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Lata Mangeshkar
.....musically defined the
nation's moods & dreams

HJAB CONTROVERSY
& 'SECULAR' REFORM

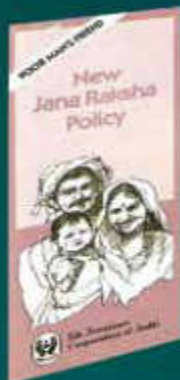


CHANGING
ELECTORAL SCENARIO



BEREFT OF
DISTRIBUTIVE
JUSTICE

IGNORING
THE POOR



ANOTHER ECONOMIC DECISION
HARMFUL FOR THE NATION

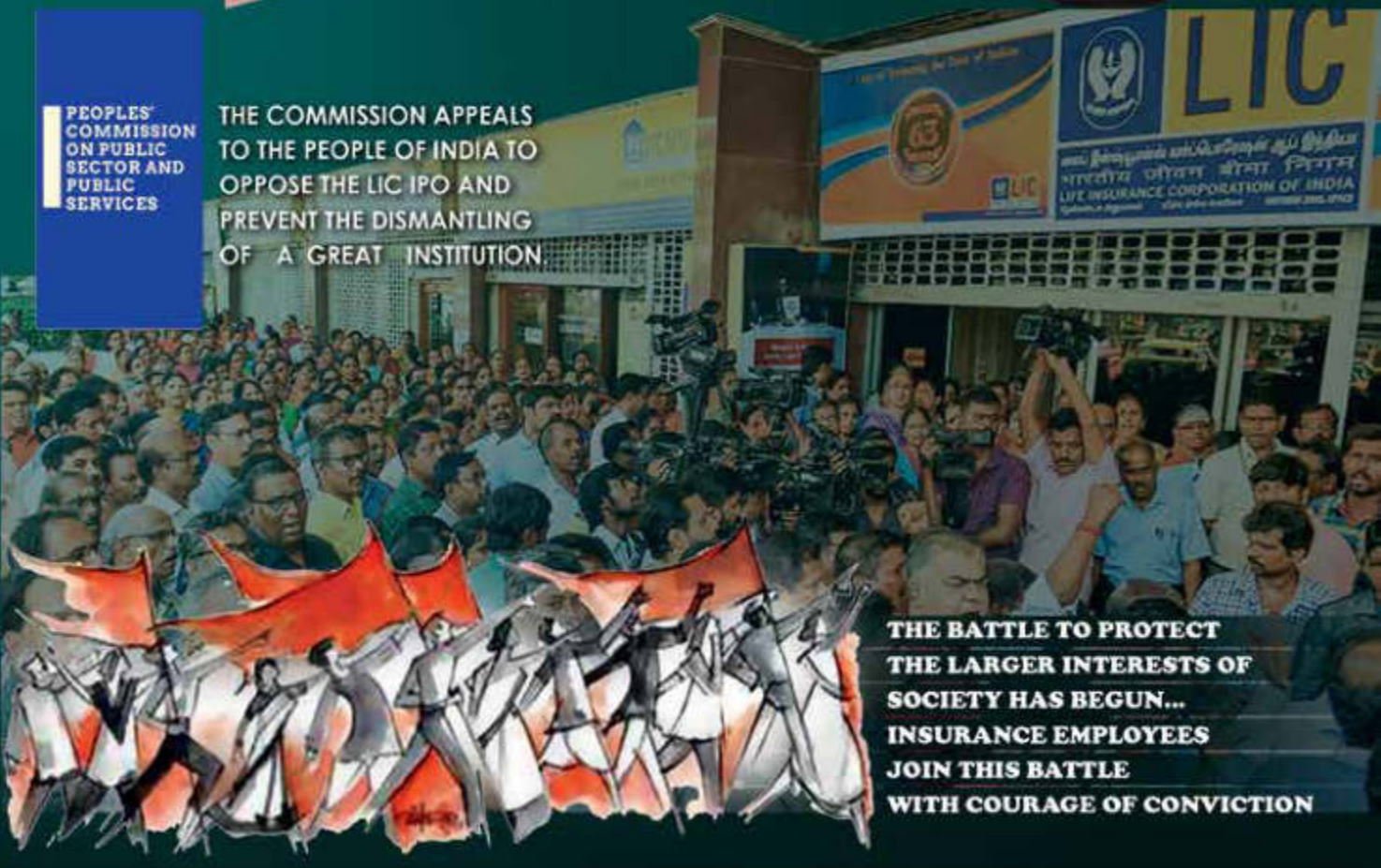
PUTTING FOR SALE PEOPLE'S TRUST

SHUNNING DISCUSSIONS
INSIDE & OUTSIDE PARLIAMENT



PEOPLES'
COMMISSION
ON PUBLIC
SECTOR AND
PUBLIC
SERVICES

THE COMMISSION APPEALS
TO THE PEOPLE OF INDIA TO
OPPOSE THE LIC IPO AND
PREVENT THE DISMANTLING
OF A GREAT INSTITUTION



THE BATTLE TO PROTECT
THE LARGER INTERESTS OF
SOCIETY HAS BEGUN...
INSURANCE EMPLOYEES
JOIN THIS BATTLE
WITH COURAGE OF CONVICTION

The real revolutionary armies are in the villages and factories, the peasantry and the labourers. But our bourgeois leaders do not and can not dare to tackle them. The sleeping lion once awakened from its slumber shall become irresistible even after the achievement of what our leaders aim at.

(From Bhagat Singh's last testament written in February 1931)



With best compliments from

Surat Divisional Insurance Employees Union

(Regd. No. 3306)

LIC Employees Union, Vadodara Division

(Regd. No. 5753)

Vima Karmachari Sangathan, Nasik

(Regd. No. 6766/1972)



(Affiliated to AIEA through WZIEA)

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LIC IPO – SELLING TRUST OF PEOPLE

The Government has moved closer to the issue of LIC IPO by filing Draft Red Herring Prospectus with SEBI on 13/2/2022. That it chose to do so late evening on holiday shows desperation of government to raise resources before the end of current financial year to meet the fiscal deficit target. It is informed that more than 31.6 crore shares of the face value of Rs.10 will be offered for sale. This amounts to 5% of the equity capital of Rs.6325 crore the government holds in LIC. The equity capital was increased from Rs.100 crore by appropriating free reserves and forfeiting the last two years dividend. The US actuarial firm Milliman Advisors has assessed the Indian Embedded Value of LIC at Rs.539686 crore. It is not known yet as to what multiplication factor would be applied to determine the market value.

The document filed with SEBI states that the entire divestment proceeds will go to the government and LIC will not get any part of it. The Offer for Sale reserves 65% of the issue to qualified institutional investors, foreign investors, domestic institutions and mutual funds. The remaining 35% will be on offer to the retail investors of which 10% is reserved for the existing policyholders and 5% for the existing employees of LIC. The price band is not mentioned in the document and perhaps it will be decided after talks with the anchor and institutional investors.

The entire process relating to LIC IPO has been done in total secrecy. There were no discussions with the stakeholders including the employees and the agency force. The letters addressed to the Finance Minister and the LIC Chairperson to hold consultations with the employee unions went unanswered. That the government wanted to avoid discussions on LIC IPO both inside and outside the parliament is evident from the fact that the amendments to LIC Act facilitating the initial public offer were brought through the Finance Bill. The Trade Unions represented to the Speaker Lok Sabha and Finance Minister to delink this from the Finance Bill and if the government so desires, it can bring the Amendment Bill separately. Such a decision would have given an opportunity for Parliament to dispassionately assess the pros and cons of this move and referring the Bill

to Standing Committee on Finance would have provided opportunity for all stakeholders to present their views. This however was too much to expect from a government which suffers from democratic deficit and violates with impunity all the established parliamentary procedures.

Since the whole process lacks transparency, there are serious doubts that LIC is being undervalued. The embedded value determined does not reflect the true value of this great institution. The goodwill it enjoys among the insuring public and the gold standard of its agency force just cannot be quantified. There remains a suspicion about the valuation of its huge real estate. LIC is a unique institution and it is hard to find such an institution anywhere in the world. It was established to carry out certain objectives that relate to the welfare of the people and economic development of the nation. It is uniquely structured privileging policyholders over the shareholder. It proved all doomsayers wrong by towering over the market with a share of 64% in premium income and 72% in number of policies even after 22 years of opening the sector to private capital – both Indian and foreign. The AIIEA had also taken pride in the fact that no other insurance company anywhere in the world has enjoyed market dominance as LIC competing with 23 private companies, a majority of whom are promoted by big banks and backed by multinational entities. Grudgingly even the media controlled by big business has now conceded to this fact. The LIC is a great example of how a public sector undertaking must be run. It not only took care to give total protection to the policy monies but also made glorious contribution to the national development. It took the message of insurance to the rural hinterland. Therefore, it is no surprise that brand LIC is the most popular and valued brand in the country. It is doubtful if all these factors were taken into consideration while arriving at the value of LIC.

The AIIEA has been arguing that disinvestment, however small, is a step towards privatization. LIC is too important an institution in the lives of the people and the nation to be privatized. The LIC IPO will certainly erode the social commitment of this institution as the focus of business turns to create value for the shareholders. The change in the surplus distribution pattern from 95:5 in favour of policyholders to 90:10 is a crude blow to

interests of policyholders who have financed the growth and expansion of this fine institution. A look at the Report on embedded value in the Red Herring document and the difference in valuation before and after change in the pattern of surplus distribution clearly demonstrates that prospective shareholders are privileged over the existing and future policyholders. The Prospectus itself concedes that this change will reduce the attractiveness of a policy from LIC and may impact the future business potential. A close scrutiny of the document suggests that post IPO, the business model of LIC has to undergo change to generate value for the shareholders. Such a business model will aim to target high networth clients at the cost of middle income and poorer sections of the society who need the protection of insurance most. It may also lead to the neglect of the rural areas. The new methods to procure businesses through alternate channels and use of higher technology will raise the vulnerability of the agency force which contributed the maximum to the growth and prosperity of LIC. Such a business model

13 फरवरी 2022 को सेबी के पास ड्राफ्ट रेड हेरिंग प्रॉस्पेक्टस दाखिल करके सरकार एलआईसी आईपीओ के बहुत करीब पहुंच गई है। सरकार जब यह आम अवकाश वाले दिन शाम को करती है तो यह उसकी राजकोषीय घाटे के लक्ष्य को पूरा करने के लिए चालू वित्त वर्ष के अन्त से पहले संसाधन जुटाने की हताशा को दर्शाता है। बताया गया है कि 10 रुपये अंकित मूल्य के 31.6 करोड़ से अधिक शेयर बिक्री के लिए पेश किए जाएंगे। यह एलआईसी में सरकार की 6325 करोड़ रुपये की इक्विटी पूंजी का पांच प्रतिशत होगा। फ्री रिजर्व को हड़प कर और पिछले दो वर्षों के लाभांश को जब्त करके अंश पूंजी को 100 करोड़ रुपये से बढ़ा दिया गया था। अमेरिकी बीमाकिक फर्म मिलिमन एडवाइजर्स ने एलआईसी के भारतीय एंबेडेड मूल्य का आकलन 539686 करोड़ रुपये किया है। यह अभी तक ज्ञात नहीं है कि बाजार मूल्य निर्धारित करने के लिए कौन सा गुणक सूत्र लागू किया जाएगा।

सेबी के पास दायर दस्तावेज में कहा गया है कि विनिवेश की पूरी राशि सरकार के पास जाएगी और एलआईसी को इसका कोई हिस्सा नहीं मिलेगा। ऑफर फॉर सेल ने पात्र संस्थागत निवेशकों, विदेशी निवेशकों, घरेलू संस्थाओं और म्यूचल फंड्स के लिए इश्यू का 65 प्रतिशत आरक्षित रखा है। शेष 35 प्रतिशत खुदरा निवेशकों के लिए होगा, जिसमें से 10 प्रतिशत मौजूदा पॉलिसीधारकों के लिए और 5 प्रतिशत एलआईसी के

will also challenge the employment in the institution.

The insurance employees have waged a relentless battle since 1994 to defend their industry. The massive mobilization of public support helped the movement to halt the desire of earlier governments to fully implement recommendations of Malhotra Committee. But the present government which has the dubious distinction of taking harmful economic decisions is unmindful of public opinion. It is displaying a tearing hurry to list LIC, which has earned the trust and respect of the Indian people. It wants to enjoy and share wealth created by the workforce and the policyholders with private individuals at the cost of larger good of the society. It has put for sale what essentially is the people's trust. The AIIEA and the insurance employees will not allow the government to have it easy. The insurance employees will fight every inch of the battle ground convinced that their fight is to protect the larger interests of the Indian society. The AIIEA has called LIC employees

to register strong protest by striking work for a day on the day LIC IPO opens for subscription and thereafter prepare for a sustained struggle. It has approached other unions to appreciate seriousness of situation and join this strike. The AIIEA will also broaden solidarity with other sections of the working class by joining the nationwide two day strike on 28-29 March 2022. The campaign of AIIEA has attracted lot of support. A number of political parties and the Chief Ministers of Tamil Nadu and Telangana have criticized this move and have demanded the Union Government to withdraw the process of LIC IPO. People's Commission which has eminent economists, journalists, academia and prominent personalities in various walks of life has strongly come out against the decision of government on LIC IPO. The Central Trade Unions have made LIC IPO an important point of campaign for the two day strike. The farmers' organizations too have expressed solidarity. The battle has begun. Let us join this battle with courage of conviction. ■

एल आई सी आई पी ओ -लोगों के विश्वास की बिक्री

मौजूदा कर्मचारियों के लिए आरक्षित है। दस्तावेज में प्राइस बैंड का उल्लेख नहीं है और शायद संस्थागत और एंकर निवेशकों के साथ बातचीत के बाद यह तय किया जाएगा।

एलआईसी के आईपीओ से जुड़ी सारी प्रक्रिया पूर्ण गोपनीयता के साथ की गई है। कर्मचारियों और अभिकर्ता बल सहित हितधारकों के साथ कोई चर्चा नहीं हुई। कर्मचारी संघटनों के साथ परामर्श करने के लिए वित्त मंत्री और एलआईसी अध्यक्ष को सम्बोधित पत्र अनुत्तरित रह गए। सरकार संसद के अन्दर और बाहर एलआईसी आईपीओ पर चर्चा से बचना चाहती थी, यह इस तथ्य से स्पष्ट है कि प्रारम्भिक सार्वजनिक पेशकश लाने के लिए एलआईसी अधिनियम में संशोधन वित्त विधेयक के माध्यम से लाए गए थे। ट्रेड यूनियनों ने इसे वित्त विधेयक से अलग करने के लिए लोकसभा अध्यक्ष और वित्त मंत्री के समक्ष प्रतिवाद किया था और यह भी कहा था कि यदि सरकार चाहे तो वह अलग से संशोधन विधेयक ला सकती है। इस तरह के निर्णय से संसद को इस कदम के पक्ष और विपक्ष का निष्पक्ष मूल्यांकन करने का अवसर मिलता और विधेयक को वित्त सम्बन्धी स्थायी समिति के पास भेजने से सभी हितधारकों को अपने विचार प्रस्तुत करने का अवसर मिलता। हालांकि, एक ऐसी सरकार से

यह अपेक्ष कुछ ज्यादा ही थी जो लोकतन्त्र को खत्म करने और सभी स्थापित संसदीय प्रक्रियाओं का उल्लंघन करने में लगी हो।

चूंकि पूरी प्रक्रिया में पारदर्शिता का अभाव है, इसलिए इस तरह के गम्भीर संदेह है कि एलआईसी के मूल्य को कम करके आंका जा रहा है। यह एम्बेडेड मूल्य इस महान संस्था के वास्तविक मूल्य को नहीं दर्शाता है। बीमा कराने वाली जनता के बीच इसकी साख और स्वर्णमानकों वाले इसके अभिकर्ता बल के मूल्य को तो मापा ही नहीं जा सकता है। इसकी विशाल अचल सम्पत्ति के मूल्यांकन को लेकर भी संशय बना हुआ है। एलआईसी एक अनूठी संस्था है और दुनिया में कहीं भी ऐसा संस्थान मिलना मुश्किल है। इसको कुछ ऐसे उद्देश्यों को पूरा करने के लिए स्थापित किया गया था जो लोगों के कल्याण और राष्ट्र के आर्थिक विकास से जुड़े हैं। इसकी संरचना की विशिष्टता ऐसी है जो इसके विशेषाधिकार प्राप्त पॉलिसीधारकों को श्रेयधारकों से ऊपर रखती है। इस क्षेत्र को विदेशी और भारतीय दोनों तरह की निजी पूंजी के लिए खोलने के 22 साल बाद भी प्रीमियम आय में 64 प्रतिशत और पॉलिसियों की संख्या में 72 प्रतिशत की बाजार हिस्सेदारी पर कब्जे के साथ

इसने इसके बारे में तमाम बुरी भविष्यवाणी करने वालों को गलत साबित कर दिया। एआईआईईए इस बात पर हमेशा गर्व करती है कि दुनिया में कहीं भी कोई ऐसी दूसरी बीमा कम्पनी नहीं होगी जिसने बाजार पर इस तरह के प्रभुत्व का आनन्द लिया होगा जैसा एलआईसी ने लिया वो भी तब जब वह 23 निजी कम्पनियों के साथ प्रतिस्पर्धा कर रही है, जिनमें से अधिकांश बड़े बैंकों द्वारा प्रवर्तित और बहुराष्ट्रीय संस्थानों द्वारा समर्थित हैं। अनिच्छा से ही सही अब बड़े कारोबारियों द्वारा नियंत्रित मीडिया ने भी इस बात को स्वीकार कर लिया है। एलआईसी इस बात का एक उत्कृष्ट उदाहरण है कि सार्वजनिक क्षेत्र के उपक्रम को कैसे चलाया जाना चाहिए। इसने न केवल नीतिगत धन को पूर्ण सुरक्षा प्रदान करने का ध्यान रखा बल्कि राष्ट्रीय विकास में भी गौरवपूर्ण योगदान दिया। यह ग्रामीण इलाकों में भीतर तक बीमा का सन्देश ले गया। इसलिए, इसमें कोई आश्चर्य की बात नहीं है कि ब्रांड एलआईसी देश में सबसे लोकप्रिय और मूल्यवान ब्रांड है। यह संदेहास्पद है कि एलआईसी के मूल्य की गणना करते समय इन सभी कारकों को ध्यान में रखा गया होगा।

