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Defend the
Pride of India

DEMOCRACY ON RETREAT & MORAL BACKSLIDING



Wars in Gaza
& Ukraine

ALL ALONG THE GLOBE
FROM THE 'OLDEST DEMOCRACY'
TO THE 'MOTHER OF DEMOCRACY'



Irrational Model



A Dignified Existence
to All Citizens DEMANDS
ACCOUNTABILITY from
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Democratic Backsliding and Institutional Collapse

September 15th every year is observed as International Day of Democracy as per the call of United Nations. This year the day was observed with serious concerns about the retreat of democracy in different parts of the globe. Democracy in essence is the rule of law, guarantee of individual freedoms, a free and non-partisan press and fairness of electoral processes. These essential requisite of democracy are clearly been undermined in most parts of the globe. What is concerning is the rise of authoritarianism, right-wing extremism and ultra-nationalism. These developments have the potential to destabilise societies and heap tremendous miseries on the people.

The United Nations Organisation created after the second world war to facilitate rule based international order has become toothless and powerless. This may be due to the very structural flaws in the concept of veto power. The UN Security Council has seen continuous misuse of this provision by the United States. This situation demands urgent reforms in the United Nations Organisation. The UN is unable to control the flagrant violation of international law in different parts of the world and more specifically by Israel which treats other nations' sovereignty with utter contempt. This has been possible because of the support it gets from the United States. The United States punishes all those who speak against the genocidal policies of Israel. It has imposed sanctions against the prosecutor and judges of the International Criminal Court which held that Israel is guilty of war crimes. The US has even imposed sanctions on Francesca Albanese, UN Special Rapporteur for speaking the truth about the situation of human rights in Gaza and other territories occupied illegally since 1967.

The United States is a country in perpetual wars. It is engaged in direct conflicts or through its proxies in different parts of the world. The idea is to establish total global hegemony and control the resources across the world for the benefit of its corporations. The US which was a settler colony has a dark history of elimination of indigenous society through direct physical genocide as also through deliberate spread of diseases. Therefore, it does not find any moral deficit when Israel is engaged in genocide to eliminate the Palestinians physically and also to displace millions to grab their land. The United States has indicated that it wants to take over Gaza and develop it as Riviera. What matters for imperialism is profits and it has no concern for human life. The unstinted support to Israel is due to

the fact that Israel serves as an outpost of US in the Middle East to defend its economic interests. Today the people of America themselves are experiencing the impact of Trump's policies on their lives. The democratic space is shrinking, dissent is being attacked and authoritarian tendencies are on the rise. One hopes that the people of America fight back this democratic and moral backsliding of their country.

While this is the reality of the oldest democracy which US calls itself, the Indian Prime Minister calls India as the mother of democracy. What is the state of democracy in India today? There is absolutely no doubt that democracy is on retreat. Various international organisations have raised concerns about the democratic deficit in India. The Economist Intelligence Unit's Democracy Index has termed India as a flawed democracy. The V-Dem Institute has called India as an Electoral Autocracy. It is but natural that these institutions have come under severe criticism from the Indian ruling classes. But the everyday lived experience of the ordinary citizen confirms the democratic backsliding and collapse of the institutions. The Indian Constitution is specific in the separation of power of different organs of the State. This was to check the overreach of any one Organ so that democratic values are safeguarded. But unfortunately, all the organs of the State have capitulated to the Executive who today enjoys total State power. Today Prime Minister's Office controls everything and the centralisation of power in the Prime Minister has made him immune to accountability both to the people and the parliament. This results in the emergence of authoritarian tendencies.

India today does not come out positively in any of the four essential requisite of democracy; rule of law, guarantee of individual freedoms, a free and non-partisan press and fairness of electoral processes. Indian Constitution affirms that all citizens are equal before law. But what we are seeing today is, that law is used to silence dissent and more importantly show the minorities that they cannot enjoy as citizens the same rights as the majority community. The State has been acting both as a prosecutor and judge to punish people especially those belonging to the minorities through demolition of their homes and places of livelihood and proudly claims it as bulldozer justice. This is a serious violation of the Constitution and unfortunately the judiciary often remains silent to this gross violation of constitutional values.

Freedom of expression has come under severe constraint. Democratic dissent is treated as treason and civil society activists are labelled as urban naxals. The criminal justice system itself has become a punishment with political opponents and civil society activists held in jail without trials for years together. Though the Supreme Court has held that Bail is rule and jail exception, we have seen the judiciary itself selective in treating the citizens. While for some Courts sit on holidays to grant bail within hours; others do not get even a hearing for years together. The individual freedoms are under severe attack.

The Constitution (One Hundred Thirtieth Amendment) Bill 2025 introduced in the Parliament seeks to automatically remove the Prime Minister, Chief Minister and Ministers from their positions if they are arrested and remain in custody for more than 30 days. With what intention this Bill is introduced is well known and who controls the investigating agencies too is known to everyone. The CBI, ED and IT authorities in the recent period have become agencies to fulfil the political ambitions and aspirations of the ruling party at the centre. This Bill is intended to destabilise the opposition ruled States and will have tremendous consequences for the federal structure of the country. The people have also seen that those tainted politicians in

संयुक्त राष्ट्र के आव्हान पर हर वर्ष 15 सितम्बर को अंतर्राष्ट्रीय लोकतंत्र दिवस के रूप में मनाया जाता है। इस वर्ष यह दिवस दुनिया के विभिन्न हिस्सों में लोकतंत्र के पतन को लेकर गंभीर चिंताओं के साथ मनाया गया। लोकतंत्र का सार है कानून का शासन, व्यक्तिगत स्वतंत्रता की गारंटी, स्वतन्त्र और गैर-पक्षपातपूर्ण प्रेस और चुनावी प्रक्रियाओं की निष्पक्षता। लोकतंत्र की इन अनिवार्य आवश्यकताओं को दुनिया के अधिकांश हिस्सों में स्पष्ट रूप से कमजोर किया जा रहा है। चिंता की बात यह है कि अधिनायकवाद, दक्षिणपंथी उग्रवाद और अति-राष्ट्रवाद का उदय हो रहा है। इनका बढ़ना समाज को अस्थिर करने और लोगों के ऊपर बेहिसाब मुसीबत लाने की संभावना रखता है।

द्वितीय विश्व युद्ध के बाद नियम-आधारित अंतर्राष्ट्रीय व्यवस्था को सुगम बनाने के लिए गठित संयुक्त राष्ट्र संगठन स्वयं अप्रभावी और शक्तिहीन हो गया है। इसका कारण संभवतः वीटो शक्ति की अवधारणा में निहित संरचनात्मक खामियां हैं। संयुक्त राष्ट्र सुरक्षा परिषद ने अमेरिका द्वारा इस प्रावधान का लगातार दुरुपयोग होते देखा है। यह स्थिति संयुक्त राष्ट्र संगठन में तत्काल सुधारों की मांग करती है। संयुक्त राष्ट्र विश्व के विभिन्न भागों में अंतर्राष्ट्रीय कानून के घोर उल्लंघन को नियंत्रित करने में असमर्थ है, विशेष रूप से इजरायल द्वारा, जो अन्य राष्ट्रों की संप्रभुता का घोर तिरस्कार करता

the opposition ranks are rewarded when they join the ruling party. This will have adverse impact on democracy, constitutional values and federalism.

The Election Commission has the most important role in advancing democratic and constitutional values. It is entrusted with the responsibility of conducting elections in a fair manner. But today unfortunately even this revered institution has been politicised and compromised. There are genuine concerns about the impartiality of the election commission. The recent actions of the Election Commission in Bihar where a large number of voters are disfranchised are questionable. The hurry and haste shown in revision of electoral rolls just before the State election raises several questions. Instead of addressing the concerns raised about the voting lists and fairness of the elections, the Commission is engaged in bulldozing all genuine concerns. The actions of the Election Commission will result in exclusion of the poor and marginalised. There cannot be any fair elections if the Commission chooses to remain partisan and does not assert its independence.

The independent and free press has a very important role in democracy. But with the big business controlling the media, the mainstream media with a few honourable exceptions has become a propaganda machine

of the government. There is absolutely no doubt that media has played a very dubious role in the decline of democratic and constitutional values. Those journalists who chose to remain independent are harassed through dubious use of law and a pliant police force which registers FIRs without even preliminary enquiry.

Therefore, the fight to protect democracy and constitution is central to all aspirations of the Indian citizens. In a republican constitution, it is the people who are supreme. It is the people who are the real masters and not the persons elected by them as their representatives. The well being of the people and a dignified existence to all citizens demand accountability from the government and other institutions. There is an urgent need for collective action by all citizens to stop this decline of democracy and pull back the country from slipping into a full scale authoritarianism. Globally, the working class must realise that the real cause of peoples' distress is the greed and accumulation of profits by the capitalist system. This system does not respect human life. The perpetual wars by imperialism will lead to many more conflicts, arm race and nuclear proliferation threatening the very existence of human race. Therefore, the global working class collectively must fight against imperialism and build a strong worldwide movement for peace, which is essential for human progress.

लोकतंत्र का अधोपतन और संस्थाओं का सर्वनाश

है। यह संयुक्त राज्य अमेरिका से प्राप्त समर्थन के कारण ही संभव हो पाया है। संयुक्त राज्य अमेरिका उन सभी को दंडित करता है जो इजरायल की नरसंहारकारी नीतियों के खिलाफ बोलते हैं। इसने अंतर्राष्ट्रीय अपराध न्यायालय के अभियोजक और न्यायाधीशों के विरुद्ध प्रतिबंध लगा दिए हैं, जिन्होंने माना था कि इजरायल युद्ध अपराधों का दोषी है। अमेरिका ने 1967 से अवैध रूप से कब्जे वाले गाजा और अन्य क्षेत्रों में मानवाधिकारों की स्थिति के बारे में सच बोलने के लिए संयुक्त राष्ट्र की विशेष दूत फ्रांसेस्का अल्बानीज पर भी प्रतिबंध लगाए हैं।

संयुक्त राज्य अमेरिका निरंतर युद्धों में उलझा हुआ देश है। यह दुनिया के विभिन्न हिस्सों में प्रत्यक्ष या अपने छद्म प्रतिनिधियों के माध्यम से झगड़ों में लगा हुआ है। इसका उद्देश्य अपने व्यापार संघों के लाभ के लिए पूर्ण वैश्विक आधिपत्य स्थापित करना और दुनिया भर के संसाधनों पर नियंत्रण करना है। खुद एक औपनिवेशिक कॉलोनी रहे अमेरिका का प्रत्यक्ष तौर पर सीधे नरसंहार तथा जानबूझकर बीमारियां फैलाने से वहां के मूल स्थानीय समाज के खात्मे का एक काला इतिहास रहा है। इसलिए, जब इजरायल फिलिस्तीनियों का शारीरिक सफाया करने और उनकी जमीन

हड़पने के लिए लाखों लोगों को विस्थापित करने के लिए नरसंहार कर रहा है, तो उसे कोई नैतिक कमी नजर नहीं आती। संयुक्त राज्य अमेरिका ने संकेत दिया है कि वह गाजा पर कब्जा करके उसे एक समुद्र तटीय रिसॉर्ट रिवेरा के रूप में विकसित करना चाहता है। साम्राज्यवाद के लिए केवल मुनाफा ही मायने रखता है और उसे मानव जीवन की कोई चिंता नहीं है। इजरायल को दिया जाने वाला भरपूर समर्थन इस तथ्य के कारण है कि इजरायल मध्य पूर्व में अमेरिका के आर्थिक हितों की रक्षा के लिए एक चैकी के रूप में कार्य करता है। आज अमेरिका के लोग स्वयं अपने जीवन पर ट्रम्प की नीतियों के प्रभाव को अनुभव कर रहे हैं। लोकतांत्रिक स्थान सिकुड़ रहा है, असहमति पर हमला हो रहा है और सत्तावादी प्रवृत्तियां बढ़ रही हैं। आशा है कि अमेरिका के लोग अपने देश की इस लोकतांत्रिक और नैतिक पतनशीलता से लड़ेंगे।

एक तरफ अपने आप को सबसे पुराना लोकतंत्र कहने वाले अमेरिका की यही वास्तविकता है और वहीं भारत के प्रधानमंत्री भी भारत को लोकतंत्र की जननी कहते हैं। आज भारत में लोकतंत्र की स्थिति क्या है? इसमें कोई संदेह नहीं

है कि लोकतंत्र का अधोपतन हो रहा है। विभिन्न अंतरराष्ट्रीय संगठनों ने भारत में लोकतांत्रिक गिरावट पर चिंता जताई है। इकोनॉमिस्ट इंटेलेजेंस यूनिट्स डेमोक्रेसी इंडेक्स ने भारत को एक विकृत लोकतंत्र करार दिया है। वी-डेम इंस्टीट्यूट ने भारत को एक चुनावी एकतंत्र कहा है। फिर तो यह स्वाभाविक ही था कि इन संस्थाओं की भारतीय शासक वर्गों द्वारा कड़ी आलोचना की गई। लेकिन आम नागरिक का रोजमर्रा का अनुभव लोकतांत्रिक पतन और संस्थाओं के नाश की पुष्टि करता है। हमारे भारत का यह संविधान राज्य के विभिन्न अंगों की शक्तियों के पृथक्करण के मामले में बिल्कुल स्पष्ट है। यह किसी एक अंग के अतिक्रमण को रोकने के लिए था ताकि लोकतांत्रिक मूल्यों की रक्षा हो सके। लेकिन दुर्भाग्यवश, राज्य के सभी अंगों ने कार्यपालिका, जिसके पास आज सत्ता की सम्पूर्ण शक्ति है, उसके सामने घुटने टेक दिए हैं। आज प्रधानमंत्री कार्यालय सब कुछ नियंत्रित करता है और सिर्फ प्रधानमंत्री में ही सत्ता की सारी शक्ति का केंद्रीकरण होने से वह जनता और संसद दोनों के प्रति जवाबदेही से मुक्त हो गया है। इसके परिणामस्वरूप सत्तावादी प्रवृत्तियां उभार पर हैं।

आज भारत लोकतंत्र की चार अनिवार्य आवश्यकताओं—कानून का शासन, व्यक्तिगत स्वतंत्रता की गारण्टी, स्वतंत्र और गैर-पक्षपाती प्रेस और चुनावी प्रक्रियाओं की निष्पक्षता—में से किसी में भी सकारात्मक रूप से खरा नहीं उतरता। भारतीय संविधान इस बात पर जोर देता है कि कानून के समक्ष सभी नागरिक समान हैं। लेकिन आज हम जो देख रहे हैं वह यह है कि कानून का इस्तेमाल असहमति को दबाने के लिए किया जा रहा है और इससे भी महत्वपूर्ण बात यह है कि अल्पसंख्यकों को यह जताया जा रहा है कि वे नागरिक के रूप में बहुसंख्यक समुदाय के समान अधिकारों का आनंद नहीं ले सकते। राज्य लोगों, विशेषकर अल्पसंख्यकों के घरों और आजीविका के स्थानों को ध्वस्त करके उन्हें दंडित करने के लिए अभियोजक और न्यायाधीश दोनों की भूमिका निभा रहा है, तथा गर्व से इसे बुलडोजर न्याय का दावा करता है। यह संविधान का गंभीर उल्लंघन है और दुर्भाग्यवश न्यायपालिका संवैधानिक मूल्यों के इस घोर उल्लंघन पर प्रायः चुप रहती है। अभिव्यक्ति की स्वतंत्रता पर गंभीर प्रतिबंध लग गए हैं। लोकतांत्रिक असहमति को देशद्रोह माना जाता है और नागरिक समाज के कार्यकर्ताओं को शहरी नक्सली करार दिया जाता है। आपराधिक न्याय प्रणाली स्वयं एक सजा बन गई है, जहां राजनीतिक विरोधियों और नागरिक समाज के कार्यकर्ताओं को बिना किसी मुकदमे के वर्षों तक जेल में रखा जाता है। हालांकि सुप्रीम कोर्ट ने कहा है कि जमानत नियम है और जेल अपवाद, फिर भी हमने न्यायपालिका को नागरिकों के साथ भेदभाव करते देखा है। एक तरफ कुछ अदालतें छुट्टियों के दिन भी घंटों के भीतर जमानत देने के लिए बैठती हैं वहीं अन्य लोगों को वर्षों सुनवाई तक का भी अवसर नहीं मिलता। व्यक्तिगत स्वतंत्रता पर गंभीर हमला हो रहा है।

संसद में प्रस्तुत संविधान (एक सौ तीसवां संशोधन) विधेयक, 2025, प्रधानमंत्री, मुख्यमंत्री और मंत्रियों को उनके पदों से स्वतः हटाने का प्रावधान करता है, यदि उन्हें गिरफ्तार किया जाता है और वे 30 दिनों से अधिक समय तक हिरासत में रहते हैं। यह विधेयक किस इरादे से लाया गया है, यह

सर्वविदित है और जांच एजेंसियों को कौन नियंत्रित करता है, यह भी सभी जानते हैं। हाल के समय में सीबीआई, ईडी और आयकर प्राधिकरण केन्द्र में सत्तारूढ़ दल की राजनीतिक लालसाओं और आकांक्षाओं को पूरा करने वाली एजेंसियां बन गई हैं। इस विधेयक का उद्देश्य विपक्ष शासित राज्यों को अस्थिर करना है इस प्रकार देश के संघीय ढांचे पर इसके गंभीर परिणाम होंगे। लोगों ने यह भी देखा है कि विपक्षी खेमे के दागी नेताओं को सत्तारूढ़ दल में शामिल होने पर पुरस्कृत किया जाता है। इस सबका लोकतंत्र, संवैधानिक मूल्यों और संघवाद पर प्रतिकूल प्रभाव पड़ेगा।

