity from the working class in India.

The Ten Central Trade Unions issued statements opposing LIC IPO and asking their affiliates to express solidarity with the struggle of LIC employees. The CITU played a leading role in organizing this opposition. The AIBEA, BEFI and other unions in the banking sector from NABARD and Rural Banks expressed their solidarity and various centres the leaders of these organization addressed the striking

employees. 93 Unions from different sectors of the economy under the umbrella of All India Forum Against Privatisation expressed their support and solidarity to the struggle of insurance employees.

The AIIEA expresses its gratitude to these Unions as also the political parties and number of civil society organizations for their support and solidarity. The AIIEA assures them that the insurance employees will continue the campaign not just to protect LIC but also against the whole gamut of the disastrous policies being pursued by the Government.



The Supreme Court Judgement in the case of CGIT

The Judgment delivered by a Three Judge Bench of the Supreme Court headed by Justice D.Y.Chandrachud in the case relating to absorption of workmen as per the decision of the CGIT has come as a big disappointment. The issue that was raised before the Court was regarding the proper implementation of the earlier Order of the two Judge Bench headed by Justice V.Gopala Gowda delivered on 18th March 2015.

The 2015 Judgement had set aside the orders of the Division Bench of Delhi High Court in LPA 690/2004 decided on 21/03/2007 and held that the order passed by the CGIT in ID 27/1991 is legal and valid, it shall be restored and implemented by the corporation by absorbing the workmen concerned in the permanent posts and if they have attained the age of superannuation the Corporation will be liable to pay all consequential benefits including the monetary benefits taking into consideration the pay scale and revised pay scale from time to time by the Corporation.

Since LIC had taken up a position that this order is applicable only to those whose name appears in the list submitted by the Unions

in the original dispute in CGIT, the Supreme Court was approached for a direction to LIC to properly implement the judgement. Taking note of this fact, the Court referred the issue to CGIT, Delhi to verify and determine the eligibility of the candidates and report to the Supreme Court. The parties to the dispute in the original CGIT were asked to submit the applications from the aggrieved workmen. AIIEA appeared before the CGIT through its counsel Dr.P.Ravishankar and submitted a list of 3337 application with complete details. The Tribunal directed that 3332 applicants out of 3337 submitted by AIIEA are eligible for absorption as they meet the eligibility norms as decided by the original CGIT Award.

AIIEA got itself impleaded before the Apex Court by filing IA NO 104991/2019 to protect the interest of 3337 applicants and was represented by Dr.P. Ravishankar throughout and by VC on the date of argument on 3/3/2022. The submissions made by our advocate was well taken and in fact, responding to these submissions, the court had made oral remarks that the Judgment in CA 6950/2009 is **judgment in rem and not Judgement**

in personam. This meant that all workmen whether they were before the court or not should get the benefit of the CGIT Order if they meet the eligibility norm.

Unfortunately instead of passing the order on the issue under dispute, the Bench headed by Justice Y.V.Chandrachud invoked the extraordinary powers vested in the Supreme Court under Article 142 of the Constitution on the ground that the long dispute pending for nearly 4 decades has to be brought to finality. The Court held that:

1. LIC as a statutory corporation is bound by the mandate of Articles 14 and 16 of the Constitution. As a public employer, the recruitment process of the corporation must meet the constitutional standard of a fair and open process. Allowing for back-door entries into service is an anathema to public service.
2. The position as it now stands, results in a palpable conflict between the two judge Bench decision in TN Terminated Employees Association (supra) dated 18 March 2015 on the one hand and the earlier binding decision of a larger Bench in E Prabavathy (supra) on 23 October 1992 and of subsequent Benches. This conflict must be harmonised by taking recourse to the jurisdiction of this Court under Article 142 of the Constitution. In arriving at a conclusion, this Court finds that:
3. (i) The remit of the CGIT which resulted in the Dogra Report was confined to the process of verification, as distinct from an adjudication of rights and liabilities;
4. A public employer such as LIC cannot be directed to carry out a mass absorption of over 11,000 workers on such flawed premises without following a recruitment process which is consistent with the principles of equality of opportunity governed by Articles 14 and 16 of the Constitution. Such an absorption would provide the very back-door entry, which negates the principle of equal opportunity and fairness in public employment, which has been specifically decried by this Court in Secretary, State of Karnataka v. Umadevi
5. The dispute is now of an antiquity tracing back to nearly four decades. Finality has to be wrung down on the dispute to avoid uncertainty and more litigation. Nearly thirty-one years have elapsed since 1991. We have come to the conclusion that the

claims of those workers who are duly found upon verification to meet the threshold conditions of eligibility should be resolved by the award of monetary compensation in lieu of absorption, and in full and final settlement of all claims and demands. Thus, this Court directs the following:

6. A fresh verification of the claims of workers who claim to have been employed for at least 70 days in Class IV posts over a period of three years or 85 days in Class III posts over a period of two years shall be carried out;
The verification shall be confined to persons who were working between 20 May 1985 and 4 March 1991;
7. All persons who are found to be eligible on the above norm shall be entitled to compensation computed at the rate of Rs 50,000 for every year of service or part thereof. The payment of compensation at the above rate shall be in lieu of reinstatement, and in full and final settlement of all claims and demands of the workers in lieu of regularisation or absorption and notwithstanding the directions issued by this Court in TN Terminated Employees Association (supra);
8. In carrying out the process of verification, the Committee appointed by this Court shall not be confined to the certified list before the CGIT and shall consider the claims of all workers who were engaged between 20 May 1985 and 4 March 1991;
9. For the purpose of verification, LIC shall make available all the records at the Divisional level to the Committee appointed by this Court;
10. It will be open to the workers concerned or, as the case may be, the Unions and Associations representing them, to make available such documentary material in their possession for the purpose of verification;
11. The process of verification shall be carried out independently without regard to the Dogra Report, which is held to be flawed;
12. The payment of compensation in lieu of reinstatement shall be effected by LIC within a period of three months from the date of receipt of the report of verification by the Committee; and
13. The task of verification shall be carried out by a Committee consisting of:
14. (a) Mr Justice P K S Baghel, former Judge

of the Allahabad High Court; and (b) Shri Rajiv Sharma, former District Judge and member of the UPHJS. LIC shall provide all logistical assistance to the Committee and bear all expenses, including secretarial expenses, travel and incidental expenses, as well as the fees payable to the members of the Committee. Justice P K S Baghel shall

fix the terms of remuneration payable to the members of the Committee.

With this Order, the Court has disposed off all the petitions. This is really disappointing. The AIIEA is making a detailed study of the Order and will thereafter take a decision on the steps it must take on this issue.

Inordinate Delay in Notification of Board approved Family Pension-AIIEA writes to LIC Chairperson on 19/5/2022

We are deeply disturbed over the inordinate delay in the notification of LIC Board's recommendations to the government for enhancement of family pension.

It is unacceptable that the issue has been pending for more than two years. In the meanwhile, many employees / retired employees have died and their families are paid a paltry family pension. At a time of raging inflation the present family pension is not sufficient to meet their basic day-to-day requirements. The economic condition of many family pensioners is very pathetic. Quite a few of them are forced to live a life of absolute penury. It is unfortunate that even

the Board approved recommendation on such an important issue is pending for clearance from the government for such a long period.

We fail to understand as to why the issue is pending for LIC pensioners when the same has already been implemented for pensioners of public sector banks since long. As you would appreciate, delay in resolution of pension issues practically amounts to denial for the family pensioners. This issue is creating a lot of disquiet amongst the existing employees as well.

We once again request your immediate personal intervention in this regard so that the issue is resolved without further delay.'

'PEOPLE FIRST' challenge LIC IPO in Supreme Court

The Convenor of the 'People First' Thomas Franco along with many policyholders from across the country has challenged the LIC IPO. This Petition is admitted and notices have been issued to the parties. Senior Counsel Dr Indira Jaising is representing the petitioners and she is assisted by Mr.S.Prasanna, Advocate on Record.

The prayer of the petitioners are:

- A. Issue a Writ Petition in the nature of mandamus declaring Section 5 of the Life Insurance Corporation Act, 1956 (as amended by the Life Insurance Corporation (Amendment) Act. 2011) to be void and inoperative to the extent the capital of the corporation is characterized as 'equity capital'
- B. Issue a Writ in the nature of mandamus declaring Sections 130,131,134 and 140 of the Finance Act, 2021 and Sections 4,5,24 ad 28 of the Life Insurance Corporation Act, 1956 (as amended by the Finance Act, 2021) to be void and inoperative for being ultra vires Articles 14 read with Article 300A of

the Constitution of India;

- C. Issue a Writ in the nature of mandamus declaring Part III of the Chapter VI of the Finance Act, 2021 to be void ab initio for the certification of the Finance Bill, 2021 as a Money Bill to be in violation of and ultra vires Article 110 of the Constitution of India;
- D. Issue a Writ in the nature of mandamus directing the Respondent Nos. 1 & 2 to not take any steps on the basis of or in furtherance of the amended Sections 4,5, 24 and 28 of the Life Insurance Corporation Act, 1956 including the ongoing initial public offering of the Life Insurance Corporation.
- E. Issue a Writ in the nature of mandamus directing the respondent Nos. 1 & 2 to immediately issue all necessary communications to authorities including the SEBI, IRDAI and the general Public that the ongoing initial public offering of the Life Insurance Corporation is rescinded in view of the orders of this Hon'ble Court.

COM N.RAMANACHALAM



Com. N Ramanachalam, Vice-President, SCZIEF and Former General Secretary of ICEU, Visakhapatnam Division is no more. After a prolonged and heroic battle against cancer, he finally succumbed in the morning of 08.05.2022. He was 54 and is survived by spouse and three children. In his unfortunate death, the organization and the working class movement has lost a valiant fighter, who always led from the front.

Com. Ramanachalam, affectionately called as 'NCR' or 'Chalam' by his close associates, was born on 25.08.1968 at Amalapuram, Andhra Pradesh. After completing his school education at Amalapuram he pursued his higher education in Visakhapatnam. He has done B.Com and MBA from Dr. VS Krishna College. He joined LIC of India as Assistant, on 30.08.1991, at Chodavaram Branch Office (Visakhapatnam Division). He was, later, transferred to the Divisional Office, in 1992.

Com. Ramanachalam was a firm believer of the working class ideology. It was this belief that brought him closer to AIIEA to become a leading cadre of the organisation. He served the organization in various capacities including as President and General Secretary of ICEU, Visakhapatnam. He was elected as the vice-president of SCZIEF, in the 12th Conference of SCZIEF held in August, 2021 at Vijayawada.

Com. Ramanachalam was a committed soldier of the organization. He was very cordial in dealing with the employees and was very receptive. He had a clear understanding and vision, on the issues concerning the employees

and could be very stern in dealing with the management, in solving these. Behind his outwardly humble character there is a steely resolve to advance the interests of the employees. He led

the employees, from the front, in the struggles to safeguard the industry. He always strived for the broader unity of the working class and he did not confine his activity to LIC only. He could successfully lead the employees, in the struggles for protection of the public sector, against the privatization of Visakhapatnam Steel Plant, in the activities of the 'Uttarandhra Abhivruddhi Vedika' etc. He is a very good teacher, a poet and worked as the Convener of 'Sahithi Shraavanthi', too. The successful conduct of the 25th Silver Jubilee Conference of AIIEA, in January 2020 at Visakhapatnam, is a testimony to his organizing skills.

The contribution of Com. Ramanachalam, in building and strengthening ICEU, Visakhapatnam has been immense. Strengthening the organization on all fronts viz., quantitatively and qualitatively is imperative for meeting the challenges ahead. Consolidating the unity achieved and forging broader unity of the working class into struggles will only be the true tribute to Com. Ramanachalam. The legacy of Com. Ramanachalam shall continue. RED SALUTE TO COM RAMANACHALAM!

Bank Employees demand unconditional apology from S.Gurumurthy

S. Gurumurthy, an RSS ideologue and Member of Central Board of Reserve Bank of India has abused the bank employees in filthy language while speaking in a meeting at Chennai on 8th May 2022 in which the Finance Minister Smt Nirmala Sitharaman was also present. The English translation of the term he used against the Bank employees in Tamil means 'scums/filth'. This is a reflection of how the present ruling classes see the militant segments of the working class. This naturally has enraged the bank employees

across the country. All unions in Banks have demanded an unconditional apology from him. Gurumurthy in a letter addressed to AIBEA has said that he is misunderstood. But this is not accepted by the banking unions. They have pressed for an unconditional apology.

The AIIEA is appalled at the lack of decency and use of such language against the bank employees by a person occupying important position in the Reserve Bank. It joins the unions in Banks to demand an unconditional apology from S.Gurumurthy.

Grossly Undervalued, LIC's IPO is the most controversial ever



Image Courtesy: New Indian Express.com

At the time of the filing the DRHP, it was expected that a multiplication ranging between at least 2.5 and 3.5 would be adopted. It now turns out that the multiplication factor used for the LIC float ranges between 1.04 (for the portion offered to Policyholders) and 1.11 for all other non-retail bidders. This implies a loss to the Govt. and the people in the range of Rs. 26,012 crores to Rs.54,950 crores!

V Sridhar (Courtesy: The Federal 4/5/2022)

The price band for the LIC IPO is ¹ 902-949 per equity share.

As India's capital market remains agog, waiting for its biggest-ever Indian IPO on May 4 for retail investors, the pricing of the issue remains its most controversial element. Opinion on the pricing of the LIC share is sharply polarised. This is reflected in the media coverage that is almost wholly focused on the "attractive" valuation of the price of the LIC share being offered in the IPO. The countervailing narrative, that this "attractive" price necessarily implies huge losses to not just the government but to millions of policyholders, has been drowned in the garrulous cacophony.