एआईआईईए यह तर्क देता रहा है कि विनिवेश, चाहे छोटा सा ही है, निजीकरण की दिशा में एक कदम है। एलआईसी जैसी संस्था का निजीकरण लोगों के जीवन और राष्ट्र के लिए बहुत महत्वपूर्ण है। एलआईसी का आईपीओ निश्चित रूप से इस संस्था की सामाजिक प्रतिबद्धता को खत्म कर देगा क्योंकि कारोबार का आधार बदलकर शेयरधारकों के लिए मूल्य सृजन पर केन्द्रित हो जाएगा। पॉलिसीधारकों के पक्ष में चल रहे अधिशेष वितरण के तरीके को 95 अनुपात 5 से बदल कर 90 अनुपात 10 में करना उन पॉलिसीधारकों के हितों के लिए एक बड़ा झटका है, जिन्होंने इस बेहतरीन संस्था के विकास और विस्तार को वित्तपोषित किया है। यदि रेड हेरिंग दस्तावेज में एम्बेडेड मूल्य पर रिपोर्ट और अधिशेष वितरण के नियम में परिवर्तन से पहले और बाद में मूल्यांकन से आए अन्तर पर एक नजर डालें तो यह स्पष्ट रूप से दिखाई देता है कि भावी शेयरधारकों को मौजूदा और भविष्य के पॉलिसीधारकों की तुलना में विशेषाधिकार प्राप्त होंगे। प्रॉस्पेक्टस स्वयं स्वीकार करता है कि इस परिवर्तन से एलआईसी की पॉलिसी का आकर्षण कम हो जाएगा और भविष्य की व्यावसायिक संभावनाओं पर प्रभाव पड़ सकता है। दस्तावेज की एक करीबी जांच से पता चलता है कि आईपीओ के बाद, एलआईसी के व्यापार मॉडल को शेयरधारकों के लिए मूल्य उत्पन्न करने वाले परिवर्तनों की तरफ जाना पड़ेगा। इस तरह के व्यवसाय मॉडल का उद्देश्य मध्यम आय वाले और समाज के गरीब वर्गों, जिन्हें बीमा की सुरक्षा की सबसे अधिक आवश्यकता है, की कीमत पर

उच्च नेटवर्थ वाले ग्राहकों को लक्षित करना होगा। इससे ग्रामीण क्षेत्रों की उपेक्षा भी हो सकती है। वैकल्पिक चैनलों के माध्यम से व्यवसायों की खरीद के नए तरीके और उच्च प्रौद्योगिकी के उपयोग से अभिकर्ता बल को सबसे अधिक नुकसान पहुंचेगा जिसने एलआईसी की वृद्धि और समृद्धि में सर्वाधिक योगदान दिया है। कारोबार का ऐसा ढांचा संस्थान में रोजगार को भी चुनौती देगा।

बीमा कर्मचारियों ने अपने उद्योग की रक्षा के लिए 1994 से एक अथक लड़ाई लड़ी है। भारी जन समर्थन की एकजुटता ने आन्दोलन को मल्होत्रा समिति की सिफारिशों को पूरी तरह से लागू करने की पिछली सरकारों की इच्छा को रोकने में मदद की। लेकिन वर्तमान सरकार जिसे बिना जवाबदेही वाले हानिकारक आर्थिक निर्णय लेने की विशेष योग्यता हासिल है, जनमत से बेपरवाह है। यह भारतीय लोगों का विश्वास और सम्मान अर्जित करने वाली एलआईसी को सूचीबद्ध करने की जल्दबाजी दिखा रही है। यह समाज की भलाई की कीमत पर निजी व्यक्तियों के साथ इसके कार्यबल और पॉलिसीधारकों द्वारा बनाई गई सम्पदा का लाभ साझा करना चाहता है। इसने लोगों के विश्वास को ही बिक्री के लिए रख दिया है। एआईआईईए और बीमा कर्मचारी सरकार को यह आसान नहीं होने देंगे। बीमा कर्मचारी युद्ध के मैदान में हर कदम लड़ेंगे और आश्वस्त होंगे कि उनकी लड़ाई भारतीय समाज के व्यापक हितों की रक्षा के लिए है। एआईआईईए ने एलआईसी कर्मचारियों को एलआईसी आईपीओ को सदस्यता के लिए खुलने वाले दिन एक दिवसीय हड़ताल कार्यवाही करते हुए मजबूत विरोध दर्ज करने का आह्वान किया है और उसके बाद एक निरन्तर संघर्ष के लिए तैयार रहने के लिए कहा है। इसने स्थिति की गम्भीरता को समझने और इस हड़ताल में शामिल होने के लिए अन्य यूनियनों से सम्पर्क किया है। एआईआईईए 28-29 मार्च 2022 को राष्ट्रव्यापी दो दिवसीय हड़ताल में शामिल होकर मजदूर वर्ग के अन्य वर्गों के साथ एकजुटता को भी बढ़ाएगा। एआईआईईए के अभियान को बहुत समर्थन मिला है। कई राजनीतिक दलों और तमिलनाडु और तेलंगाना के मुख्यमंत्रियों ने इस कदम की आलोचना की है और केन्द्र सरकार से एलआईसी आईपीओ की प्रक्रिया को वापस करने की मांग की है। प्यूपिल्स कमीशन, जिसमें जीवन के विभिन्न क्षेत्रों के प्रख्यात अर्थशास्त्री, पत्रकार, शिक्षाविद और प्रमुख हस्तियां हैं, एलआईसी आईपीओ पर सरकार के फैसले के खिलाफ मजबूती से सामने आया है। केन्द्रीय ट्रेड यूनियनों ने एलआईसी के आईपीओ को दो दिवसीय हड़ताल के लिए अभियान का अहम मुद्दा बनाया है। किसान संगठनों ने भी एकजुटता दिखाई है। लड़ाई शुरू हो गई है। आइए हम दृढ़ विश्वास के साथ इस लड़ाई में शामिल हों।

JOINT FRONT DECIDES TO INTENSIFY PROTEST AGAINST LIC IPO

The Joint Front of Trade Unions in LIC comprising of Federation of LIC Class I Officers' Associations, National Federation of Insurance Field Workers of India, All India Insurance Employees' Association and All India LIC Employees' Federation met at Hyderabad on February 20, 2022 to review the industrial situation and take appropriate decisions.

The Joint Front was critical that despite opposition of the wide sections of the society, the government is moving ahead with breakneck speed to list LIC in stock markets before the end of current financial year. This is being done in order to raise resources through disinvestment in LIC to meet the projected fiscal deficit target. The Joint Front took note of the fact that the campaign against LIC IPO has created a definite impact as seen from the fact that the government had to incorporate in the LIC Act Amendment Act a provision committing itself to hold 51% stake in LIC for all times to come. The government also had to assure the policyholders that the sovereign guarantee on LIC policies will continue. The scaling down of the issue to 5% from the earlier projected 10% was also the result of the campaign.

The Meeting noted that a large number of prominent economists, academia, journalists, legal luminaries individually and some of them collectively through forums like People's

Commission have raised substantial questions over the need for LIC IPO. They hold the opinion that LIC as an institution is too important for social and national development and therefore the objectives of such an institution should not be subordinated to the motive for profits of the private entities. The meeting appreciated the support extended to the agitation by the Chief Ministers of Tamil Nadu, Telangana and various political parties to our struggle. The solidarity extended by Central Trade Unions was also noted.

The Joint Front was clear in its understanding that LIC has grown and prospered through the policyholders' funds. This benefitted the society as a whole through social and national development. Unfortunately now, the government as the shareholder has appropriated the entire value generated through policyholders funds and is handing over this value for the private profits. It was noted that there was no transparency in valuing LIC. The requests to LIC and the government to hold discussions on this issue with the stakeholders such as employee organizations fell on deaf ear. The Meeting was unanimous in its view that no proper valuation has taken place of the real estate of LIC and the embedded value as determined by the Actuarial Firm is a gross under-valuation.



The Joint Front was unanimous that LIC IPO has to be opposed and there is a need to have a sustained struggle on this issue. It was decided to organize a dharna at Jantar Mantar at Delhi on 5th March 2022 to sharply focus reasons of our opposition and to seek support from the general public.



*** The program of action on the day LIC IPO opens for subscription was also discussed and the same will be announced shortly.**

*** Joint Front has called upon all employees to hold demonstrations on these issues in front of all offices during lunch recess on 3rd March 2022 and intensify the agitation if no solution is found in a short time.**

The Meeting also analysed in great detail the impact of LIC IPO on the workforce and the possible change in business model post IPO. There was unanimity that the process will hurt the interests of the workforce in long run. The change in surplus distribution pattern will force the institution to sell policies that will bring maximum profits to the shareholders. This will have an adverse impact on the small policyholders who insure not only against the risk of dying early but also that of living longer. They see a LIC policy both as a risk instrument as well as a saving instrument. The possibility of use of high technology and artificial intelligence and its impact was also discussed. The impact on the agency force with great use of intermediaries and online sale of policies was also analysed.

The Joint Front was unanimous that LIC IPO has to be opposed and there is a need to have a sustained struggle on this issue. It was decided to organize a dharna at Jantar Mantar at Delhi on 5th March 2022 to sharply focus reasons of our opposition and to seek support from the general public. The program of action on the day LIC IPO opens for subscription was also discussed and the same will be announced shortly. LIC is an institution built by the sweat and toil of its workforce and the trust placed by the policyholders. It has played the most important role in industrializing the nation and social development. Therefore, the Joint Front said that it is the patriotic duty of LIC employees to defend this great institution by continuing the struggle.

INDUSTRIAL ISSUES

The Meeting was critical of LIC management for the indifference shown towards many issues represented and its failure to resolve them. Despite repeated requests, no discussions have been held on the residual issues after the finalization of wage revision. 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. Even on a routine issue like restoration of increments deferred for participation in strike is pending for over one year. 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 promised improvement in LTC, encashment of LTC benefit and a relook on the interest rates on housing loan still remain unresolved. It was felt that the employees have waited patiently for a long time hoping resolution of these issues. The Unions have made repeated requests both oral and written. But things do not seem to move. Therefore, the meeting felt that there is no choice but to take to the path of agitation. As a first step, the Joint Front has called upon all employees to hold demonstrations on these issues in front of all offices during lunch recess on 3rd March 2022 and intensify the agitation if no solution is found in a short time.



AIIEA slams the Union Budget 2022-23

Calls it a Big Let down for the Insurance Industry and the People

The Budget for 2022-23 presented by the Union Finance Minister yesterday has been a big letdown for millions of Indians battered by the Covid19 pandemic. Millions of people had lost their jobs to the pandemic. Small businesses, already devastated by demonetization and GST, had to close shops because of the pandemic. Subsequently, price rise hit all of them like a whiplash. These people had been waiting to see how the intertwined challenges of alarming increase in unemployment, growing poverty and deepening inequality was going to be addressed by the government in the budget. The budget that was presented yesterday, however, did not give any relief to the common people. Instead, it has announced a huge bonanza for those rich sections of society who have already amassed huge wealth.

The budget was full of rhetoric and devoid of any substance. There was no attempt, whatsoever, to make an honest appraisal of the past commitments made by the government. India should already have become a \$5 trillion economy by now if one were to go by the past commitments of this government. Similarly, farmers' income should have already been doubled by now as was promised by the Prime Minister and Finance Minister. There was also a deafening silence in the budget as to how many smart cities have been actually built up ever since they were announced with much fanfare. New commitments, nay dreams, were nevertheless rolled out once again without remorse. A careful reading of the budget documents makes it amply clear that most of the projections made are unrealizable since the premise on which these are based is itself wrong.

The Finance Minister has claimed that India will clock a nominal GDP growth of 11.1 per cent in the fiscal year 2022-23. Accounting for inflation, she says that GDP growth in real terms would be around 8-8.5 per cent. It is thus clear that the Finance Minister has assumed an inflation rate of around 2.6 per cent while making her projections. When the present rate

of inflation based on the wholesale price index and consumer price index are 13.56 per cent and 5.6 per cent respectively, it is utterly illogical to expect that inflation would come down to 2.6 per cent in the next financial year. Similarly, the claim that a huge increase of 35 per cent in capital expenditure would take care of all problems is also erroneous. Capital expenditure when compared to the revised estimates of the current year has increased not by 35 per cent but by 24 per cent. The government makes a bombastic claim that capital expenditure would go up to Rs.7.5 lakh crore in the next fiscal. But it is interesting to note that as at November 2021, hardly 50 per cent of the budgeted capital expenditure had been spent in the current fiscal. It is well nigh impossible for the government to spend the balance fifty percent within the next four months. There is no guarantee therefore that the amount budgeted for the next fiscal will actually be spent by the government.

While the people groaning under poverty expected some relief, there has been a savage cut in food, fertilizer and fuel subsidy. The very fact that GST collections have reached a record high is indicative of the fact that the taxation policy of the government is regressive. It goes on to show that a disproportionately high amount of tax is being collected from the common people by way of indirect taxation. The huge cut in expenditure for MGNREGA from Rs.98,000 crore to Rs.73,000 crore will exacerbate the unemployment situation in the country. Expenditure commitments for other social sectors like health and education have either been slashed or minimally increased. The government appears to have been particularly harsh for the farmers. The overall budget for agriculture and allied activities has come down from 4.26 per cent in the last fiscal to 3.84 per cent this year. While there is a marginal increase in the absolute amount of funds for welfare of Scheduled Castes and Scheduled Tribes, this would amount to a reduction once inflation is factored in.

Beyond the reiteration of commitments to privatizing insurance, the budget had absolutely nothing for India's insurance industry.

The reliance placed by the budget on the transformative potential of the PM GatiShakti, especially via the 'seven engines' of roads, railways, airports, ports, mass transport, waterways and logistics infrastructure, seem to be misplaced. Given the already declared intent of the government to privatise the whole gamut of infrastructure in the public domain under the National Asset Monetisation Pipeline, this reliance on the seven engines is nothing but a roadmap for privatisation of the public sector. As if to reinforce her reformist credentials, the Finance Minister said in the initial parts of her speech rather proudly that **“the strategic transfer of ownership of Air India has been completed. The strategic partner for NINL (Neelanchal Ispat Nigam Limited) has been selected. The public issue of the LIC is expected shortly.”** Elsewhere in the budget documents, there is a self congratulatory declaration of the paths having been cleared for privatisation of India's public sector general insurance companies. The writing on the wall is thus clear.

Beyond the reiteration of commitments to privatizing insurance, the budget had absolutely nothing for India's insurance industry. The AIIEA (and a large section of the industry, of late) has been continuously demanding withdrawal of the GST on life insurance and medical insurance premium on sound reasoning. The AIIEA has also been demanding the provision of a separate tax exemption limit for life insurance premium, over and above the Rs.1.5 lacs granted under Section 80(C). These demands were in the interest of the industry, the people and the economy. But a government committed to neoliberalism had no time to address the genuine concerns of the industry and the people. The budget is being rightly described as **“Amrit Kaal' for the rich and 'Jehrila (poisonous) kaal' for the working people at large.**

Insurance employees must therefore spare no effort in making common cause with the toiling people and give a powerful resistance to the sinister designs of the ruling class.



Group MediClaim for 2022-23 – GIPSA / Cos accept AIIPA demands

GIPSA / Cos have acceded to the representation of AIIPA not to impose any loading in premium in Staff GMC Policy falling due for renewal on 1.4.2022. The management has also agreed to defer imposition of the last tranche (12.75%) of the previous staggered loading for Retirees. Thus, the renewal premium for the year 2022-23 will remain unchanged for both serving and retired employees. The other demands of AIIPA for improvement in benefits would be pursued.

The HOs of PSGICs have agreed to introduce hassle-free facility for retirees to pay their premium online / digital mode. Such a facility is expected to be put in place from 1st March 2022.