लोकतांत्रिक और संवैधानिक मूल्यों को आगे बढ़ाने में चुनाव आयोग की सबसे महत्वपूर्ण भूमिका है। इसे निष्पक्ष चुनाव कराने की जिम्मेदारी सौंपी गई है। लेकिन दुर्भाग्य से आज इस प्रतिष्ठित संस्था का भी राजनीतिकरण और सौदेबाजी हो गई है। चुनाव आयोग की निष्पक्षता को लेकर वास्तविक चिंताएं हैं। बिहार में चुनाव आयोग की हालिया कार्यवाही, जहां बड़ी संख्या में संशोधन में दिखाई गई जल्दबाजी और हड़बडी कई सवाल खड़े करती है। मतदाता सूचियों और चुनावों की निष्पक्षता को लेकर उठाई गई चिंताओं का समाधान करने के बजाए, आयोग सभी वास्तविक चिंताओं को दबाने में लगा हुआ है। चुनाव आयोग की कार्यवाही से गरीब और हाशिये पर पड़े लोग बहिष्कृत हो जाएंगे। अगर आयोग पक्षपातपूर्ण बना रहेगा और अपनी स्वायत्तता का दावा नहीं करेगा, तो कोई भी चुनाव निष्पक्ष नहीं हो सकता।

लोकतंत्र में स्वतंत्र एवं मुक्त प्रेस की बहुत महत्वपूर्ण भूमिका है। लेकिन बड़े व्यवसायों द्वारा मीडिया पर नियंत्रण के कारण, कुछ सम्मानजनक अपवादों को छोड़कर, मुख्यधारा का मीडिया सरकार का प्रचार तंत्र बन गया है। इसमें कोई संदेह नहीं है कि लोकतांत्रिक और संवैधानिक मूल्यों के पतन में मीडिया की भूमिका बेहद संदेहपूर्ण रही है। जो पत्रकार स्वतंत्र रहना चाहते हैं उन्हें कानून के अनिश्चित प्रयोग और बेहूदा पुलिस के दबाव में परेशान किया जाता है, जो बिना प्रारंभिक जांच के ही एफआईआर दर्ज कर देती है।

इसलिए, लोकतंत्र और संविधान की रक्षा की ये लड़ाई भारतीय नागरिकों की सभी आकांक्षाओं के केन्द्र में है। एक गणतांत्रिक संविधान में, जनता ही सर्वोच्च होती है। जनता ही असली मालिक होती है, न कि उसके द्वारा चुने गए प्रतिनिधि। लोगों की भलाई और सभी नागरिकों के सम्मानजनक अस्तित्व के लिए सरकार और अन्य संस्थाओं से जवाबदेही की आवश्यकता है। लोकतंत्र के इस पतन को रोकने और देश को पूर्ण अधिनायकवाद की ओर जाने से रोकने के लिए सभी नागरिकों द्वारा सामूहिक कार्यवाही की तत्काल आवश्यकता है। विश्व स्तर पर, श्रमिक वर्ग को यह समझना होगा कि लोगों के संकट का असली कारण पूंजीवादी व्यवस्था का लालच और मुनाफा संचय है। यह व्यवस्था मानव जीवन का सम्मान नहीं करती। साम्राज्यवाद द्वारा निरंतर जारी युद्धों से अनेकों टकराव, हथियारों की होड़ और परमाणु प्रसार को बढ़ावा मिलेगा, जिससे मानव जाति का अस्तित्व ही खतरे में पड़ जाएगा। इसलिए, वैश्विक मजदूर वर्ग को सामूहिक रूप से साम्राज्यवाद के खिलाफ लड़ना होगा और शांति के लिए एक मजबूत विश्वव्यापी आंदोलन का निर्माण करना होगा, जो मानव प्रगति के लिए आवश्यक है।

AIIEA Opposes Raising of FDI Limit to 100%

Our Observations on the proposed Amendments to the Indian Insurance Companies (Foreign Investment) Rules, 2015

The Ministry of Finance has issued a notification on 29th August 2025 proposing to amend certain provisions in the existing laws to enable hike in FDI limits to 100% in the insurance industry through automatic route. The AIIEA has opposed this strongly and sent its reasons as to why such a move is not in the national interests. The letter of AIIEA dated September 2, 2025 addressed to Secretary DFS is reproduced for the information of the readers:

“The All India Insurance Employees’ Association (AIIEA) is the largest and oldest trade union of insurance employees. The AIIEA has been playing a meaningful role in spreading insurance awareness in the country and serving well the interests of the public sector insurance industry.

We are of the firm opinion that 100 percent FDI in insurance can neither enlarge the market nor can it bring any substantial benefit to the national economy. It is common knowledge that insurance penetration is directly related to the availability of disposable incomes in the hands of the people. Despite low incomes, it must be said that India has done well, primarily due to the efforts of the public sector, to increase the insurance coverage. It is estimated that nearly 60 to 65 percent of the insurable population has been covered by the life insurance industry. The non-life sector too has been making steady progress despite the fact that wealth in the country is highly concentrated in few hands. One has to appreciate that this remarkable feat has been made possible only because of the relentless efforts of the Life Insurance Corporation of India and the Public Sector General Insurance Companies.

We have come across the proposed amendments to the Indian Insurance Companies (Foreign Investment) Rules 2015, vide Ministry of Finance Notification dated 29th August 2025. We would like to place our observations on two very important aspects of the Draft Rules, which have a profound impact on the policy holders, the national economy and the people at large.

Proposed Draft Rule No.4: It says that in the principal rules, in rule 3, the words “to exceed seventy-four per cent of the paid-up equity capital of such Indian Insurance Company” shall be substituted with the words “to exceed the limit as stipulated by the Insurance Act, 1938”.

This provision, it is clear, is intended to raise FDI in the insurance sector from the present 74

per cent to 100 per cent. FDI hike to 100 per cent will neither benefit the Indian economy nor will it bring any benefit to the insuring public. This will only enable the foreign capital to gain greater access and control over the domestic savings. We are of the firm opinion that domestic savings play the most important role in the development of the economy. India as a Welfare State must have a bigger control over the domestic savings to fulfil the constitutional obligations. All the major foreign companies are already operating in the country in partnership with domestic insurers. The existing FDI limit of 74% is not an obstacle to the growth and expansion of the private sector. In fact, the Minister of State for Finance Sri Pankaj Chaudhary has informed, vide a reply to an unstarred Question No.877 in the Rajya Sabha on 3rd December 2024, that the present level of foreign equity in the insurance industry at Rs.31,365.57 crore (as at 31st March 2024) is only 32.67% against the permissible limit of 74%. Moreover, the FDI hike to 100% will disrupt the insurance industry as it will have a disastrous impact on the domestic companies if the foreign partners decide to withdraw from the Joint Ventures to run the business independently. It is a fact that foreign capital comes in search of greater profits. This means that the target would be the high networth clients and most profitable business as is the case with the totally foreign owned banks. Such an eventuality would force the domestic insurers to compete for the most profitable business to the total neglect of the need for insurance to the lower middle classes and the marginalized sections of the society. There is therefore absolutely no justification to increase the FDI limit to 100 per cent from the present level of 74 per cent. It would be imprudent to allow foreign capital greater access to and control over domestic savings. The need is to maintain caution especially when the economy is facing uncertainty in view of the

ongoing tariff wars. We may also mention that the net Foreign Direct Investments in the recent years have been insignificant.

Proposed Draft Rule No.8: It says “In the principal rules, rule 5 will be substituted with the following, namely:- “5. The Foreign Investment proposals of the Indian Insurance Company shall be allowed on the automatic route for the paid-up equity capital as stipulated by the Insurance Act, 1938 subject to verification by the Insurance Regulatory and Development Authority of India.”

We have strong reservations over the proposed move to allow foreign investment proposals of the Indian Insurance companies through the automatic route. This provision undermines the role and power of the Parliament. Our reservations are based on valid grounds. Insurance business pools large volumes of sensitive financial and personal data relating to policy holders’ health, assets, risk profiles etc. Allowing FDI on the automatic route may jeopardise policy holders’ privacy and financial security. It is a well-known fact that Insurance plays a safety-net role for citizens and businesses. If foreign investors are allowed to dominate, their commercial priorities may override public welfare objectives, undermining India’s financial stability and social security. Automatic entry has the potentiality of facilitating easy repatriation of profits thereby weakening capital retention within the country and adversely affecting the sector’s ability to build long-term reserves for claim payouts in future emergencies. It has been an avowed objective of the government of India to increase insurance penetration by expanding into rural

and underserved areas. But foreign investors, as has been our experience, may prioritize urban, high-income markets for quick returns rather than investing in rural outreach or social security schemes. Allowing foreign investment on the automatic route has the dangerous potentiality of facilitating predatory takeovers. The global experience is that foreign insurers, at the slightest hint of an imminent economic crisis, use automatic FDI route to buy stakes in ailing domestic firms at low valuations leading to loss of control over precious resources. Finally, insurance is an industry that touches millions of lives and therefore decisions relating to the industry should be transparent and deliberative not automatic. Automatic route bypasses parliamentary scrutiny and oversight which can be called the soul of a functioning democracy.

These are some of our observations to two major amendments proposed. Insurance, more specifically life insurance plays a very important role in national development and offers security to the people. Therefore, any changes should be to benefit the policyholders. In the case of the two aforesaid amendments, the investors are preferred over the policyholders. It is necessary not to forget the situation obtaining in the insurance industry before 1956 which led to the nationalisation of life insurance business. In no case, insurance sector once again be pushed to a similar situation.

The proposed amendments have far reaching impact. Therefore, there is no need to push them through in a hurry. Caution is required. Exhaustive consultation with all stakeholders must be done before bringing about such large-scale changes.”

AIIPA DELEGATION MEETS FINANCE MINISTER

Demand Exemption of GST on Group Health Insurance policies & Early notification for increase in Family Pension of General Insurance pensioners to uniform 30%

Smt Nirmala Sitharaman, Hon Union Finance Minister was in Visakhapatnam on 17.9.2025 to meet businessmen and trade representatives from various trade bodies in an event called ‘Outreach Programme on #NextGenGST Reforms’.

A delegation of AIIPA & GIPA AP led by Com PV Subbarao (Joint Secretary, AIIPA) and comprising of GIPA Office-bearers Chintala Anand (Chairman), Solomon Raju (General

Secretary Secretary) and B. Anjaneyulu (Vice President) attended the event and submitted two Memorandums to the Finance Minister.

Utilising the opportunity, Com PV Subbarao briefly presented the GST issue before the Hon FM. He requested the Finance Minister to extend the benefit of GST exemption to the group health and insurance policies. He explained the reasons behind such a demand. The issue will be further pursued by the AIIPA.

GST Council withdraws GST on Individual Health and Life Insurance Premium

Relentless Campaign and Mobilisation of Public Opinion by AIIEA Units pays off
A Huge Relief to the People, A Huge Victory to AIIEA

The Goods and Services Tax (GST) Council, in its 56th meeting on 3rd September 2025, decided to do away with the 18 per cent GST on individual health and life insurance policies. Announcing the decision, the Finance Minister Smt. Nirmala Sitharaman said that GST on individual health and life insurance policies would come down from 18 to 0 per cent with effect from 22 September 2025. This is a huge victory for the relentless campaign and mobilization of public efforts undertaken by the members of AIIEA throughout the country for over two decades. AIIEA congratulates each and every employee for the commendable efforts put in to give relief to the common man from the excruciating burden of GST on health and life insurance.

The campaign undertaken by the units of AIIEA was breathtaking. Our members are aware that prior to GST, the concept of service tax on life premium was first imposed effective from the financial year 2004-05. This was later replaced by the GST. The AIIEA began its campaign against this in May 2004 with collection of nearly 30 lakh signatures from the policy holders. The AIIEA wrote letters to then Finance Minister Sri Arun Jaitley demanding withdrawal of GST on life and health insurance premium on 29.05.2014 and 22.01.2016. At the same time, our units met 187 MPs from different political parties and sought their support to our demand. Northern Zonal Unit of AIIEA took the extraordinary effort of meeting all the 543 MPs of Lok Sabha and 240 MPs from Rajya Sabha in January/ February 2016 and submitting AIIEA's Note on "EEE" model of taxation on insurance policies. In August 2017, AIIEA units across the country mobilized signatures from 45.23 lakh policy holders demanding withdrawal of GST and submitted these signatures to the finance minister on 04.09.2017. Taking the campaign forward, the AIIEA sent appeal letters to the heads of almost all the major political parties on 22nd March 2019 seeking their support to our demand. This was followed by a campaign to meet MPs from across the political

spectrum and canvass their support during the months of March to May 2019; our units met 209 MPs during the course of the campaign. The subsequent months witnessed a spirited campaign by AIIEA units across the country. The AIIEA wrote to the Union Finance Minister Smt. Nirmala Sitharaman on 17.06.2019, 07.01.2021, 28.12.2023, 26.06.2024 and urged her to withdraw GST on life and health insurance premium in the interest of the nation and the people. The zonal units of AIIEA sent letters to all members of the Governing Council of the NITI AYOOG in June 2019 and requested their intervention. The AIIEA again wrote to the heads of all the major political parties in April 2024 and sought their intervention by way of raising the issue in Parliament. The units of AIIEA took a unique campaign of meeting hundreds of contesting candidates for the Lok Sabha elections in April/ May 2024 and requested them to include the issue of GST withdrawal in their election manifestoes. The AIIEA wrote a letter to the leader of the opposition in

the Lok Sabha Sri Rahul Gandhi on 11.07.2024 and requested his personal intervention on the issue; Sri Gandhi subsequently acknowledged the letter and assured his support to our cause. The AIIEA continued the campaign in a sustained manner.

However, the breadth and sweep of the campaign undertaken in the months of June-July 2024 was such that it can be called the crowning glory of our movement. Our units met more than 400 MPs from every political party and explained to them as to how levying GST on life and health premium in reality mean taxing the uncertainties of life. The units of AIIEA also met the senior ministers who saw merit in the arguments and they requested the finance minister to consider the demand of AIIEA. The issue came to be debated in the Parliament; the general public through their writings in the newspapers welcomed the campaign and urged upon the government to withdraw the GST to make the life and health insurance affordable.

in the face of this idea getting support from everyone cutting across the political affiliations, the finance minister assured the Parliament that this issue will be taken up in the GST council. After a painfully long wait, the issue was finally taken up in the GST Council on 3rd September 2025.

Perhaps in the history of Indian trade union movement, such large number of MPs were never mobilised on a single idea as the AIIEA could do on this issue. This is another brilliant achievement of AIIEA after it had recorded a historical first by mobilising 15 million signatures from the general public on the issue of privatisation. The AIIEA took up this campaign because of its commitment to the Indian society, particularly the vulnerable sections within it. The Indian constitution guarantees the fundamental right to life under Article 21. The right to life without any doubt also means right to health. The Judicial pronouncements of the Supreme Court have

held this position by saying that it is obligation of the government to provide adequate medical facilities to all citizens. But today we find that the State has forgotten this basic responsibility and is promoting more and more privatisation of the health services. Rather than building a universal health care system, it is strange that the government had chosen to tax the life and health premium. The AIIEA undertook the campaign with this understanding.

The splendid campaign of the AIIEA has succeeded in giving relief to the people in individual life and health premium. With humility it can be said that the AIIEA has done a great service to the fellow Indians by bringing some relief to them. But we must admit that this is not enough. The struggle must go on against privatization of health services and for the State to put in place a universal health care system.

Let's celebrate the victory and prepare ourselves for expanding the scope of our campaign in the future.

AIIEA Protests Discontinuation of Salary Deductions towards 'Sports & Recreation' and 'Fine Art Association'

The AIIEA lodged a strong protests against discontinuation subscription payments to the Sports & Recreation Clubs and Fine Art Associations through salary deduction. The AIIEA has written to Executive Director (OS) on 19/9/2025 demanding restoration of the earlier practice. The contents of the latter are reproduced for information:

“We write this to convey our sense of disquiet and dismay over LIC's unilateral decision to discontinue Salary Deductions towards “Sports & Recreation” and “Fine Art Association” with effect from this month.

These contributions, collected systematically through payroll deduction, have long served as the lifeline for employee welfare, team spirit and cultural engagement within the organisation. The Sports and Recreation activities and the programmes under the banner of Fine Arts Association have not only enriched our workplace environment but have also promoted health and creativity amongst employees.

It is to be noted that stopping the deductions under the pretext of salary centralisation is not only unjustified, it runs counter to the current climes of 'digitisation' so vigorously championed by LIC. It is indeed an irony that technology is being cited as a hurdle for continuing this practice, while at the same time taking pride in being a leading user of modern technology in all other spheres of our functioning.

We therefore demand that the earlier practice of salary deductions towards “Sports & Recreation” and “Fine Art Association” be continued in the interest of the institution and the employees.”

Amanulla Khan

TASK WAS TO DEFEND LIC AND PROTECT JOB SECURITY



The Glorious Automation Struggle

The nationalisation of life insurance business and the establishment of LIC placed great responsibility on the AIIEA. The AIIEA had worked for the nationalisation with clear understanding that peoples' savings should be directed towards schemes that would bring some improvement in life conditions of the common people, while at the same time guaranteeing the safety of the policy monies. The AIIEA was well aware that India after independence had adopted a capitalist path of development and in such a situation, public sector does not mean socialisation of the means of production. Therefore, LIC is also an instrument for the capitalist development. Yet, the State intervention in the economy and its control over the savings of the people would help the governments to take up some welfare schemes that would bring some relief to the people. The public sector would also help self-reliance and act as a bulwark against imperialist machinations. It was with this understanding that AIIEA took up the task of defending and advancing the interests of LIC.