At one end of the pole are investors — small as well as institutional — who are salivating at the prospect of acquiring the shares at a deep discount. At the other end, LIC's employees as well as those who care about the integrity of India's biggest and pioneering insurance company — actually among the biggest in the world — argue that this is a huge scam. This is "perhaps the biggest in the annals of privatisation in India," observed the People's Commission on Public Sector and Public Services, a civil society group that has explored the contours of India's privatisation drive since last year.

Since the heart of the controversy lies in the pricing of the LIC share, let us dive right into that aspect of the IPO. First, the facts: The IPO is priced at ¹ 902-949/share. The lower bound can be safely ignored because it is inconsequential, as has been proved by the fact that most acceptances by "Anchor Investors" (who were

offered shares on May 2) were apparently at the upper end of the price band. Retail investors and LIC employees get to pay a max of Rs.902/share and policyholders pay Rs.889/share. All other investors would pay Rs.949 per share in the IPO that closes on May 9.

The pitfalls of EV as a valuation tool

Now, let us get to the meat of the matter. In February, when the LIC filed its Draft Red herring Prospectus (DHRP), its Embedded Value (EV) was estimated at ¹ 5.40 lakh crores. A bit about the EV is in order, because it is critical to not just the pricing of the LIC share in the public issue but for its implications for the government's mop up of resources through the IPO.

Broadly, there are two broad sets of issues about the EV that are germane to the issue here. First, the EV is NOT the value of a life insurance company; instead it merely reflects the present value of future income streams that would be available to shareholders. Thus, the EV does not take into account either LIC's "goodwill" — remember, it is India's most valuable brand by some distance — or the earning potential in the future.

But even more importantly, Milliman Advisors, the actuarial consultancy engaged by the government to estimate LIC's EV, omits the valuation of the LIC's substantial real estate assets. Given that the LIC is India's biggest realtor, with landmark assets in not just the country's metros but across the length and breadth of India, this results in a significant

undervaluation of the LIC as an institution. Most importantly, the fact that the “new” shareholders (as well as the government as a shareholder) would enjoy a claim on the LIC’s assets means that they would own a portion of the assets for which they have contributed nothing, even as policyholders, who have contributed to the acquisition of these assets, would get nothing at all.

The usage of the EV as a conceptual measure of a life insurance company’s worth is of recent vintage, particularly after the global financial crisis of 2008, which resulted in a wave of mergers and acquisitions in the global life insurance business, following the collapse of several insurance companies. Basically, the limited purpose of the EV is to provide a summary measure of how much a life insurer’s potential return is worth to an acquirer of the business. Researchers and actuaries across the world have pointed to the pitfalls of relying too much on EV as a measure of an insurance company’s true worth.

Shortchanging policyholders

The second aspect of the EV, as estimated by Milliman pertains to the fact that LIC’s EV increased from ¹ 0.96 lakh crore in March 2021 to ¹ 5.40 lakh crore in September — a whopping increase of about 465 per cent over the short span of six months. How did this magical increase happen? This was almost entirely due to the fact that the consolidated Life Fund of the LIC was bifurcated into two portions in September 2021 — those from Participatory Policyholders and Non-Participatory Policyholders, as a result of the amendments to the LIC Act, through the Finance Act of 2021. Critics allege that the passage of these amendments as a Money Bill was entirely aimed at avoiding negotiating through parliamentary scrutiny and debate.

Prior to these amendments Participatory Policyholders were entitled to 95 per cent of the surplus emanating from Non-Participatory policies. This was only logical because Participatory Policyholders, as the term indicates, participate by providing the risk capital for the Non-Participatory policies; in fact, they were exposed to the risk of losses, if any, on such policies. Following the bifurcation, all of the surplus from the Non-Participatory policies are now made available to shareholders — and zilch to the Participatory Policyholders as has been the case for decades.

Significantly, almost one-third of the total life Life Fund of Rs.36.67 lakh crore, amassed over years, now become available to the shareholders (the government as well as the new ones after the IPO), at the expense of policyholders who had built this corpus over the years. Indeed, the massive increase in EV has been made possible by the large-scale misappropriation of funds that truly belong to generations of policyholders of the LIC.

This issue may appear to be a digression, but stay with me and you will realise its central importance to this IPO. The issue is of critical importance because of the unprecedented step the government has taken in reserving a portion of the IPO for policyholders. If policyholders are merely “customers” of the LIC, as the government appears to be claiming now, is it not striking that the government seems to be conceding that they have special claims and rights? Can you think of a single IPO, anywhere in the world, where a portion of the offer has been reserved for a company’s customers. To draw an analogy, would Zomato or Paytm have offered shares to users of their apps when they made their IPO? Indeed, the subset of shares reserved for policyholders from within the portion reserved for retail investors appears to be a clever move to buy the silence of policyholders who have suffered a massive ripoff in the run-up to the IPO.

Indeed, there are those who claim the special nature of the LIC’s organisational structure since its inception in 1956 meant that it functioned more as a giant cooperative or a mutual company in which policyholders were much more than mere customers. The fact that the government invested a mere ¹ 5 crores as equity capital between 1956 and 2011, meant that the motive force for the expansion of the LIC as well as the propagation of the culture of life insurance was provided by policyholders who provided the risk capital. Isn’t it ironic that they are now being offered a piffling ¹ 60 per share as a “special” discount after they have been expropriated *en masse*?

The valuation scandal

Even those who swear by the EV acknowledge that it is only the absolute base level of valuation. The latest EV estimate for LIC of ¹ 5.40 lakh crore implies that the absolute rock bottom price is ¹ 853 per share (for the 632.50 crore shares that have been issued). The fact that each of the three

major IPO floats of private insurers in india — HDFC Life, SBI Life and ICICI Prudential — had applied a multiplication factor of between 2.5 and 4 to arrive at their issue price justified the need for using an appropriate multiplication factor in the case of the LIC too. And, this is where the plot thickens.

At the time of the filing the DRHP, it was expected that a multiplication ranging between at least 2.5 and 3.5 would be adopted. It now turns out that the multiplication factor used for the LIC float ranges between 1.04 (for the portion offered to Policyholders) and 1.11 for all other non-retail bidders. What does this imply for the government's exchequer?

Over the last few weeks, unnamed officials in the Finance Ministry and elsewhere in the government have claimed that the war in Ukraine and the consequent turmoil in global markets have made investors turn risk-averse. A concerted move has been on to justify the use of a lower multiplication factor, in order to make the IPO super attractive to investors. Is this justifiable by any means? It turns out that data presented in the Red Herring Prospectus filed by LIC on April 26 with the market regulator Securities and Exchange Board of India (SEBI) run counter to these claims. In its filing LIC revealed that the ratio of market capitalisation of its "peers" in the industry — SBI Life, HDFC Life and ICICI Prudential — were 3.77, 3.96 and 2.49, respectively. Most importantly, these figures pertain to stock market information as on April 22, just days before the IPO. Crucially, this indicates that the share price to EV ratio fully encapsulates the "adverse" market conditions that the government has cited while justifying the gross undervaluation of the LIC IPO.

Let us now get down to estimating the loss to the government exchequer as a result of this undervaluation. For the moment, let us ignore the fact that the LIC's "peers" are much smaller insurers — LIC has a market share of almost two-third in terms of premium income and three-fourths in terms of number of policies sold. At a multiple of 2.49, which was what was applicable for ICICI Prudential, the sale of 22.1375 shares (3.50 per cent of the 632.50 shares on offer), the LIC share ought to have been priced at ₹ 2,132 apiece. At this price the government would have earned ₹ 47,020 crore. The fact that it stands

to earn a maximum of ₹ 21,008 crore, implies a loss of at least ₹ 26,012 crore.

But it gets even worse than this. Using the multiplication factor of 3.77 applicable to SBI Life, the LIC share ought to have been priced at ₹ 3,216. At this price the government would have raised ₹ 71,194 crore; instead it stands to make a loss of ₹ 50,186 crore. But wait, it gets even worse, if we adopt the multiplication factor relevant to HDFC Life. At a multiple of 3.96, the LIC share ought to have been priced at ₹ 3,386, implying a total yield of ₹ 74,958 crore. The implicit loss to the government at this price is a whopping ₹ 54,950 crore.

IPO is not about meeting divestment targets

Two things become evident from L'affaire LIC. The first is that the headlong rush to the IPO has nothing to do with the Modi government meeting its disinvestment target. If it was indeed motivated to meet those targets, why on earth would it willingly suffer losses of the magnitude that it is now going to suffer? The second arises from the government bending over backwards to meet the demands of global investors. It possibly sees the listing day "pop" as an indicator of success, a feel-good effect that it is so prone to suffer from. But that offers zilch to either the government or policyholders who have already suffered serious losses; gains would only accrue to speculative investors out to make a fast buck.

The argument that the deep discount offers great opportunities for retail investors can only come from those without a moral compass of any kind. Such a discount can only arise from commensurate or even greater losses to two entities: policyholders and the government, which, by implication, still supposedly works to serve the greater common good.

This IPO is the first step towards the dismantling of the LIC, a peerless pioneer anywhere in the world. The most important aspect of the *sui generis* institution, its unique ownership structure and its collective-like character, recognisable to generations of Indians, is now about to change. That it has taken a huge scam to deliver the blow adds painful insult to injury to millions of Indians.

(The author, a senior journalist, is a member of the People's Commission on Public Sector and Public Services)

Disdain for the Poor

Anything given at a subsidised rate to the poor is opposed by market fundamentalists. However, nobody objects when free lunch is given to the rich through tax cuts, tax exemptions or tax subsidies.....Most of the corporates, the rich and powerful people have disdain for the poor



Courtesy: commons.wikimedia.org

Santosh Kumar Mohapatra

On April 4, 2022, top bureaucrats are reported to have briefed Prime Minister Modi that some states could become like cash-strapped Sri Lanka or Greece due to the freebies they have announced. The bureaucrats are reported to have said that announcements made by Punjab, Delhi, Telangana, Andhra Pradesh, and West Bengal are unsustainable.

These bureaucrats failed to distinguish between the debt problems of States and that of Sri Lanka and Greece, which failed to import goods and repay external debt due to lack of foreign exchange - a case of sovereign debt default. But neither States have to pay any external debt in foreign exchange nor can fall into a debt trap like Sri Lanka or Greece. If states can go in the Srilankan way by an increase in debt, why it did not happen when states had higher debt-GSDP ratios than what is today.

There is no Freebies to anybody. It is the constitutional right of every Indian citizen to demand a dignified life. Therefore, what is termed as freebies are right based entitlements and not charity of anybody. It is common knowledge that anything given at a subsidised rate to the poor is opposed by market fundamentalists. It is not only a few non-BJP ruled states, but almost all state governments including the Centre are giving so-called freebies to voters to strengthen their vote banks. Only the degree varies. But citing the name of only non-BJP ruled states exposes the hypocrisy of bureaucrats.

However, the so called freebies have a positive impact. A new study by International Monetary Fund has praised the Pradhan Mantri Garib Kalyan Anna Yojana for keeping extreme

poverty levels in check during the pandemic. What is reprehensible is that the Centre trimmed the expenditures necessary to raise the standard of living of people and raised revenue by taxing fuel to spend on this scheme, which affected the poor more brutally later.

When government policies are favouring the rich and corporates, a larger section of society is alienated from the mainstream and deprived of getting the benefits of growth and wealth creation. They need to be given some benefits through subsidies and various schemes. Further, these affirmative action enhance the discretionary incomes of beneficiaries and thus enhance economic activities, and spur demand, investment and growth.

Opponents of such affirmative action argue that there is no such thing as a freebie in economics because ultimately somebody has to bear the cost of the supposedly free giveaways. The concept is popularly known as “There’s No Such Thing as a Free Lunch”, which is the name of a book by Nobel Prize-winning economist Milton Friedman, who showed that everything has to be paid for by taxes if not today or tomorrow, then the day after. But government can raise resources by taxing the rich for said purpose.

However, nobody objects when free lunch is given to the rich through tax cuts, tax exemptions or tax subsidies. Those who are opposing freebies, never raise questions when our country loses huge resources due to tax evasion, tax cut like corporate tax reduction, abolition of wealth tax, tax foregone, growing NPAs, and banking frauds. They do not say how states get less from the divisible pool because

the country has one of the lowest tax-GDP ratios in the world. They don't say when common people suffer due to unfettered privatization of the public sector, essential services, and monetization of assets.

When the Centre fails to tax the rich, states' finances are worsened as the latter's share in the divisible pool declines. States are incurring debt, not owing to expenditure on freebies but because their scopes for raising taxes have been squeezed especially after GST implementation. The state cannot raise taxes like the Centre, though have to spend more.

The Centre is espousing hostile federalism and squeezing the fiscal capacity of states so as to browbeat states. The Centre's cess and surcharge revenue, which is not shared with states, is estimated to be Rs 4.5 lakh crore in 2020-21. Due to cesses and surcharges, states' share in the divisible pool is around 29% in 2020-21, lower than the 41% recommended by the 15th Finance Commission. Overall fund transfer from the Centre to states has declined too.

The administration is rigged in favour of the rich and ordinary citizens have been left to foot the bill for government spending through indirect taxes. Hence, freebies, subsidies or populists' schemes should not be stopped but the rich and corporates should be made to finance such schemes so as to make growth inclusive and reduce inequality.