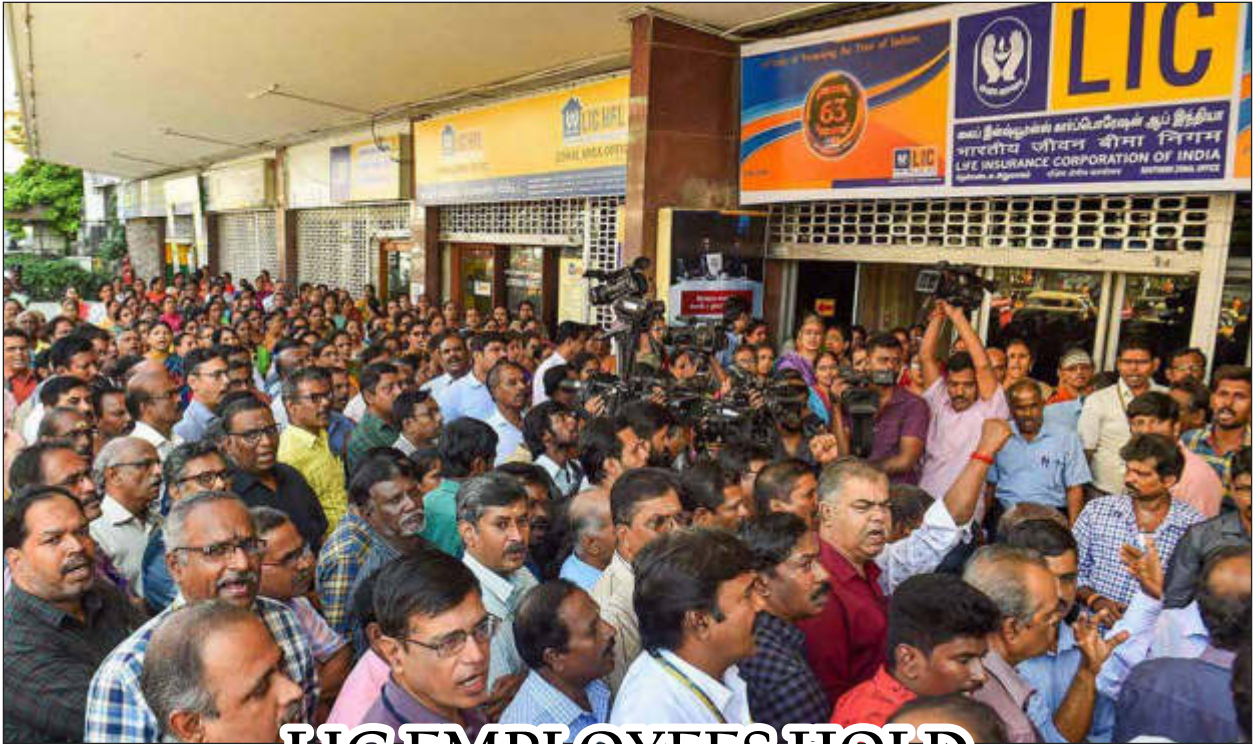
GIPSA sends draft Notification to DFS for increase in Family Pension

It has been the demand of AIIPA to increase the minimum family pension to uniform 30% of last drawn pay in all cases without ceiling and to amend the provision for payment of the applicable enhanced Family Pension upto 67 years (in the place of 65 years). While

the recommendations of LIC on these are pending for approval at the Ministry, there was initial hesitancy at GIPSA level to send their recommendations to Ministry. After the AIIPA delegation made a forceful plea before the Chairman, GIPSA, in its meeting with him at Mumbai on 07.12.2021 followed by discussions with CMDs of PSGICs, there was forward movement of files. The draft notification in this regard has been submitted by GIPSA to DFS and AIIPA is pushing for early notification in both LIC and PSGICs.

Final Pension Option for erstwhile TAC employees

The employees of erstwhile Tariff Advisory Committee (TAC) who were absorbed in GIC-Re and PSGICs were denied the final pension option in 2019 on some technical reasons. Upon repeated representations by AIIPA, the matter was recommended to DFS by GIPSA. There has been delay in getting the required approval from DFS. AIIPA is pursuing the matter for getting early clearance.



LIC EMPLOYEES HOLD DEMONSTRATIONS AGAINST LIC IPO

The Government filed the Draft Red Herring Prospectus with SEBI late evening on 13/2/2022 which was a Sunday. With the filing of the draft prospectus, the government is moving ahead to divest 5% of its stake before the end of March to meet its fiscal deficit target. The Joint Front of Trade Unions comprising of AIIEA, AILICEF, NFIFWI and Federation of LIC Class I Officers' Associations called upon LIC employees to hold a protest demonstration

across the country during lunch recess on 14th February. The demonstrations were massively participated. Through this demonstrative action, the dangers of LIC IPO which is the first step towards privatization were brought to the notice of the general public. The AIIEA has also decided to register its protest and continue the struggle by calling for a day's strike on the day LIC IPO opens for subscription.

Successful observance of one day strike on 28th January, 2022 in PSGI Companies

The one day strike on 28th January, 2022 in PSGI Companies was a grand success. The strike was called by JFTU to highlight and give further push to the demand of wage revision in PSGI Companies alongwith other economic issues and protection of Nationalised General Insurance Industry.

All sections of employees of these companies participated in the strike. A large number of offices of these companies including the Head Office of National Insurance remained closed throughout the day. Most of the offices were sparsely attended. At all the centres, the striking

employees observed rallies and demonstrations raising their demands. These were addressed by leaders from various fraternal organisations like CITI, BEFI etc. apart from the leaders of JFTU. The massive success of the strike once again displayed the strong resolve of the employees to carry forward the struggle for realisation of their legitimate demands.

AIIEA congratulates the employees and officers for huge success of the strike and is confident of winning a good revision as aspired by the entire workforce of these companies.

People's Commission on Public Sector oppose LIC IPO

PEOPLES' COMMISSION ON PUBLIC SECTOR AND PUBLIC SERVICES

The People's Commission on Public Sector comprising of eminent economists, former bureaucrats, academicians, Journalists, legal luminaries and eminent personalities from various fields have strongly opposed the LIC IPO through a statement issued on 21st January 2022. The Excerpts of the statement is reproduced:

“The Finance Minister in her budget speech in 2021 announced disinvestment of government stake in the Life Insurance Corporation of India (LIC). According to news reports, the LIC IPO Prospectus is likely to be issued in early February 2022.

It is a matter of concern that the proposed IPO is happening in the midst of a pandemic, which has upended millions of livelihoods and which requires an immediate expansion of social protection measures, a task that the LIC has performed commendably over the last several decades. The Commission is concerned that the government has thoughtlessly decided on the LIC disinvestment, which sends a negative message on the government's intention and resolve to fulfil its Constitutional mandate under the Directive Principles to promote the welfare of the people.

The Finance Ministry's proposal, as further elaborated in the amendments made through the Finance Bill for 2021-22, seeks to pave the way for the listing of the LIC. The government plans to progressively dilute its equity stake in

favour of private investors, including foreign investors, over the next decade. These profound changes have already transformed the unique character of the LIC as a financial institution, without parallel anywhere in the world of finance.

Although the government has stated that it will continue to hold a controlling stake of at least 51 per cent in perpetuity, the dilution of its stake in LIC is bound to allow private interests, including foreign ones, to have a significant say in how this premier financial institution is run. The Commission fears that the dilution of government stake would dramatically reorient the LIC from what it has meant to the people over the decades. Most importantly, the change in the character of LIC is likely to significantly limit the reach of life insurance in India, a task that has been accomplished singlehandedly by this institution, which has been India's pride. Indeed, the LIC is *sui generis* in the world of finance; nothing like it exists anywhere in the world.

One of the unique features of the LIC was

Provide Medical Relief as extended in LIC to Pre 1986 Retirees

AIIPA writes to Chairman, GIPSA & CMDs of PSGICs on 8/2/2022

“This refers to the discussions AIIPA delegation had with you at Mumbai on Dec 7, 2021, when, among other things, we made a fervent plea to you for early action to provide medical relief to our nonagenarian former employees who had retired prior to 1986. They are 95+ of age now without any medical cover. Their total number in all the PSGICs may not be more than 100.

The pre-1986 retirees are the senior most veterans of the industry and they were deprived of the benefit of regular pension due to a cut-off date fixed at the time of introduction of General Insurance (Employees) Pension Scheme 1995. These living senior veterans are now paid a meagre exgratia of Rs.350 + DR per month [Rs.175 + DR in case of spouse of deceased pre-

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The change in the character of LIC is likely to significantly limit the reach of life insurance in India, a task that has been accomplished singlehandedly by this institution, which has been India's pride. Indeed, the LIC is *sui generis* in the world of finance; nothing like it exists anywhere in the world.

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that it was structured as a special corporation that allowed it to play a pioneering role in spreading the culture of life insurance in India. This was especially significant because of the absence of a strong government-backed social security scheme that provided protective cover to people, especially the poor and the vulnerable. Given the nature of the life insurance business, where the long-term credibility of the insurer in the eyes of the insured is of cardinal importance, the fact that every policy issued by the LIC enjoyed a sovereign guarantee proved to be major factor in enabling the LIC's reach.

The fact that the guarantee has never ever had to be actually invoked is testimony to not just LIC's vitality but the enterprising ways in which it developed, nurtured and impressively expanded the market for life insurance in a poor and underdeveloped country like India.

The special and unique structure of the LIC was fundamentally important in enabling it to play the magnificent role it has played ever since its inception. It is important to highlight this because the legal amendments made since the last Union Budget have altered the structure in ways that are likely to undermine the functioning of this peerless financial institution. It is important to recognise that the LIC was NOT originally structured as just

any other company. Indeed, even though the government had provided the seed capital, its claims on profits from its operations were limited to just 5 per cent. Instead, the corporation was legally mandated to set aside 95 per cent of its profits for policy holders. Thus, unlike a typical company, in which shareholders had first claims on profits, in the case of LIC, even though the government was legally the primary investor, the overwhelming proportion of its profits were set aside for distribution among LIC's customers (policy holders). This profound difference between LIC and other companies is what enabled the LIC to function like a giant cooperative enterprise in which shareholders ranked lower than policy holders.

The Commission feels that listing of the LIC and its disinvestment will radically alter LIC's role as a social security provider for the disadvantaged sections, dilute the pivotal role that millions of its small policy holders play, in favour of affluent profit-seeking investors. Indirectly, it implies a thoughtless handing over of control of the vast pool of household savings to private, including foreign, investors.

The Commission appeals to the people of India to oppose the LIC IPO and prevent the dismantling of a great Institution.”



1986 retirees]. This Exgratia is not revised for many years now for the reason that the Govt needs to take the call for all such cases in LIC, Banks & PSGICs.

In our discussions with you, we recalled the earlier assurances of the management to extend the benefit of Monthly Cash Medical Allowance to pre-1986 retirees / spouses of deceased pre-1986 retirees at least at par with what was agreed in LIC wef 01.02.2013. We met the CMDs and GMs of Member-Cos too on this issue and all of them were very sympathetic. However a formal decision could not be initiated at the apex GIPSA level.

Meantime, LIC considered increase in the Medical Relief paid to their similarly placed pre-1986 Retirees — Rs.24,000/- per annum to pre-1986 Retirees & Rs.12,000/- per annum to surviving spouse of deceased pre-1986 Retirees wef 01.03.2019 now being paid in monthly instalments.

We request you to arrange for expeditious decision on this so that the dwindling number of our nonagenarians receive some immediate relief.

Copies of LIC Central Office circular dated 11th March 2013 and circular dated 4th April 2019 are sent herein for your ready reference.

We hope this representation will receive the urgent attention of the Governing Board.”

BUDGET-2022-23:



Bereft of Distributive Justice

Dr Santosh Kumar Mohapatra

The budget presented by Finance Minister Nirmala Sitharaman for 2022-23 is contractionary, directionless, regressive, anti-federal, pro-rich /corporate and bereft of distributive justice. It fails to address the gruelling problems of poverty, hunger, inequality and unemployment.

The budget is contractionary in the sense that the budgeted total expenditure is projected to be Rs 39.45 lakh crore, only 4.64% higher than the revised estimate of the previous fiscal (Rs 37.70 lakh crore), which is not only lesser than the projected nominal GDP growth of 11.1% but amounts to slashing expenditure in real terms (i.e taking inflation into account).

The budget is also anti-federal because the transfer of resources to states by the Centre has been pruned from 6.91% of GDP in 2021-22 (RE) to 6.25% in 2022-23. The finance commission grants has declined to Rs 1,92,108 crore in 2022-23 from Rs 2,20,843 crore (BE) and Rs 2,11,065 crore (RE) in 2021-22. Since states do not have any share from revenues collected by Centre through cesses and surcharges, Centre's revenues through cesses and surcharges as proportionate of total tax revenues has increased from 10.4% in 2011-12 to 18.4% in 2021-22, which is anti-federal.

As per 14th Finance Commission States' share in the divisible pool was increased from 32% to 42 % and reduced to 41% in 15th commission. But actually, states were getting only 35% as Centre collected more revenues through surcharges and cess in which states have no share. But in last two years, it was almost reduced to less than 30% and it will be further decline to 29.6% in 2022-23, From April 2022, the Centre plans to directly transfer 100% centrally funded schemes of Rs 500 crore

Distributive justice, an important role of the State, is concerned with the fair allocation of resources among diverse members of a community... Fair allocation of resources means generating more resources by taxing the rich according to their capacity and spending more on health, education, welfare activities and thereby reducing inequality, poverty, hunger and unemployment. But this budget does the opposite.

or more, dropping state mediaries which is in violation of federal structure.

The Budget is also directionless because it has made a flawed diagnosis of economic malaise plaguing Indian economy. The Budget assumes that the present economic malaise is triggered by supply-side constraints. Actually, the problem is mainly due to demand compression, though supply disruption is partly responsible. The household spending measured through private final consumption expenditure is still 3% below the pre-pandemic level. The GDP for 201-22 is only 1.3% higher than the pre-pandemic level and the last two years have been wasted fully with people being beleaguered by the excruciating experience of the pandemic.

Poor Indians saw the erosion of their purchasing power and demand due to the unprecedented rise of prices of essential commodities and hyperinflation. While the Economic Survey ignored this stating that it was imported inflation, the budget failed to address the problem. No attempt is made to raise the purchasing power of people which is necessary for rise in demand and investment.

Before the pandemic, India's unemployment rate had reached 45 years high of 6.1% in 2017-18. The Pandemic further exacerbated

it. In December 2021 the unemployment rate was 7.9% and employment was 40.6 crore. This was 29 lakhs less compared to the employment in 2019-20 (i.e., pre-pandemic level). To reach global employment rate standards, India needs to employ an additional 18.75 crore people. The educated youth unemployment is also highest in India. But no step is taken to create employment.

But the government seems to have suffered from ignorance bliss—a state of not knowing and not wanting to know about unhappy things or possible problems. According to P Chidambaram, India is recruiting 78,264 persons against 8,72,243 vacancies in the central government, leaving nearly 8 lakh posts vacant. Since MGNREGA helped the rural poor to sustain life during the pandemic, enhancement in its outlay and introduction of a similar scheme in urban areas was needed to create more employment in the unorganised sector. But the budget trimmed the MGNREGA outlay to Rs 73000 crore from the revised estimate of Rs 98000 crore in 2021-22.

India has the ignominy of having the highest number of hungry and poor people in the world. While nearly 25% are multidimensionally poor, more than 19.4 crores of people are hungry. As per NCRB report, over 16,000 people committed suicide due to bankruptcy or indebtedness, while 9,140 people ended their lives due to unemployment between 2018 and 2020.

The Budget comes at a time when the economy has assumed the dangerous K-shape recovery with the rich getting richer and the poor getting poorer. While the stock market is booming, the real economy is crumbling. The rampant wealth inequality is manifested through various inequality reports. As per

Oxfam's Inequality Kills report, in India, during the pandemic, the wealth of Indian billionaires increased from Rs 23.14 lakh crore to Rs 53.16 lakh crore, 84% of families experienced a decline in income and more than 4.6 crore Indians were dragged into extreme poverty.

Distributive justice, an important role of the State, is concerned with the fair allocation of resources among diverse members of a community because societies have a limited amount of wealth and resources. Fair allocation of resources means generating more resources by taxing the rich according to their capacity and spending more on health, education, welfare activities and thereby reducing inequality, poverty, hunger and unemployment. But budget failed to address the above.

While the present government is very consistent in giving huge concessions to corporates and the rich, it harbours disdain for the poor and farmer which is reflected through the reduction of subsidies levels. The food subsidy which was Rs 541,330 crore in 2020-21 (BE) had declined to Rs 286219 crore in 2021-22(RE), has been again brought down by 27.8% to Rs 206481 crore in 2022-23. To add woes and exacerbate farmers' distress, the fertilizer subsidy has been clipped by 24.9 % to Rs 1,05,222 crore in 2022-23 from Rs 1,40,112 in the previous fiscal. The fuel subsidy, which was Rs 38,455 crore in 2010-21 has been trimmed to Rs 5,812.5 crore in 2022-23.

Other subsidies which were Rs 54,763 crore 2021-22 (RE) has been reduced by 31% and estimated at Rs 37,773 crores in 2022-23. The total budget subsidies, which was estimated to be Rs 7,58,165 crore in 2020-21 was reduced to Rs 4,87,872 crore in 2021-22(BE). It has again sharply reduced by 27.1% to touch Rs



Cartoon courtesy: Satish Acharya, Facebook

* Food subsidy which was Rs 541,330 crore in 2020-21 (BE) had declined to Rs 286219 crore in 2021-22(RE), has been again brought down by 27.8% to Rs 206481 crore in 2022-23.

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* The total budget subsidies, which was estimated to be Rs 7,58,165 crore in 2020-21 was reduced to Rs 4,87,872 crore in 2021-22(BE). It has again sharply reduced by 27.1% to touch Rs 3,55,872 crore in 2022-23 (BE).

3,55,872 crore in 2022-23 (BE). This shows the insensitivity and nonchalance of government towards the poor.

The Central expenditure on education as a percentage of GDP has declined from 0.55% in 2014 to 0.40% in 2022-23. Despite public health expenditure being the lowest in the world as a percentage of GDP, and pandemic needing mammoth health expenditure, the Central health expenditure is estimated to be 0.6% of GDP in 2022-23 marginally up from 2014. However, both health expenditure of states and centre combined together stands at 1.30% of GDP as against the world average of 6%.

When nothing substantial was being done to address the above host of economic problems arising in the aftermath of the pandemic, there has been abysmal allocation for covid-vaccination in 2022-23 which is Rs 5,000 crore, one-eighth of the revised estimates (RE) of Rs 39,000 crore of the previous fiscal.

The budget is pro-rich because billionaires are not taxed according to their rise of wealth through wealth tax or inheritance tax. The budget is pro-corporate because corporates are not taxed according to their capacity. By contrast, due to more concessions, reduction of corporate tax in past, the effective corporate tax has been reduced to 22.54% in 2019-20 from 27.81% in 2018-19. In this Budget, the corporate surcharge has been reduced from 12% to 7%. The surcharge on long term capital gains on listed shares and equity-oriented units is capped at a maximum of 15%. Further, as at end of the financial year 2020-21, the amount tax raised but not realised amounts to be Rs 16.19 lakh crore from which corporates tax accounts Rs 7,65,375 crore.

The budget is regressive as it relies more on indirect taxes by making the lives of the poor more miserable as indirect taxes are paid by rich and poor at the same rate. The ratio of direct tax to GDP is estimated to decline to 5.5% in 2022-23 from 6 % in 2018-19. Despite boasting of higher GST, projected tax revenue growth is only 9.6%, which is less than projected nominal GDP growth. The Centre's gross tax-GDP ratio, which is one of the lowest in the world, is estimated to be 10.7% in 2022-23, less than of 11.2% achieved in 2016-17 and 2017-18, even much low compared with OECD (33.8%), France (46.1%), US (24.3%), UK (33.5%), Japan (31.4%), Germany (38.2%), China (17.2%) other countries.