Unfortunately, the critics of nationalisation got an opportunity to attack LIC when the Mundhra scandal surfaced in 1957. The issue was the

direct share purchases made by LIC in six different companies of Haridas Mundhra Group, a business tycoon of Calcutta. There were accusations that these purchases were made at the directive of the Finance Ministry bypassing the Investment Committee of LIC. This was considered as the first major financial scandal in the post independent India. The amount involved was Rs.1.2 crore, a significant amount at that time.

The matter came for discussions in the Parliament on September 4, 1957 and accountability was demanded from the government. The government was forced to appoint an Enquiry Commission headed by Justice M.C.Chagla of Bombay High Court. This Commission submitted its report within one month of its formation on February 10, 1958. Though LIC defended the decision of investment in these companies, the Chagla Commission said; "the conclusions I came to were that the deal was suspicious, that proper formalities had not been observed, that the directive for the investment was given by the Finance Secretary, but the responsibility for it must be assumed by the Minister and that the real purpose of the deal seemed to be rather to help Mundhra than to advance the

interest of the Corporation." The Commission's findings forced TT Krishnamachari, Finance Minister, HM Patel, Principal Finance Secretary, GR Kamat, LIC Chairman and L.S.Vaidyanathan, Managing Director to resign from their posts. This public accountability and democratic traditions are totally absent in present India where the government refuses to accept accountability. Haridas Mundhra was arrested and after trial was sentenced to a long prison term.

These developments gave a handle for the critics of LIC to attack and defame the organisation. The AIIEA had to defend the industry and had to campaign among the insuring public that the policyholders' interests are safe in LIC and the LIC employees are committed to protect the interests of the policyholders. The campaign of AIIEA restored the public confidence in LIC as it happened during the latest Adani episode.

AUTOMATION STRUGGLE

The LIC had little over 50 lakh policies when it was established. The total size of the assets were Rs.348 crore and the Life Fund was Rs.378 crore. The LIC expanded its activities into large parts of the country and in just few years it registered progress

and increase in the volumes of business. This was the time when technological innovations were taking place in the US and the West. These countries increasingly automated the work in the services industry. In LIC there was some automation already existing in the form of unit record machines and Adrema machines. However, the LIC felt that this is not sufficient to meet the servicing needs of the growing number of policies and there is a need for computerisation of jobs. It was with this understanding that LIC decided to send a team of three senior officers to the United States to study the functioning of the insurance industry there and to examine if the practices of the US companies can be adopted in LIC. The study was specifically about how electronic computers can be used by LIC to automate the services and improve the efficiency of the institution. On the basis of the recommendations of this committee, the LIC decided to switch over from unit record machines to electronic computers. In 1963, in consultation with the Finance Ministry, a decision was taken to install computers in Bombay and Calcutta.

The AIIEA was opposed to this move of automation of jobs in LIC. The opposition was on the grounds that automation will result into immediate job losses in the industry. But the central argument of AIIEA was that in a country with high levels of unemployment, introducing computers that would do the jobs of the workers would be a regressive step. The LIC is a public institution and therefore it carries the responsibility to create jobs and not to eliminate them. The

move of LIC to computerise the jobs would immediately render thousands of employees jobless and it would also have a serious impact on the future employment in the industry. The AIIEA also argued that computerisation will result in centralisation of jobs when the need is for decentralisation and taking the services to the door steps of the policyholders. It is with this understanding that AIIEA decided to launch a countrywide campaign and educate the public about the perils of automation of jobs in a developing country with high unemployment.

The LIC was unmoved. It stuck to its decision to install two IBM 1410 and IBM 1401 machines in Bombay and Calcutta. The management refused to have any discussions with the AIIEA on the necessity of introduction of computers while saying that they are open to negotiations on the fears of job losses and job security. Though LIC took up a position that there would be no redundancies, AIIEA made its own studies on the impact of automation of jobs in different industries. It found that the limited use of technology itself had taken away lakhs of jobs in the jute and textile industry. Its study of the functioning of computer at Tata Institute of Fundamental Research gave the AIIEA an idea that the proposed installation of two computers in LIC will seriously impact about 30000 of the then existing 40000 jobs.

The AIIEA decided to fight back this attack on the job security and organised the employees for a March to Parliament on 3rd October 1964 to highlight the perils of automation. The March received massive response

and the entire trade union movement of the country supported the campaign of AIIEA realising the importance of the issue for the working class. The AIIEA approached all the political parties and central trade unions for their support to its struggle. The campaign gained intensity across the country. The divisional units of AIIEA engaged themselves with the education of the people through seminars, conventions and leaflet distribution. It became a national struggle in the true sense.

In the meantime, the hostilities between India and Pakistan led to a six-week India-Pakistan war in August-September 1965. The insurance employees along with the rest of the people joined the war efforts and supported the government in full measure. Unfortunately, when the attention of the entire nation was on the war and its impact, the LIC surreptitiously installed the computer in Bombay. This infuriated the employees and the agitation gained further intensity with protest demonstrations across the country.

The AIIEA organised a National Convention Against Automation at Delhi on 8th December, 1965 which was

IBM1410 Courtesy: computercollection.net
(Jay R. Jaeger)



participated by political leaders, trade unions and many prominent citizens of the country. The Convention decided to form an All India Committee Against Automation with Com Saroj Chaudhuri, General Secretary, AIIEA as its convenor. Simultaneously, powerful demonstrations were organised at Bombay and Calcutta. The campaign of AIIEA forced a discussion on the issue in Lok Sabha in April-May 1966. During these discussions, the finance minister informed the house that there would be no retrenchments in LIC.

The AIIEA petitioned the Lok Sabha on 31/8/1966 with over one million signatures from the citizens and called for a one-day strike on 25/11/1966 which was massively responded. It also took the decision to go on a 48-hour strike if LIC attempts to install the computer in Calcutta. It also decided to maintain vigil at Illaco Building where LIC had planned to install the computer, which was already kept ready in Fort Williams. It was a fascinating story of determination and commitment where thousands of employees kept the vigil 24 hours a day for over 13 months. The employees did not move away from the Illaco

Building even during Durga Pooja. Different trade unions and civil society organisations participated in this program. Com Jyoti Basu, Dy. Chief Minister, Ministers in UF Government and important political personalities expressed solidarity by visiting the protest sites and participating as the vigil.

The State elections in 1967 changed the political situation in the country with Congress suffering huge reversals. The United Front came to power in West Bengal and it refused police protection to the computer site. In the face of growing resisting in the Indian society, the LIC was compelled to seek permission from the State Government to take away the computer lying at Fort William, which was granted. Thus, ended successfully the glorious 4½ years of struggle against automation. It was a struggle written as golden chapter in the history of AIIEA.

The struggle of AIIEA brought into sharp focus the necessity of protection of jobs and creation of jobs in a developing economy. The agitation by AIIEA made computerisation a national policy issue in which various newspapers, academicians and political leaders took part.

The entire agitation of AIIEA became the focus of national discussions and people saw justification in the campaign of AIIEA. They were aware that with the introduction of computer in Caltex (British Oil Company), majority of jobs had become redundant and employees were retrenched in 1966. Despite the sit in strike for 34 days, these employees could not get their jobs back.

This struggle showed the strong character of AIIEA. It made it clear that a trade union must have certain social obligations. The trade union should not be content with just today but also should have a vision for the future. Therefore, despite the assurances by LIC and Government that there will be no retrenchment with the installation of the two computers, the AIIEA was concerned about the future job potential. The entire struggle has to be seen in the context of then prevailing social and economic situation and the needs of a developing economy. The success of this glorious struggle paved way for future recruitments. The present generation of employees must recognise the struggles and sacrifices of the generation which fought computerisation. It was their struggle that created job opportunities for them in LIC. Now, it is their duty to fight for recruitment and defend the industry for a better future both for them and for the youth in this country.

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*(Acknowledgement:
History of AIIEA by
Com Chandrasekhar Bose,
various documents
of AIIEA and
Thresholds in
Indian Insurance
by Sri Dharmendra Kumar).* ●

DEFEND The Pride of India

TVNS Ravindranath
General Secretary, SCZIEF



The Pride of India, LIC has entered into the 70th year of its Glorious Journey on the 1st of September 2025. It is a monumental achievement for a Public Sector Insurance Company, to survive the onslaught of neo-liberalism and overcoming the competition successfully for quarter of a century and going strong in serving the people and the nation, for nearly seven decades, now. It was a moment to cherish, not just for the LICians but the whole country.

The Life Insurance Corporation of India came into existence on 1st September, 1956, with the objective of spreading the message of life insurance to the nook and corner of the country, especially the rural areas, reaching all the insurable population, providing them adequate insurance cover at reasonable costs. The objective was also to mobilise small savings of the people, by providing them insurance protection and guarantee to their monies, and invest safely ensuring a reasonable return. The amount thus accumulated is to be utilised for lending support to the nation building activities with the motto, "People's Money for Peoples' Welfare". In its 69 years of existence, LIC has fulfilled

these foundational objectives to the full and emerged as the backbone of the Indian Economy. LIC has stood the test of time, grown from strength to strength and continues to play a superlative role in spreading message of life insurance widely across the country.

Since its inception, LIC has crossed many milestones and has set unprecedented performance records in various aspects of life insurance business. LIC continues to be the dominant life insurer even in the liberalized scenario of Indian insurance and is moving fast on a new growth trajectory, surpassing its own past records. During the past 69 years, LIC has grown from strength to strength - be its customer base, agency network, branch office network, new business premium and today proudly reflects on the journey of growth, innovation and unwavering commitment to excellence. By adapting to the emerging scenario, LIC is introducing the latest technological innovations, digital platforms and implementing huge procedural changes with the objective of providing hassle free and satisfactory service to the customers all over.

LIC continues to be the

LIC continues to be the Market Leader both in terms of Premium Income (57.05%) and Number of Policies (65.83%), even after 25 years of intense competition from the private insurance companies in operation. But, today, it is under severe multi-faceted attack. The government appears to be determined to dismantle the Public Sector Insurance Industry to facilitate the needs of t. The object surrender of this government to the demands of the international and domestic finance capital stands in direct contrast to its nationalist pretensions. Insurance employees organised under the banner of AIIEA, will push back this offensive collectively and aggressively, through struggle. LIC is the ideological commitment of AIIEA and defending this great institution is our bounden duty.

Market Leader both in terms of Premium Income (57.05%) and Number of Policies (65.83%), even after 25 years of intense competition from the private insurance companies in operation. For the FY 2024-25, LIC registered a total premium income of Rs. 4, 88, 148.17 crore on 178.15 lakh policies. The total income is Rs. 8, 81, 434.07 crore. The total Assets Under Management (AUM) is a staggering Rs. 56, 22, 929.99 crore. The total number of claims settled is 229.31 lakhs and the amount settled is Rs. 2, 69, 243.59 Crore. The percentage of maturity claims and death claims settled are 90.97% and 99.48%, respectively. The total number of Agents on Roll is 14, 86, 851. The Life Insurance council estimates that nearly 70% of the insurable population has been covered by the industry. The Life insurance penetration of 2.8% compares favourably with many rich western countries like US, Canada, Germany and Spain etc.

The Corporation has received a total of 22 Awards and accolades during the year 2024-25. LIC has secured Most Trusted Brand Award of Reader's Digest for 2024; LIC stood 2nd in the Fortune 500 India - 2024, based on total revenue and emerged as the 3rd Strongest Insurance Brand of the world - 2025. On the 20th of January 2025, Life Insurance Corporation of India successfully completed and issued an astounding 5,88,107 life insurance policies across India on a single day, creating a unique record to Achieve Guinness World Records "Most Life Insurance Policies Sold In 24 Hours".

True to the objective of

nationalization, LIC Continues to be a nation builder since its formation in 1956. Supporting the Nation Building Activities and ensuring reasonable returns to the policyholders is the main criteria of LIC's investments. The total funds, so invested for the benefit of the community at large are Rs. 54, 52, 296.67 crore, as on 31.03.2025. The investment in Central Government Securities is Rs. 20, 20, 783 crore, while, Rs. 12, 24, 068 crore is invested in State Government and other govt., securities. Investment in Housing and Infrastructure development is Rs. 4, 72, 081 crore. In 2006, LIC has established LIC Golden Jubilee Foundation Trust (LIC GJF) with the objectives of providing Relief of Poverty or Distress, Advancement of Education, Medical Relief and Advancement of any other object of General Public Utility. As at 31.03.2025, the GJF has disbursed over Rs. 283 Cr, under 926 projects, across the length and breadth of the country. In 2024-25, Rs. 11.40 Cr was disbursed to 10,006 students by way of scholarship. Since inception of the scheme, a total of 30,835 students have benefited and a total of Rs. 80.62 cr has been disbursed as scholarship.

But, today, the government appears to be determined to dismantle the Public Sector Insurance Industry to facilitate the needs of the Finance Capital. The LIC is under severe multi-faceted attack. The Finance Minister, Smt. Nirmala Sitaraman stated, recently, that the Insurance Laws Amendment Bill, which proposes increase in FDI to 100%, issuance of composite license, lowering of capital and

allowing an agent to sell policies of more than one company etc. is likely to be introduced in the forthcoming winter session of the parliament. These reforms will take insurance industry back to the pre-1956 days of frauds and cheatings and need to be opposed. Some of the proposed amendments to the Indian Insurance Companies (Foreign Investment) Rules 2015 have already been notified by the DFS, on 29.08.2025, for the observation/suggestions from public. These proposals concern the increase and entry of FDI and AIIEA has already sent its detailed observations to the DFS on 02.09.2025.

There is absolutely no justification for increasing the FDI limit to 100 %, from the present 74 %, in insurance. This will only help giving the foreign capital greater access and control over the domestic savings. The commercial priorities of the foreign investors may override public welfare objectives, undermining India's financial stability and social security. It is a common knowledge that foreign capital comes in search of greater profits, targeting the high-end customers and most profitable business. The resultant competition for profits will lead to the detriment and total neglect of the lower middle class and marginalised section's much needed insurance protection. Increasing FDI to 100% will give absolute control to the foreign players, without the need of an Indian Partner and has the potentiality of facilitating easy repatriation of profits and the hard earned domestic saving. It is also observed that the foreign insurers are not evincing any great interest

in India's insurance sector. Altogether 9 foreign insurers have exited India's insurance market in recent times, repatriating around Rs.64,780 crore (78% of total FDI) leaving Indian policy holders high and dry. The increase is totally unwarranted, because, according to the government's admission itself the present level of foreign equity in the insurance industry, at Rs.31,365.57 crore (as at 31st March 2024) is only 32.67% against the permissible limit of 74%. Therefore, FDI increase to 100% is totally unwanted, irrational and against the interests of the people and the nation.

The government has announced its intent for bringing a comprehensive legislation amending the existing insurance laws. The proposed amendments include issuance of Composite Licenses, wherein, it is proposed to permit each insurance company to operate in life, general and health insurance business. This is a wholly unwanted proposal because each of these fields requires specific expertise to operate and in the absence of the same, there is the danger of mis-selling the products. It is also proposed to issue licences to more and more companies, by bringing down the minimum capital requirement to Rs. 50 crore, with the supposed objective of achieving insurance penetration further. This is a ridiculous argument, because, it is common knowledge that Insurance Penetration is dependent on the purchasing capacity of the people and not on the number of companies in operation. These proposals, which facilitate mushrooming of private insurance companies

in the country, have the potential to throwback public sector insurance industry to the pre-nationalisation days and thus have to be opposed in total.

The government has made clear, through DIPAM Secretary, Arunish Chawla, it's plans to divest a further 6.5% stake in the LIC in the coming months by way of Offers for Sale (OFS). It is reported that all the necessary arrangements towards this direction are underway. This is yet another concrete measure towards weakening the public sector LIC and its ultimate Privatisation. We have been observing the shift in the policy perspective of LIC, ever since the IPO, unloading 3.5% of the stock, was affected. Slowly but surely, the business model of public sector insurance industry is undergoing a change. The priority is shifting from the policyholders to earning more profits to the Shareholders. This disinvestment proposal should be squarely opposed.

It is absolutely clear that this attack on LIC is at the behest of the international and domestic finance capital. The abject surrender of this government to the demands of the finance capital stands in direct contrast to its nationalist pretensions. In such a situation, it becomes imperative for the insurance employees organised under the banner of AIIEA, to push back this offensive collectively and aggressively, through struggle. LIC is the ideological commitment of AIIEA and defending this great institution is our bounden duty.