The centre can provide some guidelines for maintaining fiscal discipline but it cannot direct states on how to spend money. After such irrational statements of bureaucrats, many newspapers, and journals have mentioned that states with the highest debt-GSDP ratio in 2021-22 are Punjab (53.3%), Rajasthan (39.8%), and West Bengal (38.8%), Kerala (38.3%) and Andhra Pradesh (37.6%).

This figure is not only wrong but also deliberately inflated to belittle non-BJP ruled states. Probably such a figure is arrived deliberately by adding the guarantees with outstanding liabilities. The guarantee given by the states together is around 3% of their aggregate GSDP is not part of outstanding liabilities.

The truth is that in 2021-22, outstanding liabilities that includes Public Debt; Ways and Means of Advances and Overdrafts from the RBI or any other bank; Public Accounts; and Contingency as proportionate of GSDP were for

Punjab 46.4%, Rajasthan 38.2%, Kerala 37.39%, Andhra Pradesh 36.5%, West Bengal 35.5%, Telangana 24.84%. Other BJP or its coalition ruled states -Himachal Pradesh 40.26%, Bihar 32.3%, Madhya Pradesh 28.5%, Uttar Pradesh 28.1%, Karnataka 26.9%, Haryana 25.92%-have also higher ratios.

What is disquieting is that during Modi's regime, states' debt increased. Between 2011-12 and 2014-15, the outstanding public debt of states was reduced from 17.2% of GDP in 2011-12 to 16.6% of GDP in 2014-15. But it increased to 25.1% in 2021-22. Outstanding Liabilities of State Governments and UTs have increased from 22% in 2014-15 to 31.2% of GDP in 2021-22, though within the prescribed limit. The 15th Finance Commission expects the debt-GDP ratio to peak at 33.35% in 2022-23, and gradually decline thereafter to reach 32.5% by 2025-26.

The takeover of debt of state-owned power distribution companies under the UDAY scheme by states was one of the principal reasons for the rise in states' debt levels in 2015-16 and 2016-17. The draconian demonetisation, flawed GST triggering slowdown and the COVID-19 pandemic induced recession needing increased borrowings to fund the expenditure has affected states' finances.

However, the States are in a far better position compared to the Centre as far as debt is concerned. The N K Singh Committee on FRBM in 2017 had suggested a ceiling for general government debt (both Centre and states) of 60% of GDP by 2022-23. And within this overall limit, a ceiling of 40% was adopted by the Centre, and 20% by the states. There was relaxation in view of the impact of the Corona Pandemic induced recession. But the Central debt which was 48.6% in 2019-20 has increased to around 62% of GDP in 2021-22.

Actually, the so-called Gujarat Model/ double engine model (BJP ruling both at Centre and States) was damaged by the astounding success of the Kerala Model in the last few years and is now further eclipsed by Kejriwal's Delhi Model. In past, BJP's annihilation in the Delhi Assembly election and recently in Punjab has perturbed BJP's leaders and corporate/business behemoths who have disdain for any expenditure or schemes made for the poor.

Most of the corporates, the rich and powerful

Continued on Page 40

बुलडोज किसको.. और क्यों..?

– रामचंद्र शर्मा



From nation-building, power politics in India has degenerated into destructive politics, represented by the Bulldozer. Starting from UP assembly elections, we have seen it in Madhya Pradesh and then in the national capital itself. Nowadays, the statements by the ruling party spokespersons are invariably centred around this bulldozer. But, bulldoze whom & why is the moot question.

आज सत्ता की राजनीति राष्ट्रनिर्माण से परे विध्वंस को धारण कर चुकी है। आपने कभी देखा है बुलडोजर पर विजय जूलुस हमने हाल ही में देखा कि किस तरह से हमारे प्यारे भारत में कथित संस्कृतिवादी सनातनियों ने उ. प्र. विधानसभा चुनावों में जब फिर से योगी सरकार सत्ता में आ गयी तो वे बुलडोजर को सजा कर अश्वमेध के घोड़े की भांति विजय यात्रा जूलुस में ले आये। इतना ही नहीं ब्रिटेन के प्रधानमंत्री बोरिस जानसन जब भारत पधारे तब बुलडोजर के साथ उनका फोटो खींचवाकर स्वागत किया जाना विस्मयकारी पहली बनी हुई है।

इससे पहले म. प्र. में भाजपा सरकार ने खरगोन के हुए दंगों में कौन पीड़ित है और कौन अपराधी इसकी खोजबीन और अनुसंधान में जाये बिना चिन्हित जमात की बस्तियों पर ताबडतोड़ बुलडोजर चला दिया जिसमें ऐसे घर ढहा दिये गये जो प्रधानमंत्री आवास योजना के तहत बनाए गए थे। जिस तरह आंखें मूंदकर बुलडोजर चला गया उसी तरह आंखें मूंदकर आरोपित भी किया गया। एक ऐसे शख्स को पत्थर फेंकने का आरोपी बना दिया गया जिसके दोनों हाथ कोहनियों से ऊपर सालों पहले कटे हुए थे। भला वो कैसे पत्थर फेंक सकता था।

इसी तरह दिल्ली की जहांगीरपुरी में हुए दंगों के पीछे किसकी साजिश थी और ये किसके द्वारा प्रायोजित थे, इसमें जाये बिना बुलडोजर भेज दिया गया और वहां भी जिस तरह एक जमात विशेष के घर – दुकान या कारोबार के जो ठीये थे, ताबडतोड़ गिराना शुरू कर दिया। वो सुप्रीम कोर्ट के आदेश के बाद भी जारी रहे। वो तो हिम्मत देखिए सीपीआई (एम) की पोलिटि ब्यूरो मेम्बर कॉमरेड बूदा करात की जो जाकर बुलडोजर के सामने खड़ी हो गई। तब जाकर बुलडोजर रूका। न तो ये बुलडोजर करने वाली घटनाएं एकाएक हुई हैं और न ही योगी की पुनः सत्ता वापसी के समय बुलडोजर का विजयोत्सव यूही मनाया गया था, यह सब एक नियोजित

रणनीति के तहत किये गये हैं। क्योंकि उ. प्र. में योगी सरकार ने संविधान से परे बुलडोजरवादी और पुलिसिया एनकाउंटर की नयी न्याय व्यवस्था स्थापित जो कर दी थी।

यही कारण है कि भाजपा के प्रवक्ताओं के बयान आजकल बुलडोजर को केंद्रित करके आ रहे हैं। राजस्थान में जोधपुर में ईद के मौके पर हुए दंगों पर भाजपा नेताओं के एक नहीं कतारबद्ध तंज कसने वाले बयान आये कि एक महीने पहले करौली के उपद्रवियों पर यदि बुलडोजर चला दिया होता तो जोधपुर के ये दंगे नहीं होते। यदि मुख्यमंत्री के पास बुलडोजर नहीं है तो योगी से मंगवा ले। जबकि हकीकत में यदि साजिशकर्ताओं और दंगाइयों को पकड़ा जाये तो दंगों में संलग्न लोग इन्हीं बयान देनेवालों के ही उकसाये हुए भ्रमित ही मिलेंगे। जिनका अपनी राजनीति के लिए ये इस्तेमाल कर रहे हैं। राजस्थान के दंगों में ही नहीं अयोध्या में दंगे कराने के लिए साजिशकर्ता की तस्वीरें वायरल हो जाने के बाद करन थापर जैसे वरिष्ठ पत्रकार की ट्यूटर पर टिप्पणी गौरतलब है जिससे उन्होंने कहा कि 'अयोध्या में दंगे की साजिश करने वालों के घरों पर अगर बुलडोजर नहीं चला तो यह साफ हो जाएगा कि बुलडोजर का भी धर्म है।' इसी बात को आगे बढ़ाते हुए मीडिया के एकतरफा हो जाने की ओर इशारा करते हुए आचार्य प्रमोद ने भी ट्वीट किया कि अयोध्या में दंगा कराने की 'साजिश' किसकी थी, किसी 'चैनल' पर कोई बहस नहीं।

इसी बीच अजान के खिलाफ हनुमान चालीसा के मुद्दे पर मुंबई की एक निर्दलीय सांसद नवनीत राणा को आगे करना और फिर राज ठाकरे द्वारा भी अपनी बुझी राजनीति को चमकाने के लिए राजनीतिक हथियार बनाने की रणनीति कर्नाटक में और विस्तार के साथ आगे बढ़ने में आमजन के मुद्दों को नेपथ्य में धकेलना भाजपाई केंद्रीय सत्ता का प्रथम ध्येय है। आजादी के 75 साल के अमृतकाल के गढ़े गये नारे यथार्थ से परे हैं। बेरोजगारी, महंगाई और महामारी

से संत्रास भोगने के लिए अभिषिप्त किये जा रहे आमजन की हकीकती हालात और अर्थव्यवस्था की बर्बादी को ढकने के लिए अंजाम दिये जा रहे संविधान से इतर इन अमानुषी कृत्यों का अंत निकट नजर न आना, अंधेरे पत्त की लम्बी दुश्चारियों की मौजूदगी के साये को घना कर रहा है और बिना सघन जनचेतना अभियानों के इनका अंत संभव भी नहीं है।

काश! भारतीय जनता पार्टी के लोग हिन्दू - मुस्लिम से अलग हटकर भारतीय बन देखें तो कहीं विवाद नजर नहीं आयेगा। वे राष्ट्रीयता का अर्थ भारतीय से नहीं हिन्दू से जोड़ रहे हैं और यही विवाद और अशांति का मामला बन रहा है।

हम सब के लिए यह गहन चिंतन मनन का विषय है कि राजनीति का हथियार बनी शोभायात्राएँ क्यों बिखेर रही आशोभा? 'शोभा' शब्द अपने आप में सम्मानभरे भाव को प्रकट करने के लिए उपयोग होता है परंतु हाल में निकल रही शोभायात्राएँ क्योंकर अपने नाम के अनुरूप शोभा बढ़ाने के और सुखद सम्मानजनक परिवेश बनाने के उल्टे अशोभनीय कृत्यों का कारण बन रही हैं? ये शोभायात्राएँ अचानक अशोभनीय क्यों हो गई हैं? इन शोभायात्राओं में न सामाजिकता है और न ही धार्मिकता। जहाँ देखें, वहाँ फुहड़ता और अशोभनीय कृत्य ही सामने आते हैं। इन शोभायात्राओं में न भजन भाव है और न भक्ति भाव दिखाई देते हैं। गाली-गलौज और अभद्रता के बीच वहाँ तो डीजे की ऊंची आवाज में आक्रामक सबक सिखाने वाले नारे और तलवार डंडे, हांकी स्टीक, क्रिकेट के बल्ले और हथियारों के लहराने के फुहड़ शो में साथ निकलती ये रामनवमी और हनुमान जयंती की शोभायात्राओं में दिखी अशोभनीय संस्कृति क्या दंगों का कारक नहीं बन रही है।

रामनवमी के दिन राजस्थान के करौली में ही नहीं सात राज्यों में ऐसी धटनाएँ होती हैं और हनुमान जयंती पर दिल्ली की जहांगीरपुरी में उसी पैटर्न पर दंगा-फसाद होता है? मप्र के खरगोन में भी ऐसी ही तस्वीर सामने आई। अब लाउडस्पीकर से यदि अजान बंद नहीं हुई तो उसके उसके सामने लाउडस्पीकर लगाकर हनुमान चालीसा का पाठ करने की चेतावनी दी जा रही है। भारत की वर्तमान राजनीतिक

सत्ता सरपरस्ती में धर्म के नाम पर अन्धताभरा मानवता के विरुद्ध युद्ध के जैसा परिवेश गहराता जा रहा है। जहाँ सत्ता खाई पाटने के बजाय उल्टा और ज्यादा गहरा करने में ज्यादा रुचि ले रही है, ऐसे में आमजन की असली पीड़ाओं को हिन्दू मुस्लिम में बांटकर सत्ता ने भूला दिया है। खरगोन में जिस शख्स पर इल्जाम लगा पत्थर फेंकने का, उसके दोनों हाथ पहले से ही कट हुए थे। पहले गलत एफआईआर फिर बुलडोजर से जिस महिला का घर तोड़ा, वह प्रधानमंत्री आवास योजना के तहत बना था। सुनवाई के रास्ते बंद हो गये हैं। पुलिस कार्रवाई एकतरफा है। कार्रवाई हथियार लहराकर उकसाने वालों पर नहीं, प्रतिरक्ता करने वालों पर हो रही है। बकौल शायर अब तो स्थिति यह बन गयी है कि 'उसी का शहर वही मुहई वही मुसिफ, हमें यक्रीं था हमारा कुसूर निकलेगा।'

हम लगातार देख रहे हैं कि किस तरह से भारतीय संविधान के चार मूलभूत स्तंभों - धर्मनिरपेक्षता, लोकतंत्र, संघवाद, सामाजिक न्याय और बराबरी व आर्थिक संप्रभुता पर गंभीर हमला किया जा रहा है और संवैधानिक संस्थाओं को किस कदर कमजोर किया जा रहा है। भारत के संघीय चरित्र को नकारते हुए एक एकात्मक राज्य संरचना को थोपने के षडयंत्र जारी हैं। इस उद्देश्य को प्राप्त करने के लिए तथा भारतीय संविधान द्वारा बनाए गए सभी स्वतंत्र संस्थानों को संवैधानिक गारंटी को लागू करने के लिए नियंत्रण और संतुलन के रूप में कार्य करने के लिए संसद, न्यायपालिका, चुनाव आयोग, सीबीआई, ईडी आदि को उनके स्वतंत्र अधिकार को नकारते हुए कम किया जा रहा है। सांप्रदायिकता का मुकाबला केवल समझौता न करने वाली धर्मनिरपेक्षता का समर्थन करके ही किया जा सकता है। जाति, पंथ या लिंग की परवाह किए बिना समानता का सम्मान करते हुए जन-समर्थक नीतियों को लागू करने की मांग को आगे रखकर भारी एकजुटता बनानी होगी। इसी से हमारे नागरिक अधिकारों सहित सार्वजनिक संस्थाओं की रक्ता सुनिश्चित होगी। जो लोग अपनी गंदी राजनीति के चलते विभाजनकारी कृत्यों के जरिये मानवता को रौंद रहे हैं अगर वे आशुतोष राणा के कहे ये बोल अपने दिल में उतार ले तो सारे विवाद ही खत्म हो जाये -

बांट दिया इस धरती को,
चांद सितारों क्या होगा?
नदियों का कुछ नाम रखा,
बहती धाराओं का क्या होगा?
शिव की गंगा भी पानी है,
आबे जम जम भी पानी है।
मुल्ला भी पिये, पंडित भी पिये,
पानी का मजहब क्या होगा?
इन फिरकापरस्तों से पूछो,
क्या सूरज भी नया बनाओगे?
एक हवा में सांस है सबकी,
क्या हवा भी नयी चलाओगे?
नस्लों का जो करे बटवारा,
रहबर कौम का वो ढोंगी है।
क्या खुदा ने मंदिर तोड़ा था?
क्या राम ने मस्जिद तोड़ी है?