What is disconcerting is that the middle class especially salaried classes are ignored who are key drivers of the economy. The basic personal tax exemption limit and the limit for deduction under Section 80C for savings was last revised in 2014. Since, then the cumulative inflation rate is 48%, which implies that both exemption limits should be enhanced by 48% to keep pace with inflation. Further interest rates on fixed deposits have been plunged to a 17-year low. Savers who are mostly middle-class people are asked to pay tax on the insurance premium and interest of their savings which is tantamount to financial repression.

When enhancement of capital expenditure by 35% to Rs 7.5 lakh crore is celebrated, nobody tells that as many as 439 infrastructure projects, each entailing investment of Rs 150 crore or more, have been hit by cost overruns totalling more than Rs 4.38 lakh crore. The enhanced Capex allocation comes at the cost of a reduction in grants in aid, revenue deficit grants, subsidies for food, fertiliser, fuel and allocation for MGNREGA which is necessary for survival. The increase in capital expenditure is mainly due to a substantial increase in loans and advances to state governments. It does not create jobs in organised sectors.

When it is difficult for a large section of Indians to survive today and struggle to eke out basic existence or manage two square meals a day, how can they survive long years to get the benefits of capital expenditures if comes. It is said that the Budget opted for lasting benefits, not temporary relief. The finance minister also stated that the Budget gives a blueprint of the economy from India at 75 to India at 100. She further said that the Budget for the next fiscal "will focus on Amrit Kaal." But in the long run, everybody is dead.



Cartoon courtesy:
Alok Nirantar,
Facebook

The budget has ignored the poor

This damp squib of a budget implies that the perverse fiscal strategy the Modi government has been putting into effect of late is allowed to persist. This strategy consists in giving tax concessions to the rich (expecting them to invest more), while restraining the fiscal deficit through higher indirect taxation, notably on fuel. It is inhumane, inequalitarian and hence anti-democratic and shows not just a lack of concern; it is dangerous.

Prof. Prabhat Patnaik
former professor of economics at JNU, Delhi

Courtesy: Indian Express, February 3, 2022



The setting for the 2022-23 Union Budget was quite unprecedented: Acute unemployment, growing poverty, burgeoning wealth and income inequalities, and accelerating inflation. One expected to find in the budget some measures for stimulating the economy, and also some gesture towards alleviating distress. Such alleviation, even if not used as the primary means of stimulating the economy, could have constituted a set of separate and additional provisions. This was not to be. The budget has been a gigantic non-event, blithely ignoring the economy's travails and providing neither stimulus nor succour to the poor.

True, the budget envisages a rise in capital expenditure by the government but if we look at total government expenditure, which is what matters from the point of view of aggregate demand, the increase is only Rs 1.75 lakh crore, from Rs 37.70 lakh crore in 2021-22 (RE) to Rs 39.45 lakh crore in 2022-23 — a 4.6 per cent rise. This is even lower than the inflation rate. In real terms, the budgeted total expenditure change is thus negative. Government expenditure as a proportion of GDP is set to decline sharply,

“The budget, by doing nothing either for alleviating distress or for reviving the economy, shows not just a lack of concern; it is dangerous because all indications point to a worsening of the situation because of both internal and external developments.”

entailing a dampening effect on the economy.

Likewise, the provision for MGNREGA, a lifeline for the poor, is pegged at Rs 73,000 crore, lower than Rs 98,000 crore in 2021-22 (RE) and Rs 1,11,000 crore in 2020-21. It would be argued that this being a demand-driven scheme, the outlay can be expanded if necessary. What this argument misses is that such an expansion of outlay takes time, and delayed wage payment in the interim discourages demand. The initial budgetary provision is, therefore, important.

This damp squib of a budget implies that the perverse fiscal strategy the Modi government has been putting into effect of late is allowed to persist. This strategy consists in giving tax concessions to the rich (expecting them to invest more), while restraining the fiscal deficit through higher indirect taxation, notably on fuel. Even in the current budget, the oil price is set to increase for consumers because of the additional excise duty of Rs 2 per litre on unblended fuel.



Cartoon courtesy:
Sajith Kumar, Deccan Herald

This fiscal strategy is a perverse one for several reasons. First, it is inhumane, inequalitarian and hence anti-democratic: Its inhumaneness, in contrast to other resource mobilisation measures like a wealth tax, is so appalling that a group of American billionaires on the occasion of the Davos summit expressed their desire for being taxed more so that the poor are spared. Second, it goes against what advanced capitalist countries like the US have been trying to do. The Biden administration's recovery strategy entails spending more, including on welfare schemes, by resorting to heavier, not lighter, corporate taxation. For this, it has even negotiated an internationally-agreed minimum corporate tax rate to prevent corporates from parking profits in tax havens. Third, it has been a major contributory factor to the phenomenon of inflationary recession that is plaguing the Indian economy. Raising fuel taxes raises prices in general and since the money incomes of the working people do not increase in tandem, there is a reduction in real demand, and hence a recession. Fourth, precisely because of this recession that develops, the increase in private corporate investment, that had supposedly constituted the justification for such tax concessions, does not materialise: On the contrary, the larger unutilised capacity in existing units, that arises because of the recession, causes a curtailment in private investment.

This perverse fiscal strategy, which one hoped would be abandoned in the current budget, continues even as the government itself admits that private investment is unresponsive to tax concessions which is why it has decided to increase public investment hoping that it would "crowd in" private investment.

The budget, by doing nothing either for alleviating distress or for reviving the economy, shows not just a lack of concern; it is dangerous because all indications point to a worsening of the situation because of both internal and external developments. Internally, whatever recovery has occurred in 2021-22 relative to 2019-20 has not touched real consumption expenditure, which continues to be below its 2019-20 level. The level of capacity utilisation

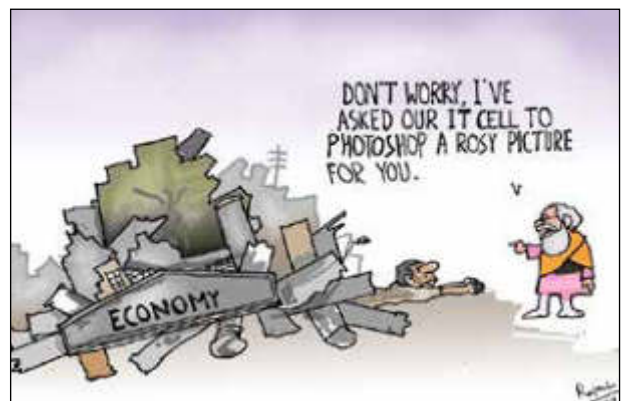
in consumer goods sectors, therefore, cannot be higher than in 2019-20. In fact, since there has been some addition to capacity meanwhile, because of the lagged effect of investment decisions taken earlier, unutilised capacity in these sectors has obviously increased, which means that investment will come down, and its multiplier effects on consumption will make it shrink further. This recovery, therefore, unlike what the Economic Survey predicts, cannot last.

Externally, the oil price is on the rise, with many expecting it to reach \$100 per barrel soon. The Modi government, whose revenue comes substantially from taxing petro-products, will then have to pass on the higher import price to the consumers for fear of losing revenue otherwise, which will only exacerbate domestic inflation. What is more, the near-zero interest rate policy pursued in the US and elsewhere till now, which had enabled India to access global financial flows easily for balancing its external payments, is coming to an end because of the acceleration of inflation there. This threatens a depreciation in the external value of the rupee and that will add further to the rate of inflation in the Indian economy, including through higher rupee prices of imported oil whose dollar price itself is rising. This, in turn, will add further to recession and unemployment, as curbing inflation acquires priority.

With the economy in such a precarious position, one expected some awareness of it in the budget. Such an awareness would have suggested a shift towards greater imposts on the rich through wealth or corporate income taxation. At least some reversal of the perverse fiscal strategy being pursued could have been signalled or some other strategy for coping with the situation could have been tabled for discussion. The budget alas appears oblivious of these developments and that is a dangerous portent.

The budget has been a gigantic non-event, blithely ignoring the economy's travails and providing neither stimulus nor succour to the poor.

Cartoon courtesy: Rajendra Dhodapkar, Facebook



Changing Electoral Scenario in India

The Dangerous Portends

Article 324 of the Constitution states that elections conducted by the Election Commission must be fair, free and reflect the Voters' will. But in the recent years, these rights are tried to be trampled by those forces

who do not want a free and fair election...The abundant use of Corporate money in elections, polarising the votes playing divisive politics, targeting the minorities - all these go against the Constitutional rights.



S.Sivasubramanian

India is a vibrant democracy with people electing their representatives at several levels beginning from local bodies and Panchayats to Parliament. People elect their representatives on the past performance and the promises given for the future. On their part, the Political parties also through their manifestos give promises like long-term reforms, such as better governance, greater socio-economic equity, poverty alleviation, etc. In recent years, particularly after 2014, India's political culture has been vitiated by populism, jingoism, sectarianism and confrontational politics. The hate speeches, the rise of illegitimate expenditure, the pooling of corporate funds at the time of elections - all these have made mockery of electoral democracy.

In the name of cleansing the system

Electoral bonds were launched in 2017 in the name of cleansing the system of political funding in the country. The anonymous feature of the system is neither the donor nor the political party is obliged to reveal to whom the donation was made /from whom the donation came from. It defeats the fundamental principle of transparency in political finance. The Supreme Court has also paid scant attention on the

issue. It has allowed the scheme to continue unabated and has denied an interim stay. There is no attendant obligation on political parties to provide details to the public on each donation received by them through electoral bonds. Companies are also under no obligation to disclose the name of the party to whom they made the donation. This is totally against one of the most basic features of a democracy, that is, right to freedom of expression which the Constitution guarantees.

The Modi government has made amendments to the scheme subsequently, which have done away with a series of restrictions that were in place before the scheme's introduction. For example, amendments have been made removing previous prohibition that disallowed a company from donating anything more than 7.5% of its net profits over the course of the previous three years. Similarly, a mandate that a company should have been in existence for at least three years before it could make donations was also lifted. The electoral bond scheme permits unlimited and anonymous corporate funding of political parties. As far back as in 1957, the Courts have warned of the threats posed by limitless corporate funding of



Image courtesy: The Print

elections. The then Chief Justice M.C.Chagla of the Bombay High Court predicted that any decision to allow companies to fund political parties might “ultimately overwhelm and even throttle democracy in this country”.

Electoral bonds worth Rs.3,355 crore were sold in 2019-20. Of the Rs.3,355 Crore worth of electoral bonds, the BJP received Rs.2,555 Crore, a 75% increase from the Rs.1,450/- Crore it received in the previous year. According to an NDTV report, the BJP alone has received 68% of the electoral bonds sold since inception till March 2020. Ahead of the Assembly elections in five States in February this year (2022), Electoral Bonds worth Rs.1,213 Crore were sold. This is the second highest amount of political donations recorded in any phase, behind the Rs.2,256 Crore that was sold ahead of the 2019 Lok Sabha polls. As per the data provided by the SBI, the sale of electoral bonds took place at 12 branches. A total of 2,068 bonds were sold, of which 1,156 were of 1 Crore denomination. The sale of a large number of Rs.1 Crore bonds is indicative of donations by rich individuals and large business houses to political parties through this scheme. An analysis reveals that over 92% of electoral bonds sold in the past four years were of the Rs.1 Crore denomination.

Hate Speech and Divisive Politics

During the last few years there is a manic irrationality that is being carefully seeded in Indian society. There is a growing trend in speeches with hate-filled words which have an impact on the rights and well being of the people. This is the scenario that we have been witnessing during the last few years, more particularly during the time of elections.

The process involves consistent and repetitive hate speech and fear speech against minority groups by Rightwing ideologues which results in indoctrination

aimed at making the majority believe that they are under threat. This creates mass fear and panic. This has an impact on the targeted section when the society is undergoing conditions of economic, social and political inequality and uncertainty. What we have been witnessing in India today is sustained escalation of hate speech with an aim to expel the minorities from the Indian body politic.

In a bizarre event that took place in northern part of India which is going to polls in February 2022, which is called as “Dharma Sansad” (Religious Parliament), a call was given to eliminate the minorities with weapons. Despite calls by sections of society to investigate and arrest the organisers and speakers of the Dharma Sansad for making these provocative hate speeches, the police in the State of Uttarakhand did not take any “serious action” against those who tried to incite violence through this event. The Editorial of Indian Express dated 25.12.2021 says: “The unabashed and abundant hate speech on stage at a religious conclave in Haridwar was deeply offensive. The open-Muslim baiting and exhortations to Hindus to take up arms, the calls for violence and genocide, the toxic fantasy of a Hindu Rashtra where there is no masjid or madarasa, directly challenge the letter and spirit of the Constitution.”

According to their own disclosures to the Election Commission of India, as many as 70 members of Parliament and members of legislative assemblies have hate speech cases pending against them. Candidates with hate speech cases against them were three times more successful in elections compared to those without a criminal record, according to an India Spend analysis of self-disclosed crime records of candidates who have contested various elections nationwide over the past 12 years. As many as 399 Candidates with “hate speech” cases have been fielded by political parties in various



Cartoon courtesy: Subhani, Deccan Chronicle

Parliamentary and State Assembly elections over the last 12 years. The BJP leads the list with 97 Candidates.

Linking Aadhar with Vote ID – Venomous intentions

In December 2021, both houses of the Parliament passed the Election Laws (Amendment) Bill 2021 to link the electoral data with Aadhaar. The amended law mandates linking of a person's Aadhaar Card with his/her electoral ID. The real objective of the governments' move to link Voter ID with Aadhaar doesn't seem to be eliminating bogus voting as is being claimed by it. Linking Aadhaar to the Voter IDs would bring the demographic information in to the voter database. This creates the possibilities of increased surveillance, disenfranchisement based on identity and targeted advertisements and commercial exploitation of sensitive private data. Linking the Voter and Aadhaar databases would be an attack on the right to privacy. There are serious concerns that it would violate our constitutional and fundamental right to privacy and the secrecy of vote. Since there is no data protection law to regulate, voter profiling, selective exclusion and targeted campaigns are all possible. Voter profiling and disenfranchisement would be a lethal combination that would sink India's electoral democracy.

In 2019, the Cambridge Analytica scandal demonstrated the disastrous impact that deep and invasive voter profiling had on individuals and on democracies. More recently, the Madras High Court has asked the Election Commission of India to look in to the allegations against the BJP illegally using Aadhaar data of voters in Puducherry for making political gains in the 2021 Assembly elections.

Last year, in its annual report, on Global Political Rights and Liberties, the US based non-Profit Freedom House down-graded India from a free democracy to a "Partially free democracy". The Sweden based V-Dem Institute was harsher in its latest report on democracy. It said India has become an "Electoral Autocracy". India slipped two places to 53rd position in the latest Democracy Index published by the Economist Intelligence Unit.

Cartoon courtesy:
Satish Acharya, Facebook

Angry slogans over jobs in BJP poll rally in UP



Cartoon courtesy: Sajith Kumar, Deccan Herald

The abundant use of Corporate money in elections, polarising the votes playing divisive politics, targeting the minorities - all these go against the Constitutional rights. The Constitution has given the right to chose a person of his/her choice. This constitutional right has to be protected.

The right to vote has been recognised under Article 326 of the Indian Constitution and is a Legal Right. Article 324 of the Constitution states that elections conducted by the Election Commission must be fair, free and reflect the Voters' will. But in the recent years, these rights are tried to be trampled by those forces who do not want a free and fair election, who want to polarize the society and who want to deny the democratic rights to the people enshrined in the Constitution. In the present situation, a great responsibility falls upon the democratic and secular forces to come together and defend the Country's values.

(Writer is Treasurer SZIEF)



लोकतंत्र में विपक्ष की भूमिका



The Opposition is often held responsible for the sufferings of the people, though it is the Government of the day that is accountable. Then, in our Constitutional order, we have the judiciary, the autonomous Constitutional bodies and, of course, the media to ensure that the rulers don't go astray. Why then only Opposition is singled out for its failure to mobilise people? We have to ponder over this, for the sake of our country's future.