हमारी दुनिया इस समय उथल-पुथल के दौर से गुजर रही है, जिसके कुछ निशान दिखाई भी दे रहे हैं। पहला तो यही कि पुरानी महाशक्तियाँ अपना वर्चस्व बनाये रखने के लिए किसी भी नैतिक-अनैतिक व्यवहार को उचित ठहरा रही हैं। दूसरा यह कि नयी उभरती हुई वैश्विक ताकतें भी अपनी जगह बनाने के लिए जोर आजमाईश कर रही हैं। तीसरा परिवर्तन आधुनिक और लोकतांत्रिक कहे जाने वाले पश्चिमी देशों में दिखाई दे रहा है, जिसका नेतृत्व कट्टर से कट्टरतम शासकों के हाथों में जाने लगा है। और इस कड़ी की चौथी बात हम सबके लिए एक चेतावनी है, जिसमें तीसरी दुनिया के उभरते हुए लोकतन्त्रों में रातों-रात सत्ताएं बदलने लगी हैं। यानि कुल मिलाकर दुनिया के देशों के बीच के आपसी सम्बन्ध अब मैत्री, परस्पर सद्भाव और सह-अस्तित्व के आधार पर बनते हुए दिखाई नहीं देते। वरन उनकी जगह पर संशय, दबाव और धोखे की राजनीति यत्र-तत्र-सर्वत्र महसूस की जा रही है। इस दौर को देखकर उन्नीसवीं सदी के जर्मन शासक बिस्मार्क की याद आती है, जिसके बारे में एक कथन बहुत प्रसिद्ध है कि वह एक समय में पांच गेंदों के साथ खेलता था। इसमें दो गेंदे उसके हाथ में रहती थीं, जबकि तीन हवा में। त्रासदी यह थी कि इनमें से किसी को यह भरोसा नहीं था कि बिस्मार्क के हाथ में अंततः कौन बचेगा। आप यहाँ गेंद की जगह देश भी पढ़ सकते हैं।

इस नयी दुनिया की आहट सामान्यतया वर्ष 2008 की विश्वव्यापी मंदी के बाद से महसूस की जाने लगी है, जब बीसवीं सदी के अंतिम दशक के प्रसिद्ध नारे वैश्वीकरण, निजीकरण और उदारीकरण का गुब्बारा फूटा था। उस नारे ने दुनिया को यह सपना दिखाया गया था कि पूँजी और मुक्त व्यापार ही आधुनिक समय के ध्येय लक्ष्य हैं। इनके सहारे ही हम दुनिया के सभी देशों में शान्ति और खुशहाली ला सकते हैं। कहना उचित होगा कि लगभग दो दशक तक इसका प्रभाव भी रहा। मध्यवर्ग के भीतर एक समृद्ध तबका तैयार हुआ। और नीचे का तबका इस उम्मीद में जीता रहा कि उसका जीवन स्तर भी बदलेगा। लेकिन लगभग दो दशक बाद यह महसूस किया

बदलती दुनिया और भारत

रामजी तिवारी



जाने लगा कि पूँजी और मुक्त व्यापार के सिद्धांत ने आम सामान्य जनता के जीवन में कोई खास योगदान नहीं दिया है. बल्कि इसके कारण असमानता की खाई और चौड़ी होती गयी है. और फिर विश्वव्यापी मंदी ने उस गुब्बारे की हवा निकाल दी. अफ़सोस की बात यह हुई कि पूँजीवाद ने इन नीतियों में परिवर्तन करने के बजाय उन्हें और कड़ाई से लागू करना शुरू कर दिया. और फिर हमारे सामने दुनिया भर में ऐसे शासकों की आमद होने लगी, जो अधिक बाजार समर्थक और अधिक कट्टर थे.

इन शासकों की तरफ से एक बात सिद्धांत रूप में यह कही गयी कि हम अपने देश को महान बनाना चाहते हैं. हालांकि समय गुजरने के साथ उसका व्यावहारिक रूपकुछ दूसरा ही निकला. जो घरेलू स्तर पर जनता के लोकतान्त्रिक अधिकारों में कमी, राजनीतिक विपक्ष का दमन, मीडिया पर नियंत्रण, लोकतान्त्रिक संस्थाओं पर नकेल और कारपोरेट घरानों की मोनोपोली के रूप में सामने आया. जबकि अंतरराष्ट्रीय नीतियों में यह आर्थिक संरक्षणवाद, संयुक्त राष्ट्र की अनदेखी और अनिश्चित वैदेशिक संबंधों के रूप में महसूस किया जाने लगा. ऐसा लगा कि हमने द्वितीय विश्व युद्ध की सीख को हवा में उड़ा दिया है, जिसमें राष्ट्रीय हित को विभिन्न राष्ट्रों के बीच शान्ति, सह-अस्तित्व और मैत्रीपूर्ण सम्बन्ध के रूप में परिभाषित किया गया था.

इस त्रासदी का सबसे क्लासिक उदाहरण अमेरिका है, जो अपने आपको दुनिया का अगुआ समझता है. लेकिन क्या हम उसके राष्ट्रपति के व्यवहार

को देखकर यह कह सकते हैं कि वे दुनिया के सबसे पुराने लोकतान्त्रिक देश के मुखिया हैं? क्या हम यकीन कर सकते हैं कि उनके देश ने स्वतंत्रता के सार्वभौमिक सिद्धांतों को प्रतिपादित किया था? नहीं. उनका लहजा उदंड और लज्जास्पद होता है. वे बातचीत के बजाय धमकी और ब्लैकमेल का सहारा लेते हैं. अपने पड़ोसी देशों की संप्रभुता को चुनौती देते हैं. कमजोर देशों को सार्वजनिक रूप से नीचा दिखाते हैं. और इतना करने के बाद यह ईच्छा भी व्यक्त करते हैं कि उन्हें शान्ति का नोबल पुरस्कार मिलना चाहिए. त्रासदी यह है कि अमेरिकी राष्ट्रपति का व्यवहार सिर्फ अमेरिका तक सीमित नहीं है. वरन उसका प्रभाव यूरोप, एशिया, अफ्रीका और लैटिन अमेरिका के नेतृत्व वर्ग में भी दिखाई देने लगा है. ऐसा लगता है कि कट्टरता, झूठ और बड़बोलापन ही अब दुनिया के नये मूल्य बन गये हैं.

इस पूरे मसले का एक बड़ा चिंताजनक पहलू हमारे पड़ोसी देशों की स्थिति है. अफगानिस्तान से लेकर म्यांमार तक और नेपाल से लेकर श्रीलंका तक, लगभग सभी दक्षिण एशियाई देशों में राजनीतिक अस्थिरता चरम पर है. और इसी से जुड़ा हुआ दूसरा पहलू और भी चिंताजनक है कि जिन पड़ोसी देशों के मध्य कभी हमारी अच्छी साख मानी जाती थी, अब उनके बीच हमारी छवि एक नकारात्मक देश की बन गयी है. सरकार और जनता दोनों के स्तर पर. अफगानिस्तान में तालिबान के साथ कभी भी हमारे दोस्ताना सम्बन्ध नहीं रहे. उनका वर्तमान शासन भी उसका अपवाद नहीं है. पाकिस्तान के साथ की

India can learn from its neighboring countries that the government should address the problems of the common people. It should take measures to reduce economic inequality. It should develop more employment opportunities. And most importantly, it should further enrich its democratic heritage. The path to India's future lies through its heritage. And that heritage is cultural diversity, social harmony, democratic ideals, and peaceful coexistence. These should be our ideals in the future as well.

The writer, Ramji Ram is an activist of Varanasi Division

तनातनी पहले की तरह बदस्तूर जारी है. बल्कि पहलगाय आतंकी घटना के बाद उसमें थोड़ा और इजाफा ही हुआ है. म्यांमार में सैन्य जुंटा के साथ हम हमेशा से असहज रहे हैं. बांग्लादेश में शेख हसीना की सरकार के जाने के बाद हमारे संबंधों में कड़वाहट आयी है. श्रीलंका के साथ भी हमारे सम्बन्ध बस साधारण से नीचे ही हैं. और नेपाल के हालिया जेन जी विद्रोह के बाद हमारे

लिए वहां भी कठिनाई पैदा हुई है।

इन परिस्थितियों में दो महत्वपूर्ण सवाल हमारे सामने दिखाई देते हैं। पहला यह कि तीसरी दुनिया, खासकर दक्षिण एशिया के देशों में पैदा होने वाले असंतोष का भारत पर क्या प्रभाव पड़ेगा। और दूसरा यह कि नयी बदलती दुनिया में भारत की भूमिका कैसी होनी चाहिए। जहाँ तक दक्षिण एशियाई देशों में अस्थिरता का सवाल है, तो उसमें एक खास पैटर्न नजर आता है। इनमें आर्थिक दबाव, असामानता की चौड़ी होती खाई, भयानक बेरोजगारी, लोकतंत्र की सिकुड़ती जगह, जनता के अधिकारों में कटौती और लोकतान्त्रिक संस्थाओं की कमजोर स्थिति को चिन्हित किया जा सकता है। अर्थात् जहाँ इन देशों में आम सामान्य जनता का जीवन कठिन हो रहा था, वहीं दूसरी तरफ सरकारों ने उन समस्याओं को एड्रेस करने के बजाय, दमन का रास्ता अपनाया। जिसके कारण स्थिति और विस्फोटक हो गयी।

तो भारत अपने पड़ोसी देशों से यह सीख सकता है कि सरकार को आम सामान्य जनता की परेशानियों को एड्रेस करना चाहिए। आर्थिक असमानता को कम करने का उपाय करना चाहिए, रोजगार के अधिक अवसर विकसित करने चाहिए। और सबसे बड़ी बात यह कि अपनी लोकतान्त्रिक विरासत को और अधिक समृद्ध करना चाहिए। किसी भी लोकतान्त्रिक देश की मजबूती उस देश की जन-भावनाओं में निहित होती है। जनता यदि महसूस करती है कि यह शासन हमारे लिए संचालित हो रहा है, इसमें हमारी भागीदारी है और इसका उद्देश्य हमारा विकास है तो वह कोई भी झंझावात झेल सकती है। अन्यथा नहीं। इसी के साथ दूसरा सवाल भी खड़ा होता है कि इस बदलती विश्व व्यवस्था में हमारी भूमिका कैसी होनी चाहिए। दरअसल इसका जबाब भी हमारी अपनी विरासत में ही निहित है। द्वितीय विश्व युद्ध के बाद की दुनिया में हमने अपनी जगह को इसी तरह से तलाशा था। उस समय हम तीसरी दुनिया के नव स्वतन्त्र देशों को साथ लेकर आगे बढ़े थे और हमने तटस्थता की नीति अपनाई थी। हमारा किसी से विरोध नहीं था, लेकिन किसी के पीछे चलने को भी हमने अमान्य किया था।

हमने दुनिया के मंचों पर मजबूती के साथ अपनी बात रखने के लिए गुटनिरपेक्ष आन्दोलन की स्थापना की थी। जब दुनिया की महाशक्तियां शीत युद्ध में उलझी हुई थीं, तब हमारी इस पहल ने तीसरी दुनिया के देशों को अपनी स्वतन्त्र विदेश नीति और संप्रभुता को बनाये रखने में मदद की। दूसरी तरफ हमने दक्षिण एशिया के अपने पड़ोसियों के साथ सौहार्द्रपूर्ण सम्बन्ध की जरूरत को भी पहचाना था। और इसी आलोक में सार्क संगठन की स्थापना हुई थी। समूचा दक्षिण एशिया एक साथ मिलकर बैठता था और एक दूसरे की बात सुनता था। वह संगठन इन सभी देशों में विश्वास बहाली का आधार बना था। उस दौर में, पाकिस्तान को छोड़कर लगभग सभी पड़ोसी देश हमारी भूमिका की सराहना करते थे। और उन देशों के नागरिकों के मध्य भी हमारे देश की ईज्जत हुआ करती थी। लेकिन अफ़सोस की बात यह कि सार्क और गुटनिरपेक्षता दोनों ही आज हाशिये पर चले गए हैं।

अर्थात् वर्तमान भारत के भविष्य का रास्ता अपनी विरासत से होकर गुजरता है। और वह विरासत है, सांस्कृतिक विविधता, सामाजिक सद्भाव, लोकतान्त्रिक आदर्श और शान्तिपूर्ण सह-अस्तित्व। अपने देश के भीतर लोकतंत्र जितना अधिक मजबूत होगा, उतना बेहतर हम अपनी समस्याओं का समाधान कर सकते हैं। जनता को अधिकार संपन्न करना और संस्थाओं को मजबूत करना किसी भी लोकतान्त्रिक व्यवस्था के हित में होता है। जब हम अपने देश में लोकतंत्र का सम्मान करते हैं तो दुनिया के मंचों पर भी हमारी बात का वजन होता है। इसके साथ हमारी सांस्कृतिक विविधता भी हमारा मजबूत पक्ष है। दुनिया में इस आधार पर हमारे देश का हमेशा सम्मान रहा है। भारत के भविष्य का रास्ता इसी गौरवपूर्ण विरासत से होकर गुजरता है।

सांस्कृतिक विविधता, सामाजिक सद्भाव, लोकतान्त्रिक आदर्श और शान्तिपूर्ण सह-अस्तित्व कल भी हमारा रास्ता दिखाते थे। और भविष्य में भी वही हमारे आदर्श होने चाहिए। ●

Francis Fukuyama was renowned for his assessment of the 21st century as “the culmination of mankind’s ideological evolution” and his designation of western liberal democracy as “the ultimate form of human governance.” He has been demonstrably incorrect. It appears that we are currently in a state of enigmatism, in which the post-Cold War aspiration of liberal democracy, which is facilitated by capitalism, has been revealed as a sad, rudimentary entity into which opportunists and punters are racing. The liberal politicians who previously concentrated on the October 7, 2023 Hamas attack when discussing justice in Gaza are now chanting “but Russia has started it” when discussing a ceasefire in the Ukraine conflict. The present crisis is the result of a series of wrongs, and in both cases, historical facts are wilfully disregarded. The West is the principal provocateur in both conflicts, which is why it does not investigate the underlying causes.

It was once anticipated that the 21st century would bring about a more tranquil and cooperative world following the conclusion of the Cold War. Rather, we are at a perilous juncture, as two significant conflicts are escalating geopolitical tensions, destabilizing economies, and menacing global peace. These wars are not merely contemporary tragedies; they are intricately connected to the unfinished business of history, colonial partitions, and the avarice of multinational corporations that derive profit from death and devastation. To trace their origins and consequences, it is necessary to ex-

Wars in Ukraine & Gaza: Threats to Global Peace



Courtesy: MRonline

Trinath Dora, General Secretary ECZIEA

amine not only the immediate stimuli but also the historical legacies that continue to influence global conflict to this day.

The conflict in Ukraine has emerged as a symbol of the resurgence of power politics. Although Ukraine achieved independence following the Soviet Union's collapse in 1991, its geographical location between Russia and the West rendered it a geopolitical flashpoint. Moscow justified Russia's invasion in February 2022 as a response to NATO's eastward expansion. It was unrealistic to anticipate that Russia would not respond to NATO's expansion, and it was, at worst, adventurism. The repercussions have been catastrophic. Tens of thousands of civilians and soldiers have been slain. From Mariupol to Bakhmut, entire communities have been reduced to rubble. The largest refugee crisis in Europe since World War II has been precipitated by the exodus of over six million Ukrainians to foreign countries. The conflict has disrupted global food and energy markets. Ukrainian

grain, which was previously a source of sustenance for a significant portion of Asia and Africa, has been obstructed by naval blockades and bombardments. The impoverished have been the most severely affected by the global inflation that has been exacerbated by sanctions against Russia. However, the way the conflict is reshaping global security is even more concerning. The political discourse has once again been dominated by nuclear threats. Europe, North America, and Asia are experiencing substantial increases in their military expenditures. This global conflict, which has its origins in regional disputes, has the potential to escalate into direct confrontations between NATO and Russia.

The conflict in Gaza cannot be comprehended without considering the history of more than a century. The current conflict between Israel and the Palestinians is not solely a result of religious differences or disputed borders. It is a result of the dissolution of the Ottoman Empire, colonial agree-

It was once anticipated that the 21st century would bring about a more tranquil and cooperative world following the conclusion of the Cold War. Rather, we are at a perilous juncture, as two significant conflicts are escalating geopolitical tensions, destabilizing economies, and menacing global peace. The conflicts in Gaza and Ukraine are not distinct catastrophes; these wars are not merely contemporary tragedies. they are intricately connected to the unfinished business of history, colonial partitions, and the avarice of multinational corporations that derive profit from death and devastation. while millions of individuals are compelled to relocate, endure hunger, and succumb to death. To have a genuine opportunity for peace in the future, it is imperative that we address past transgressions, restrict the economic objectives of corporations, and strengthen the global solidarity of anti-war movements.

ments, and the dispossession of the entire population. Gaza is currently a flashpoint where the past histories of the region have coalesced to create one of the most urgent humanitarian crises of our era.

For centuries, Palestine was a part of the Ottoman Empire, a multi-ethnic and multi-religious polity that facilitated the relative coexistence of Muslims, Christians, and Jews. In the 19th century, the Ottoman Empire began to deteriorate because of European pressure and internal decline. Its fate was determined by the First World War. The Empire's territories were perceived as prizes to be divided by Britain and France, who were anxious to increase their influence in the Middle East.

The Sykes-Picot Agreement was covertly negotiated by Britain and France in 1916. The Arab provinces of the Ottoman Empire were divided into zones of influence by this treaty. The Agreement allocated Syria, Lebanon, and Southern Turkey to France, while Britain claimed the majority of Iraq, Southern Palestine, and Kuwait. The Agreement failed to acknowledge the Arab aspirations for independence and pledged territories to colonial powers. Palestine, which encompasses Gaza in its current state, was designated for international administration due to its religious significance. Nevertheless, the agreement served as a symbol of the betrayal of Arab aspirations, sowing the seeds of suspicion.

Britain's Balfour Declaration, which was issued in 1917, further complicated the situation. It pledged to aid in

the construction of a "national home for the Jewish people" in Palestine. Although it vaguely referenced the protection of "non-Jewish communities," it essentially disregarded the political rights of the Arab majority who resided there. The declaration initiated a significant wave of Jewish immigration to Palestine, which was encouraged by Britain and aggravated by European anti-Semitism. This was a second betrayal for the Palestinians, as Sykes-Picot and Balfour had previously betrayed them.

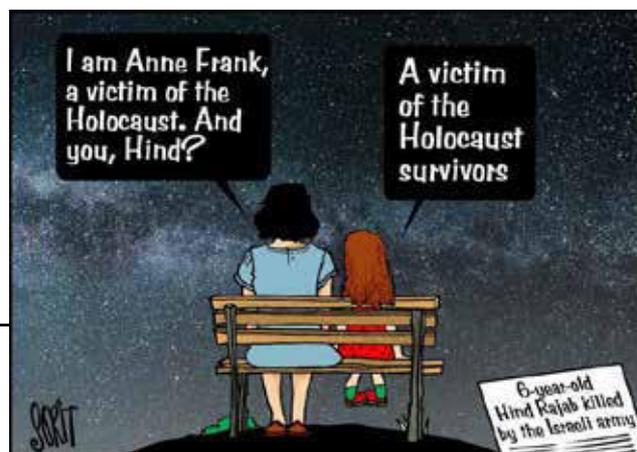
International sympathy for Jewish emigrants increased following the Second World War and the atrocities of the Holocaust. The United Nations proposed the partition of Palestine into Jewish and Arab states in 1947. The Palestinians opposed the plan, contending that it allocated an excessive amount of land to the Jewish minority. War ensued in 1948, subsequent to the establishment of the state of Israel. In what the Palestinians refer to as the Nakba or Catastrophe, Zionist militias forcibly relocated more than seven lakh Palestinians from their homes. Egypt was the first to administrate Gaza, which was subsequently transformed into a narrow strip that was overcrowded with refugees.