Cartoon courtesy: Satish Acharya



The workers hit the hardest

The 7 million jobs lost over the two years since the COVID-19 outbreak is unevenly distributed, so it may be difficult to cover most of this loss anytime soon. As seen in the past, women suffered job losses disproportionately, about 52% of this 7 million. The biggest relative fall in employment is in the category of salaried employees. About 5.9 million salaried employees have lost employment in these two years.

Mahesh Vyas (Courtesy: The Hindu 5/5/2022)

According to the Centre for Monitoring Indian Economy (CMIE)'s Consumer Pyramids Household Survey, employment in India fell from 408.9 million in 2019-20 to 387.2 million in 2020-21 and then recovered to 401.8 million in 2021-22.

Evidently, the recovery in 2021-22 was inadequate. Employment was still 1.7%, or 7 million short of the employment level of the pre-pandemic year of 2019-20. But this overstates the impact of the pandemic. Employment was on a declining trend even before the pandemic: it was falling at the rate of about 0.31% per annum. If that trend had continued uninterrupted by the pandemic, employment would have fallen by about 2.5 million from 408.9 million in 2019-20 to 406.3 million in 2021-22. And so, the hit to employment that can be attributed to the shock of the pandemic is about 4.5 million jobs.

This loss of 4.5 million jobs because of the pandemic is the more lasting net impact. The immediate impact was much bigger. Nearly 78 million jobs were lost during the quarter of June 2020, which roughly coincides with the first wave of COVID-19. Similarly, 13 million jobs were lost during the second wave during the quarter of June 2021. Most jobs lost during lockdowns or other mobility restrictions are of the informal kinds. These come back when the restrictions on mobility are lifted.

If the economy expands by about 7.5% in 2022-23, we expect about 6 million jobs to come back. That would still leave a deficit of a million even as many more get added to the working age population and the labour force.

As India struggles to generate the jobs it requires to engage all the additional people who enter the labour force in a year, the count of the unemployed and those out of the labour force keeps rising. In 2021-22, the unemployed who were actively seeking work but were unable to find any were estimated at 33 million. This was higher than the pre-pandemic levels.

The 7 million jobs lost over the two years since the COVID-19 outbreak is unevenly distributed, so it may be difficult to cover most of this loss anytime soon.

Working from home

It has been seen in the past that women suffer job losses disproportionately during economic shocks. The phenomenon repeated itself during the pandemic. Women accounted for less than 11% of all jobs in 2019-20, but they accounted for nearly 52% of the 7 million job losses since then. In urban India, it was worse: women accounted for only 9% of total employment but accounted for a massive 76% of the job losses. The impact of this is a sharp fall in the labour participation of women. The female labour force participation rate among

urban women was abysmally low at 9.4% in 2019-20 and fell to 7% in 2021-22.

Hopes that working from home would facilitate women to join the labour force in large numbers have been belied. Working from home with the rest of the family also at home made it harder for women compared to the hardship of commuting to work. It has been difficult to raise women's participation in the labour force and offer appropriate jobs in adequate numbers to aspiring women. It would be difficult to cover the 3.6 million loss of employment among women during the pandemic.

Working from home also does not help those who have to necessarily go to work for a living as well, such as small traders/vendors and daily wage labourers, The immediate impact of the lockdowns and other restrictions on mobility was very severe on them. The earnings of these people depend entirely upon their ability to reach markets and trade their goods or services for daily earnings. They account for the largest share of employment in India. Before the pandemic, in 2019-20, about 131 million or 32% of the total employment was in this form..

In April 2020, when India was subjected to the most stringent lockdown, 79 million small traders and daily wage labourers lost employment. By July 2020, most of them were back to work. The lockdowns demonstrated both the vulnerability and the flexibility of this category of workers. They could enter and exit the labour markets with ease. Employment in the form of small traders and daily wage labourers was declining at the rate of 9.3%. In the two years of the pandemic, this rate of fall fell to 2.4% per annum.

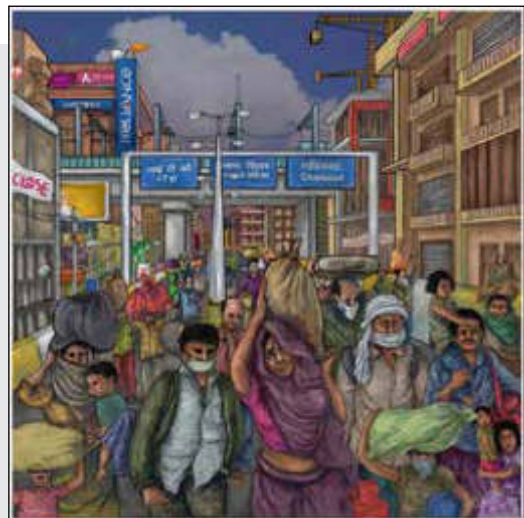
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The biggest relative fall in employment is in the category of salaried employees.....Unlike daily wage labourers, small traders and entrepreneurs, salaried employees cannot go back to work at will.

The pandemic has reversed a trend of rising entrepreneurs. The count of entrepreneurs who, like small traders and daily wage labourers, also have the freedom to work when conditions permit has also come down – from 78 million in 2019-20 to 75 million in 2021-22. This fall of about 1% is in sharp contrast to the 13% per annum growth in entrepreneurs before the pandemic. It is possible that the lockdowns dealt a fatal blow to the younger enterprises that had entered the markets only recently. But we expect entrepreneurship to rise again principally because of a lack of salaried jobs.

The biggest relative fall in employment is in the category of salaried employees (6.8%). About 5.9 million salaried employees have lost employment in the two years of the pandemic. Unlike daily wage labourers, small traders and entrepreneurs, salaried employees cannot go back to work at will. A loss of a salaried job in hand can be regained only if an appropriate new job is found. But except for a few high-skill jobs, finding a new salaried job is difficult. Investments into new large enterprises make this task particularly difficult. A salaried job is also the most coveted form of employment. But until the investment cycle restarts, it may be difficult to see any uptick in salaried jobs. Employing women and providing salaried jobs are the two big challenges that the pandemic has posed that are going to be difficult to tackle soon.

Mahesh Vyas is Managing Director and CEO, CMIE



Courtesy: Vikas Thakur, Newslick

Pt. Shiv Kumar Sharma

- the doyen of Hindustani Classical music



His music was a unique fusion of Shaivite and Sufiyaana traditions. His music transcended our borders. According to him, the Sufiyaana music played on the Kashmiri Santoor was a combination of Persian, Turkish and Hindustani music. His music was therefore truly internationalist, even though being essentially Hindustani.

Shreekant Mishra

Pandit Shiv Kumar Sharma, eminent Santoor player and doyen of Hindustani classical music, breathed his last on 10th of May 2022 at Mumbai. He was 84. But the music and the legacy that he has left behind will remain etched in the memory of generations of Indians.

Pandit Shiv Kumar Sharma was born in a middle class family in Jammu. His father, Uma Dutt Sharma, was a classical vocalist with some interest in playing the Tabla. Interestingly, Santoor was not the instrument of choice for Pandit Shiv Kumar Sharma; it was imposed on him by his father. His first love was Tabla. He also flirted with Hindustani vocal for sometime. But he had to give in to the wishes of his father who wanted him to take up the Santoor instead.

Santoor was not a popular instrument then. It was used as an accompanying instrument in *Sufiyaana Kalam* in Kashmir. Apart from being relatively obscure, Santoor was a fairly complex instrument to deal with because of the 100 strings, 25 bridges and clusters of four strings. He started learning with a little help from his father, because there were no gurus around. But such was his dedication and perseverance that in the course of learning, he developed the Santoor through his own improvisations to make it compatible with Hindustani classical music. He added 16 more strings to the original hundred, added four more bridges to the existing 25 and reduced the clusters of four strings to three strings each. Hindustani classical music had a lot of reservations about accepting Santoor as a classical musical instrument. It was alleged that since Santoor was played by striking on the strings, it produced only staccato sounds. It was claimed that Santoor lacked the essence of Hindustani classical music: *meend* (glide from

one note to another), *gamak* (ornamentation done on a note or between notes, derived from *Dhrupad*) and *andolan* (vibrato, gentle oscillation around a note). Through his own innovations, Pandit Shiv Kumar Sharma changed the shape of the Santoor to improve its tonal quality. He replaced the wooden sticks used to strike at the strings with walnut sticks. Through his singular effort, the Santoor not only became a part of Hindustani classical music but reached a global audience as well.

It can be said that Pandit Shiv Kumar Sharma not only grew with the Santoor on his lap, the Santoor itself also grew in stature in the firmament of Hindustani classical music. It would not be an exaggeration to say that he became synonymous with Santoor. What Pannalal Ghose was to bansuri (flute), Bismillah Khan to Sehnaï, Ram Narain to the Saarangî and Bhaiyaa Ganpatrao to the harmonium, Pandit Shiv Kumar Sharma was to Santoor. His first national performance was in Mumbai. The icons of classical music- Ustad Bade Ghulam Ali Khan, Pt. Ravi Shankar, Ustad Vilayat Khan, Ustad Aamir Khan, Pt. Omkarnath Thakur, Ustad Mushtaq Hussain, Siddheswari Devi, Rasoolan Bai- were all in attendance in that concert. He was barely 17 then. This programme opened new vistas for him in the world of Hindi movie music also. Legendary film maker V. Shantaram asked him to play Santoor for his upcoming film *Jhanak Jhanak Paayal Baañe* (1955). There was no looking back since then. Teaming up with eminent flautist Pt. Hariprasad Chaurasia subsequently, the duo went on to give the music in the twin name of 'ShivHari' for a large number of films such as *Silsila*, *Faasle*, *Chandni*, *Lamhe*, *Darr* etc. They were the first Indian musicians to

play at a Nobel Prize ceremony in Oslo alongside Alanis Morissette, Elton John and Phil Collins.

The Santoor of Pt. Shiv Kumar Sharma spoke a unique language. It was pregnant with the flavour of Kashmir. It was often hymnal evoking the Shaivaitic traditions of his ancestors. It was also idyllic, evoking a unique feeling of the rustling of leaves, splashing of the river waters in a hilly terrain. The strains of the songs sung by Dogri shepherds and the lilting tune of romance so characteristic of young lovers could all be found in his Santoor. His music was a unique fusion of Shaivite and Sufiyaana traditions. His music transcended our borders. According to him, the Sufiyaana music played on the Kashmiri Santoor was a combination of Persian, Turkish and Hindustani music. His music was therefore truly internationalist, even though being essentially Hindustani.

Success could not corrode his personality. Strikingly handsome, a bewitching smile would always play on his lips. He was a genuinely humble, polite and graceful personality all his life. For him, "Ego is not confidence. Confidence comes from surrender". His death is naturally a big loss to the world of Indian classical music. But the loss is still bigger for all the noble values that India stands for.



Image courtesy: Raghupati Sringeri, Cartoon Showcase, Facebook

Pandit Shiv Kumar Sharma is no more with us. But his music will continue to inspire us for years to come....

Whether LIC IPO Amounts To Expropriation of Surplus Meant For Policyholders? Supreme Court To Examine

Shruti Kakkar (Courtesy: Livelaw, 12 May 2022)

The Supreme Court on Thursday issued notice in the petitions challenging Central Govt's decision to trade 5% of its shareholding in the Life Insurance Corporation through IPO.

The bench of Justices DY Chandrachud, Surya Kant and PS Narasimha refused to grant any interim relief against the LIC IPO.

The bench said that the contention raised by Senior Advocate Indira Jaising for the petitioner that the the amendment to Section 28 of the LIC Act to facilitate the IPO amounts to expropriating the surplus available to policyholders in favour of shareholders would "warrant further deliberation". Jaising argued that it would amount to violation of property rights under Article 300A of the Constitution.

As regards the challenge to the amendments made to the LIC Act 1956 through the Finance Act

2021 which has been passed as a money bill, the bench tagged the matter along with the reference pending before the larger bench on the money bill issue in the Rojer Mathew case.