रामजी तिवारी

इस दौर में एक बात सामान्यतया कही जाती है कि विपक्ष अपनी भूमिका का निर्वहन नहीं कर पा रहा है। जब सरकार लगातार गलत फैसले ले रही हो, जनविरोधी नीतियों को लागू कर रही हो, श्रमिक और किसान विरोधी कानूनों को पास कर रही हो, तो विपक्ष की यह जिम्मेदारी बनती है कि वह जनता की आवाज बने। उसका दायित्व बनता है कि वह जनता के सवालों को लेकर सड़क पर आन्दोलन करे। महंगाई और बेरोजगारी को लेकर संसद से सड़क तक आंदोलित हो। लोकतंत्र में आखिर विपक्ष की भूमिका भी यही होती है कि वह सरकार को निरंकुश होने से रोके। उसे सही रास्ते पर रखे। और फिर इस विमर्श के अंत में यह निष्कर्ष भी निकाल दिया जाता है कि हमारे देश की सरकार इसीलिए जनविरोधी फैसले ले पा रही है, क्योंकि विपक्ष अपनी भूमिका का निर्वहन नहीं कर पा रहा है। इस नाकारा विपक्ष के कारण ही जनता इतनी मुसीबतें झेल रही है।

इसमें दो राय नहीं है कि लोकतंत्र में विपक्ष को जनता की आवाज बननी ही चाहिए, और यह भी सच है कि आज वह अपनी इस भूमिका को निभाने में असफल भी दिखाई दे रहा है। ऐसे में यह सवाल उठना लाजिमी है कि ऐसा क्यों हो रहा है...? क्या यह महज उसकी काहिलियत है...? या इसका कोई और पहलू भी है, जिसे हम नजरअंदाज कर रहे हैं।

अब्ल बात तो यह कि लोकतंत्र में पहला सवाल सत्ताधीशों से पूछा जाना चाहिए, क्योंकि जनता ने उन्हें ही शासन की बागडोर सौंपी है। उस पर ही अपना भरोसा जताया है। इसलिए सवाल भी उनसे ही होना चाहिए कि वे अपने द्वारा किये हुए वायदों से क्यों मुकर रहे हैं। मसलन वर्तमान सत्ताधीशों ने चुनाव पूर्व यह वायदा किया था

कि वर्ष 2022 तक किसानों की आय दुगुनी हो जायेगी। लेकिन बजाय इसके वे कृषि-कानूनों के द्वारा किसानों के हितों पर और कुठाराघात ही करने लगे। उन्होंने प्रतिवर्ष दो करोड़ रोजगार देना की बात कही थी, लेकिन इसके विपरीत लोगबाग अपने पहले से चल रहे रोजगार को ही खोने लगे। उन्होंने "सबका साथ और सबका विकास" करने की बात कही थी, लेकिन आंकड़े बताते हैं कि यह देश एक भयानक असमानता की तरफ बढ़ता जा रहा है। उन्होंने शिक्षा, स्वास्थ्य और सबके लिए आवास जैसे विषयों पर भी कुछ वायदे किये थे। भ्रष्टाचार, काला धन और राजनीति के अपराधीकरण जैसे विषयों पर भी संकल्प लिया था। तो इन वायदों का आखिर क्या हुआ। ऐसे तमाम सवाल हैं जो सरकार से पूछे जाने चाहिए। खासकर तब, जब उसने अपने शासन के सात-आठ वर्ष पूरे कर लिए हैं।

लेकिन इन वायदों पर सरकार से सवाल पूछने के बजाय यदि आज भी विपक्ष से ही सवाल पूछा जा रहा है, तो इसका दो अर्थ निकलता है। पहला यह कि सरकार को ऐसे असहज करने वाले सवालों से बचाया जाय। और दूसरा यह कि उसकी नाकामियों का ठीकरा भी विपक्ष में माथे पर ही डाल दिया जाय। बहरहाल यदि हम इस राजनैतिक चालबाजी से आगे देखें तो यह महत्वपूर्ण प्रश्न हमारे सामने जरूर दिखाई देता है कि आज का विपक्ष आखिर सरकार के खिलाफ जनमत को बनाने में या उसे मोबेलाईज करने में क्यों नाकाम दिखाई दे रहा है? आईये, इसे समझने की कोशिश करते हैं।

हम सब जानते हैं कि भारत जैसे संसदीय लोकतंत्र के मुख्यतया तीन स्तंभ होते हैं। विधायिका, कार्यपालिका और न्यायपालिका। बाद के विकास क्रम में मीडिया को इसका चौथा स्तम्भ समझा गया। और कहना न होगा कि उसे

यह जिम्मेदारी भी सौंपी गयी. यदि हम ध्यानपूर्वक देखें तो विधायिका में सत्तारूढ़ दल का बहुमत होता है. इसलिए सामान्यतया इस हिस्से में सरकार की ही बातें अधिक चलती हैं. विधायिका परम्परागत रूप से सरकार के साथ होती है. दूसरा भाग कार्यपालिका का है, जो विधायिका की नीतियों को लागू करने वाला होता है. इसलिए यह भी सामान्यतया सरकार के साथ ही चलता हुआ दिखाई देता है. परम्परागत रूप से हमारे देश में तो यही चलन रहा है.

लोकतंत्र का तीसरा स्तम्भ न्यायपालिका का है, जिसे हम संविधान के व्याख्याता और संरक्षक के रूप में देखते हैं. वह देखती है कि सरकार नियमों और कानूनों की कोई गलत व्याख्या तो नहीं कर रही. या कोई ऐसा कानून और नियम तो नहीं बना रही जो संविधान की भावना के अनुरूप नहीं है. चूंकि संविधान मुख्यतया जनता की भावना और हितों के अनुरूप कार्य करने वाला दस्तावेज होता है, इसलिए न्यायपालिका भी सामान्य रूप से जनता के हितों को ध्यान में रखने वाली भूमिका को ही निभाती है. वह जनता के मौलिक अधिकारों की रक्षक मानी जाती है और इस तरह से वह राज्य के सामने भी खड़ी दिखाई देती है. कुल मिलाकर वह एक तरह से जन भावनाओं की संरक्षक भी मानी जाती है.

और लोकतंत्र में हम जिसे चौथे स्तम्भ के रूप में देखते हैं, उस मीडिया को भी संविधान से ही अधिकार प्राप्त होते हैं. उससे अपेक्षा होती है कि वह जनता की आवाज को सरकार तक पहुंचाए. साथ ही एक बेहतर समाज और स्वस्थ लोकतंत्र के लिए जनमत का निर्माण भी करे. इन अर्थों में वह भी एक तरह से सरकार के सामने और जनता के पक्ष में खड़ी दिखाई देती है. चूंकि ऐसी भूमिका निभाने के कारण उसे सरकार का कोपभाजन भी बनना पड़ता है, इसलिए उसे संविधान प्रदत्त संरक्षण प्रदान करने के लिए न्यायपालिका पीछे खड़ी रहती है. अर्थात् लोकतंत्र में स्वतंत्र और निष्पक्ष न्यायपालिका संविधान के संरक्षक की भूमिका भी निभाती है. विधायिका और कार्यपालिका को रास्ते पर भी रखती है. और स्वतंत्र मीडिया के लिए जगह भी बनाती है.

इसके अलावा आधुनिक लोकतंत्र में कुछ संवैधानिक संस्थाएं भी होती हैं, जिनसे यह अपेक्षा की जाती है कि वे सरकार से स्वतंत्र और निष्पक्ष रहते हुए संविधान द्वारा प्रदत्त अपनी भूमिका निभाएं. जैसे कि चुनाव आयोग, सतर्कता आयोग, सूचना आयोग और महालेखा परीक्षक जैसी अन्य संस्थाएं. इनकी भूमिका और क्रियाकलाप को देखकर यह कहा जा सकता है कि संविधान निर्माताओं के मन में यह बात जरूर रही होगी कि सरकार पर निगरानी के लिए इनका स्वतंत्र और निष्पक्ष होना बहुत जरूरी है. इनकी नियुक्ति और हटाने की प्रक्रिया को इसीलिए सरकार के पूर्णतया अधीन नहीं रखा गया. इन्हें भी वे सभी स्वायत्तताएं प्रदान की गयीं, जो संविधान में न्यायपालिका को हासिल हैं.

अब यदि इस पैमाने पर संसदीय लोकतंत्र को परखा जाय तो व्यवस्थापिका और कार्यपालिका ही ऐसे दो हिस्से दिखाई देते हैं, जो एक तरह से सरकार के अधीन या साथ कहे जा सकते हैं. बाकी दो हिस्सों पर जनभावना और जनहित का नियंत्रण होता है. और ऐसा संविधान ही व्याख्यायित करता है. यही नहीं बल्कि सभी संवैधानिक संस्थाओं में भी यही जनभावना प्रमुख होती है. संविधान ही उनकी नजर में सर्वोपरि होता है, जो जनआकांक्षा का सबसे महत्वपूर्ण दस्तावेज कहा जा सकता है. यदि हम इसे और सरलीकृत भाषा में कहें तो ऐसा माना जा सकता है कि संविधान की यह व्यवस्था है कि न्यायपालिका, मीडिया और संविधानिक संस्थाएं स्वतंत्र और निष्पक्ष होकर काम करें. वे सरकार पर एक अंकुश भी रखें और उसे संविधान के दायरे से बाहर न जाने दें.

किसी भी संसदीय लोकतंत्र में इनके बीच ही विपक्षी दल की भूमिका भी देखी जा सकती है. दूसरे शब्दों में जहाँ स्वतंत्र और निष्पक्ष न्यायपालिका होगी, स्वतंत्र और निष्पक्ष मीडिया के लिए जगह होगी, और स्वायत्त संवैधानिक संस्थाएं होंगी, वहीं पर विपक्षी राजनीतिक दलों की वास्तविक भूमिका भी दिखाई देगी. विपक्षी दल यदि सरकार के गलत फैसलों के विरुद्ध न्यायपालिका के दरवाजे पर जाते हैं, तो वहां उन्हें न्याय मिलने की उम्मीद होनी चाहिए, वे सरकार की गलत नीतियों का विरोध करते हैं, तो उन्हें मीडिया में स्थान मिलना चाहिए. साथ ही मीडिया द्वारा सही दिशा में जनमत निर्माण का प्रयास भी होना चाहिए. उन्हें संवैधानिक संस्थाओं से वह इनपुट और संरक्षण मिलना चाहिए जिससे वे सरकार के कार्यों पर नजर रख सकें और उसे सही सूचना देने के लिए बाध्य कर सकें. अर्थात् संवैधानिक संस्थाओं की भूमिका सरकार को जबाबदेह बनाने की होनी चाहिए.

इन सब तथ्यों के मद्देनजर जब हम नजर दौड़ते हैं तो हमारे सामने कुछ महत्वपूर्ण सवाल खड़े दिखाई देते हैं. अब्बल तो यही कि क्या हमारे देश की न्यायपालिका संविधान के संरक्षक वाली अपनी भूमिका का आज निर्वहन कर रही है ? क्या वर्तमान मीडिया को हम स्वतंत्र और निष्पक्ष कह सकते हैं ? और क्या संवैधानिक संस्थाएं अपने दायित्वों का सम्यक निर्वहन करती दिखाई दे रही है ? यदि इन सभी सवालों के उत्तर में हमें लड़खड़ाहट दिखाई दे रही है, तो फिर हम विपक्ष से कैसे उम्मीद कर सकते हैं कि वह अपनी भूमिका का उचित निर्वहन करता हुआ दिखाई दे. आखिर संसदीय लोकतंत्र में ये सभी संवैधानिक संस्थाएं ही तो विपक्ष की आवाज होती हैं. इन्हीं के माध्यम से वह अपने लिए रास्ता तैयार करता है और जनभावना को व्यक्त करता है. यदि हमारे देश का संसदीय लोकतंत्र इन पैमानों पर फिसड़डी साबित होता हुआ दिखाई दे रहा है, तो यह विपक्ष की भूमिका के साथ-साथ, हमारे देश के भविष्य के लिए भी चिंताजनक बात है.

(Writer is activist of Varanasi DIEA)

The hijab controversy is not about ‘secular’ reform



The drivers of Hindutva — the othering of Muslims, influence of Christianity and an elite idea of purity — are beyond the pale of many ideas of the Hindu religion. They are also quite far from popular cultural practices. These factors constitute the ideological base and work as the political weapons of Hindutva. If this broader context is missed, we are likely to be waylaid by the “secular” argument that the hijab controversy is more a matter of reform than being a part of a larger narrative or restructuring of India’s culture and society.

Suhas Palshikar, *Chief Editor of Studies in Indian Politics*
(Courtesy: Indian Express 21/2/2022)

Some time back, when pictures of a burqa-clad woman taking her child attired as Lord Krishna to school on the occasion of Janmashtami were circulated approvingly, a vocal section of Hindutva made an interesting argument. It was said this was reducing Hindu tradition to a fancy dress event and that such (mis)appropriation of Hindu tradition should be called out. Clearly, it is not enough that non-Hindus should behave like Hindus or participate in Hindu cultural-religious festivities.

Now, in the case of Karnataka, the argument is that non-Hindus cannot have their own practices (whether these are good or bad practices is beside the point). In the case of beef eating, the argument rests on the point that since the cow is sacred for Hindus, non-Hindus should ensure that Hindu sentiment is not hurt by killing the cow and consuming its meat. In the present case, there is no such “hurt” caused to Hindus and yet, non-Hindus are not left alone to follow their (supposedly) religious practice.

Three dimensions of Hindutva emerge through the Karnataka complication. The first is a political dimension, not just in the limited sense of consolidating the Hindu vote, which surely is happening. But the more critical

political dimension is about issues such as what constitutes the nation and who are entitled to be India’s citizens. At a fundamental level, the citizenship of those who do not follow authorised Hindu practices is being denied. Increasingly, governments are ensuring that deviations from such practices as approved by Hindutva are formally discouraged and disallowed. So, the concept of an Indian citizen is being equated with adopting the Hindutva way of life and thinking. The rest will be marginalised and criminalised.

Another dimension is cultural. It speaks to the ideologically fed century-old anxieties of some Hindus. These anxieties have produced a hankering for uniformity. The Karnataka developments give a wrong impression that it is only about Muslims. At a more immediate level, these are indeed aimed at Muslims: Muslims cannot have the freedom of being slow in modernisation because in this particular instance, a certain meaning of modernisation suits the Hindutva agenda. But let us not make a mistake of summarising this only as between Hindus and Muslims. More than that, this issue is literally and metaphorically, about the idea of “uniform”.

A cursory glance at the history of Hindutva shows its understanding of an ideal society is premised on everyone being similar, differences being only nominal, bringing about homogeneity in every respect. While in politics, this is reflected in the emphasis on “common” or national language, in the religious sphere it is reflected in searching for a foundational scripture either in the Gita or in the Vedas. In the sphere of popularly practiced religion, this obsession has found two expressions. On the one hand, one deity is raised at the all-India level both as a symbol of religious pride and also as a basis of national identity; on the other hand, regionally celebrated deities are promoted elsewhere to ensure that they do not remain identities of regions but assume pan-Hindu status.

In every sphere, this homogenisation of the idea of being Hindu is at the core of Hindutva. That is why diversity of practices about food consumption is discouraged and delegitimised as being against the Hindu religion. Besides beef, debates around inclusion/exclusion of eggs from school mid-day meals is being characterised by this search for true and pure Hindu.

This takes us to the third dimension of Hindutva — the search for the pure as the original. Besides the obsession with uniformity, cultural practices of Hindutva are also based on another ambition. It is about formulating a “pure”, unadulterated Hindu religio-cultural existence at the mass level. While a bikini can be easily condemned as western debasement, we are not far from de-claiming Khajuraho; recently, a book shop was vandalised for selling Kamasutra. So, a masculine yet pure (preferably celibate) identity and a feminine but

de-sexualised identity are upheld as role models. Through these exercises, a pure religiosity as true Hindu religion contests the rich diversity of religiosities among the so-called Hindus. In a sense, this search for purity dovetails with both uniformity and nationalism.

At the most superficial but very loud rhetorical level, hate and suspicion of Muslims (both from India and elsewhere generally) constitute the immediate driver of Hindutva. But Hindutva cannot be explained only in terms of Islamophobia. In many instances, Islamophobia is a convenient tool given the widespread misunderstanding about Muslims and the intransigence of Muslim clergy and elite to steer internal reform. Beyond that, in matters of religious books, the emphasis on celibacy and simplicity, institutionalisation of seva as a “missionary” activity demanding long years of sacrifice and a search for unified religious order, the Hindutva project resembles traits of Christianity.

Finally, caste-based ideas of purity combined with the European obsession with pure blood as represented in the Nazi idea of Aryan race has informed the Hindutva project. Critics of Hindutva often draw attention to its “Brahmanical” character in this regard. While that has a certain validity, it must be squarely accepted that most castes (and the idea of caste itself) draw sustenance from the idea of barricading one community from others by restricting marriage practices. The violent opposition to inter-caste marriages, particularly when the male partner is from a “lower” caste, is testimony to this caste-based search for purity.

In this sense, the drivers of Hindutva are beyond the pale of many ideas of the Hindu religion. They are also quite far from popular cultural practices and that is why it has taken so long and so much violence for Hindutva to gain traction. The drivers of Hindutva — the othering of Muslims, influence of Christianity and an elite idea of purity — are also away from the moral or spiritual ideas of religion. These factors constitute the ideological base and work as the political weapons of Hindutva. If this broader context of what is happening in Karnataka is missed, we are likely to be waylaid by the “secular” argument that the hijab controversy is more a matter of reform than being a part of a larger narrative or restructuring of India’s culture and society.



Cartoon courtesy: Sajith Kumar, Deccan Herald

The interpretative answer to the hijab row

Can government colleges deny education to students who are seen to be violating a uniform code? Is the hijab or even a full covering in any manner violative of the process of imparting education? Can a government committed to female education deny education to those it deems improperly dressed? Should implementation of a dress code be prioritised over imparting education to all that seek it? These and other like questions will probably soon engage the attention of a constitutional court. That court may do well to heed Justice R.F. Nariman's dictum in the Sabarimala review which says, "... After all, in India's tryst with destiny, we have chosen to be wedded to the rule of law as laid down by the Constitution of India. Let every person remember that the "holy book" is the Constitution of India,..."



Sanjay Hegde, Senior Advocate designated by the Supreme Court of India (Courtesy: The Hindu 7/2/2022)

A number of Muslim girl students in my home town of Udupi, Karnataka, have been refused entry into their college. The administration objects to them covering their heads with a hijab. The girls invoke the protection of the Indian Constitution, whose preceptor Dr. B.R. Ambedkar once wrote, "the world owes much to rebels who would dare to argue in the face of the pontiff and insist that he is not infallible".

Udupi has a proud tradition of having rebels who have challenged established norms that have not stood the test of reason. In the 16th century, priests at the Krishna temple in Udupi prevented a lower caste devotee, Kanakadasa, from entering it. He refused to go away and began composing and singing *kirtans* from the courtyard outside, while waiting to secure a sight of the deity. Even after many days, the priests did not relent but a miracle intervened. The idol of the deity which until then faced eastwards, miraculously turned 180 degrees to face west, and then broke open a rear wall to create a window through which Kanakadasa could have his darshan. Even today all devotees have their first sight of the lord through Kanakadasa's window.