Another significant turning point was the six-day conflict of 1967. Gaza, the West Bank, and East Jerusalem were occupied by Israel, resulting in

the military occupation of millions of Palestinians. Hamas, which was established in 1987 during the First Intifada, was the organization that others in Gaza coalesced around, while some Palestinians turned to the Palestine Liberation Organization for resistance. Gaza has been subjected to a blockade by both Israel and Egypt since the withdrawal of settlers in 2005. This blockade imposes restrictions on trade, resources, and movement. The living conditions of nearly two million individuals have been devastated by this blockade.

Gaza's continuous conflict is directly attributable to this historical trajectory. The Israeli government maintains that it is defending itself from militant operations and projectile attacks. In the eyes of Palestinians, resistance is a battle against occupation, confinement, and dispossession. The disparity in authority is stark. While Gaza remains impoverished and isolated, Israel possesses advanced military technology and support of USA. Civilian suffering, including displacement, infrastructure devastation, and mass casualties, has emerged as the fundamental characteristic of each escalation.

Cartoon courtesy:
Sorit, Down to Earth



The history of Gaza is a tale of the repeated denial of political self-determination, from the decline of the Ottoman Empire to Sykes-Picot and Balfour, and from the Nakba to the present-day War. Each historical milestone aggravated Palestinian grievances and enabled colonial powers to influence the region. Consequently, Gaza exemplifies the enduring repercussions of imperialism and broken promises, in addition to the Palestinians' struggle. The Gaza conflict is not an isolated incident. The result of over a century of unresolved injustice, colonial interventions, and geopolitical manoeuvring. It is impossible to envisage a just and lasting peace without acknowledging this history.

The tragedy of Palestine is reminiscent of another significant partition of the twentieth century: the partition of India in 1947. The subcontinent was partitioned into India and Pakistan upon the conclusion of British colonial authority. The outcome was calamitous. Sectarian violence resulted in the displacement of more than 1.5 million individuals and the deaths of one million. Families were separated, cultures were fractured, and seeds of animosity were sown. Kashmir continues to serve as a perpetual catalyst in the ongoing conflict

between India and Pakistan. The analogy with Palestine is remarkable. Both were partitioned by colonial powers without adequately contemplating the aspirations of the people. Both partitions resulted in perpetual conflicts and serve as a reminder of the ways in which imperialism manipulated divisions to advance its geopolitical objectives, leaving behind the scars of carnage.

Multinational corporations, particularly those in the military-industrial and energy sectors, generate substantial profits while the general populace endures hardships in Gaza and Ukraine. Arms manufacturers in the United States and Europe, including Raytheon, BAE Systems, Rheinmetall, and Lockheed Martin, have achieved unprecedented profits. The re-armament of NATO countries and Ukraine's demand for armaments have resulted in the issuance of numerous new contracts. In the same vein, the conflict in Gaza has transformed Palestine into a testing ground for novel military technologies. Corporations are considering post-war reconstruction in Ukraine and Gaza, like their actions in Iraq and Afghanistan. Private companies have already been awarded contracts valued at billions to reconstruct the damage caused

by the conflict. The construction of the "Riviera of the Middle East" can commence when the earth is flat, and the poor, stateless, and conflict victims can be killed by the thousands. Moreover, the sanctions on Russian oil and gas have compelled Europe to pursue alternative energy sources that are advantageous to multinational energy corporations such as ExxonMobil, Chevron, BP, and Shell. Profits have reached unprecedented levels as LNG exports have surged.

The conflicts in Gaza and Ukraine are not distinct catastrophes; they are components of a broader crisis that poses a threat to the stability of the global order. Their origins are profoundly rooted in the exploitation of national ambitions, colonial divisions, and imperial legacies. The division of the Indian subcontinent and Palestine demonstrates the enduring strife that resulted from colonial decisions. The most heinous aspect is that multinational corporations profit significantly from conflict, even though millions of individuals are compelled to relocate, endure hunger, and succumb to death. Peace will remain unattainable if individuals persist in this course of action, and future generations will inhabit a world in which war is perpetually waged, and profit is an integral component. To have a genuine opportunity for peace in the future, it is imperative that we address past transgressions, restrict the economic objectives of corporations, and strengthen the global solidarity of anti-war movements.

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IRRATIONAL MODEL

Prabhat Patnaik, Professor Emeritus,
Centre for Economic Studies, Jawaharlal Nehru University, New Delhi
(Courtesy: Telegraph 03.09.25)

Donald Trump is weaponising tariffs to achieve all sorts of ends: to undermine the BRICS bloc of countries; to enforce the unilateral economic sanctions imposed by the Western powers on Russia; to browbeat Brazil into not prosecuting its former president, Jair Bolsonaro, and so on. But the main thrust of his tariff policy is to enlarge output in the United States of America by raising the demand for its home-produced goods at the expense of imported goods. Since such tariffs are not accompanied *per se* by any increase in government spending, they merely amount to snatching markets away from other countries for American producers — that is to pursue a ‘beggar-thy-neighbour’ policy whereby American output and employment would increase by reducing output and employment in other countries.

There is, however, an *additional* effect of such tariffs. In the process

of *diverting* markets for its own producers, a country also *destroys* markets. Tariffs raise domestic prices relative to the money wage rate (otherwise home-produced goods would never be able to compete with imports); but this also means a reduction in *real* wages and, hence, in aggregate demand. If the total world demand happens to be 100 to start with, and one country has 30 of it while the other has 70, then the attempt by the first to raise its demand and output to 40 by using tariffs means not that the other country is left with 60; it simultaneously means a *shrinking* of total world demand to, say, 90. Tariffs do not just mean snatching a larger share of a given world demand; they also bring about a reduction in world demand.

As a response to a crisis (and its associated unemployment), tariffs in such a setting are particularly inapposite, for, in

It is not the silliness of a Trump that is responsible for the tariff war but the hegemony of globalised finance capital, which is an essential feature of neoliberal capitalism. The fact that the use of this obvious remaining instrument by each country for raising domestic output and employment ends up worsening output and employment in the world as a whole only underscores the ‘irrationality’ of neoliberal capitalism, which, in turn, is rooted in the ‘irrationality’ of capitalism. Trump’s tariff offensive is a response to this cul-de-sac and an assertion that the system’s ‘irrationality’ cannot be overcome.

alleviating the crisis for *one country*, they accentuate the crisis for *all countries* taken together. And if other countries retaliate against the first by imposing countervailing tariffs, then, while it may snatch back some of the market lost to the first because of its initial tariff, it *further accentuates the crisis for all*.

It is tempting to attribute the pursuit of such an inapposite strategy in the midst of a crisis to the silliness or the bloody-mindedness of a Trump; but that argument cannot stand scrutiny. If countries could increase their fiscal deficits, then the overall world demand could increase and no matter whether tariffs are imposed by each country, output and employment could increase everywhere. In fact, during the Great Depression of the 1930s, a group of German trade unionists, and also the English economist, John Maynard Keynes, had separately suggested that the world's major economies should undertake a coordinated fiscal stimulus to boost world aggregate demand and overcome the Depression. There had been no takers for the proposal then (only the fascist countries, using fiscal deficits for boosting military expenditure, had overcome the Depression). Today, with the hegemony of globalised finance capital firmly established, which, like all finance capital, dislikes fiscal deficits, there is

no question of an expansion in world aggregate demand.

It is precisely in a situation where the world market cannot increase through either separate or coordinated government intervention that struggle erupts over grabbing a larger chunk of this given market. The pursuit of 'beggarthy-neighbour' policies through the imposition of tariffs then becomes the obvious remaining instrument for increasing domestic output and employment. It is not the silliness or bloody-mindedness of a Trump that is responsible for the tariff war but the hegemony of globalised finance capital, which is an essential feature of neoliberal capitalism.

The fact that the use of this obvious remaining instrument by each country for raising domestic output and employment ends up worsening output and employment in the world as a whole only underscores the 'irrationality' of neoliberal capitalism, which, in turn, is rooted in the 'irrationality' of capitalism.

Keynes had not reckoned with this 'irrationality'. Writing in the shadow of the Bolshevik Revolution and acutely aware of the flaws of the capitalist system, which of course he had to be in the midst of the Great Depression, he was keen to rectify these flaws in order to preserve the system. Towards this end, he advocated what came to be known as

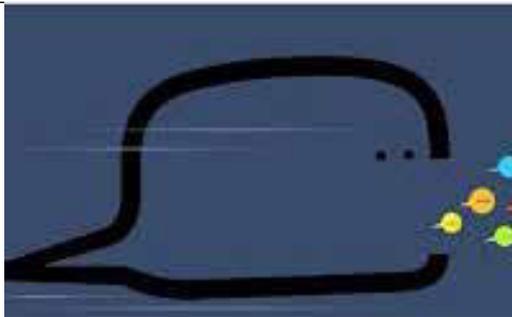
State intervention in 'demand management' in the confident belief that the objections of finance to the use of fiscal deficits for this purpose, since they were based on an inadequate understanding of economic theory, would disappear as the correct understanding spread.

But the opposite happened; far from Keynesian ideas that advocated the use of fiscal deficits for overcoming the involuntary unemployment that plagued capitalism gaining acceptance over time, Keynesianism itself got marginalised. Legislation limiting the ratio of the fiscal deficit to gross domestic product was enacted almost everywhere which made State intervention to boost activity virtually impossible. Trump's tariff offensive is a response to this *cul-de-sac* and an assertion that the system's 'irrationality' cannot be overcome.

Why, it may be asked, does capital in general, and finance in particular, object to fiscal intervention by the State? Because such intervention delegitimises the system, it raises the question: if the State is necessary for rectifying the aggregate consequences of capitalists' decisions, then why do we need capitalists at all? Keynes's fear, that unless the flaws of the system are overcome they would be transcended, arises at an even earlier stage: if the flaws of the system are overcome through State intervention, then it will be transcended, with the demand for the State to run the economy gathering momentum. This fear makes the system's defenders embrace all its 'irrationality'.

It is precisely in a situation where the world market cannot increase through either separate or coordinated government intervention that struggle erupts over grabbing a larger chunk of this given market. The pursuit of 'beggarthy-neighbour' policies through the imposition of tariffs then becomes the obvious remaining instrument for increasing domestic output and employment.

Is Technology, far from Emancipating, Enslaving Us?



Courtesy: Indian Express

Avijit Pathak , (Courtesy: Indian Express Sept 4, 2025)

What sort of society are we creating - particularly, in big cities - that normalises loneliness, psychic stress and the all-pervading fear of the other? I live in a metropolitan city, and it has enriched me in many ways. I find good schools, colleges, hospitals and vibrant cultural centres that keep me intellectually alive. Yet, I experience a sense of pain and existential anguish. Huge skyscrapers and gated communities frighten me, and the constant movement of cars and other vehicles on impersonal highways intensifies my stress. However, I am not alone. In fact, the pathology of our contemporary urban existence is becoming the new normal, but the mainstream “development” discourse seldom notices it.

Let me refer to what a hugely stratified/unequal society like ours has normalised — the segregation of the rich and the upwardly mobile aspiring class from the larger society. And this segregation manifests itself in the mode of living which the real estate industry mythologises as a “gated community” — a space that normalises the culture of surveillance and cultivates the fear of the “other”. In these gated communities, the entry

Are we fast losing the art of direct face-to-face communication? Is technology, far from emancipating, enslaving us? The irony of our contemporary urban existence is that we are becoming more and more “efficient” and “productive” - yet, lonely, indifferent, anxiety-ridden and devoid of love and enchantment.

The writer taught Sociology at JNU

(The original title of the article is ‘In Good Faith: Life in the city is being drained of love and enchantment’)

gates are always closed for the “outsiders,” unless they carry appropriate “class symbols”, and convince the security guards that they have indeed come to meet someone who resides there. By its nature, a gated community is against informal interactions, mutual trust and intimacy. It appears to be an island of the privileged that seeks to distance itself from the “chaotic” larger society. In this circumstance, the maids, cooks, plumbers and electricians — they are not even allowed to use the same lift — are discriminated against.

Ironically, there is hardly any interaction among the “insiders”. Even an exchange of a pleasant smile in the lift is rare. Everyone’s identity seems to have been reduced to their apartment numbers. Loneliness is an inevitable outcome. A 2021 study suggests

that more than 40 per cent of urban Indians feel lonely.

Likewise, as I see the overflow of cars and the intoxication with speed, I wonder whether a pedestrian like me has the right to exist in a megacity. As pedestrians, we cause no carbon emissions, particularly at a time when the horror of the climate emergency is haunting us. However, there is hardly any space for a pedestrian to walk freely without any obstruction or fear. A footpath is now a parking space for two-wheelers and cars. It is a business site. Tea stalls, fast food shops and hawkers occupy it without the slightest hesitation. Electricity poles, transformers, small religious structures, and even open manholes add to these existing obstacles. No wonder pedestrian fatalities account for almost 20 per cent of all crash fatalities in India. Yet, there

is no public debate on this issue. Meanwhile, we continue cutting trees, destroying the ecosystem, expanding our highways, and tempting the aspiring class to buy more and more cars.

According to the [Delhi](#) Statistical Handbook, 2023, more than 2.07 million private cars are registered in Delhi, whereas 2.31 million private cars contribute to [Bengaluru](#)'s notorious traffic jam. A conflict-ridden society is facing yet another kind of conflict -the dispute over the parking space leading to assaults, abuses and even shootings. Chronic anger and psychic stress characterise our everyday interactions in

big cities.

There is another kind of anxiety that haunts me. Are we fast losing the art of direct face-to-face communication? Is technology, far from emancipating, enslaving us? When I travel in a metro, I experience something that sociologist Georg Simmel, in his essay 'The Metropolis and Mental Life', regarded as "heartless indifference". I experience the coldness of the "lonely crowd". Seldom do fellow passengers greet one another. There is hardly any conversation -a pleasant exchange or a life-affirming smile. Instead, everybody is engrossed in his/her smartphone. Amidst our almost neurotic obsession with

virtual "likes" and "followers", we miss the warmth of human touch. With time, technologies will become increasingly sophisticated; the miracle called "Artificial Intelligence" will further separate us from human interactions, and the "hidden persuaders" will succeed in tempting us to buy the latest gadgets. Do we realise that we are dying from deep inside?

The irony of our contemporary urban existence is that we are becoming more and more "efficient" and "productive" - yet, lonely, indifferent, anxiety-ridden and devoid of love and enchantment.

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Why you can't be truly free in a Liberal Economy

Kavita Kabeer

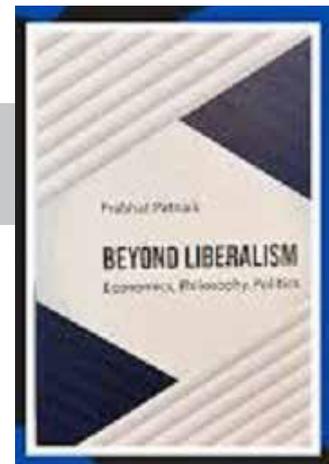
Satirist, currently helming the show#Cracknomics for the The Wire.

Prabhat Patnaik's latest work is an essential textbook for anyone wanting to understand the world we live in, the rules and constraints that shape our policies as well as our ideas and perceptions. What lies beyond the grand theories of economics? What's the philosophy on which our economic models are based, and how do they affect our everyday politics are some of the basic questions the book grapples with. The relationship among philosophy, politics and economics can be complex, but the author shows how they come together to determine political agendas, founded on political philosophy, seeking inputs from economics. And

then there is the question of individual freedom. Capitalism has convinced half the planet that it is the true defender of individual rights and freedom, but is it so? The author dives back into the philosophies of classical liberalism, as well as new liberalism to show the weakness in the foundation of their arguments.

To put it simply, to wish for freedom is to have money and time, and to gain the former you have to invest the later, along with your own labour. Here comes the essential employer-worker relationship. The liberal theory assumes this relationship to be almost natural and one that has been arrived at voluntarily. But

Book Review



to sustain this relationship within the capitalist model, the liberal theory also seeks state intervention to ensure individual freedom. The author also questions competition, and the idea of rationality. In fact, the system needs a 'rational individual' to be a 'self-centred person' who accepts the logic of capitalism and works objectively within it. Any individual not possessing the quality of 'self-possessiveness'

would automatically be deemed 'irrational', an aberration. Neo classical economics not only needs this sort of individual behaviour, it thinks of it as 'embedded in human nature' and not as a particular characteristic of capitalism that has evolved with it.

However the author shows how according to the Marxist perception, it is the fear of being unemployed, and the fear of destitution that leads people to accept work in the first place. And that is why a 'reserve army of labour', a pool of the unemployed, are always needed in the system.

Moving from arguments of John Locke to Adam Smith and Keynes, 'Beyond Liberalism: Economics, Philosophy, Politics' busts the myths of liberalism one after another.

Are individuals or for that matter even capitalists 'free' in the confines of capitalism? The author says, no. To quote "Capitalism while formally maintaining individual agency, effectively subverts individual agency. Individuals act as they do, not because of their own volition,...but because...if they don't act as they do then competition would drive them out of the position which they occupy within the system."

"Competition among capitalists coerces each of them to accumulate capital whether they like it or not. The specific role played, in other words, depends on the class position of the individual; but the point is that the individual cannot act on the basis of his or her own volition."