The bench in their order said, "We are inclined to issue notice. On the question of Section 28 of the LIC Act, the submission by the petitioner would warrant further deliberation. The Court has been apprised of the fact that 73 lakh applicants have subscribed to the IPO & it has been subscribed over 6 times even in the category which has been reserved for Policy Holder's.

It is necessary to note that the dilution of LIC has been 3.5%. 22.13 crores equity shares of face value are being offered at premium of INR 939 and receipts in the Consolidated Fund of India is of Rs 20500 crores; IPO opened for anchor investors on May 2 2022. For General Public on May 4 and closed

on May 9; IPO has been oversubscribed.

Having regards to the above fact we are of the considered view that no case of grant of interim relief has been made out. Notice shall be issued on the WP and the SLP's. Having regards to the pending reference, the present proceedings shall be tagged with pending reference which has been made before the larger bench."

The directions were issued in the pleas which had also challenged the constitutional validity of the provisions of sec 130, 131, 134 of the Finance Act 2021 & certain provisions of the LIC Act 1956.

By the provisions of Finance Act 2021, amendment was brought about to the provision of LIC Act 1956.

The bench was considering a writ petition challenging the amendments to LIC Act and the petitions challenging the orders of the Madras and Bombay High Courts which refused to interfere with LIC IPO.

Submission of Counsels

Appearing for the petitioners, **Senior Advocate Indira Jaising** submitted that the process which led up to enactment of the amendment to LIC act was on the basis that it was a money bill. On this aspect, it has been submitted that the constitutional issue relating to passage of bill a money bill has been referred to the Constitution Bench in the Rojer Mathew case in 2019.

It was also her contention that as result of amendment to Section 28 of the LIC Act, the character of LIC which is in the nature of mutual benefit society is being sought to be converted into a joint stock company. She further contended that this amounted to expropriation of surplus from participating policy holders to shareholders to whom shares would be allotted. She further argued that earlier 95% of surplus went to Participating Policyholders while 5% was with the government and this would be altered by the amendment which has been brought and this would violate Article 300A.

She further argued that though the IPO has been closed on May 9 2022, an interim order was necessary to obviate further complexities. Against this backdrop, she submitted that either the court may direct that the money which has been placed in ASBA Account shall be retained in those accounts during the pendency of these proceedings or alternatively the rights of the investors will be dependent on the outcome of the proceedings pen



Cartoon by P Basaveshwar, Karimnagar

Senior Advocate Shyam Divan has appeared on behalf of the plea arising from judgment of Madras High Court & **Senior Advocate Anita Shenoy** appeared for the SLP challenging the ad interim order of the Bombay High Court.

Appearing for the Union and LIC, **Additional Solicitor General Venkataraman** submitted that the bill which eventually resulted in Finance Act 2021 was passed on March 28, 2021 nearly 15 months ago. He further contended that the plea under Article 32 has been instituted on May 9 2022, the date on which LIC IPO stands closed.

As regards the judgment of Madras High Court, it has been submitted that the SLP was filed on May 2 2022 and though the Bombay High Court had declined ad interim relief on April 11 2022 a precipice was declined.

Objecting to the grant of interim relief, ASG submitted that Sec 28 of LIC ACT as originally Act did not confer any contractual right to Participating Policyholders to appropriate the 95% surplus and was always dependent on the notification of the Central Government. He further contended that no guarantee has been made to the participating policy holders on the quantum.

Case Title: Thomas Franco Rajendra Dev And Ors. Versus Union Of India And Ors. | W.P.(C) No. 366/2022; L. Ponnammal Versus Union Of India And Ors. | SLP(C) No. 8609/2022 And Charudatt Changdeo Pawar And Ors. Versus Union Of India And Ors. | SLP(C) No. 8846/2022

Senior Advocate Indira Jaising appeared along with Advocate S.Prasanna for the main petitioner.



18TH CONGRESS OF THE WFTU -A GRAND SUCCESS

The 18th Congress of the World Federation of Trade Unions (WFTU) took place at Rome, the capital city of Italy, from 6-8 May 2022. The basic theme of the 18th Congress was “For the satisfaction of our contemporary needs, Against Imperialist Capitalist Barbarity”. 430 delegates from 93 countries participated in the Congress. The General Secretary of AIIEA was a delegate to this Congress of the WFTU. He participated in the virtual mode.

The 18th Congress commenced on 6th May 2022 in the morning. **Com. (Ms.) Anda Anastasaki** from WFTU Centre proposed a presidium consisting, among others, of **Com. (Ms.) Cinzia Della Porta** (of USB, Italy) and **Com. K. Hemlata** (CITU, India). **Com. (Ms.) Cinzia Della Porta** conducted the proceedings on behalf of the presidium. **Com. Pierpaolo Leonardi**, General Secretary of USB, Italy welcomed the delegates to the 18th Congress of the WFTU. This was followed by the Welcome Address of the President of WFTU **Com. Mzwandile Michael Makwayiba**. Giving a brief account of the progress made by the WFTU since the last 17th Congress at Durban, South Africa in 2016, he made a fervent appeal to strengthen the WFTU financially. The inaugural session was addressed by some guest speakers from across

the world. Notable among them were **Ms. Anna Biondi**, Deputy Director of the ILO’s Bureau for Workers Activities; **Com. Jamal Kadri**, General Secretary, International Confederation of Arab Trade Unions (ICATU); **Com. Arezki Mezhoud**, General Secretary, Organisation of African Trade Union Unity (OATUU) and **Com. Jiang Guangping**, Vice-President, All China Federation of Trade Unions (ACFTU).

Com. George Mavrikos, General Secretary of WFTU, delivered the keynote address and gave a detailed account of the WFTU’s activities in different parts of the globe. He said that the Covid19 pandemic was not only a health crisis; it was rather more of a political and economic crisis. He rued that the ruling classes all over the world utilised the pandemic as an opportunity to further their own class interests rather than trying to ameliorate the suffering of the working people. Pointing out that the Congress of the WFTU was taking place in the background of some ominous geopolitical and economic developments, he exhorted the constituents of WFTU to organise powerful and militant demonstrations all over the world. Lauding the militant protests of the working class movement in India, he called upon the delegates to draw proper inspiration from the ‘great strikes in



India'. He underscored the need to strengthen trade union organisation, to intensify militant struggles of the working class, to resist the onslaught of capitalism and to expose and defeat the machinations of imperialist forces.

99 delegates from across the world participated in the debate. **Com. K. Hemlata** and **Com. Swadesh Dev Roye** from CITU (India) participated in the debate. The lively and rich debate encompassed the whole gamut of issues confronting the working people of the world. The new international economic crisis, the imperialists' attempts to shift the burden of the crisis onto the shoulders of the working people, the geopolitical tensions building up because of NATO's expansionist agenda, China's rise as a military and economic power and its impact on its strategic relationship with the west, the need to extend solidarity to the people of Palestine and condemn Israeli aggression on them, necessity of immediate implementation of all ILO conventions in defense of trade union freedoms, of the right to associate and to strike,

the right to collective bargaining, the need to abolish child labour were all discussed at great length. After a marathon debate of over two days, the WFTU made it clear that the tremendous progress in science and technology including digitization has to be utilised for bringing about qualitative changes in the life of labour rather than merely increasing the profits of capital. The Congress gave a call to make sure that satisfaction of all contemporary needs of the working people including the right

to free health, decent housing, access to clean water, free public education for all children etc. find a prime of place in the agenda of the WFTU constituents all over the world.

The 18th Congress unanimously adopted the Rome Declaration taking a firm resolve to fight against high prices, unemployment, privatisation and part time or undeclared work. The declaration also resolved to work towards achieving a 35 hour working week with Five Day week and maternity leave, lighter work and no lay-off for all pregnant workers. The WFTU Congress demanded immediate dissolution of NATO and called upon all constituents to observe 1st of September as 'International Action Day for Peace'.

The 18th Congress unanimously elected **Com. Mzwandile Michael Makwayiba** from South Africa as the President and **Com. Pambis Kyritsis** of Cyprus as the General Secretary of the WFTU for the ensuing term.



ECZIEA SECRETARIAT MET AT SAMBALPUR

DECIDES TO CARRY FORWARD THE STRUGGLE AGAINST PRIVATISATION

The secretariat of ECZIEA met at Sambalpur on 8th of May'22 to discuss the decisions taken by the AIIEA secretariat in its meeting at Bhubaneswar on 30th April and 1st May'22.

Com.Trinath Dora, General Secretary, ECZIEA apprised the secretariat members in detail about the discussion and decisions of AIIEA secretariat. The entire secretariat was unanimous to carry forward the struggle against any move to privatise LIC and Public Sector in general. The secretariat assessed the present economic and political situation of our country and also our struggle against LIC IPO. It has expressed

confidence that due to relentless struggle by AIIEA, it was possible to restrain the successive Governments from disinvestment of LIC from last 28 years. The meeting appreciated our units for successful State Conventions, historic two days strike on 28th-29th March, two hours strike on 4th May, against LIC IPO and decided to organise meetings at all districts and block levels. The secretariat took a note that due to strong campaign led by our units throughout the Country, the Govt. decided to offload 3.5 percent instead of 10, as decided earlier. It has congratulated and extended revolutionary greetings to our Kerala Comrades for their great effort to mobilise public opinion against LIC IPO. The secretariat condemned the role of the present government in deciding the valuation of LIC and termed this exercise as biggest scam of the present time. The government not only cheated the policyholder's, also sold the precious wealth in throughway prices to promote the big corporate. The present NDA government is constantly working for its ideological commitment by transferring people's money to stock market for expansion of capital market, the secretariat noted. The secretariat decided to unite all Public Sectors including Banks and Insurance throughout the Zone to launch a bigger struggle against privatisation.

It has also unanimously decided that all efforts will be taken to improve premium income



to protect LIC. The Secretariat approved the decision of AIIEA secretariat to demand industry wise wage settlement and to place a Charter of Demands for 40% wage hike in LIC considering the growth of approximately 45% in premium income during the period 2017 to 2022.

The secretariat decided to celebrate our 75th year of Independence in a very befitting manner. It strongly criticised the present government for its action to divide the country on the basis of religion. The working class and poor are the worst sufferer due to this. The secretariat noted with deep concern the price rise of all essential items and decided to organise public at large to fight the day to day issues affecting common people.

The secretariat appreciated and congratulated Bhubaneswar Divisional unit for organising the AIIEA secretariat meeting successfully. The secretariat also extended revolutionary greetings to CDLIEA and all units of Orissa for very successful general body meeting at Cuttack on 1st May in which nearly 400 comrades from all divisions of Orissa participated. Com.V.Ramesh, Com.Shreekant Mishra, Com.K.Venugopal and Com.H.I.Bhatt addressed the gathering and most of the secretariat members were also present in the meeting.

28TH Annual Conference of Bhopal DIEU

The 28th Annual Conference of Bhopal Division Insurance Employees Union held on 23-24 April 2022 concluded with a clarion call to vehemently oppose IPO in LIC and to further strengthen AIIEA. The Conference took place in a very complex and difficult circumstances. The Venue of the Conference was named after Comrade Mohammed Sarwar Ansari, Former General Secretary of BDIEU & the stage as Comrade KN Niranjan Stage.

Before the start of the Conference, Comrade Manju Sheel, President, BDIEU, hoisted the Flag of the Union amidst deafening slogans followed by paying floral tributes at the martyrs column. The General Secretary moved a Condolence Proposal and two minutes silence was observed.

The inaugural session began with the Presidential Address. Comrade DR Mahapatra, General Secretary, CZIEA inaugurated the conference. He lashed out at Union Government for countless hardships faced by the common people across the country due to COVID-19 pandemic. He sharply criticized present government for shamelessly continuing aggressive policies of privatization of LIC in particular & public sector in general. He also said that a few Corporates are controlling economy of India & that Modi led government is bent on selling public sector. Economic disparities amongst common people are

increasing day by day and people are compelled to face several hardships. He further said that it is the collective responsibility of all of us to safeguard and protect LIC. He said that the strike action of 28/29 March, 2022 was a result of resentment & anger of common man. He called upon insurance employees to be in preparedness to fight against the challenges ahead.

Comrade, P BHATTACHARYA, Joint Secretary, CZIEA also spoke in inaugural session and stressed on the need to protect LIC against external and internal dangers. He said that greatness of AIIEA is its ideology. He said that strong AIIEA is the basis of strong LIC. He further added that there is need to strengthen the organization. Comrades MT Susheelan, GS, WZGIEA and S.S. Solanki, Former President SOLANKI, BDIEU also spoke.

A report on behalf of the WC was presented by the GS, BDIEU. About 18 delegates participated in the discussion in delegate session. 3 years Accounts Statements & 20 Proposals were also presented. The Conference unanimously passed the report, accounts & Proposals presented in the conference. The conference elected 51 Member Working Committee with Com SANDEEP BELEKAR as President, Mukesh Singh Bhadoria as General Secretary.

23rd Conference of Satna DIEA

The 23rd annual general meeting of Satna DIEA was held at Khajuraho on 15-16 April, 2022. As a prelude

a huge rally was carried out against unemployment, inflation, corruption, communal divide and LIC IPO. The rally was greeted by fraternal trade unions and agents' associations.

The conference commenced with flag hoisting by com. D.S. BAGHEL, President SDIEA, amidst inspiring slogans. Floral tributes were offered at the martyr column.