A focal point

Thus, it was only historically apt that one of

the first great religious cases interpreted by the new Supreme Court, under the new Constitution, came from Udupi. In the *Commissioner, Hindu Religious Endowments, Madras vs Sri Lakshmindra Thirtha Swamiar of Sri Shirur Mutt* case, or *Shirur Mutt*, of 1954, the Court ruled, "...what constitutes the essential part of a religion is primarily to be ascertained with reference to the doctrines of that religion itself." Ever thereafter, the judgment in *Shirur Mutt* has remained the focal point of constitutional discussion on religious freedoms. The "essential religious practices" test appeased traditionalists by 'assuring them that the Court would be sympathetic to their respective religious faiths. It also supported state-sponsored reform by leaving one agency of the state — the judiciary — with the power to determine and pronounce upon (perhaps, transform) religious practice and belief.

'Religious practice'

Since it was first propounded, the "essential religious practice" test has been problematic. How is the Court to determine what an 'essential practice' is? Should it 'rely on religious leaders'? Should it 'call for evidence'? Should judges 'pursue these questions on the basis of their own research'? Justice D.Y. Chandrachud in the Sabarimala case, bemoaned, "... compulsions

nonetheless have led the court to don a theological mantle. The enquiry has moved from deciding what is essentially religious to what is an essential religious practice. Donning such a role is not an easy task when the Court is called upon to decide whether a practice does nor does not form an essential part of a religious belief. Scriptures and customs merge with bewildering complexity into superstition and dogma. Separating the grain from the chaff involves a complex adjudicatory function. Decisions of the Court have attempted to bring in a measure of objectivity by holding that the Court has been called upon to decide on the basis of the tenets of the religion itself. But even that is not a consistent norm.”

In the case of the hijab, there is no doubt that an observant Muslim woman might insist that the following verses from the Koran mandate her to keep her head covered. Chapter 33, Verse 59 says “ O Prophet! Enjoin your wives, your daughters, and the wives of true believers that they should cast their outer garments over their persons (when abroad): That is most convenient, that they may be distinguished and not be harassed.” Chapter 24, verse 31 is more explicit in decreeing, “And say to the believing women that they should lower their gaze...; that they should not display their beauty and ornaments except what (must ordinarily) appear thereof; that they should draw their khimâr ... and not display their beauty except to their husband, their fathers, their husband’s fathers, their sons, their husbands’ sons, their brothers or their brothers’ sons, or their sisters’ sons, or their women....”

A possible fallout

Questions of uniforms never troubled my five years of college in Udupi in the early 1980s. There was no requirement of uniforms. Subsequent administrators, in the 1990s, may have decreed uniforms to prevent competition amongst fashion-conscious teenagers. Today, there is no one uniform code which is mandated throughout the State. Individual colleges do decree uniforms, but not necessarily the manner of wearing them. An unfortunate side-effect of the current controversy may well be a State administrative order decreeing uniforms for all college

students throughout the State of Karnataka. That to my mind would be a killjoy response of an administration that prioritises uniformity over diversity.

In the absence of a statutory uniform code, a court may well ask whether a head covering mandated by some religions, when worn in addition to the uniform, violates any legal tenet. Would the same standards that banish a female hijab apply to a turban worn by a male Sikh student? Can government colleges deny education to students who are seen to be violating a uniform code? Is the hijab or even a full covering in any manner violative of the process of imparting education? Can a government committed to female education deny education to those it deems improperly dressed? Should implementation of a dress code be prioritised over imparting education to all that seek it? These and other like questions will probably soon engage the attention of a constitutional court. That court may do well to heed Justice R.F. Nariman’s dictum in the Sabarimala review which says, “... After all, in India’s tryst with destiny, we have chosen to be wedded to the rule of law as laid down by the Constitution of India. Let every person remember that the “holy book” is the Constitution of India,...

Competing rights

The interpretative answer to the hijab row, from the “holy book”, might lie in another case from Udupi district. Three years after *Shirur Math*, in 1957, the Supreme Court, in *Sri Venkataramana Devaru vs State of Mysore*, had to examine whether the exclusion of a person from entering into a temple for worship is a matter of religion according to Hindu ceremonial

law. The Court held “... that the right of a denomination to wholly exclude members of the public from worshipping in the temple, though comprised in Art. 26(b), must yield to the overriding right declared by Art. 25(2)(b) in favour of the public to enter into a temple for worship. But where the right claimed is not one of general and total exclusion of the public from worship in the temple at all times but of



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Cartoon courtesy: R. Prasad,
Economic Times



Lataji

- Prima Donna of Playback singing

A Tribute

While India found its voice in freedom, Lata's lilting voice trailed the citizens from dawn to dusk, as they went about their daily chores. It musically defined the nation's moods and dreams.

Raghavendra Ayi

Lata Mangeshkar, the undisputed queen of rhythm, melody, 'sur' feel emotion, passion, zeal connoisseurs and commoners alike for over seven decades passed away on 6th February, 2022 after a brief illness at Mumbai at the age of 92.

Lata dominated the playback singing for over 8 decades and has become an inseparable part of every Indian. While India found its voice in freedom, Lata's lilting voice trailed the citizens from dawn to dusk, as they went about their daily chores. It musically defined the nation's moods and dreams. India Today magazine wrote a few years ago: "it is the voice to which the road side vendor in Delhi has transacted his business, the long-distance trucker has sped along the highway, the Army Jawan in Ladakh has kept guard at his frontier bunker, or the glittering elite of Bombay have dined in luxury hotels. Wedded to music as she remained, her magical music became the language of universal communication. Even a school going child could recognize her voice.

Lata was born in the family of great musicians. Her father, master Dinanath was a trained singer and ran a Marathi theater company. Naturally Lata grew up listening to music which was an essential part of Marathi dramas those days. Lata made her debut on stage at the age of five in 'Soubhadra' At nine she played the role of Narada. Lata was named HEMA at birth. But later her parents renamed her LATA after a women character named latika from her father's play BhaavBandan. Later she came under the tutelage of Pandit Ramakrishna Vajhe and Ustad Aman Ali, both renowned

virtuosos of Hindustani music those days. This training helped her have sound musical base to build on and embellish. Young Lata had to shoulder the responsibility of sustaining the family following her father's passing away.

Failure to Success: An axiom says that "failure is the first step to success". It literally proved true in case of Lata. In 1942, when she was only 13 years, Lata sang for a Marathi movie "KitiHassal" But her song was dropped from the final cut. Music director Gulam Haider took Lata to film producer Shashadhar Mukherji in Bombay. He was in search of a new singer for his film "Shaheed". Mukherji declined to engage Lata. His comment that Lata's voice was 'thin' upset Gulam Haider more than it did Lata. Gulam Haider had recognized the hidden musical talent in Lata.

Lata got the first break the same year by singing "Dil mere Thoda, MujheKahin Ka Na Chhoda" for the film 'Majboor'. Thanks to Gulam Haider whom Lata respected so much as her god-father. In the initial days of her career Lata had to face a criticism that she imitated Noor Jahan, a well known playback singer of those days. Lata overcame it by seeking help of Noor Jahan herself. Noted thespian Dilip Kumar commented that Lata's diction of Urdu words was flawed. Lata's urge to excel compelled her to learn Urdu and she overcome the flaw.

Lata moved to Bombay in 1945 after her stings in Indore, Pune and Kolhapur. "Aayega Anewala" from 'Mahal' -1949 picturised on Madhubala, famed actor turned out to be her major hit. Another memorable song "Hava Main UdaJaaye- Mora Laal Dupatta Malmalka"

from 'Barsaat' 1949 become popular. Listening to Lata's "Ye zindagi Usi Ki Hai" (based on raag Bhimpalasi) the poignant number from 'Anarkali', Ustad Bade Gulam Ali Khan, the inimitable doyen of Hindustani music remarked in admiration: "Kambakth kabhi Besuri Nahi Hoti!" (.. this girl never goes out of tune). This happened in 1953 and the best of Lata was yet to come! As a singer Lata achieved a quantum jump in the decade of 1960's. "Pyaar Kiya to Darna Kya"; "Ajeeb Daastan Hai Ye"; "Allah Tero Naam" (Bhajan); "lag Jaa Gale"; "Aaj Phir Jeene Ki Tamanna Hai" all become super hits in real sense. Lata's "Ye Mere Vatan Ke Logon" (lyrics – poet Pradeep) sung so passionately as a tribute to the soldiers who became martyrs in Indo-China was (1962) moved Prime Minister Nehru to tears and infact every one who heard it then.

Her music possessed the power of transcending India Borders. Lataji got the honour to perform in the prestigious Royal Albert Hall, London. The Government of France conferred on her it's highest civilian honour- The Officer of legion of Honour (2007) 1974 edition of the Guinness Book of Records listed Lata Mangeshkar as the most Recorded Artist.

Many of her duets with renowned singers like Md.Rafi, Mukhesh, Kishore Kumar and others have been among Hindi cinema's most memorable yugalgeets. Lataji recorded over 25000 songs in around 36 languages in her career spanning over seven decades in a life span of nine decades she literally lived and breathed music. Lataji recorded her last song "Sougandh Mujhe is Mitti Ki" (composed by Mayursh Pai) in March 2019 as a tribute to the Indian Army and nation. Recording at the age of 90. Just amazing!

Lataji has been honoured with the highest civilian award Bharat Ratna. Notable feature is that while four of the five Bharat Ratna awardees from the music field belong to purely classical music genre, Lataji is the only playback singer to get the country's highest award. She was Member of Parliament (Rajya Sabha) from 1999 to 2005. She was frank enough to describe her tenure as "Unhappy"

Lataji is no more, but she has left behind a treasure trove of thousands of songs vocalized in her sweet and mellifluous voice. People will keep humming her songs for many more years.

(Writer is Former President, IEU, Dharwad)

Listening to Lata Mangeshkar in Lahore

Lata was a first-name acquaintance as was Rafi and all others. No Lataji or Lata didi for us. Pakistanis have owned them as much as Indians have owned Farida Khanum, Mehdi Hasan, Ghulam Ali and Nusrat Fateh Ali Khan. These masters figure frequently in newspaper columns on culture on both sides, sometimes in fiction too

Farah Zia

(Courtesy Indian Express 9/2/2022)

It was Lata's birthday on September 29, 2021. I shared an old Urdu poem written by a poet-journalist friend Shiraz Raj, who was brought up in Lahore and now lives in Brussels. I recall that growing up in Lahore in the 1970s, around the same time as Raj, Lata Mangeshkar was a habit. She was a part of a collective routine, like getting up in the morning and going to your school or college or workplace.



Each morning, the medium wave-enabled radio sets in almost every household played Aap ki Farmaish on All India Radio's Urdu Service. The presenter would read out multiple names, from cities, towns and villages in Pakistan, requesting popular film songs. While my mother wove mine and my sister's long hair in neat braids, we heard terms like Do-gana (duet), and names like Majrooh Sultanpuri, Laxmikant-Pyarelal,

Naushad, Lata Mangeshkar, Mohammed Rafi, Kishore Kumar and Asha Bhosle. As we stood on the roadside, waiting for the tonga to take us to school, the surrounding tea stalls all played Hindi filmi music. There was no escaping Lata, to the point that I started taking the name for granted.

The real introduction to the maestro came by and by — once I realised that it was not the glamorous Mala Sinha singing *Ye haryali aur yeh rasta* on the grainy black-and-white screen, it was the Lata Mangeshkar. I did feel somewhat cheated at the picture of a simple-looking singer, who was behind those timeless melodies pictured on the beautiful Hema Malini, Asha Parekh, Nutan, Mumtaz and many more.

The quest of knowing Lata Mangeshkar went on — to know excellence had nothing to do with looks; to know the worth of playback singers and their connections with music directors and lyricists; and to know some basic facts alongside, including that the two most familiar names of Hindi music, Lata Mangeshkar and Asha Bhosle, were sisters. As a child, both Lata and Asha sounded the same to my untrained ears. Knowing the distinction between the two was a mark of growing up and becoming educated in music.

In the 1970s and '80s, we had already missed what became known as the golden period of Indian film music — the decades of 1950s and '60s. Thankfully, the music from that time was preserved and accessible. In Pakistan, it was widely available on radio (Radio Ceylon being a popular means for a long time), gramophone records and audio cassettes.

The political context of enmity between India and Pakistan is irrelevant when it comes to music. Indian films have faced more controls, forcing Pakistani viewers to move from cinemas to Doordarshan to VHS tapes to dish antennas and so on. Music, on the contrary, is thought of as common heritage. It is part of a collective memory that transcends Partition and unites people in strange ways. It came as no shock when Pakistanis mourned Mohammad Rafi's rather early death in 1980. A childhood memory is of the red swollen eyes of a lawyer from Mianwali, who lived next door and was a huge Rafi fan.

It was as if the ties never severed. Lata was a first-name acquaintance as was Rafi and all others. No Lataji or Lata didi for us. Pakistanis have owned them as much as Indians have owned Farida Khanum, Mehdi Hasan, Ghulam

The political context of enmity between India and Pakistan is irrelevant when it comes to music. It is part of a collective memory that transcends Partition and unites people in strange ways.

Ali and Nusrat Fateh Ali Khan. These masters figure frequently in newspaper columns on culture on both sides, sometimes in fiction too. In his modernist short story *Teh Dar Teh*, Balraj Menra records a conversation between two friends named Intizar Husain and Balraj. In the story Intizar says: "Yaar aik kaam karo... yaar Kashmir le lo, Lata Mangeshkar hamey de do... Hanso mutt! Subha jab hum dus crore Pakistanion ki aaankh khulti hai, Lata ki awaaz hamare kanon main parti hai.. Lata.. (Friend, do me a favour...my friend why don't you keep Kashmir and give us Lata Mangeshkar. No, don't laugh! Every morning ten crore Pakistanis wake up to the voice of Lata in their ears...Lata..)"

Having accepted Lata as the undisputed melody queen, people on this side of the border kept abreast with all scandals and gossip, through film magazines that were easily available in the first few decades. I remember reading a petty squabble about who was the older of Noorjehan and Lata, also about a discord between Asha and Lata, and the famous fight between Lata and Rafi, all amicably resolved in the end — except perhaps in Pakistani households. The famous quote, celebrated since the day it was uttered, is about Lata praising Mehdi Hasan in these words: *Unn ke galey man bhagwan bolta hai.*

The music buffs of Lahore insist that ace music director, OP Nayyar, who had refused to work with Lata Mangeshkar, declared *Aaj phir jeene ki tamanna hai* sung by Lata as the greatest song ever. For them, music directors like Naushad, SD Burman, Madan Mohan and Shankar-Jaikishan had picked and made her the Lata Mangeshkar that we know, though there were others too.

Such is Lata's power and influence. She walked the tight rope, balancing greatness with popularity. She made music that one could enjoy and feel elevated about at the same time. This sense of fulfilment is where Lata Mangeshkar's true greatness lies.

(Zia has worked as a journalist and magazine editor for 25 years. She now works as director, Human Rights Commission of Pakistan) ■

LIC IPO : Condemnations from Leaders across the political spectrum

Leaders across the political spectrum have condemned the Modi government's filing the Draft Red Herring Prospectus with the Capital Market regulator Securities and Exchange Board of India (SEBI) on 13th of this month enabling the IPO of LIC. They condemned this act of the government through their statements in the Social Media forum i.e. Twitter, Face Book etc.

Shri M.K.Stalin,
Chief Minister, Tamilnadu
(In his Twitter page)

@LIC over the years has catered to the needs of crores of Indians, earned their trust and has provided social security with its efficient functioning.

@The Union Government's act of filing DRHP with SEBI to sell 5% of its stakes is undoubtedly a move towards privatization and quite undesirable.

It goes without saying that this is neither in the interests of our people nor the organization.

@An ideal government shall build institutions instead of involving itself in a selling spree. I urge the Union Government to roll-back this ill thought-out decision and save LIC India forever.

Shri Su.Venkatesan,
MP, CPI(M)
(In his Twitter page)

@LIC IPO – The first step towards privatization.

@Those who have not created a single Public Sector company will not spare a single one.

@Farmers' movement has taught us how to fight in unison. The nation will take forward that cult.

Shri K.S.Alagiri,
President,
Tamilnadu Congress Committee
(In his Facebook page)

@LIC IPO – Prospectus filed with SEBI

@Attack on "Temple of Modern India" built by Nehruji.

@It is peoples' institution.
Will resist attempts to weaken it.

Shri Vanni Arasu,
Deputy General Secretary,
Viduthalai Chiruthaigal Katchi
(In his Twitter Page)

@LIC started selling shares. Filed DRHP with SEBI.

@Destabilising the LIC which is ensuring social protection to the deprived section amounts to destabilizing reservation.

@Don't devastate the future of the downtrodden of this country.

The Chief Minister of Telangana and YSR Congress, the ruling party of Andhra have also criticized the decision of Union Government of LIC IPO.

The interpretative answer... Contd from Page 25

exclusion from certain religious services, they being limited by the rules of the foundation to the members of the denomination, then the question is not whether Art. 25(2)(b) overrides that right so as to extinguish it, but whether it is possible-so to regulate the rights of the persons protected by Art. 25(2)(b) as to give effect to both the rights" *Venkataramana Devaru* points to the Court's endeavour to harmonise competing rights in a way that both were given effect to. In the hijab case, the courts will be called upon to protect an essential religious practice, in a manner consistent with imparting education in an orderly fashion.

It is not the domain of this article to prophesy the ultimate outcome of the ensuing legal battle.

The protesting girls may, however, take heart from another Kanakadasa-like episode from the late 1970s. Jon Higgins, an American scholar of music, was so proficient in Carnatic music that he was called Higgins Bhagvathar. When he visited the Udupi Shri Krishna temple, he was denied entry because of his white skin. He stood at the gate and sang in chaste Kannada the Vyasatirtha composition, '*Krishna nee begane baro*'. He was permitted entry immediately, possibly to avert another intervention from the deity. The moral I take from this episode is that unthinking enforcers of any kind of dogma will have to ultimately yield to a harmonious faith in a "holy book".



62nd General Conference of GDIEA

The 62nd Annual General Conference of Gauhati Division Insurance Employees' Association (GDIEA) was held on 18th December 2021 at the Institute of Engineers (India) Hall, Panbazar, Guwahati. The conference commenced with the hoisting of GDIEA's red flag by Com. Maitreyee Misra, President, GDIEA amidst raising of slogans by the comrades followed by floral tribute to the martyr's column. This time also, it was one-day conference held in the face of devastating situation created by the pandemic.