As capitalism becomes an all pervasive system, governing all aspects of our lives, its routine workings are mythicised. The ideas such as

'all trade is mutually beneficial' become imperative in lives and almost convert into social contracts. But this myth like many overlooks the coercive nature of capitalism, which from the beginnings, is based on a cycle of plundering many for the benefit of a few. This coercion was further extended by imperialism, first via a colonised rule, and then the institutions of global finance dictating policies to the global south.

Imagine a world, where independent governments seem to be indulging in 'free trade' with conditionalities imposed by the World Bank and IMF. Who lets them do it? It's the same rationale rooted in neo-liberal theory, 'no one is compelled to trade, and all trade is mutually beneficial.'

What happens to democracy in such a scenario? Will such a system of global finance capital not undermine democracies world over? The needs and demands of global finance are way different from those of the people. No country would be able to genuinely improve the condition of its people when it depends on global finance. Even the states committed to 'social democracy' find it damning to lose 'investor confidence'. In fact world over, the countries adopting neo-liberal policies have experienced a rise in inequality, along with poverty. Globalisation while keeping the world's poorest the worst off, has also snatched away their little ability to make any change to their situation.

If you are wondering about the current flavour of nationalism in different countries and the growth of neo-fascism, your answers lie in chapter twelve: Freedom

in the Era of Globalisation. Dr. Patnaik shows very succinctly, how globalisation is also behind the rise of fascist politics and how such politics has no interest in delinking the country from global finance capital despite its nationalist rhetoric. As a matter of fact, contemporary fascism would be the ultimate limit, a real end point of globalisation.

Right now, the world's poorest are looking at meagre opportunities, as global finance capital moves swiftly. They are staring at not just economic and political hardships, their lives have been stolen by the imminent threat of the climate crisis. Reading this along with a feminist perspective where a whole population of women and the marginalized have not even reached the status of a 'worker', it becomes imperative that our bearings need a shift.

In such a scenario, socialism, as espoused by Dr. Patnaik, is a transcending force the world needs immediately, to repair and to heal. Only in an economic and political system transcending capitalism and liberal ideologies, we may find true individual agency, rooted in direct involvement of people and collective decision making.

Published by Tulika Books, spread through 14 chapters in a little over 200 pages, Beyond Liberalism is written with care, meticulousness and a lot of heart.

This seminal work would benefit every reader and student of political economy, who wants to understand the underlying assumptions, presumptions that seem to guide our world, be it in the realms of policy, economy, and of course politics.



34th General Conference of NZIEA at Bikaner



New Energy New Resolve

The 34th General Conference of the Northern Zone Insurance Employees' Association (NZIEA) was held with great enthusiasm and determination from 6–8 September 2025 at Bikaner, Rajasthan. Known for its proud legacy of people's struggles, Bikaner provided the perfect backdrop for this landmark conference of insurance employees. The venue, Vidya Mandap of Swami Keshavanand Rajasthan Agricultural University, was decorated with red flags, festoons, and banners, symbolizing the vibrancy of the working-class movement and setting the tone for three days of deliberations, cultural festivities and organizational resolve.

More than 400 delegates and observers representing 17 divisions participated, including over 40 women comrades, whose presence highlighted the

growing participation of women in trade union activities. The disciplined and enthusiastic atmosphere testified to the unity, commitment and confidence of the organization. The discussions focused on the challenges before the insurance industry, the public sector and the working class, while the resolutions reflected a collective determination to face these challenges with renewed energy. The conference firmly pledged to defend public financial institutions—the very pillars of India's self-reliance—against privatization and corporate-driven policies, and to wage united struggles in solidarity with the broader masses.

A Historic Rally marks the Beginning

The proceedings commenced on the morning of 6 September with a historic rally, nearly two kilometers long, starting

from Hotel Utsav. It was a grand spectacle of solidarity, determination and cultural vibrancy. Traditional artists mounted on decorated camels led the procession, symbolizing Rajasthan's heritage, while 34 women comrades proudly carried the conference banner. The air was filled with the fluttering of red flags and resounding slogans demanding protection of public sector institutions, recruitment in LIC, and justice for workers.

Over 600 comrades from 17 divisions and nearby branches joined the rally, making it one of the most memorable in NZIEA's history. As the rally passed through Bikaner's streets, it was greeted with warmth by local trade unions, pensioners' organizations and mass bodies, who showered flowers and raised slogans of solidarity. This powerful opening marked the spirit with



which the conference would proceed.

A Solemn and Inspiring Inaugural Session

The inaugural session was held at the conference venue, named Com. Sitaram Yechury Nagar and Com. B. Sanyal Auditorium. It began with the flag hoisting by NZIEA President **Com. Ramchandra Sharma**, followed by floral tributes at the martyrs' column. The soulful strains of the Rajasthani folk classic '*Kesariya Balam Aavo Ni...*' added cultural richness, symbolizing both the warmth of Rajasthan's traditions and the spirit of the workers' movement.

Com. Y.K. Sharma 'Yogi', veteran trade unionist and Chairman of the Reception Committee, extended the welcome address, recalling the proud legacy of the insurance employees' movement and its close links with people's struggles in Rajasthan.

The conference was formally inaugurated by **Com. Amra Ram**, Member of Parliament from Sikar, veteran farmers' leader and stalwart of the All India Kisan Sabha. In his stirring speech, he emphasized the inseparable bond between the struggles of workers and farmers. He warned against privatization and foreign

direct investment, which were eroding India's economic self-reliance, undermining public institutions and pushing farmers and workers into deeper crises. He highlighted how insurance employees, by safeguarding lives and social security, shared a common cause with farmers fighting debt and agrarian distress. Only through unity, he asserted, could the neoliberal onslaught be resisted.

Guidance from AIIEA Leadership

The presence and guidance of the All India Insurance Employees' Association (AIIEA) leadership provided inspiration and direction.

Com. Shreekant Mishra, General Secretary of AIIEA, hailed the historic victory of insurance employees in securing the withdrawal of GST on insurance premiums after a two-decade-long struggle. He reminded delegates of AIIEA's consistent efforts for policyholders' rights, improved services and quicker claim settlements. Strongly criticizing the LIC IPO, he urged comrades to campaign for the repeal of the Insurance Laws (Amendment) Bill 2025 and to demand recruitment in Class III and IV cadres. Warning

against 100% FDI in insurance, he said privatization amounted to gifting people's resources to corporate capital. LIC, with its sovereign guarantee and role in national development, must never be allowed to weaken.

Com. V. Ramesh, President of AIIEA, emphasized the ideological clarity and responsibility of the movement. He pointed out that workers' struggles could not be separated from the struggles of farmers, women, and the oppressed masses. He cautioned against communal polarization and neoliberal policies that threatened the unity of the people.

Com. B.S. Ravi, Treasurer of AIIEA, presented data highlighting LIC's contribution to infrastructure, policyholder services and social security. He underlined the urgent need for fresh recruitment to maintain service quality and to meet the demands of policyholders.

Former leaders also enriched the session with their reflections. *Com. Amanulla Khan*, former President of AIIEA, called for uncompromising struggles against privatization and communal division, reminding comrades of AIIEA's proud record of unity. Quoting poetry of Kaifi Azmi,



*Basti mein apni
Hindu Musalman jo bas gaye,
Insaan ki shakal dekhne ko
hum taras gaye”*

he appealed to the cadres of AIIEA to become better human beings, to save humanity & inspired delegates to remain steadfast in dark times.

Com. K. Venugopal, former General Secretary AIIEA stressed the need to strengthen the organization both ideologically and numerically, continue the struggle against privatization, and prevent any further disinvestment in LIC. He recalled AIIEA's glorious history and achievements, calling upon comrades to recommit themselves to unity and equality.

Other leaders including *Comrade Bhawar Singh Shekhawat* (CITU Rajasthan President), *Comrade Seema Jain* (General Secretary, Janvadi Mahila Samiti, Rajasthan) and the SDM of Bikaner Division extended solidarity with the insurance employees, praising NZIEA's role and wishing the conference success.

Delegate Session:

Rich Deliberations and Organizational Decisions

The delegate session, chaired by President **Com. Ramchandra Sharma**, was a crucial part of the conference. General Secretary *Com. Naveen Chand* presented a detailed organizational report analyzing the challenges before LIC employees, the political and economic context, and the tasks ahead.

Thirty-five delegates, including six women comrades, actively participated in the discussions, enriching the report with their perspectives and experiences. The General Secretary comprehensively replied to the points raised,

while AIIEA leaders provided the national and global context.

Chief Treasurer *Com. Ravinder Sharma* presented the audited accounts. The session also adopted 15 constitutional amendments, proposed by *Com. Jitender Pareek*, Convener of the Constitution Amendment Committee.

Significantly, the conference unanimously adopted 24 resolutions covering a wide range of issues: defending LIC and GIC, opposing privatization and disinvestment, combating communalism, supporting farmers' struggles, and strengthening solidarity with other sections of workers. One notable resolution was to raise a Flood Relief Fund for victims in Jammu & Kashmir, Himachal Pradesh, and Punjab, with every comrade contributing at least Rs.500.

Election of New Office Bearers

In a spirit of unity, the conference unanimously elected new office bearers for the ensuing term -

Com. Jitender Pareek
as President;

Com. Naveen Chand as
General Secretary
and *Com. Anupma Sachdev*
as Chief Treasurer.

Platinum Jubilee of AIIEA and Cultural Evening

The conference was held



in the backdrop of AIIEA's Platinum Jubilee celebrations. Former office bearers of NZIEA were invited and felicitated, reinforcing a strong sense of continuity and tradition. Messages from senior leaders recalled past struggles and victories, inspiring the new generation of activists.

On 7 September, a cultural evening brought color and festivity to the proceedings. Internationally acclaimed folk artist *Ms. Mansi Singh Panwar* enthralled the audience with *Bhavai* and *Kalbelia* dance forms. *Ms. Vanshika Khatri*, daughter of *Com. Sushil Khatri*, performed a mesmerizing Rajasthani folk dance. These performances celebrated the cultural richness of Rajasthan



while while displaying the diversity and syncretism of our cultures.

Strengthened Resolve for the Future

The 34th General Conference of NZIEA concluded with resounding slogans of “NZIEA Zindabad!” and “AIIEA Zindabad!”. *President Com. Ramchandra Sharma* delivered a heartfelt vote of thanks, acknowledging the

tireless efforts of the Reception Committee and the comrades of Bikaner, whose dedication made the conference a resounding success.

The conference not only reviewed past struggles and assessed current challenges but also charted a determined course for the future. It strengthened the ideological, organizational, and political resolve of comrades, reaffirming

that insurance employees will stand united with workers, farmers, and the people of India. The message that rang out from Bikaner was clear: public sector institutions will be defended, neoliberal and communal assaults will be resisted, and the struggle for a just, democratic, and people-oriented future will continue with renewed energy and unity.

53rd General Council Meeting of IEU Dharwad

The 53rd Annual General Council Meeting of Insurance Employees’ Union, Dharwad was held on 13th September 2025 at Dharwad. The Divisional Conference commenced with hoisting flag of AIIEA by Com. Uday Gadagkar, President.

The Divisional Conference had the opportunity of the presence of Com. Amanulla Khan, Former President of AIIEA, Com. T.V.N.S Ravindranath, General Secretary, SCZIEF and Com. M Ravi, Vice President, SCZIEF. Com. Nagaraj Kamat, General Secretary welcomed all dignitaries to the dais. Com. Uday Gadagkar President, presided over.

The General Secretary Com. N.K. Kamat placed the Homage for those who lost their lives. The house paid tributes. Com. N.K. Kamat placed the report of the Executive Committee for the year 24-25 along with Audited Accounts of the Union for the year 2024.

Com. Amanulla Khan, while addressing the delegates and observers, dealt briefly the achievements of AIIEA over all these years. He pointed out to the massive improvements secured through struggles that has lifted the living and working



standards of LIC employees. He congratulated the employees for the massive achievements of removal of GST on life and health individual premium. He pointed out that the struggle of AIIEA forced the government to relook the entire GST policy and this has resulted in substantial benefits to every section of Indian society. He also spoke of another magnificent achievement of AIIEA in increasing the subsidy on group mediclaim premium to 100 % upto basic sum insured to retired employees who have reached 71 years of age or more and to their spouse irrespective of age and to all family pensioners.

He also cautioned employees to be prepared to fight the move of the Government to increase FDI to 100% in the coming days and further disinvestment of shares of LIC. Com. Amanulla Khan informed the house that

the process of recruitment in Class-III cadre will begin shortly.

Com. TVNS Ravindranath informed the present political and economic situation of the country. He asked the conference to celebrate the platinum jubilee of AIIEA by organizing meaningful activities throughout the year.

The Conference was greeted by Coms. M Ravi, Vice President., SCZIEF, R.H. Ayi, former president IEU, Com. B.N. Poojary, General Secretary, LIC Retired Employees’ Association and Krishna Bhat, General Secretary of IEU Belagavi.

The report submitted by General Secretary, N.K. Kamat, was debated by 9 comrades. The house adopted the report along with Statement of Accounts.

The house passed the following Resolutions (1) Recruitment to Cl. III & IV

cadre, (2) Recognition to AIIEA, (3) Stop further disinvestment of LIC, (4) Enhancement of GTIS due to wage revision & (5) Updation of pension.

The conference unanimously elected Coms. U.M. Gadagkar, Nagaraj Kamat,

and Com. Chaya Bangera as President, General Secretary, Treasurer respectively for the ensuing term. Com. N.K. Kamat was nominated as working committee member to AIIEA.

Com. U.M. Gadagkar, President, in his presidential

remarks said that IEU should be strengthened further and appealed to involve in all the activities of the Union. The conference came to an end with a vote of thanks by Com. U.M. Gadagkar.



38th Conference of Kolkata Suburban Division IEA

The 38th Annual General Conference of Kolkata Suburban Division Insurance Employees Association was held at Mahanayak Mancha, Unnayan Bhawan, Saltlake City, Kolkata from 16 - 17th August 2025. The

Conference had participation of 110 delegates and 100 observers from across 22 base units and the women subcommittee wing of KSDIEA was presided by Com. Khana Chakraborty Barua, President, KSDIEA. The conference began on 16th August with a flag hoisting ceremony followed by homage to the Martyr's altar. The inaugural session began with a cultural program by

Comrades of Head Quarter Base, KSDIEA followed by a welcome address by Com.

Timir Baran Bhattacharya, President, LICPA, KSDO. The conference was graced by the presence of Com. Amitabha Ghosh, General Secretary EZIEA.

The inaugural session was followed by Delegate session paying homage to late Com. Biswanath Sanyal & Com. Debasish Chatterjee whose untimely demise has been an irreparable loss to our great organization. KSDIEA paid homage to both the legendary leaders while nomenclating it's 38th conference stage as well as city respectively in their honour.

The Report on behalf of the working committee was presented in the Delegates session which was followed by intense discussions from amongst delegates representing 22 Base units under KSDIEA. The report being exhaustive in its entirety encompassed a wide range of issues impacting the Insurance Industry including the various factors like national and international socio-economic landscape, political tensions in the middle East as well as the tariff war imposed by the USA in the name of MAGA. Various issues like ever-increasing staff shortages in our branches leading to deficiency in policy servicing, reduction in NOP due to increase in

minimum sum assured limit and restructuring of commission payments leading to a dispirited field force were topics of paramount importance in the discussions. The report of the working committee was supplemented discreetly by Com. Amitava Ghosh, Secretary, EZIEA. He discussed at great length about the origin of capitalism and its dangers in recent times.

On 16th August, a special address by Com. Alokesh Dasgupta, dealt with a range of issues from infiltration to linguistic hatred that are being used as mean political weapons in recent times in order to benefit commercial institutions by providing cheap land and labour while distressing the marginal section of our society.

The Delegate session commenced on 17th August followed by a cultural program by Com. Pinaki Maitra, Vice-President, KSDIEA. The conference witnessed massive participation from our young comrades. The depth in their discussions on various contemporary issues was nonetheless worthy of admiration as well as an acknowledgement of their analytical thought process. The intense deliberation witnessed participation



from 22 Comrades each representing their respective base units and 4 comrades representing the women subcommittee unit of KSDIEA.

A total number of 40 resolutions was passed in the conference. Proposal for Constitutional amendments regarding increasing the monthly subscription rate from Rs 10 to Rs. 20 for

class III employees and from Rs. 5 to Rs. 10 for class IV employees as well as election of 1 delegate member per quartet were accepted in the AGM and recommended for approval. The delegate session concluded with a response speech and a proposal for new executive committee from Com. Ujjal Pal, General Secretary, KSDIEA. A new

executive committee of 62 members was formed including a 14-member Secretariat body.

The conference unanimously elected Com Khana Chakraborty Barua, Com Ayan Datta and Com. Rohan Bhattacharya as President, General Secretary and Treasurer respectively for the ensuing year.

38th Conference of ICEU, Vellore Division

The 38th General Conference of ICEU, Vellore Division was held at Vellore on 2nd and 3rd of August, 2025. The conference became more significant as the retirement felicitation of Com. S.Raman, former General Secretary, ICEU, Vellore and current Working committee member of AIIEA was also jointly held along with the inaugural session of the conference.

The conference started with hoisting of AIIEA flag jointly by Com. S. Raman and Com P.S.Balaji, the President of ICEU, Vellore Division amidst thunderous slogan. After paying homage to the martyrs, a photo exhibition was opened by Com. Shreekanth Mishra, General, Secretary, AIIEA then the conference started with the choir song presented by the choir team of ICEU, Vellore. Com S. Palaniraj, General Secretary welcomed the gathering and also remembered

the tremendous contribution made by Com. S. Raman in making the ICEU, Vellore a strong unit of AIIEA in the Journey of nearly 4 decades.