After the Welcome by Chairman of Reception Committee Shri Kunwar Vikram Singh, MLA, Rajnagar, the conferece was inaugurated by Com Shreekant Mishra, General Secretary, AIIEA. Com Sreekant said that due to policies of Modi government, privatisation and selling of public properties is in full swing. Government

says "Government's business is not to be in business". Government of India initially infused Rs. 5 crore capital in LIC and later on increased it up to Rs100 crore. LIC has genetated assets worth Rs 40 lac crore. Government is hell- bent in issuing IPO of LIC to mitigate the fiscal deficit.

Com D R MAHAPATRA, General Secretary CZIEA appealed to the insurance employees to put up resistance against government policies and ensure success of one day strike on the day of subscription of IPO. Com V.S. BAGHEL, Joint secretary, CZIEA was present as guest of honour. Leaders of fraternal trade unions, leaders of LIC class 1 federation, NFIFWI and agents' association were also present. Leaders of TUCC and BHARAT KISAN SABHA were also present in the open session.

The delegates session commenced on 16.04.2022 with com T P PANDEY, General secretary SDIEA placing the report on behalf of working committee for discussion. There was a lively debate on the Report. The Report was adopted unanimously after the summing of the debate by the General Secretary. The audited statements of accounts were also adopted unanimously. The Conference adopted 11 resolutions relating to national importance and issues within the industry.

Com Sreekant Mishra intervening in the debate said that internal democracy in AIIEA is very strong. Comrades have right to ask questions and get answers. We had defeated

Booze, Allen and Hamilton report and ensured future recruitment in LIC . The need of the times is to strengthen the organisation to meet the enormous challenges confronting us. com D R MAHAPATARA addressing the delegate session , appealed comrades to defeat the ill conceived policies of the government . He gave the call to strengthen organisation at all levels.

The conference unanimously elected Coms D.S.Baghel, T.P.Pandey and Neeraj Shukla as President, General Secretary and Treasurer respectively for the ensuing term. The conference ended with the vote of thanks by Com DS Baghel.



14th State Conference of West Bengal State General Insurance Employees' Association

The conspiracy of the Central Government to handover the Public Sector General Insurance companies to the corporate sector is to be stopped by building up the united struggle in this sector. With this clarion call West Bengal State General Insurance Employees' Association commenced its 14th State Conference. This Conference was held on 22-23 April, 2022 in Kolkata named Malay Ganguly Nagar and Dilip Cheena-Saibal Mitra Mancha (Moulali Yuba Kendra). The Conference started by hoisting AIIEA flag by Com. Mrinal Kanti Mitra, President, WBSGIEA and paying tribute to the martyr column with flower.

The Conference was inaugurated by Com. Shreekant Mishra, General Secretary, AIIEA. Addressing the Open Session he said that our country couldn't be developed unless progress of majority of the countrymen be done. In this context, Com. Mishra cited various statistics against the anti-people policy of the Central Government. He uttered that in one hand gradually people are coming down under poverty line; on the other hand corporate friends of the Prime Minister are earning more and more wealth. In the name of self-reliant economy named as National Monetization Pipeline, the govt. is selling all profitable Public Sectors including LIC & GIC. He asked the gathering to be organised more for protection of the PSGI Cos. In this Open session, Com. Joydeb Dasgupta, General Secretary, BEFI, W.B., Com. Pradip Gupta from 12 July Committee, Com. Tridiv Mukherjee, GIEAIA, Com. Shekhar Bhattacharjee, UIIOA, Com. Tarun Chatterjee, GIPA WB and Com. Jayanta Mukherjee, Jt. Secretary, AIIEA greeted the conference. Com. KVVSN Raju, Vice-President, Com.



Sanjay Jha, Secretary, Standing Committee (GI), AIIEA were present in this session. Com. Mrinal Kanti Mitra, Com. Prabir Das, Com. Salil De, Com. Prabir Biswas and Com. Amit Chakraborty were in the Presidium and conducted the conference.

In the evening, delegate session started placing Homage Resolution and observed one minute silence. Then Com. Tapan Kumar Mitra, General Secretary, WBSGIEA placed the draft report on behalf of the Working Committee and Com. Partha Sarathi Chakraborty, Treasurer submitted the audited accounts. The debate started on the draft report and sixteen delegates participated. Com. KVSN Raju, Vice-President, AIIEA in his deliberation picturised the present situation of general insurance industry. He told that in spite of the economic doldrums in the country PSGI companies have maintained their growth. He emphasized on the protection of PSGI companies for the interest of the nation.

Intervening the debate Com. Sanjay Jha, Secretary, Standing Committee (GI), AIIEA informed the house on the latest of the long pending demand of wage revision. He appreciated the WBSGIEA comrades for their initiation and participation in all the programmes including strike at the call of JFTU and AIIEA alone. Com. Jha assured the conference that AIIEA is in continuous touch with the GIPSA personnel

and DFS also. He advised AIIEA comrades to strengthen the Joint Forum unity and be prepared for further course of struggle to achieve our just demands.

Com. Shreekant Mishra expressed his satisfaction for organizing the 14th Conference of WBSGIEA in such a manner in a very difficult political situation. Com. Mishra gave confidence to the delegates and observers that their demand for a wage revision is legitimate and assured that AIIEA will leave no stone unturned until it is achieved satisfactorily. He requested the comrades to strengthen AIIEA both numerically and ideologically. Conference adopted unanimously the report of the outgoing Working Committee after reply of Com. Tapan Kumar Mitra, General Secretary, WBSGIEA. The house also unanimously adopted the audited accounts and twenty Resolutions moved by Com. Partha Ghosal and seconded by Com. Kamal Guha Thakurta.

The conference elected unanimously 114-members Working Committee including Office-bearers for the coming years. Com. Shyamal Das, Com. Tapan Kumar Mitra and Com. Partha Pratim Sanyal were elected as President, General Secretary, and Treasurer respectively. The conference concluded with vote of thanks by Com. Chinmoy Chatterjee

11th Conference of LICPA, Guwahati Division

The Eleventh Biennial Conference of LIC Pensioners' Association, Guwahati Division took place on 10th May, 2022 at BSNL Hall, Guwahati. Eighty-three pensioner delegates attended the Conference which got off to a flying start with the hoisting of the Association flag by Dinesh Sharma, President of the Association amidst roaring slogans.



The delegate session of the conference was conducted by a presidium consisting of Com. Dinesh Sarma president, Com Anjan Bhattacharjee and Com Chittaranjan Das both vice presidents of the association. Com Satanjib Das, a veteran trade union leader of Assam and insurance sector inaugurated the conference. In his hour long speech, he dealt in details the crisis faced by the working people of the country due to the aggressive persuasion of the neo-liberal economic policies by the Modi regime. He traced the problems and challenges faced by the pensioners due to these policies. He deplored the fact that despite the recommendation of the LIC board almost two years back the government is yet to clear the issue of family pension @30 percent. He pointed out that the biggest challenge to the pensioners has come in the form of LIC-IPO Sharply criticising the policy of the Modi government to liquidate the Public Sector, he said that this is a brazen

onslaught on the economic sovereignty and self-reliance of India. LIC has made enormous contributions to the national development. Yet the BJP government is hell-bent to disinvest and eventually privatise the institution. Regarding LIC IPO he analysed that it is the first step towards privatization of LIC and it must be opposed by all sections of the patriotic masses. Pensioners being the senior citizens of the society have an important role to play in moulding public opinion on this issue. He



reiterated the historic role played by the AIIPA and assured that through the relentless struggle of the AIIPA within and outside the court our all pending issues will be realized.

Com Garga Talukdar, joint convener of joint council of trade unions, Assam addressed the conference as a guest of honour. Leaders of fraternal trade unions viz Joint Forum of Pensioners, BSNLEU, NERGeneral Insurance Pensioners Association and P.Rajbhandari, General Secretary, GDIEA greeted the Conference. Com Sambhu Dutta General secretary placed the report of the working committee

before the conference and Com B.N.Jha treasurer placed the audited accounts for the year 2020-21,2021-22. Several delegates participated in the discussion on the reports and both the reports were passed unanimously.

The conference unanimously elected a 31 member working committee with Com. Dinesh Sarma as President, Com B.R.Kalita as General Secretary and Com B.N.Jha as Treasurer.



25TH CONFERENCE OF LICPA, KSDO

The Silver Jubilee Conference of “LIC Pensioners’ Association, Kolkata Suburban Divisional Office” was held on 23rd April, 2022 with the participation of large number of pensioners and employees. It was a wonderful assembly of present and future pensioners of this Division under the same roof. The Silver Jubilee Conference was inaugurated by the General Secretary of AIIEA, Comrade Sreekant Mishra.

The conference began with two beautiful songs presented by Com Syamalendu Sil of Baranagar Base of KSDIEA. The General Secretary of Pensioners’ Association welcomed the pensioners and the guests. Com Sreekant Mishra while inaugurating the conference delivered an eloquent speech covering every aspects of political - social and economic issues of the country that is hurting the life and living of common masses. He also addressed elaborately on the long pending issues of pensioners. He emphatically pointed out that the sinister move by the govt of India to launch LIC IPO is an attack on the very foundational objectives of the nationalization of the life insurance industry. The members of AIIEA along with other fraternal trade unions have unleashed fearlessly a vigorous campaign



throughout the country involving policyholders and well meaning people against LIC IPO which is nothing but a step towards privatisation of LIC and he called upon the pensioners to support and strengthen wholeheartedly this campaign and struggle.

Com Chandra Sekhar Bose, the doyen of insurance movement attended and addressed our

Conference. His gracious presence enriched the Conference to a great height. Every participant gave him a standing ovation for his immense contribution in developing insurance movement.

The General Secretary of Pensioners' Association, KSDO, placed the Report of the Executive Committee and the treasurer submitted the Report of the Audited Accounts before the conference. A good number of members participated in discussion on the Report and Accounts and both the matter were accepted

unanimously by the house. The conference greeted Com Gouranga Chakravorthy, the most senior member present in the conference with a flower bouquet and a small memento.

The conference elected unanimously a 29 member strong Executive Committee headed by Com Bimal Das as President, Com Timir Baran Bhattacharya, as General Secretary and Com Sibapada Sarkar as Treasurer for the year 2022.

The Conference ended with the speech of the president Com Ashish Basu Roy Choudhary.

Cadre Building exercise - Zonal TU Class of NCZIEF

The 8th Zonal level TU class of NCZIEF was held at Bhimtal (Haldwani) on 15th May 2022. The Class was especially designed to educate the assistants, who joined the Corporation in the 2020 recruitment and enrolled as members of AIIEA in 12 Divisional units of NCZIEF. Some active cadres from various units, who have more than 20 years of service left were also invited to the class. Divisional leaders accompanied these cadres. Com. B.S.Ravi, Treasurer, AIIEA was the special invitee/faculty for the class. The topics of this class were a) **History, Struggles of AIIEA and Employees Benefits** and (b) **Present Socio-Political and Economic scenario and Task before LIC employees.**

While Introducing the topics and objectives of the TU class **Com. Rajiv Nigam, Gen. Secretary NCZIE F** said that after Virtual cluster level Zonal TU classes for the newly recruited assistants and after a Zonal TU class organized by AIIEA in June 2021, we are meeting physically first time and expressed hope that this will help in educating new members and cadres to prepare themselves infighting the challenges and taking the organization forward.



Com. Sanjeev Sharma, President, NCZIEF initiated the topics. He placed the brief details of glorious Struggles of AIIEA and sacrifices of the leaders like Com. Saroj Chaudhuri, Com. R.P.Manchanda and others in protection of the Public Sector character of LIC, its growth and welfare of employees over the years.

Com.B.S.Ravi wonderfully articulated the struggles of AIIEA in securing enormous benefits



for employees. He placed in detail the history of struggles of AIIEA in securing standardization of wages for LIC Employees in 1956, Double linked DA formula, Securing Pension in 1995 and another pension option in 2019, Clinching various handsome wage revisions and in securing other non-monetary benefits such as leaves etc. He explained the struggles of AIIEA in protecting the jobs, for new recruitments and absorptions of Temporary Employees. He dealt in detail on various struggles of AIIEA specially to protect the institution and jobs of employees in the wake of Malhotra Committee recommendations.

Com. Rajiv Nigam, General Secretary, NCZIEF conducted the proceedings of the class and placed the challenges before LIC Employees in view of the present socio-political and Economic scenario. He said that struggle of protection of public sector character of LIC can not be done in isolation and we have to understand the economic policy of the Government, which is bent upon privatization of public sector industries. He said that even for securing of economic demands, a robust LIC with a public sector character is needed and for that ill conceived policies of the Government are to be defeated. He said without protecting the diversity and plurality of the Indian society, these struggles will not succeed; because unity of masses, employees is essence of all struggles.

A question-answer session was also organized after the end of the topics. **Com. B.S.**

Ravi replied to the questions raised by the participants on various employees benefits etc.

While replying to the question on Post-IPO scenario **Com. Sanjeev Sharma** said that a better ideological and committed organization will be required to meet the future challenges and said that AIIEA is the only trade union movement in this country, which besides participating in struggles for employees is also continuously involved in educating its cadres and that is the reason behind its success and for a powerful leader and cadre base. He said that this TU class seems to be a real success.

A 30 marks test was also organized for the participants and Top 15 performers (10 from 2020 Batch and 5 from others) and the female comrade who topped the list among females were given prizes.

A total of 120 Participants including 70 young new male and 06 new female comrades attended the class.

The participants also shared their valuable views, which is really encouraging for the organization.

Com. DK Pandey, Gen. Secretary, BKSHD welcomed the faculty and participants and **Com. Manoj Gupta, President, BKSHD** placed Vote of thanks.