The delegate session of the conference was conducted by a presidium consisting of Com. Maitreyee Misra, President, GDIEA and all vice presidents of GDIEA namely Com. Gita Pegu, Com. Manoranjan Sarma and Com Iswar Prasad Boro. The conference was inaugurated by Com. Satanjib Das, Ex-Vice President of AIIEA as well as ex-President of EZIEA. In his inaugural speech Com. Das lambasted the ruling government's pro-capitalist policy to sell off all the profit-making PSUs and proposed IPO in LIC. He dealt in details how Government is all set to pave its way to privatize LIC in the name of IPO and he urged upon the house to build a strong movement against the IPO of LIC and to strengthen AIIEA to win the battle.

Com. Pitambar Rajbhandari, General Secretary of GDIEA placed the report of

working committee before the conference while Com. Pankaj Das, Treasurer, GDIEA placed the audited accounts of the organization for the year 2020. Com. Shreekant Mishra, Gen Secretary of AIIEA addressed the house virtually. He enlightened the house of efforts to resolve pending issues and informed of tactics that led to a spectacular wage revision. He concluded with an appeal for a strong support to the movement against LIC IPO. In this connection he spoke of the success of farmers' movement and how their consistent movement compelled the government to withdraw the farm laws.

Eighteen delegates participated in the discussion on the report submitted in the 62nd Annual General Conference of GDIEA. Intervening in the delegate session, EZIEA President Com Dhrubajyoti Ganguly addressed the house. He appreciated the enthusiastic and active involvement of the new comrades in all union activities. He also dealt with the inequality due to Neo-liberal economic policy adopted by the Congress and BJP government that resulted in aggressive accumulation of wealth by the capitalist community. He also called upon the house to focus on the issue of providing excellent services to our policy holders. Further, he lauded GDIEA for continuing union activities virtually in the pandemic situation through their web channel "AjirAalap". Com. B. K. Kalita, vice-president EZIEA, also present in the conference. Com. Birendra Kr Sarma also greeted the house on behalf of the Pensioners' Association. Com. Pitambar Rajbhandari, General Secretary of GDIEA summed up the discussions after which the report was accepted by the house unanimously. Any Conference is incomplete without a chorus performed by GDIEA's cultural troupe. This time also they performed a song written by renowned lyricist of Assam Keshab Mahanta at the very beginning of the session led by our beloved Com Ghana Kt. Deka. The most significant part of the conference was the presence of new members in a noticeable number and a packed hall till the end of the day long session, by maintaining all the Covid protocol issued by the local authority.

The conference unanimously elected a fifty-one member working committee with Com. Maitreyee Misra as President, Com. Pitambar Rajbhandari as General Secretary, Com. Pankaj Das as Treasurer.



Campaign against LIC IPO

- Kerala initiates a new path

“Kerala In Unison To Protect LIC”

A meeting of all unions in public sector insurance industry was held at Trivandrum on 15.02.2022 at 10.30 am to chalk out state level campaign programmes to protect LIC in public sector. Com. Aanathalavattam Aanandan, President, CITU State Committee presided over the meeting. Com Elamaram Kareem, MP (General Secretary, CITU, Kerala State Committee), Dr. Thomas Issac, Former Finance Minister, Kerala and Com. KN Gopinath, Secretary, CITU State Committee were present in the meeting. From Insurance sector leaders of LIC Employees' Union (AIIEA), Kerala State General Insurance Employees' Union (AIIEA), National Life Insurance Employees' Association (INTUC), All India LIC Employees' Federation, National Federation of Insurance Field Workers of India (NFIFWI), LIC Pensioners' Association (AIIPA) and LIC Agents' Organisation of India (CITU). Com. PG Dileep (General Secretary, LICAIOI), Com. Angathil Ajayakumar (Joint Secretary, NFIFWI), Com. PP Krishnan (Vice President, AIIEA) and other Zonal/State/Divisional leaders represented the unions.

Dr Thomas Issac in his introductory remarks explained the adverse impacts that LIC IPO is going to have on the interests of policy holders and the nation as a whole and the need for a sustained campaign to protect LIC in public sector. He shared confidence that if we build up a movement mobilising policy holders and involving all sections of the society, we can resist further disinvestment. Supplementing his presentation Com Elamaram Kareem proposed certain action programmes to be undertaken as first phase of campaign. The meeting discussed in detail the proposals. All were unanimous that a united and prolonged campaign is required and all unions extended their support. Also, all were of the view that our campaign should not scare the policy holders, but should give them confidence.

After detailed discussions the meeting took the following decisions

- Online meeting of all Class and Mass organisations on 27.02.2022 at 9.30 am. Meeting will be on Zoom platform with live telecast on fb pages of various unions. It is

planned in such a way that there will be different sessions of one hour each. Seperate session will be there for different segments of the society like students, youth, women, trade unions, mass organisations, intellectuals, media persons, lawyers, peoples representatives etc. Leaders and activists from each segment will join the meeting during the time slot allotted to them. Like this the meeting may go upto 9.30 at night without interval. Unions from insurance sector should ensure their participation throughout the programme.

- State level Convention at Ernakulam on 13.03.2022 Sunday at 11am. Policy holders also to be mobilised. A state level Campaign Committee will be formed in the convention.
- 10000 meetings of policy holders in the state at various centres upto village level. This will be organised in association with Libraries, youth clubs, NGOs etc. of the area. 300 resource persons will be selected and trained for effective conduct of these meetings.
- State level workshop on 03.04.2022 at Trivandrum to train resource persons to address these meetings.
- Signatures will be collected from the policy holders attending these meetings. Those signatures will be later pooled and submitted to the authorities.
- A leaflet in Malayalam will be prepared and widely circulated. Articles in various print/online media, release of a book etc will be planned as part of campaign. Social Media to be effectively utilised. On the day when IPO opens extensive debates in media to be organised.

In continuation to this meeting, a meeting of Central trade unions also was held at 4pm. Representatives from CITU, INTUC, AITUC and SEWA attended. Com. Elamaram Kareem (CITU) presided over the meeting which was inaugurated by Sri. R Chandrasekharan (President, INTUC State Committee). Programmes chalked out by the earlier meeting was placed in the meeting by Com. KN Gopinath (CITU). Com. KP Rajendran (State Secretary, AITUC) and Smt Soniya (General Secretary, SEWA) addressed the meeting. Leaders of various unions from

insurance sector also were present. Central trade unions present agreed to the proposals and offered all support to the campaign. All campaigns will be organised under the caption “ **Kerala In Unison To Protect LIC**”.

Earlier on 02.02.2022 a preparatory meeting was held online involving leaders of LICEU, KSGIEU and LICAUI in which Com. Amanulla Khan (Former President, AIIEA) and Com Shreekanth Mishra (General Secretary, AIIEA)

had joined. Com. Elamaram Kareem, Thomas Issac and KN Gopinath were present in that meeting also. All these meetings have enthused our comrades and have given them confidence to carry forward the campaign against LIC IPO with much more vigour. Com. Kareem sounded that already some discussions are there among trade unions in some southern states and experiences from Kerala will encourage them too to take up similar campaign.

Seminar at Vizag on Present Challenges in Insurance Industry

The ICEU, Visakhapatnam organized a seminar on the issue of present day challenges in the insurance industry on 11/2/2021. Com Shreekanth Mishra, General Secretary, AIIEA was the sole speaker.

Com Shreekanth pointed out that the challenges in the insurance industry are no different from those in other public sector enterprises. The government has embarked on a policy of wholesale privatization of public sector. This is evident from the Policy on Public Enterprises adopted by the Cabinet which has divided the PSUs into strategic and non-strategic institutions. It has declared that it will sell all the non-strategic PSUs and will maintain a bare minimum presence in the strategic sector. He also pointed out to the mishandling of covid leading to a tragedy of gigantic proportions and the economic misadventures of demonetization and faulty implementation of GST regime.

He applauded the people's campaign against the proposed privatization of RINL. The struggle to protect the RINL has turned into a people's movement. He appreciated the role played by AIIEA cadres of Visakhapatnam in this gigantic struggle.

Speaking on LIC IPO, he pointed out that this will have a disastrous impact on the national economy and the future of the institution. The LIC which has created massive wealth while protecting the interests

of the policyholders is a unique institution. It has made remarkable contribution to the national development. It has insured 40 crore lives which itself is a record in a country which has low levels of income and lack of disposal incomes.

He pointed out that AIIEA is determined to resist the government plans on LIC. It will seek the popular opinion and develop a sustained struggle. The AIIEA has decided on a day's strike on the opening of subscription of LIC IPO. It has also decided to join the other sections of the working class in the two day nationwide strike on 28th and 29th March 2022.

Com Shreekanth pointed out that ICEU Visakhapatnam has a remarkable record in strike performance. He exuded confidence that the coming strikes also will be hundred percent successful in Visakhapatnam Division.

The Seminar was presided over by Com Kameshwari, President of ICEU, Visakhapatnam and it was participated by a large number of employees. It was a very successful program.



Seminar on Budget by CDIEA, Cuttack



A seminar on Union Budget-2022-23 was organized by Cuttack Division Insurance Employees Association (CDIEA) on 11 February 2022. Addressing the seminar Com (Dr) Santosh Kumar Mohapatra, vice-president of CDIEA and noted columnist, labelled the budget contractionary, directionless regressive, anti-federal, pro-rich /corporate.

He made scorching denunciation on budget and stated that it is bereft of distributive justice and fails to address the gruelling problems of poverty, hunger, inequality, and unemployment that inundate Indians. He further lambasted the finance minister for creating an illusion of hope and talking about long-term prospects to hide present failures. He further said that when it is difficult for a large section of Indians

to survive today and struggle to eke out basic existence or manage two square meals a day., how can they dream of the future? Actually, they are witnessing poisonous times not “Amrut kala” as stated by the finance minister. The government must realise the harsh reality that India is descending towards catastrophic human suffering and state failure, he said.

Another speaker, Com R N Mallik, former president of CDIEA and EZIEA, discussed how various

expenditures on subsidies and the social sector have been cut by a mammoth margin to the detriments of the masses. He made a scathing attack for not taxing rich corporates who have amassed enormous wealth during pandemic especially when 84% family has seen the decline of income and 4.6 crore people are dragged into the quagmire of poverty. He urged upon the audience to make a two-day nationwide strike to March 28-29 a grand success to push fascist forces backward.

Com Abhay Das, general secretary of CDIEA gave an introductory address, while Com G B Maharaj, vice president, presided over the meetings. Com Prasant Nayak, organizing secretary gave the vote of thanks. A good number of comrades from Cuttack attended the seminar.

A WEBINAR on LIC IPO organised by ICEU Hyderabad and Secunderabad Divisions

The webinar, jointly organised by ICEU Hyderabad and Secunderabad Divisions on LIC IPO- CONSEQUENCES and TASK AHEAD, on 12/2/2022 a magnificent success. People from across the country viewed the webinar and commented in our favour. The webinar to which Com. Amanulla Khan was the only speaker was watched live by 750 plus people on YouTube and Facebook. The speaker Com. Amanulla Khan, in his inimitable way, dealt the subject with crystal clear emphasis on what are the challenges that may have to be confronted with in the future. By the time webinar was concluded, the total viewership was 4600 and more than 1200 viewers condemned the idea of LIC IPO. People from fraternal Trade unions, within and outside

our industry, have keenly participated to know the latest updates on LIC IPO and the task that is going to be taken up by cadres of AIIEA. Friends and family members of our comrades need special mention for their wholehearted and genuine participation in the webinar.

Meticulous planning made webinar extraordinarily successful. The role played by Social Media Team was commendable. Posters and templates were prepared by our own comrades to highlight importance of webinar. Employees stepped forward to keep webinar poster as their WhatsApp status and DP for a period not less than a week. This gave huge publicity to webinar, outside our industry as well. Family members of our Comrades,

especially children, volunteered to promote webinar thru their voice and video messages on WhatsApp, Facebook & YouTube.

The webinar began with the welcoming note by Com D.S Raghu, General Secretary ICEU Secunderabad. Com. N.Adhish Reddy, President ICEU Hyderabad Division and Com. MN. Srinivasulu, President ICEU Secunderabad Division formed the presidium. Com.G.Thirupathaiah, General Secretary ICEU Hyderabad initiated and explained the need for holding such a webinar at this moment. Mentioning the background of webinar he placed that LICIPO was being pushed by the government in a tearing hurry. The aim is to generate resources to meet the fiscal deficit target. But this would be at the cost of the policyholders and national economy.

Com. Amanulla Khan requested every employee to understand seriousness of the situation we are placed in. Our struggle has reached a critical stage and Government wants to test the endurance capacity of AIIEA. We have got enough endurance to resist the attacks and we will fight every inch of ground against the pernicious policies of privatization, he asserted. He said that Government of India was going unilaterally with the disinvestment of Life Insurance Corporation of India despite huge opposition. It has political mandate and

parliamentary majority but it lacks moral support from the large section of the people who are totally against the disinvestment of LIC. It is the moral bankruptcy of Govt. that is making them go ahead with listing of LIC. As a responsible trade union we cannot allow the LICIPO unchallenged,

He informed participants that as per the latest amendments to LIC Act, Govt will hold 75% stakes in LIC up to next 5 years and thereafter it will continue to hold 51% stakes for all times in LIC. This commitment was not given to any PSU, but for LIC. Owing to our relentless campaign on the importance of public sector LIC, Govt. had to commit this. He also recollected that both, Narasimhan committee on banking sector reforms and Malhotra committee on insurance sector reforms recommended for privatisation. Disinvestment in Banks began in 1995. However, even after 28 years, Govt couldn't sell stakes in LIC. This could be possible due to our relentless campaign equally supported by policyholders and people at large.

During interactive session, participants posed certain questions on the subject. Com. Amanulla Khan patiently answered all the queries with clarity and gave suitable guidance on future forms of agitations. Webinar concluded with vote of thanks proposed by Com. D. Giridhar, Jt. Sec, ICEU Hyderabad Division.

Candle Light Protest against LIC IPO

ICEU Hyderabad and Secunderabad Divisions jointly organised a candle light protest programme against LIC IPO across both the Divisions on 17 Feb, 2022. At every centre good number of officers, agents and fraternal trade

union workers participated along with ICEU members. The program received overwhelming response of the members and well-wishers. The participants raised reverberating slogans against anti working class and Pro corporate policies of



BJP led NDA Govt. Offices were illuminated with candle lights. At some centres, candle light rallies and pamphlet distribution were simultaneously taken up. Uniform dress code observed by some of the units added revolutionary colours to the activity.

Com. Shrikantha Mishra, General Secretary, AIIEA, speaking on the occasion, congratulated the employees on waging series of agitations against the anti working class

BOOK RELEASE AT VISAKHAPATNAM

Com MVS Sharma, a former LIC employee and former MLC has written a book titled “Ammakaniki Prajala Nammakam” (People’s Trust for Sale). This Book speaks of the success story of LIC and takes strong objection to the decision of the Government to list LIC in the stock exchanges through an Initial Public Offering. The Book details the contribution of LIC to the national economy and the spread of insurance awareness to the remotest parts of the country.

There is no justification for LIC IPO which is a step towards privatization. LIC has remained loyal to the objectives of nationalization and has touched the lives of millions of people while providing funds to the government at cheaper rates for infrastructure and social development. The only reason for the LIC IPO is to generate revenues to meet the fiscal deficit. Com Sarma also highlights the commitment of the present regime to neoliberalism which is leading the country towards an economic disaster. Through the Book Com Sarma appeals to the democratic,



progressive sections of the society and working class to oppose the government’s move on privatization of LIC.

The Book was released in a function organized on 7/2/2022 at LIC Recreation Club, Visakhapatnam. Com.M.Kameswari President ICEU, Visakhapatnam presided over the program. Apart from Com MVS Sarma, author of the Book, Com B.B.Ganesh, Former President of ICEU and Com Varaprasad, General Secretary also spoke. It was a very successful program.



policies of Govt in general and LIC IPO in particular. He said that LIC, an insurance behemoth is built with the hard earned savings of policy holders over the last seven decades. Criticizing the government, he said that there was no transparency in arriving at the embedded

value (EV) of LIC. He said that LIC employees will observe ONE DAY STRIKE on the day IPO opens for subscription. He requested the participants to take inspiration from three decade long struggle against neoliberal policies and continue the agitations to safeguard public sector LIC.

Com. V Ramesh President, AIIEA inaugurated the programme by lighting the candle and passing it on to other participants. All the employees, holding the candles and shouting anti IPO slogans, formed a human chain in front of Divisional Office, Hyderabad. The programme was widely covered by Print and Electronic media.

Com. BS. Ravi, Com. KS.Rajashekhar along with TVNS Ravindranath, General Secretary, SCZIEF, P. Sujatha, Vice President, SCZIEF, G. Thirupathaiiah General Secretary, ICEU and the Divisional leadership M. Vijayalaxmi and Mythili participated. The programme, at Hyderabad Divisional Office, came to an end with vote of thanks proposed by Com. L. Maddileti



The filing of red herring prospectus with SEBI, the government has shown extreme hurry to complete the process of listing LIC before the end of 31st March 2022. The prospectus states that 5% of the equity held by the government will be offered for sale through IPO. The embedded value of LIC is estimated at Rs. 5.4 lakh crore. It is still not known what multiplication factor would be applied to determine the market value.

Most of the experts estimate the market value at over Rs. 15 lakh crore. This is simply amazing. An institution that was set up with an equity capital of Rs.5 crore has generated such massive value. The moot point is that this value is generated with the help of policyholders funds which the government now wants to appropriate. This value as long as it was benefitting the good of the entire society was a matter of appreciation. But unfortunately, through the LIC IPO, the government now is handing over the value generated through policyholders money and effort of the field force for private gains.