The conference was inaugurated by Com. Shreekanth Mishra, General Secretary, AIIEA. In his inaugural address, he greeted the conference and also felicitated Com. S. Raman for his tireless and consistent efforts to make the ICEU, Vellore strong and also his help to comrades coming from all over India for taking treatment at CMCH, Vellore and the excellent co-ordination of relief work organized during the Tsunami and many other natural calamities. He stressed the need to maintain the cultural diversity of the country. Com. M.Girija, Joint Secretary, AIIEA also greeted the conference and thanked Com. Raman for his dedication and commitment towards AIIEA. Around 350

members took part in the inaugural session.

Com. R. Jagadeesan, First General Secretary of ICEU, Vellore, Com. K. Swaminathan, former General Secretary of SZIEF. Com. C. Muthukumaraswamy, Vice President, SZIEF, Com. J.K.N. Palani, General Secretary, LIAFI, South Zone, Com S.D.Sankari, District Secretary, CPI(M) and many other leaders from fraternal trade unions felicitated Com Raman while greeting the conference. Family members of Com Raman also spoke. In his acceptance speech, Com Raman thanked AIIEA for whatever he is today and how AIIEA has transformed his life since his joining in LIC and requested all the comrades to be united to keep AIIEA more stronger. Sports persons and retired comrades were felicitated. Vote of thanks was proposed by Com. S. Gunaalan, Vice President.

The delegate session started in the afternoon with Com. S. Palaniraj, General Secretary presenting the annual report and Com. C. Ganesan, Treasurer submitting the statement of accounts. The report was discussed in detail by 35 delegates including 3 women comrades. Both the



Annual Report and Statement of Accounts were unanimously accepted by the conference. The delegate session was made more useful by the special address by Com.M.Girija, Joint Secretary, AIIEA and Com. C.Muthukumaraswami, Vice-President, SZIEF.

Com. M. Girija elaborated the challenges faced by our industry due to the erratic economic policies of the government and also detailed the

current International political and economic scenario which causes damage to the Indian Insurance Industry.

Com. C. Muthukumara swami spoke about the wage revision and various benefits clinched successfully by AIIEA and need for unity to safe guard those hard earned benefits. He also briefed about the various technological advancement taking place within our Corporation and need for recruitment

to match the advancement and to reduce the burden of the existing employees.

The conference unanimously elected Com. P.S. BALAJI, Com. S. PALANIRAJ and Com. C. Ganesan as President, General Secretary and Treasurer respectively.

The conference came to an end with vote of thanks proposed by Com. K.V. Bala-kumar. Working Committee Member, SZIEF.

52nd Conference of IE A Jamshedpur Division

52nd Annual General Conference of IEA Jamshedpur Division was held on 23rd August 2025. The conference started with the flag hoisting by President of IEAJD Com. Amit Maity amidst thunderous slogans. This was followed by paying homage to the martyrs column.

The Annual Report was placed by Com. Subhash Karna, General Secretary, IEAJD and Statement of Accounts was placed by the Treasurer Com. Ashok Das.

Com. Prasun Sengupta, joint Secretary, IEAJD initiated the debate. While opposing FDI in insurance sector, he elaborately discussed the economic policies of the government, Insurance Amendment Act and the present day scenario within LIC. 22 delegates placed their views in the conference. They discussed the issues related to insurance industry particularly LIC and also the political, economic and social issues. All were unanimous that there is an urgent need of recruitment in LIC. They also voiced for the recognition of AIIEA, which is need of the hour when there is an anti



labour attitude is prevailing. The Report and statements of accounts were unanimously approved after the summing up of the discussion by the General Secretary.

Com. Trinath Dora, General Secretary, ECZIEA discussed the present-day situation of the country. He cautioned the employees about the communal division and hatred which is polarising the Indian society. He said that there is a need of recruitment and informed the house about the efforts AIIEA is making in this regard. He expressed hope that shortly the recruitment process will start. He called upon the young comrades to come forward to take up organizational responsibilities.

Com. Pradip Mukherjee,

President, ECZIEA underlined the journey of 75 years of AIIEA. He gave emphasis on customer service to strengthen LIC. He expressed worry about the overall situation of employment. He also discussed the present industrial scenario and the struggle of AIIEA.

The conference adopted a number of resolutions relating to the institution and the broader issues confronting the entire working class.

The conference unanimously elected Com. Amit Kr. Maity, Com. Subhash Kumar Karna and Com. Ashok Kumar Das as President, General Secretary and Treasurer of IEAJD for the ensuing term. It was a very successful conference with the participation of over 100 delegates.



NCZIEF Zonal Women Convention

The 10th Zonal Women's Convention of the North Central Zone Insurance Employees' Federation (NCZIEF) was successfully held on 31st August 2025 at Gorakhpur, a city known for its historical, cultural, and spiritual heritage. Around 125 delegates and observers across all the 12 divisional units of NCZIEF participated in the Convention.

The Convention commenced with the hoisting of the organization's flag by Com. Sanjeev Sharma, President, NCZIEF, and thereafter paying of floral tributes to the Martyrs' Column. After that a soulful welcome song was presented by the women comrades of the host Gorakhpur Division.

The convention was formally inaugurated by Com. S. K. Geetha, former General Secretary, ICEU Bengaluru. She began her address with a profound reflection: "Empowerment is not a destination, it is a journey of generations."

Her speech dwelt on several crucial issues, especially the impact of current government policies on women and society at large. She said India continues to witness acute gender disparity, ranking as low as 135th globally in gender equality indices. Lack of

basic infrastructure in health, hygiene, and education has made daily life particularly difficult for women.

She emphasized that the All India Insurance Employees' Association (AIIEA) has played a historic role in giving women a distinct identity and making them equal partners in the struggles of the working class. "While under the umbrella of AIIEA we feel safe and empowered, it is also our responsibility to extend this sense of security and equality to the larger society," she urged.

She reminded delegates that every gain the insurance employees have secured—including the last wage revision—was the direct outcome of prolonged and organized struggles. Therefore, sustained struggles remain the only path to defend and advance the rights of working people.

Criticising the Current Economic Policies and pro-corporate government policies,

She, informed that only 15 corporates control nearly 90% of India's wealth, accentuating inequality. This concentration of wealth has led to shrinking household incomes and a drastic fall in secure, permanent employment opportunities. Industries are increasingly driven solely by profit motives, which has undermined job stability and decent livelihoods.

She stressed that freedom is not confined to the right to vote. "True freedom lies in the quality of life we live, the dignity of our work, and the equality we enjoy in society."

She emphasized the struggles of the All India Insurance Employees Association (AIIEA) that led to the nationalization and protection of LIC as a public sector institution. It was pointed out that only through consistent efforts has LIC survived various government policies. Now government is planning to offload more shares of LIC in the market and placed the Insurance Laws Amendment Bill, which now allows 100% foreign direct investment (FDI) in the parliament. We have to fight against it.

She concluded her address with a powerful call to strengthen collective resolve, urging every member to participate proactively and actively in all struggles—in defense of women's safety, against communal and divisive



forces, and for the preservation of public sector institutions. The development and resilience of society depend on engagement, vigilance, and solidarity.

After the inaugural address, the detailed Convention Report was presented by Com. Geeta Shant, Convener, Women sub committee, NCZIEF, and was enriched by interventions from 18 comrades during a lively debate.

Addressing the gathering, Com. Sanjeev Sharma,

President NCZIEF, stressed that divisive and capitalist forces are working to weaken unity and diversity. He highlighted the urgent need for fresh recruitment in Class III & IV cadres and assured that AIIEA is pursuing the matter sincerely.

The Convention unanimously adopted 15 resolutions on critical issues such as women's safety, strengthening of the public sector, recruitment, and unity

of the working class.

A new Women sub committee of NCZIEF was elected unanimously consisting of Com Pratibha Mishra as President, Com Ruby Nigam as General Secretary and Coms Sunita Siingh, Bharati Sood, Sangeeta Gaur and Neerja Pandey as co-conveners. The proceedings were conducted under a presidium comprising the NCZIEF President, Convener, and Co-Conveners of the Women sub Committee.

Seminar at Rourkela

The Platinum Jubilee Year Celebration and the Victory Day Celebration for withdrawal of GST from individual life and health insurance premium was observed in the Steel City of Rourkela on 06.09.2025, jointly organized by the three base committees namely, Rourkela, Uditnagar and Panposh of Rourkela city. Comrades from Bonaigarh Base unit also participated in the same. Comrade Rabi Narayan Mallick, former President of Cuttack Division Insurance Employees' Association was the Chief Speaker and Comrade Gadadhar Kuanr, the Founder General Secretary of Sambalpur Division Life Insurance Employees' Association was the Chief Guest in the Seminar. Comrade Minaranjan Bishi President, Comrade Birakishore Nayak General Secretary, Comrade Mangulu Behera Treasurer and Comrade Krupasindhu Mishra Joint Secretary attended the meeting as representatives of SDLIEA. Members of AIIPA were also invited in the Seminar.

The seminar was presided over by a Presidium consisted of Base presidents Com. Gajindra Chardia of Rourkela Base



and Com. Lembha Murmu of Uditnagar Base.

Com. Birakishore Nayak General Secretary initiated and briefed the objectives of the Seminar and the Platinum Jubilee Celebration. He also congratulated the members and Pensioners for the victory of our two decades long struggle for withdrawal of GST from health and life insurance premium.

Com RN Mallick, in his one hour long deliberation placed his views on the history of Trade Union Movement in the world and India. He also deliberated on the glorious history of AIIEA since 1951 till date. During his speech, he warned the dangers coming out of the government policies on the pressure of capitalism and neo-liberalism. He called upon the members to compensate the quantitative reduction of strength by qualitative improvement, through horizontal expansion

with unity and discipline.

Com. Gadadhar Kuanr spoke on the wage struggle of 1974 and the victory over Partial Luck-out. He also spoke his own experience of running the Organization in a most difficult situation.

Com. MR Bishi in his address focused on various local issues resolved and taken up with the Divisional Management.

Com. RN Mallick and Com. G Kuanr were felicitated by Com MR Bishi and Com. BK Nayak as a part of Pujya Pooja (felicitation to former leader) in this occasion. Com. Ajay Kumar Mishra and Com. Fulgence Dungdung who are going to retire from their services this month were also felicitated by them.

The program came to an end with Vote of thanks by Com. Santosh Kumar Mishra, Convenor, All Odisha LIC Pensioners' Association Rourkela Centre.

Special Trade Union class at Yercaud, Salem

A special Trade Union class was arranged at Salem on 13th and 14th September 2025 for all delegates of Thanjavur division at Yercaud, Salem. Com.V.Sethuraman, President of ICEU, Thanjavur Division presided over the inaugural function. Com B.Saravana Baskar, Joint Secretary of ICEU, Thanjavur Division welcomed the participants. The classes were inaugurated by Com.S.R.Krishnamurthy, former President of ICEU, Thanjavur division and Com R.Vijayakumar, General Secretary of ICEU, Thanjavur Division in his opening remarks, spoke on the purpose of the Trade class.

Prof Dr Ramanujan, Vice President, Tamilnadu Science forum took the first class on "Trade unions and new AI Technology" followed by Com. Welkin, State president of IT, ITEs workers union (UNITE). He discussed about the plight of IT workers in his industry and the positive role played



by IT workers union. On the first day evening extended EC meeting was held which was addressed by Com V.Suresh, General Secretary of SZIEF.

On the second day of the training class Com.C.Muthukumarasamy, Vice President, SZIEF spoke on 'AIIEA, in its 75th anniversary'. The classes were concluded with a discussion on the 'Future of trade unions'. The session was conducted by Com. K.Swaminathan, Former General Secretary of SZIEF.

All the classes were followed by a interactive sessions. The majority of delegates of the divisional unit attended the special training classes and were enriched by the inputs discussed in the classes. Com.S.Selvaraj, Former President of ICEU, Thanjavur Division gave the concluding address to the classes. Divisional Office bearers of ICEU presided the various sessions and regulated the functioning proceedings of Classes.

20th Annual Conference of LICPA Chennai

The 20th Annual General Conference of LICPA, Chennai was held on 23rd August 2025. After the flag hoisting, the Conference was presided over by the President Com.C. Narasimha Rao.

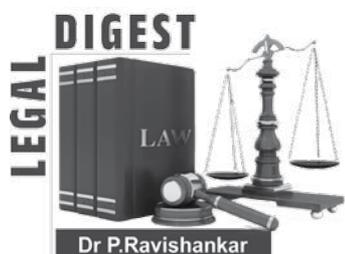
Com.Elangovan, President, Dakshin Railway Pension-

ers' Association inaugurated the Conference. Com.Santhanam, Secretary, presented the Annual Report and Com.V.Ramanujam presented the Statement of Accounts. After 4 comrades participated in the debate, the report and the Statement of Accounts were adopted unanimously.

Com.Ramesh Kumar, General Secretary, ICEU, Chennai Division I and Com.Manoharan, President, ICEU, Chennai Division II greeted the Conference. Around 150 comrades attended the conference braving the morning rains.

The Conference elected 18 members to the Managing Committee with Coms.C.Narasimha Rao, S.Santhanam and V.Ramanujam as President, Secretary and Treasurer respectively for the ensuing term. The Conference also adopted a number of resolutions on various issues confronting the Insurance Pensioners.





PENSION

Many individuals and organizations including judicial officer's Associations have approached courts seeking Justice on the subject of pension. The point of dispute was fixing different cut of date for granting benefits, increase in pension benefits and rectification of anomaly in the schemes etc. The history of such litigations in majority of litigation was always in favour of pensioners at the same time the Cost and time consumed is very high.

The above statements will be realized as true by everyone if once goes through some of the Decision of Hon'ble Supreme Court of India. The apex Court has held that the Right to receive pension is property under Article 31(1) and by a mere executive order the state had no power to withhold it. Similarly the said claim is also property under Article 19(1) (f)¹. Once again in Vijayakumar Vs Central Bank of India the Hon'ble Supreme Court has reiterated that pension is a property and "there is no cavil that pension is not discretion of the employer, but a valuable right to property and can be denied only through authority of law"² and D.S.Nakara Vs Union of India³

The Central Government Employees are governed by the Central Civil Services (Pension) Rules 1972, RBI employees by RBI Pension Regulation 1990, and LIC employees by Life Insurance Corporation of India (Employees) Pension Rules, 1995. Both RBI and LIC pension rules are framed keeping the CCS pension rules as the basis. In fact in LIC Pension Rules there is a residual Clause which specifically refers to CCS Pension Rules (Clause 56). Which reads as "**Matters relating to pension and other benefits in respect of which no express provision has been made in these rules shall be governed by the corresponding provisions contained in the Central Civil Services (Pension) Rules, 1972 or the Central Civil Services (Commutation of Pension) Rules, 1981 applicable for central government employees.**" From this it can be easily concluded that the intention was to protect every one equally. As powers are vested with the Union of India while extending or enlarging the benefits principles of Equality before Law is to be taken care off. If there is deviation or violation and denial of equality such a decision may call for the interference of the Courts.

Life Insurance Corporation of India being a statutory Corporation the rules making powers are vested with Union of India. Section 48 of LIC Act bestows such powers with the Union of India.

In the case of Bank all settlements are through tripartite agreement between the Employees Union, Management and the Banking Regulator namely IBA. There is a clear difference in the structure and settlement pattern of Benefits for Bank employees and LIC employees. One important aspect is about the paying capacity and the method of calculating the Benefits. In the case of central Government employees the method is "**as you go**" that is as and when liability arises payment is made from the Central Exchequer.

In case of LIC of India Pension Fund is created as per Rule 5 and purpose for which it can be utilized are also provided for. Provident Fund Contribution of Employer is transferred and on the date of Superannuation annuity is purchased and payment is made by way of Pension. This pension amount payable once arrived at remains static. In the case of Central Government employees and for RBI it gets reasonable increase in every wage revision which is not so in the case of LIC Pensioner.

It will be interesting to note that there are no new entrants into the 1995 scheme after 1/4/2010. The management instead of paying the Provident Fund will transfer that amount to Pension fund in case of in-service employees, and would have transferred the PF of retirees who opted pension earlier. So there is no extra cost, only for DA increase periodically contribution is made by the LIC. Such increase is given to protect the real value of money because of Increase in Cost of Living.

It is not legally tenable to accept the argument that pensioners governed by similar set of rules though they work under different authorities will have differential benefits. This reasoning has to be rejected outright against the principles of Equality before Law.

The LIC pensioner's fight for improvement in pension scheme has reached the Apex Court and it is likely to be decided shortly. It remains to be seen how the Apex court will balance the pensioners interest of similarly placed with factors like cost, concept of Commercial undertaking and protect the real value of pension which suffers erosion due to increase in Cost of Living. It is firmly believed that the Justice will be done to all based on the constitutional principle of Equality before Law envisaged in Article 14 of Constitution of India.

¹ Deokinandan Prasad vs State of Bihar & Ors [1971 AIR 1409]

² Vijayakumar Vs Central Bank of India, Dated 15/07/2025.

³ 1983 AIR 130

INSURANCE NEWS IN BRIEF

● **A.M. KHAN**, Dharwad

Life insurers are increasingly shifting towards participating (par) products to reduce balance-sheet risk, partly due to intense price competition in the non-par segment. As these products gain prominence, investors must carefully assess whether they align with their financial goals. Non-par products offer guaranteed benefits and predictable returns. They are lower-cost options with no bonuses. At the other end are unit-linked insurance plans (Ulips), which are entirely market-linked (investing in equity, debt, or hybrid funds) and provide non-guaranteed returns. The full investment risk is borne by the policyholder. Par products lie between these two categories. They offer a basic minimum guaranteed benefit. In addition, policyholders participate in the return or profit generated by the underlying participating fund. Security comes from the guaranteed portion, while bonuses enhance policy value over time. Typically, around 80 per cent of a par fund is invested in debt and 15–20 per cent in equities and other growth assets. With lower guarantees, insurers can take slightly higher equity exposure to improve long-term returns. Non-par plans lack such growth potential.