The class was a grand-grand success both in terms of participation, enthusiasm and discipline of young comrades. The efforts put in by leaders of various units in mobilizing young comrades for the class were commendable. ●

SZIEF holds TU Camp for Divisional Leadership

A successful Trade Union Camp for Tamil Nadu Divisional union leadership was organized by SZIEF at Kodaikanal from 07/05/2022 to 09/05/2022. The arrangements for the camp was made by Madurai division. 70 comrades took part in the camp. Classes were on three different topics 1) The Idea of India 2) Organization and 3) The Challenges in the present situation.

The first class "The Idea of India" was dealt by Com R. Arun Kumar, General Secretary, AIPSO. He spoke in detail the historical background of India. He dealt with the Freedom movements from 1857 to 1947 led by various freedom fighters who were with different ideologies but with an ultimate aim to unify the people to end the British rule. He elaborated the Foreign policy in the post-independence period and also the

advent of the IITs with Foreign collaboration. He also mentioned how the present right wing forces are trying to divide the people especially the middle class through political transformation with regressive ideas of caste; religion and culture. He gave a clarion call to continue our struggle with confidence against the neo liberal policies and the push towards privatization by the present BJP government. Certain examples were cited by him like the historic farmers struggle and the struggles that took place in Chile and Argentina which has set a big blow to the right wing forces.

The second class "Organization" was dealt by Com T. Senthil Kumar, General Secretary, SZIEF. He explained in detail the role, duties and responsibilities of a leader through a power-point



presentation. He gave a clear picture of how to tackle the new emerging issues, situations and challenges at the branch and division level. He concluded the class by stressing on the need to strengthen unity amongst our own employees and also other sections of the industry.

The third class was about “The Challenges in the present situation” which was dealt by Com K.Swaminathan Vice President, SZIEF. He spoke in detail the ill effects of the liberalization, the concept of “Othering” which is

causing danger to unity within our organization, the attacks on the public sector and the attack on democracy. He urged upon the leadership to become more expertise, to be more vigil and to widen our campaign against IPO related issues through novel and innovative ideas.

Com Mamta, Social Activist and Treasurer, DSMM gave a lecture on the topic “Trade Union and Women”. She spoke about how the social reproduction theory of women is exploited by the capitalist

society. She also spoke about the hardships faced by women even after becoming a leader.

During the session Com Girija Joint Secretary, AIEEA greeted the participants; The Class commenced with welcome address by Com N.P Ramesh Kannan General Secretary, Madurai Division and was concluded with vote of thanks by Com R.K.Gopinath Joint Secretary, SZIEF.



HRGIEA observes General Insurance Nationalisation Day

Hyderabad Region GIEA celebrated General Insurance Business Nationalisation Day on 13th May 2022 in a grand manner. Press meet organized at News & Service Syndicate (NSS), Hyderguda, Hyderabad on 13.05.22 in which

Com SREEKANTH Mishra, General Secretary, AIEEA, Com K.V.V.S.N. Raju, Vice President, AIEEA, Sri T.Balagopal, Regional Manager, Oriental Insurance and Sri G.Narasimha Rao, Senior Divisional Manager, New India Assurance Company participated.



Com.Sreekant Mishra spoke about the achievements of PS general Insurance companies after Nationalisation. He lauded the performance of the PSGI companies in the last five decades and their magnificent contribution to the national economy. He throw light on the policies issued by PSGI Cos. viz Fasal Bima Yojana, Pradhan Mantri Suraksha Bima yojna, Ayushman Bharat Yojana etc. Even though these policies are loss making, the PSGI Cos. by underwriting the policies are serving the policies and objectives

of the government. He appealed to people through media to strengthen the PS General Insurance companies so that the people's money go back to people's welfare schemes.

Com.Y.Subba Rao, General Secretary, HRGIEA invited the leadership and press people and Com.A.Narayana Rao, President, HRGIEA gave a vote of thanks.

Felicitations to Com. P.Nagendra & Com.V. Latha

Com P.Nagendra, former President, ICEU, Bangalore Division II and Com V.Latha, Convener, Women Sub-Committee, ICEU, Bangalore Division I retired from the services of LIC on 30th April 2022. A felicitation program to honour them for the magnificent services rendered to the organization was held at Bangalore on 7th May 2022. The program was largely participated.

Com Nagendra is the founding member of ICEU, Bangalore Division II. He was the first Joint Secretary of the organization and thereafter shouldered responsibilities as its President. Through his dedication and commitment, he endeared himself to the rank and file of the organization. Com Latha remained a leading cadre of the organization and for long period discharged responsibilities as the Convener of Women Sub-Committee of



ICEU, Bangalore I. She made significant contribution to the development of cultural troupes in the two divisions of Bangalore.

Com Amanulla Khan, Former President AIIEA, Coms P.Satish and Ravindranath, President and General Secretary of SCZIEF, Com K.Gopal, General Secretary, ICEU, Bangalore II, Com S,K.Geetha, General Secretary, ICEU, Bangalore I, Com B.Bhaskar Somayaji, Joint Secretary, AIIPA and others spoke on the occasion. They recorded appreciations for the yeomen services rendered to the organization by these two comrades and expressed gratitude for their selfless work.

Com Nagendra and Latha responded to the felicitation by thanking the organization which helped them to understand the world better and to becoming better human beings.



Global commercial insurance prices rose 11% in the first quarter of 2022, marking the fifth consecutive reduction in rate increases since pricing peaked at 22% in the fourth quarter of 2020, according to the Global Insurance Market Index.

Italy's top insurer Generali has completed the acquisition of a 25% stake in its Indian non-life insurance joint venture, increasing its holding to 74% after receiving regulatory and competition approvals. The deal, which is in line with Generali's strategy to position itself in fast-growing markets. Generali is the first international insurer to take a majority stake in both its Indian life and non-life insurance joint ventures since the new foreign ownership cap came into effect.

A Report by consultants Capgemini and financial industry body Efma says that the climate change is hurting the insurance industry and only 8 per cent of insurers are preparing adequately for its impact. It further says that Insured losses from natural catastrophes have increased 250% in the last 30 years, with perils such as wildfires and storms, seen as particularly impacted by climate change, causing an even faster rise in insured losses.

Foreign institutional investors have shied from 'India's biggest share sale', LIC IPO, deeming it too expensive given currency risks and the global market backdrop. Despite LIC seeking to drum up interest with newspaper advertisements since the start of the year, seeking to take advantage of a retail investment boom in India. Overall, the IPO has received orders for 1.79 times the shares on offer, while about a third of the tranche for qualified institutional buyers remains unsold.

Thus says Bloomberg - "... State-run insurer Life Insurance Corporation of India slumped in its Mumbai trading debut after a record initial public offering that priced at the top of the range and was oversubscribed nearly three times. The shares ended 7.8% lower than the IPO price of Rs 949 after losing 9.4% earlier. The offering raised \$2.7 billion, with buyers including sovereign funds in Norway and Singapore, and millions of small-time Indian investors.

Rs.120 crore has been the expenses towards LIC's IPO which is 0.06 per cent of the proceeds of Rs.20,557 crore from the IPO. Major payments



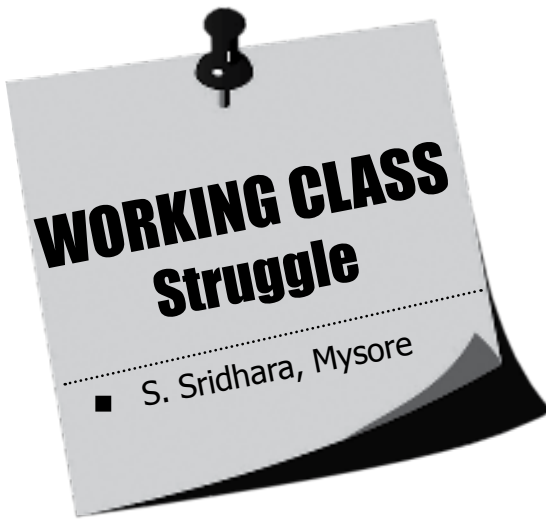
are - 9.9 per cent of the total expenses - Rs.11.8 crore has been paid to book running lead managers (BRLMs). All the 10 BRLMs - Kotak Mahindra Bank, Axis Capital, Bofa Securities, Citibank, Nomura, Goldman Sachs, ICICI Securities, JM Financial, JP Morgan and SBI Capital Markets - had agreed to work for the base fee of Rs. 1 crore. The additional Rs.1.8 crore is the GST. LIC had to spend Rs 40

crore on broker commissions. LIC had to pay a commission between 15 basis points and 35 basis points to brokers for garnering subscriptions from individual investors. The commission is paid only on applications that get allotment. In LIC's IPO over 6 million small investors got allotment for shares. LIC paid fees of Rs 4.3 crore to legal counsels.

Helping to make a Public Ltd company to become Pvt Ltd Company! - LIC which owns shares of Ambuja Cements and ACC worth, at present, ¹ 6846 crore, as the word is going around, is likely to tender all its shares. Adani, who acquired Ambuja Cements for around ¹ 81,400 crore on 15th May 2022, is making an open offer Ambuja Cements at ¹ 375 per share and ¹ 2300 per share for ACC.

LIC is the fifth most valuable company in the country with a market capitalisation of about Rs 5.54 lakh crore. Reliance Industries is the most valued company with a market capitalisation of Rs 17.12 lakh crore, followed by Tata Consultancy Services (Rs 12.67 lakh crore), HDFC Bank (Rs 7.29 lakh crore) and Infosys (Rs 6.38 lakh crore). The market capitalisation of LIC is higher than that of HUL (Rs 5.27 lakh crore), ICICI Bank (Rs 4.94 lakh crore), SBI (Rs 4.17 lakh crore) and HDFC (Rs 3.97 lakh crore). Market capitalisation is the total valuation of the company based on its current share price and the total number of outstanding stocks. It is an indicator of the fundamental strength of the company.

Supreme Court has issued a notice to the Centre and LIC on a writ petition filed by some policyholders and on an appeal filed against the judgment of the Madras High Court and transferred to itself a plea pending before the Bombay High Court on the issue. The apex court has directed that the replies be filed in eight weeks and rejoinder affidavits be filed thereafter in four weeks as it tagged the present proceedings with the pending matter on the issue of money bill before the larger bench.



Gujarat State Govt. Workers Demand old pension scheme:

Around 700000 state government employees held a day long demonstration in Gandhinagar and other parts of Gujarat on 9th May over several demands. They called for reinstatement of the old pension scheme (OPS), abolition of fixed pay arrangements and implementation of the seventh pay commission recommendation which is pending since 2015. Protestors came from different state departments including revenue, panchayat, health, industrial training institutes, regional transport and education. The protest was organized by the National old pension restoration united front & Gujarat state united front.

FORD AUTO WORKERS IN TAMILNADU PROTEST CLOSURE OF THEIR PLANT:

Ford Auto Plant workers in Maraimalai nagar near Chennai, held a sit down protest at the factory on May 7th to demand permanent jobs. Ford has decided to wind up its operation in India. Ford's Auto plant in Gujarat state was taken over by TATA Motors with all workers retaining their jobs. Maraimalai Nagar plant management recently held so called settlement talks with workers union. The workers have been demanding the same job security as workers at Gujarat plant. The Maraimalai Nagar plant workers stopped work for two days in FEBRUARY 2022.

MAHARASHTRA POLICE ATTACK PROTESTING STEEL WORKERS:

At least 10 protesting workers were injured at a stainless steel factory at Palghar in Maharashtra on May 7th after being attacked by police using canes. The workers were opposing previous assault by management and victimization of Union members after they announced that they would strike on May 16, 2022.

PUNJAB BUS CONTRACT WORKERS DEMAND PERMANENT JOBS:

Contract workers from Punjab Roadways and PUNBUS protested outside the depot workshop at Tarn Taran on 10th May. They were demanding permanent jobs for all contract workers and equal pay for equal work. The workers have also demanded reinstatement of terminated employees.

TAMILNADU FORMER MID-DAY MEAL AND CHILDCARE WORKERS DEMAND PENSION INCREASE:

Former mid-day meal workers and anganawadi workers demonstrated outside the Panchayat Office in REDDIARCHATRAM on 9th May to demand an increase in the pension. The protestors demanded a minimum pension of Rs.7850/- per month and a dearness allowance. Right now, they are getting Rs.2000/- pension per month. Tamilnadu Government employees Association members also participated in the demonstration.

MUNCIPAL SANITATION WORKERS IN TELANGANA

DEMAND PERMANENT JOBS AND MINIMUM WAGES:

Thousands of contract sanitation workers from the Greater Hyderabad Muncipal Corporation (GHMC) demonstrated at the Corporation head office in Hyderabad on 9th May 2022 demanding permanent jobs and increased wages.

NEW DELHI TEACHERS PROTEST ON OVER DUE WAGES:

Struggling teachers employed at East Delhi Muncipal Corporation (EDMC) Schools protested outside the civic

body's head quarters in Delhi on 9th May to demand salaries due from December 2021. The EDMC claimed it had no money for wages. Protests over the issue of non-payment of salaries are regular events. EDMC teachers held a protest march through New Delhi to EDMC head quarters threatening to go on indefinite strike. Similarly sanitation workers held protest action over the non-payment of wages. Government authorities say they could not pay all over-due salaries and only paid one month wages.

TAMILNADU UNIVERSITY COLLEGE TEACHERS PROTEST:

Madurai Kamaraj University teachers demonstrated in Madurai on May 8th to demand full implementation of career advancement scheme for college teachers as per the Government order in January 2021. The University teachers association is also demanding Ph.D teachers should be provided with the incentive. They also demanded abolition of the socially regressive contributory pension scheme.