LIC is the third strongest insurance brand globally. LIC is the 10th most Valued Brand globally;

LIC gained in brand value by 6.8 per cent while the top 100 global insurance companies saw a 6 per cent decline in the brand value in 2021 from what they were in 2020. LIC is the only Indian insurer to rank in the Top 10 list of strongest branch and Top list of most valuable insurance brands. LIC is the fifth largest life insurer in the world and tenth largest in terms of total assets. LIC offers highest Return on Equity compared to peers globally.

The value of LIC's share of holding in companies listed on the NSE touched an all-time high of Rs 9.53 trillion in the third quarter of FY22, accounting for nearly 30 per cent of domestic institutional assets in equities.

The 'may-happen atmosphere' is also making waves – LIC's listing could dump nearly 60 per cent of the three insurers' free-float capitalisation on the market, and if the LIC's valuation is attractive, the pressure could spread beyond insurance market to consumer goods, non-banking financial companies and the ilk. "This is the biggest one and you have to make space for this," said a **fund manager who asked not to be named**. Historically, market leaders are the first ones that list. This is a rare moment when a large player is being listed very late."

Health insurance premiums continue the



INSURANCE NEWS in brief

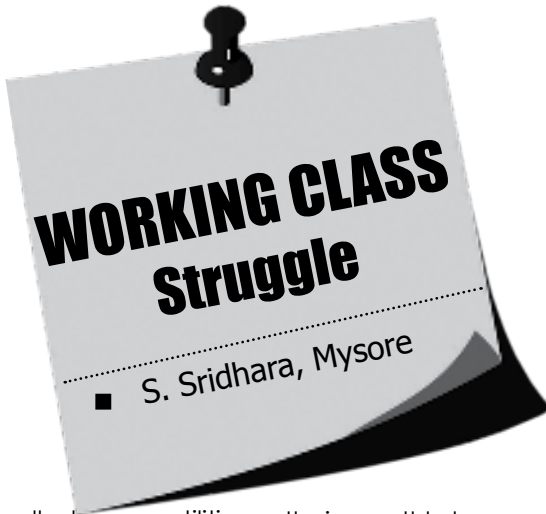
■ A.M. Khan, Dharwad

trend of driving growth of non-life industry ever since the pandemic began. Health insurance premium reported a growth of 26 per cent in the first 10 months of the Financial Year ending March 2022 which is double the growth seen in the same period a year ago. Growth in the Group health premiums has been faster than that of the retail health. Group health premium has witnessed a growth of 30 per cent as against 17-28 per growth in retail health.

The non-life insurance industry reported a five-month high growth rate of 15.9 per cent in January 2022 and was nearly 2.5 times the rate reported in January 2021. And, in FY22 so far, the non-life insurers reported a 11.6 per cent growth to Rs 1.82 trillion.

The IRDAI, after allowing overseas reinsurers to set up branches in India in 2017, has clarified that no group can have two separate foreign reinsurance branches (FRBs) in India.

IRDA proposes several amendments to the IRDA (Health Insurance) Regulations, 2016 following a review and after taking into consideration the dynamics of the insurance industry. IRDA states that the 2016 Regulations have been comprehensively reviewed in order to examine the scope for allowing operational freedom to both insurers and TPAs while protecting the interests of policyholders. The extant regulations are also reviewed from the perspective of allowing further facilitations to the Insurers and the TPAs. Amongst other major proposals are to - encourage life insurers also to incentivise policyholders for early entry, continued renewals (wherever applicable), favourable claims experience, preventive and wellness habits etc, as applicable; encourage insurers to offer discounts where there is an improvement in the risk profile; provide for personal accident products to be brought under the ambit of lifelong renewability in the interests of policyholders; ensure that after porting a policy, no subsequent claim related to claims already made with the previous insurer shall be repudiated by the new insurer on grounds of non-disclosure; prescribe timelines for calling for claim details from the previous insurer by the policyholder's new insurer after porting a policy.



WORKING CLASS Struggle

■ S. Sridhara, Mysore

India : power distribution workers protest nationally against privatisation :-

Thousands of workers from state-run power utilities across India demonstrated on 2nd February 2022 against government privatisation plans and for other demands. Workers and engineers have called for withdrawal of electricity (Amendment) bill 2021 which would allow private companies to enter the sector. Other demands are for integration of an unbundled power utilities, restoration of a previous pension scheme for all. The All India Engineers Federation (AIPEF) and National Coordination Committee of Electricity Employees & Enginners (NCCOEEE) are participating in 28th & 29th All India strike in March 2022. Puducherry power utility Workers on indefinite strike from 2nd Feb. 2022 on the similar demands. In other states Kerala, Karnataka, Andhra Pradesh, Tamilnadu, UP, Orissa workers participated in huge numbers.

BEML workers in Karnataka / Kerala protest against privatisation :- Workers from the government owned Bharat Earth Movers Limited (BEML) demonstrated outside their factory in Mysore, Kolar, Karnataka on 2nd Feb. in opposition to the Central Government moves to privatise the company. BEML is an Indian Public Sector undertaking head quartered in Bangalore, Karnataka. Since 1964 it has been manufacturing equipment for Defence, Mining, Railway and metro sectors. Workers held Demonstration from 2nd Feb. to 5th Feb. against the Government's move. Similar demonstrations were held in state of Kerala on 2nd Feb. 2022.

Delhi medical staff demand payment of overdue salaries :- Doctors and nurses and paramedics at the East Delhi Corporation run Hospital protested at the hospital campus on Feb. 2nd over four months outstanding salaries.

Child care workers in Delhi protest for job security :- Childcare Anganawadi workers from child care centres in Delhi protested on 31st. Workers protested near Chief Ministers residence. Presently anganawadi workers teach children from 3 – 6 years of age. The Delhi State Anganawadi workers and helpers union fear that unless they are employed as teachers in the education system, under (NEP) National Education policy their anganwadi professional existence will end.

Terminated Telecommuicajtions manufacturig workers in Karnataka protest : Terminated workers from the government owned telecommunication equipment manufacturer Indian Telephone Industries (ITI) Limited have been protesting for over 2 months outside the company's facility in Bangalore, Karnataka. Workers began hunger strike protest from 31st Jan. 2022.

Haryana rural health workers continue strike

action :- Over 50000 Rural Health (anganwadi) workers and helpers have been holding state wide strikes and protesting since December 8th over long outstanding demands. Workers demonstrated outside the mini secretariat in Gurgoan on 2nd Feb., burnt effigy of government officials and demanded re-employment of all workers dismissed during the strike. Anganwadi workers want

their monthly honorarium increased to Rs. 24000/- and Rs. 18000/- to helpers. The other demands include rise in their status to skilled workers category payment of dearness allowance and Rs. 3,00,000/- on retirement benefits. These low paid exploited workers are involved in the governments integrated child development scheme (ICDS) and oversee the health and education of children. They also provde assistance and advise to expectant mothers as well as being expected to do election duty and frontline workers moitoring the health of rural communities affected by covid 19 pandemic.

Andhra Pradesh government workers held state-wide protest :- AP Government workers began a state-wide campaign on 2nd Feb. opposing government wage revision which reduced their pay. Thousands of employees protested throughtout AP State. Workers held four day hunger protest from 3rd Feb. to 6th Feb. 2022. The Hyderabad High court had ruled that the government has the right to reduce wages of government employees to boost the ailing economy.

Tamilnadu sanitary workers oppose job outsourcing :- Sanitary workers in Tirunelvi, Tamilnadu demonstrated on 24th Jan. 2022 over several decades and condemned the state governments decision to outsource sanitary work at the state civic bodies. Protestors demanded that the sanitary workers at all urban civic bodies be paid Rs. 700/- daily minimum wage, uniforms be provided to workers who segregated the degradable and non-degradable waste and additional workers to be appointed instead of outsourcing the job. They also demanded PF (EPFO) to be properly paid into workers account and covid 19 infected workers to be paid full wages along with a Rs. 15000/- incentive allowance.

Punjab Government Bus Drivers protest pay cuts :- Bus drivers from Punjab roadways and PUNBUS stopped work in Bhatinda on 21st Jan. and used buses to block the entry and exit points of the city bus stand and other roads. workers alleged that their wages had been reduced since the state run bus companies altered timetables to favour private bus operators. The drivers ended their protest after government assured that the original timetable would be restored.



· According to Global inequality report, in 2021 just 10 individuals in the world increased their net worth by \$ 500 billion. If a worker is given \$ 1000 every day, it would take 2740 years for him to save \$ 1 billion. The cumulative wealth made in 2021 alone by the 10 richest people could wipe out a third of the total student loan debt in USA, which stands at \$ 1.5 trillion. It is astonishing

to note that it took just nine minutes for Telsa CEO Elan Mask, to make enough money to pay for the average cost of a workers student loan debt (\$39000). Assuming a Covid 19 test costs on an average \$ 15, the same wealth could purchase over 33 billion Covid 19 tests. This clearly exposes the very cruel nature of capitalism where immense resources are being hoarded by the rich and the ultra-rich while most the world's population struggles to survive the devastating economic situation or succumbs to the virus.

· According to the latest Oxfam report, the economic and social inequality in Asia Pacific region has escalated during the Covid 19 pandemic. It is found that 20 new "Pandemic Billionaires" had been created over the past two years with their fortunes coming from the manufacture of equipment, pharmaceuticals and services needed in response to Covid. The number of billionaires in Asia Pacific has expanded significantly since pandemic, reaching 1087 in November 2021, an increase of almost one-third, with richest 1% owned more wealth than the poorest 90% of the population. The additional wealth they have accrued during this period \$ 1.88 trillion is more than double the total of the poorest 20% of population. In Australia, the number of billionaires increased from 31 to 47 with their total rising from \$ 95 billion to \$ 204 billion. In China, the increase was from 387 billionaires holding \$ 1,177.5 trillion to 556 holding \$ 2.31 trillion. India, one of the hardest hit countries by Covid, the number of billionaires went from 102 to 142 with their combined wealth rising from \$ 312.6 billion to \$ 719 billion. Indonesia saw an increase in the number of billionaires from 15 to 21 with their combined wealth rising from \$ 537 billion to \$ 91 billion. The bulk of the increase in wealth occurred in the first phase of the pandemic. Between

March and December 2020, when more than 147 million full time jobs were lost in the region, the billionaires saw their wealth rise by \$ 1.46 trillion – enough to provide a salary of \$ 10000 for each worker who lost the job.

· The wealth of Mukesh Ambani, India's richest man increased so quickly between March and October 2020, that he

made enough money every four days, to cover the annual wages of all 1,95,000 employees. Since the advent of neo liberal policies in 1990, a failing global tax system and unequal pay and reward, have channelled income and wealth into the hands of the elite few. Between 1987 and 2019, the number of billionaires in Asia skyrocketed from 40 to 768. This massive diversion of wealth left a health system unable to deal with the impact of pandemic. Longstanding under investment and poor government oversight of public health system has resulted in high levels of out-of-pocket expenses in healthcare system. According to a report, in 2017 out-of-pocket payment accounted for more than 60% of health spending in Cambodia, Pakistan, India, Bangladesh and Myanmar, with 13% of Asian households already experiencing "catastrophic" spending on health care before pandemic hit. In India, more than 70% of health care spending have to be met by individuals.

· According to SBI's economic research team, India's GDP is likely to grow 5.8% in the third quarter of current fiscal. Indian economy expanded by 8.4% in the second quarter of 2021-22 to cross pre-pandemic levels. However, GDP growth in July-September period was slower than the 20.1% expansion in the preceding quarter. The GDP growth for the FY 2021-22 has been revised downwards to 8.8% from the earlier estimate of 9.3%. According to Hunrun report, the dollar billionaires or those possessing personal wealth of more than Rs.7 Crores rose to 11% to 4.58 lakh households in India at the end of 2021. According to a survey of 350 such dollar billionaires also indicated that number of those who classify themselves happy in personal and professional life slipped to 66% in 2021 down from 72% in 2020.



For our FIELD FORCES

■ Arivukkadal, Thanjavur

Largest Army: LIC has the largest army of individual agents totalling 13.3 crores. LIC also has 175 alternative channel partners, of which there are 44 insurance marketing firms, 59 brokers, and 72 corporate agents. LIC also has 3,463 micro insurance agents! Now it has joined hands with insurance aggregator Policybazaar.com for distribution of LIC's products.

Most productive: LIC had the highest agent productivity by premiums at Rs.4,13,000 per agent in fiscal year 2021. In terms of number of policies each agent sold 15.3 on average. Compared to this SBI Life, HDFC Life and ICICI Prudential Life sold 3.9, 1.3 and 0.9 policies for FY21. Their New Business Premium agent productivity for FY 21 stands at Rs.2,30,140, Rs.1,12,714 and Rs.102,356, respectively. LIC had 583 MDRT members in CY 2020, which was the most among all Indian corporates operating in the financial services industry and ranked 25th globally. LIC had 16,567 agents (including 583 MDRT members) who met the criteria for MDRT agent status in CY 2020.

Real Giant: The total value of LIC investments was pegged at a whopping Rs.39.5 lakh crore as on September 30, 2021. LIC's investments in listed equity represented approximately 4% of the total market capitalisation of NSE. LIC has booked profit worth Rs.29,102 crore from the sale of investments in the first six months of the current financial year. Taking into account dividends and realised gains, LIC saw the yield on equities at 13.69%. However, **if the unrealised gains are also factored in, the yield shoots up to a whopping 280.19%.**

Highest Return: LIC had an return on equity (RoE) of 82% in FY21, which was highest among global peers. This was four times of its nearest competitor China's Ping An Insurance (19.5%). Return on equity signifies how good the company is in generating returns on the investment it received from its shareholders.

Even Larger: Nearly Rs.10 out of every Rs.100 saved by the Indian household each year goes to LIC, making it larger than even the perceived staple of household savings - a deposit with SBI, foreign brokerage UBS said in a report.

Average Premium: LIC has reported Rs.1,437 crore net profit in the first half of 2021-22. During the same period, the company made Rs.1.49 lakh crore through different investments. The average ticket size of the premium paid towards individual policies (non-single) came down to Rs.16,944 during the period compared with Rs.18,940 in the previous

year. The persistency ratio of individual policies also worsened during the Apr-Sept FY22 period with only 49% of policies being continued after five years. Last year the persistency ratio was 52%.

BSE-Ebix - LIC: BSE Ebix Insurance Broking, a joint venture of BSE and Ebix Fincorp Exchange Pte Ltd has announced signing of an insurance broker agreement for the distribution of LIC products on its platform.

Insurance Penetration: Coronavirus has pushed life insurance penetration in India from 2.82% in 2019 to 3.2% in 2020 (the year Covid hit) which is close to the global average. When it comes to overall insurance penetration which includes both life and non-life insurance in India, the insurance penetration was 2.71% in 2001 and has steadily increased to 4.2% in 2020. As of 2020, the penetration of non-life insurance penetration was 1%. While India has now reached close to the international average in terms of insurance penetration for life insurance, we lag behind in terms of non-life insurance. Globally, insurance penetration was 3.3% for the life segment and 4.1% for the non-life segment in 2020.

Non-life Growth: The non-life insurance industry reported a five-month high growth rate of 15.9% in January 2022 and was nearly 2.5 times the rate reported in January 2021. The growth has continued to be driven by the health segment; crop insurance has contributed significantly to the growth for the month of January 2022.

Policyholder pays: Rural Postal Life Insurance (RPLI) and Postal Life Insurance (PLI) policyholders will now have to bear the merchant discount rate (MDR) charges while paying insurance premiums online. MDR is a fee that a merchant is charged by their issuing bank for accepting payments from their customers via credit and debit cards.

**FORM IV
(See Rule 8)**

Statement about ownership and other particulars about Insurance Worker

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

Date: 01.03.2022

Vedaraja N.K
Publisher

Responses



The February 2022 issue of Insurance Worker is very good. I found an error in the date of death of Desmond Tutu and General Bipin Rawat. The year of death is mentioned as 2022 instead of 2021.

Sailesh Kumar K S

Kottayam Division

(Thanks. Error is regretted-Ed.).

The February 2022 issue is very rich in content. The Editorial, article on LIC IPO, Prof Arun Kumar and G.Thiupathaiah's articles are very educative and are of tremendous value for our campaign against neoliberal economic policies and a regressive social policy being practiced by the Government of India.

P.Muthukumar

Tiruvannamalai

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Insurance worker heartily
thanks these comrades for their
love and affection

CONSUMER PRICE INDEX

Month	Base 2016	Base 2001	Base 1960
May	120.6	347.33	7928.07
June	121.7	350.50	8000.39
July	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

Base 1960 = Base 2001 x 22.8259;

Base 2001 = Base 2016 x 2.88



Let us declare that a state of war does exist and shall exist so long as the Indian toiling masses and their natural resources are being exploited by a handful of parasites. They may be purely British capitalists , or mixed British and Indian, or even purely Indian..... This war shall continue...It shall be waged with new vigour, greater audacity and unflinching determination till the socialist republic is established.

(From a letter written to Punjab Governor in March 1931)

With best compliments from

Vima Kamgar Sanghatana, Aurangabad
(Regd. No. A.W.B./1715/98)

Insurance Employees Union, Satara Division
(Regd. No. PN - 1307)

Amravati Divisional L.I.C. Employees Union
(Regd. No. 1926)



(Affiliated to AIIEA through WZIEA)

Revolution is an inalienable right of mankind. Freedom is an imperishable birth right of all. Labour is the real sustainer of society. The sovereignty of the people is the ultimate destiny of the workers..... For these ideals , and for this faith, we shall welcome any suffering to which we may be confined. At the altar of this revolution, we have brought our youth as an incense, for no sacrifice is too great for so magnificent a cause. We are content, we await the advent of Revolution.

Inquilab Zindabad

(from the historic statement before the British court on June 6, 1929 by Bhagat Singh and B.K.Dutt)



Remembering March 23, 1931-Shaheed Divas

दिल से निकलेगी न मरकर भी वतन की उल्फत
मेरी मिट्टी से भी खुशबू-ए-वतन आयेगी

(the final song on the lips of Rajguru.Bhagat Singh & Sukhdev)

With best compliments from

**Western Zone
Insurance Employees Association**