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Government of India proposes to bring in the Insurance Amendment Bill in the Monsoon Session of the Parliament. **These Amendments are designed to meet the demands of the US Trade Representative.** The government's draft norms for the Indian Insurance Companies (Foreign Investment) Amendment Rules, 2015, are expected to ease compliance for foreign investment in the sector and give comfort to global players. The norms, put out last week, propose to omit the clause that requires a majority of directors and key management persons (KMP) to be resident Indian citizens in companies that have significant foreign investment. This is to ease the compliance burden for the companies. The government has proposed to substitute the words "to exceed seventy-four per cent of the paid-up equity capital of such an Indian Insurance Company" with "to exceed the limit as stipulated by the Insurance Act, 1938". This is considered a precursor to the government's plans to revise the foreign direct investment (FDI) limit to 100 per cent from the existing 74 per cent as proposed by the finance minister in the Union Budget. Relaxation in conditions like if foreign investment exceeds 49 per cent, 50 per cent of the board must comprise independent directors, and also retaining a higher net profit, etc. For many investors, these restrictions were enough to deter them from entering the Indian market and the insurance sector hardly witnessed an incremental increase when the foreign

investment limit was increased from 49 per cent to 74 per cent. While insurance companies could be foreign-owned, it was dampening to see such conditions for foreign investment. Furthermore, the norms have omitted the clause that required an insurance company that has foreign investment and has paid dividend to retain the dividend in the general reserve in the financial

year if the solvency margin for the company was less than 1.2 times the control level of solvency but not less than 50 per cent of the net profit for the financial year. The board also need not take permission from the regulator before repatriating the dividend. This change (on the capital-retention requirement) specifically would extend comfort to global investors as far as the profitability of such investment is concerned. **All the above reasoning is justification for succumbing to the pressure of the foreign capital.**

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According to a Survey by Policybazaar :- Hospital outpatient department (OPD) coverage, once seen as a niche add-on, is becoming a mainstream feature in health insurance. Almost 22 per cent of health policies now come bundled with OPD benefits, up from just 5 per cent three years ago on their platform. Traditional health insurance was largely designed around hospitalisation. OPD cover changes that by taking care of day-to-day medical needs like: Doctor consultations (35-40 per cent of usage); Diagnostics (25-30 per cent); Pharmacy bills (20-25 per cent).

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Life insurance industry saw a growth during the period April 2025 to 31-08-2025 by 6.01 percent to ¹ .163561.52 crore as compared to ¹ .154193.76 crore during the period last year. While LIC's New business grew by 3.02 per cent during the same period. For the fiscal year 2024-25 (FY25), LIC's net profit was ¹ . 48,151 crore, an increase of 18.4% from ¹ . 40,676 crore in the previous fiscal year. This improved profitability was supported by growth in the Value of New Business (VNB), a higher proportion of non-par (non-participating) business, and an improved solvency ratio of 2.11. LIC pays ¹ .7,324.34 crore as dividend to Government of India.

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In one of the largest deals, in the Indian re/insurance intermediary market, US based Blackstone, the world's largest one, specializing in real estate, private equity, credit, life sciences, and hedge funds, has taken over a domestic re/insurance broker Ace Insurance Broker, known for arranging major covers for Adani Group.

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FOR OUR FIELD FORCE

● **A. ARIVUKKADAL**
Thanjavur

Asia-Pacific showed continued marginal improvements from its worst rating on record in 2022, but it remains second worst region in the world for workers. Asia-Pacific recorded an average rating of 4.08 in 2025, compared to 4.13 in 2024, indicating that despite some progress, workers remain routinely exposed to the systematic violation of their rights. The 12th edition of the ITUC Global Rights Index paints a grim picture of the region's trade union rights landscape. Below are some of the key findings in the report:

Nine out of 10 countries violated the right to strike and impeded the registration of unions. Almost half of countries reported violence against workers a doubling of such attacks compared to the previous year. 83% of countries in Asia-Pacific violated. 87% of countries in Asia-Pacific violated the right to establish and join a trade union. 70% of countries in Asia-Pacific denied workers access to justice, restricted free speech and assembly, and arrested and detained workers

"These figures underscore a pattern of repression that silences workers, dismantles trade unions, and blocks workers' participation in democratic life," "When trade union rights are under attack, so too is the foundation of democracy—because without freedom of association, freedom of speech, and social dialogue, workers have no voice in shaping the decisions that affect their lives and livelihoods. 4 out of 10 worst countries in the world for workers are in Asia-Pacific. Of the ten worst countries for workers worldwide, four are countries where ITUC-Asia Pacific has membership: Bangladesh, Myanmar, the Philippines, and Türkiye. These countries have been consistently identified for extreme rights violations, including violence, persecution of union leaders, and denial of basic freedoms.

ITUC-Asia Pacific calls on governments across the region to uphold international labour standards, engage in genuine social dialogue, and put an end to violence, persecution, and repression of unions.

STRIKE IN FRANCE ON 18th SEPTEMBER:

For the first time since 2023, labour unions have called for protests across all sectors, from Schools to Transport, in opposition to austerity measures in the 2026 budget plan, which the new prime minister has ruled out. More than 250 demonstrations have been declared across France for on September 18, in response to a cross-industry union call to protest the austerity budget announced in the summer by recently ousted prime minister François

Bayrou. His successor, Sébastien Lecornu, has not yet announced changes to the measures. All the labour unions have unanimously judged them to be "brutal," and denounced them as choosing "to make workers, people in precarious situations, retirees and the sick pay the price once again."

Among public sector sanitation workers, the strikes began on September 10 in Paris, with 24% of the city's 4,600 collection agents being on strike outside of any formal union call for action. This is only the beginning," said Smina Mebtouche, head of the sanitation workers' union. In the private sector, 24-hour strike notices were filed at the sanitation companies Veolia and Nicollin. Some "indefinite" strike notices, which were filed at DELOS.

In the electricity and gas sector, the hardline CGT union, which has been mobilized since September 2 in protests for pay scale increases and lower bills for users, will be joined by three other unions on 18th, with them all demanding "budget resources commensurate with the missions of public services and government policies." "The action on the 18th could serve to unite all sources of anger, a way of building on the momentum from the 10th, September strike. The unions at the broadcaster France Télévisions and at Radio France also called for staff to join the September 18 protests to oppose the public broadcasting reform proposed by Culture Minister and to denounce budget cuts over recent years. Many pharmacies have also planned to close on 18th to protest an announced reduction in sales discounts on generic-brand drugs, down from 40% to 30%. Students, teachers, and workers to march in a mass protest.

IMPROVE CONDITIONS IN UNIVERSITY EDUCATION:

Thousands of students, teachers, and workers took to the streets in protest across Argentina on September 17, For the Federal University March. The national mobilization was called for by the Argentine University Federation (FUA), the Trade Union Front, and the National Interuniversity Council (CIN), and numerous progressive groups and trade union fronts have pledged support that they will join them on the streets.

This will be the third mass protest to defend university funding against Argentine President Javier Milei's austerity policies. The protest will coincide with a teachers' strike that is taking place in national higher education institutions.

ECONOMIC NOTES

● J. SURESH, Mysore

According to the latest report World Debt – 2025 published by UN Conference on Trade and Development (UNCTAD), a record 61 countries out of the 193 United Nations member states spent at least 10% of government revenues on payments to world's financial parasites; the banks and increasingly private creditors, asset managers and hedge funds. The impact has been devastating. Some 3.4 billion people live in countries that spend more on interest than health and education. According to the report, global debt rose to \$ 102 trillion in 2025, the highest level ever. Low income countries accounted for \$ 31 trillion, one – third of the total, a substantial increase from their share of 16% in 2010. The report draws attention to the record high public debt burdens that poor people in the world's poorest countries face as their governments mainly in Africa, Asia and Oceania, Latin America and the Caribbean – pay out a record \$ 921 billion in interest, a 10% increase on the previous year. Their governments paid out \$ 25 billion more in interest than they received in new sources of income, leading yet again to net outflow of funds. Low and middle income countries now owe about 61% of their external public debt to private creditors, 30% to bilateral lenders, with China being the largest single lender, and about 10% to the multilateral institutions such as IMF and World Bank. According to research by Debt Justice UK, using IMF and World Bank data on 88 low and middle income countries, private creditors received 39% of external debt payments, compared with 34% to multilateral institutions, 13% to Chinese public and private lenders and 14% to other governments from 2020-2025. This data shatters the myth that China played the primary role in creating crisis in low-income countries. This false narrative has been endlessly promoted by the US to deny funding via the multilateral organizations that it dominates to heavily indebted countries on the basis that new loans or debt restructuring would simply end up in China's pockets.



In the period since the global financial crisis of 2008, government have been piling up debt at an accelerating rate, particularly after the onset of the Covid – 19 pandemic, as they provided bail outs to Corporations and major tax cuts for businesses and the wealthy. France is an illustrative of this process. The Bayrou government was seeking spending cuts of Euro 44 billion.

But according to calculations reported in the New York Times, tax receipts have fallen to 51% of GDP from 54% from 2017 when President Macron took office, with one estimate being that the tax cuts have resulted in a loss of Euro 50 billion annually to the government revenue. France has a government debt of Euro 3.35 trillion which is expected to comprise 116% of GDP this year. The French government as with many others, has been able to pile up debt to historically unprecedented levels, because for a decade and half after 2008 crisis, followed by euro crisis of 2012, Central Banks kept interest rates very low or at near Zero. But now with the rise in interest rates, the interest bill has soared. In the case of France, it has risen from Euro 26 billion in 2020 to Euro 66.1 billion today. The French financial crisis is the expression of rapidly developing global trend. According to IMF, the amount of debt as a percentage of annual economic output has doubled since 2007 to reach 80%. The IMF has said public debt could reach 100% of global GDP by the end of the decade. The United Nations agency UNCTAD reported that global public debt reached around \$ 102 trillion 2024, an increase of \$ 1 trillion over the previous year. The rise of Government debt has seen a sharp spike in global bond markets, particularly at the longer end. In the UK, the yield or interest rate on 30 years bonds have touched 5.75%, the highest level since 1998. Next year the interest bill on Government debt is expected to reach the equivalent of \$150 billion, nearly twice what is spent on the military. Debt is now at 100% of GDP and on present trends will rise rapidly in coming years. The UK is not alone in all of this. There is a common theme across many G-7 countries that do seem to be in place for a potential fiscal crisis, although that doesn't mean a crisis is imminent or inevitable.

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LIC Dividend: LIC handed over a dividend cheque of Rs.7,324.34 crore to the Government of India for the financial year 2024–25. LIC had an asset base of Rs.56.23 lakh crore as of March 31, 2025.

★

UPI Payment: The National Payments Corporation of India(NPCI), which manages the digital platform, will allow users to make payments of up to Rs.5 lakh per transaction for Insurance premium payments, while the cumulative daily limit has been revised to Rs.10 lakh.

★

Gig Insurance: Tamil Nadu govt is set to roll out a free personal accident insurance scheme for gig worker covering 50,000 people in its first phase. The labour dept has called for tenders to appoint an insurance company to provide a policy with coverage of up to Rs.5 lakh per person for a year, ensuring full compensation in cases of death or permanent disability, along with specified payouts for partial impairments such as loss of hearing or toes.

★

Strategic shift: Life insurers are making a strategic shift towards participating(par) products as they seek to reduce risk in balance sheet, amid choppy equity markets, a falling interest rate environment, and intense pricing competition in the non-participating(non-par) product segment. Many players in the industry have shifted towards par products after a period of being ULIP-heavy and relying on non-par products to drive topline and margins.

★

Insurance GST: Insurers raised concerns that the denial of Input Tax Credit(ITC) and inversion benefits would add to their costs, potentially leading to a rise in premium charges. They highlighted that denial of input tax credit(ITC), for instance, on commissions paid to agents that are subject to 18% GST. Reinsurance and commissions together account for nearly 90% of total expenses. Taxing commissions creates an inverted duty structure where tax on inputs is higher than tax on the final product, resulting in unclaimed credits and increased costs for insurers. CBIC responded by advising companies to **first pass on the benefits of the rate cuts** and, if required, take up the issue of **premium hikes later** with the relevant authorities.

★

Price control: IRDAI is planning to set a limit on the annual increase in health insurance premiums. Currently, insurance companies increase premiums every year at their own discretion. Earlier this year, IRDAI had set a limit of 10% for the increase in health policy premiums for senior citizens. However, experts believe that insurance companies can try to compensate for this loss by increasing the premiums of people below 60 years of age.

★

Claim denial: The Bombay High Court held that the **Tata AIG General insurance Company had attempted to find loopholes** to escape from the obligation to disburse claim amount.

★

Insurance complaints: As per the Council of Insurance Ombudsman(CIO) annual report, the Ombudsman received the **maximum number of**

complaints(13,308) against Star Health & Allied Insurance Co. Ltd. during FY2023-24. Out of these, a staggering 10,196 complaints were only regarding partial/complete rejection of the policyholder's claim. This was **followed by CARE Health**, against whom the insurance ombudsman received 3,718 complaints. With 2,511 complaints, **Niva Bupa Health Insurance stood in third place.**

★

No cashless: The Association of Healthcare Providers – India(AHPI), representing over 15,000 hospitals and healthcare institutions across the country, has warned Star Health Insurance of withdrawal of cashless services from September 22. Persistent issues faced by member hospitals include continued refusal to revise tariffs for several years in line with prevailing healthcare cost inflation, pressure to further reduce outdated tariffs, arbitrary withdrawal of cashless services, unjustified deductions from hospital bills and claim rejections post final approval.

★

Online to Offline: Online insurance seller Policybazaar has said its offline business in West Bengal was growing at 60% and made up nearly 30% of its total policy sales in the state. The company, which has a presence in at least 80 cities, opened 15 offices and point-of-sale outlets across the country last fiscal.

★

Bima Vistaar: Life Insurance Council's Insurance Awareness Committee(IAC-Life) said Bima Vistaar, an insurance product covering life, health and property for rural people will be launched by December 2025 all insurance companies at a uniform price with Rs 5 lakh cover per individual.

★

Location tracking: There is no regulation under IRDAI or any Indian law that mandates or permits insurers to demand or rely on Google Maps location data as conclusive evidence. Such use may be challenged as a violation of privacy under Article 21 of the Constitution and the Digital Personal Data Protection(DPDP) Act, 2023. IRDAI's current regulations on health insurance claims(IRDAI Health Insurance Regulations, 2016) do not authorise or mention the use of geolocation or mobile tracking for claim verification.

●

COM S.R.CHAUBAL

Com. Sharad R. Chaubal, former President, WZIEA passed away on the evening of 23/8/2025 at his residence. He was ailing for some time. He was 91. Com Chaubal played a very important role in building the organisation in Western Zone and more particularly in Mumbai. His contribution in fighting against the split of AIIEA are noteworthy. In the death of Com S.R.Chaubal, AIIEA has lost one of its great leaders.

Insurance Worker pays respectful homage to the memory of Com Sharad Chaubal and shares the grief with the bereaved family and friends.



IEU Udupi Division organizes Blood Donation Camp

In celebration of the 75th anniversary of the All India Insurance Employees Association (AIIEA), the Insurance Employees Union, Udupi Division, in association with the Blood Bank, District Hospital, Udupi, organised a blood donation camp on August 28, 2025. The program received enthusiastic response and 26 comrades donated the blood.

Com. K. Vishwanath, General Secretary of the Udupi Division, highlighted AIIEA's legacy since its founding in 1951, emphasizing its dual mission; improving service conditions for insurance employees and advocating for insurance nationalization. He emphasized the association's

commitment to social welfare, citing its consistent support during natural disasters and its contributions to schools, hospitals and care homes during International Women's Day.

Sri M. Lakshminarayana, Manager (P&IR) DM, LIC of India, Udupi Division, shared a compelling anecdote about a thalassemia treatment machine donated by LIC's Hyderabad Zonal Office. He stressed the urgent need for blood donations, quoting a doctor who said, "We have the machinery and the will to treat patients, but without blood, we cannot proceed." He urged the public and organizations to actively promote blood donation.

Dr. Veena Kumari M, Head

of the Blood Bank, educated attendees on the life-saving impact of blood donation. She explained how donated blood is separated into red cells, white cells (plasma) and platelets—each vital for treating conditions such as cancer, dengue, burn injuries, and trauma. She noted that just 300 ml of donated blood can save up to three lives and highlighted the government's initiative to provide free treatment for thalassemia and haemophilia at district blood banks.

The event was attended by Com. Prabhakara B Kunder, President, IEU Udupi, and Sri Anwar Sadath, Manager (L&HPF), among others. Com. K. Vishwanatha extended heartfelt thanks to the medical staff and all the generous donors who participated.

This camp not only celebrated a milestone but also set a powerful example of social responsibility, unity, and compassion—reminding us that blood knows no boundaries of caste, creed, or class.



DONATIONS

Com.B.Gopalakrishna Shenoy, Bramhavara BO Rs.2000
 Com. Sumathi M Rao, Udupi, DO 5000
 Com. K.Prakash, Udupi Branch -1 5000
 Com. Nirmala D'Souza 2500

Insurance Worker heartily thanks these comrades for their love and affection.

CONSUMER PRICE INDEX

Month	Base 2016	2001	1960
Mar 2025	143.0	411.84	9400.62
Apr	143.5	413.28	9433.49
May	144.0	414.72	9466.36
June	145.0	417.60	9532.10
July	146.5	421.92	9630.70

Base 1960=Base 2001x22.8259

Base 2001=Base 2016x2.88



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on the PLATINUM JUBILEE of AIIEA

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