WORKERS DEMONSTRATE AT FREEDOM PARK IN BENGALURU ON MAY 17TH 2022:

Health workers, Asha workers Association held a rally at Bengaluru Freedom Park to demand the state government to improve working conditions. Thousands of people participated in the protest. Similarly on May 4th mid day meal workers held protest demanding fulfillment of their demands including their work to be made permanent.

CITU condemned the Haryana Government for continuing to act against state roadways workers

for participating in the two day all India general strike on March 28th & 29, 2022. The Union stressed that going on strike with due notice is a constitutional right of workers and demanded that the Government withdraw all charge sheets and vindictive measures on workers and officials immediately.

ANDHRA PRADESH WORKERS VOW TO STEP UP STRUGGLES AGAINST NEW LABOUR CODES AT THE MAY DAY CELEBRATIONS:

Cutting across party lines, the workers vowed to step up struggles demanding that the new labour codes that the BJP led Government at the centre brought be scrapped immediately. Huge processions were taken out by the members of various trade unions throughout Andhra Pradesh and also across India on May 1st.



- The Whole Sale Price inflation in India registered a record high of 15.1% in April, surpassing the previous high of 14.9%, recorded in November 2021. The all time high level of whole sale price inflation in April was driven by the rise in prices across the board, with manufactured products and fuel and power leading the charge. Producers are expected to pass on rising costs to consumers, which could push retail inflation even higher from the 95-month high of 7.8% in April. Fuel and power inflation quickened to 38.7% in April from 34.5% in March, while manufactured products inflation inched up to 10.9% from 10.7% and food price inflation ticked up to 8.9% from 8.7%.
- According to Indian government, the GDP of India is set to register a growth of 8% this fiscal. The ministry's projection is higher than the RBI's projection of 7.2%. IMF has projected India's GDP growth at 8.2%. However, S & P global ratings have cut India's GDP growth projection for the current fiscal to 7.3% from 7.8% projected earlier, on raising inflation. India's forex reserves stood at \$ 597.7 billion, could provide import cover for about 11 months for financing investment and consumption in the country. However, the forex reserve is steadily declining due to pressure from outflow of foreign portfolio investment (FPI) responding to monetary tightening by Central Banks in advanced economies. India's industrial production output expanded to 1.9% in March, marginally higher than 1.7% registered in February, with manufacturing growth staying weak at 0.9% just a tad better than the 0.5% registered in February. This is the fifth month in a row that the Index has been lower than 2%.
- China's economic activity cooled sharply in April as widening Covid-19 lockdown took a heavy toll on consumption, industrial production and employment adding to fears that the economy could shrink in the second quarter. Full or partial lockdown were imposed in dozen cities in March and April including a protracted lockdown in commercial centre Shanghai, leaving workers and shoppers confined to their homes and severely disrupting

supply chains. Retail sales in April shrank 11.1% from a year earlier, the biggest contraction since March 2020. China's auto sales plunged 47.6% from a year earlier as car makers slashed production amid empty show rooms and shortage of parts. The industrial production fell 2.9% from a year earlier, the largest decline since February 2020.

- Despite the World Gold Council's projection of a dip in consumer demand for the precious metal this fiscal on the back of rising prices and record imports last year, there is a report that demand may rise more than generally projected as households may purchase gold as a hedge against spiralling inflation. Gold imports rose 33.3% to \$ 46.14 billion (837 tonnes) in FY-22 and 12% more than the pre-pandemic average of FY-16-20, leading to a higher current account deficit that's seen as 3% of GDP, according to a government data. Imports were worth only \$ 34.62 billion in the pandemic hit FY-21. After a record \$ 54 billion worth of imports in FY-13, inward gold shipments had been waning over the years, but began to increase again in FY-21. Global imports are projected to marginally decline to \$ 43 billion in FY-23, according to a report by UBS Securities India. The surge in FY-22 contributed to the widening trade deficit to \$ 192.41 billion for FY-21's \$ 102.62 billion. India is the world's second largest gold consumer after China.
- Wall Street has been falling since it reached record highs at the start of the year. The Federal Reserve has lifted the interest rates in response to highest inflation in 40 years. This has resulted in NASDAQ index fallen by more than 25% this year amid signs the speculative bubble is being deflated, increasing the risk of major crisis in the financial system. In the UK where inflation has hit 9%, the Bank of England Governor has insisted that the interest rate rises will continue whatever the cost. The Fed's tightening of monetary policy is already impacting on the global economy. Rising interest rates bring economic stagnation while the fall in domestic currencies vis-a-vis dollar increases debt burdens and lifts inflation, especially food.



For our FIELD FORCES

■ Arivukkadal, Thanjavur

Every minute 41: LIC has sold around 2 crore 17 lakh policies in India in FY 2022, i.e. 41 policies have been sold by LIC every minute. LIC's first-year premium collection rose 7.9% to Rs.1.98 trillion for the year. In March, LIC's premium collections grew 51% to Rs.42,319.22 crore from a year earlier, garnering a market share of 71%.

April growth: LIC's new business premium more than doubled (at 141% rise) to Rs.11,716 crore as against Rs.4,856.76 crore in April 2021.

Steady returns: LIC is a typical blue-chip company which is expected to give steady returns over a long period of time and therefore returns over a day is not relevant. It is expected to remain quite attractive for investors. With assets under management of over Rs.40 lakh crore, LIC is the largest financial institution in the country.

Record high: The value of holdings by LIC in BSE200 companies has surged to a record high of \$127 billion in March 2022, compared with \$124 billion at the end of December 2021. The combined holdings by banks and financial institutions (BFIs) as of March 2022 stood at \$167 billion, suggesting shares worth \$40 billion only were held by other financial institutions. LIC owns 4% of all listed stocks in India and more government bonds than the RBI.

Ahead of all: LIC is among the largest owners of properties that have been acquired three to four decades ago, mostly located at strategic locations. The intrinsic and embedded value of the LIC would be far higher than the IPO pricing as it is still far ahead of its competitors. LIC is a major shareholder in the housing finance, mutual fund and other companies promoted by the institution itself.

Grow faster: "We want to continue to grow at a rate faster than the industry and once we grow faster than the industry, irrespective of whether it is par or non par, we are taking care of all segments," says MR Kumar, Chairman, LIC. "LIC will focus on increasing returns for its policyholders", Kumar said.

Going Digital: "Those who are already strong on digital like PolicyBazaar, we have already tied up with them. Internally for the bancassurance, we are ensuring that we have a separate IT infrastructure in place to reach out to each bank which has a different digital platform so that we can talk to each of those banks digitally or electronically.

And third we plan for our own digital space. We have in fact bought a building in BKC where LIC Digital will come up in a big way", said MR Kumar.

Unclaimed: The amount of money lying unclaimed with insurance giant LIC, albeit it's Herculean efforts to find the beneficiaries, Rs.21,539.5 crores, is bigger than the entire budget of not just one but multiple ministries of our

country! Civil Aviation (Rs.10,667 crores), Electronics and Information Technology (Rs.14,300 crores), External Affairs (Rs.17,250 crores) and Environment, Forests and Climate Change (Rs.3,030 crores)! (Unclaimed amounts are transferred to the Senior Citizens welfare fund as per the order of the Government. The amount mopped by selling LIC's 3.5% shares, i.e. Rs.20,557 crores is less than what the Union Government transfers to senior citizens welfare fund as unclaimed!)

Interest rate: The rising interest rates from current low levels are expected to favour life insurers. It is expected that the current interest rate rise is favourable for profitability and growth of life insurers. The current rise in interest rates from historical low levels is expected to improve the VNB (Value of new business) margins of participating and non participating products of life insurers.

Burning cost: IRDAI has clarified that it has not mandated any minimum premium rates for fire insurance risks under the heading "burning cost". The burning cost, released by the Insurance Information Bureau of India (IIB), is "minimum mandated rate", but that the industry burning cost is only a reference point to understand claims experience in fire perils across the insurance industry.

Bite-sized combo: A panel appointed by the IRDAI has suggested around 14 'micro combi' insurance products. The products would be a combination of covers offered on a modular basis including life, non-life and health products. One can select a combination of any products, but compulsorily include a life, a non-life and a health product.

General Insurance GDPI: Rating agency Icra Ltd. expects general insurance industry's GDPI to grow 10-12% year-on-year in FY23, led by higher growth in health and commercial business segments with increasing awareness of medical insurance and uptick in economic activity.

RESPONSES



The article by Com. S.Sivasubramanian has forcefully asserted that a welfare state cannot be built on the basis of neoliberal policies. It highlights the dangers of right wing politics and neoliberalism to the plurality of society. The Sri Lanka crisis is an early warning for countries like India. , as a working class, we understood many lessons from the Sri Lanka's current political scenario.

-P.Muthukuamaran,Vellore Division

May issue of IW carries quality articles. The Editorial is very educative. Com Ravindranath's article on May Day is excellent and gives us the vision of the working class for construction of a fair and equal society. EAS Sarma's letter to the FM points out how the Government is cheating the poor and small policyholders through IPO. Thank you Team IW for your great work.

-Kiran Kumar Chennai Division II

Generally the policies and programmes of the government are determined by the socio-economic perceptions of the ruling party. It is not surprising that the BJP government is focussed on denationalisation. If one goes through the history of banking and insurance sectors, it will be obvious that nationalisation has brought immense benefits. Figures speak for themselves. It is foolishness of the first degree to embark on selling part or whole of the institutions which were nationalised. People and the government have been richly rewarded by nationalised sectors.It amounts to selling the family silver. I hope wisdom will dawn on the rulers and refrain from denationalisation of banks and LIC.

-S.S.Rajagopalan Chennai

The article on Ukraine war in March, 2022 issue of Insurance Worker by Trinath Dora was very educative. It forcefully asserted that nobody wins in a war. War is no solution for any problem and it creates unimaginable sufferings to the ordinary people.

-A V R K Murty Visakhapatnam DO

Disdain for the Poor

Continued from Page 17



people have disdain for the poor and they don't want the poor to lead a decent and meaningful life. They think that poor people should remain always poor and struggle to eke out basic existence and do only manual, physical work with lesser wages so that they can lead a cosy life.

However, life is always more important than anything else. What is the meaning of fiscal discipline, if people suffer or perish? The standard of living of people should be raised to such a level and health, education including other essential services should be made affordable in such a way that there will be no need for freebies. Let the government ensure this first.

DONATIONS

Com. P.Nagendra, former President ICEU
Bangalore DO-2 Rs.5000

Com. V.Latha, Convenor, WSC,
Bangalore DO1 10000

Com.Shinie Rose PA,
Thrissur BO 1 15000

Insurance worker heartily thanks these comrades for their love and affection

CONSUMER PRICE INDEX

Month	Base 2016	Base 2001	Base 1960
July 2021	122.8	353.66	8072.70
August	123.0	354.24	8085.85
September	123.3	355.10	8105.57
October	124.9	359.71	8210.75
November	125.7	362.02	8263.34
December	125.4	361.15	8243.62
January 2022	125.1	360.29	8223.90
February	125.0	360.00	8217.32
March	126.0	362.88	8283.06

Base 1960=Base2001x22.8259;

Base 2001=Base 2016x 2.88

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(TIRUVOTRIYUR BR)**



**Com N.MAHESWARI
(CBO-12)**



The Insurance Employees' Credit Co-operative Society Limited, Bhopal

(Regn No.346/SHR/66) c/o LIC OF INDIA, DIVISIONAL OFFICE PREMISES, JEEVAN PRAKASH, JAIL
ROAD, ARERA HILLS, BHOPAL462011(MP)

Web-site: <http://www.ieccsbhopal.org>, Email:ieccsbhopal2015@gmail.com, Phone:0755-2558388

YET ANOTHER NAME OF TRUST

Working continuously since 1966, continuing the tradition of co-operative, through savings,

Providing the following facilities to its esteemed members:

“SAMAGRA” IECCS e-commerce APP(at present for Bhopal local only)

Salient Features:

Book your ORDERS by downloading the latest APP though PLAY STORE
on Mobile(Samagraieccs).

Most of the products are available at the lowest price, with best qualities
as compared to other Super Stores and shops.

****Upcomming facilities with more segments for providing:**

Electronics Goods / furniture items/ Medicine

***Directly payment facilities through SODEXO or by QR CODE Society Account.

****Home delivery of the products – FREE OF COST, Cheaper than the market.

FOLLOWING LOAN FACILITIES ARE ALSO AVAILABLE TO ITS ESTEEMED MEMBERS:

NAME OF LOAN	LOAN AMOUNT	RATE OF INTEREST
EMERGENCY LOAN	30000	8.75%
CONTENGENCY LOAN	100000	8.75%
REGULAR LOAN	400000	8.75%
SPECIAL LOAN	500000	8.75%
CONSUMER LOAN	400000	8.75%
E/M/M LOAN	500000	8.75%
VEHICLE LOAN	1300000	7.10%
SOLAR LOAN FOR 3KW	50000	8.75%

Fix deposit and Recruing Deposit Scheme also available for all esteemed members.

Fixed Deposit	Upto Rs.500000	6.25%
Recurring Deposit	Upto to Rs.15000 per month	6.25%

CAR LOAN UPTO RS.13 LAKH @ 7.1% INTEREST; NO HYPOTHECATION REQUIRED.

Upcoming features:

Tour and Travel with Boarding facilities to 100 destination in India

Stay connected and carry on the great tradition of Faith and Trust