

27 JAN 1960

# All India Insurance Employee's Association

9-A, HARALAL DAS STREET, CALCUTTA-14

Telegram : BIMAKARMI

Telephone : 56-2459

JANUARY 25, 1960.

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Com. K. G. Sriwastava,  
Secretary,  
All India Trade Union Congress,  
4, Ashok Road,  
NEW DELHI.

Dear Comrade,

We are in receipt of your letter of January 20, 1960.

We are now editing the report and resolutions adopted at the Kanpur Conference and those will be ready by the first week of February. We shall send you a set when those are ready. Some of the main resolutions and excerpts from the report are, however, being published in the current issue of the INSURANCE WORKER, which is in the press and will be sent to you in due course.

A short report of the proceedings of the Conference for publication in the Trade Union Record will be sent within a day or two.

Thanking you for your kind enquiry and with greetings,

Yours fraternally,

Parish ch. Ray  
JOINT SECRETARY.

January 20, 1960

Com.C.S.Bose,  
General Secretary,  
All-India Insurance Employees'  
Association,  
9-A Haralal Das Street,  
CALCUTTA-24.


Dear Com.Bose,

Will you please arrange to send us a set of resolutions adopted by your All-India Conference held at Kanpur in the last week of December? A short report on the proceedings of the conference may also be sent for publication in our journal the 'Trade Union Record'.

Thanking you,

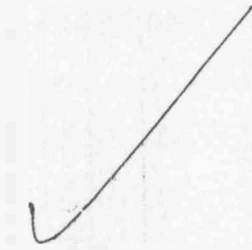
With greetings,

Yours fraternally,

  
(K.G.Sriwastava)  
Secretary

(276)

March 23, 1960



Convenor,  
Reception Committee,  
The Insurance Corporation  
Employees Union,  
TRIVANDRUM

Dear Friend,

Thank you for your letter of  
15th March.

On behalf of the AITUC we  
wish your Conference all success.

With greetings,

Yours sincerely,

  
Secretary

22 MAR 1960

# THE INSURANCE CORPORATION EMPLOYEES' UNION

TRIVANDRUM DIVISION

Reg. No. 178/56

**PRESIDENT:**

SRI S. KRISHNA IYER

B. A. (HONS.), A. C. I. I. (LOND.)

**VICE-PRESIDENT:**

SRI K. C. VARGHESE M. A.

**GENERAL SECRETARY:**

SRI C. P. VELAYUDHAN NAIR

TRIVANDRUM

15th March 1960.

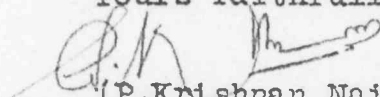
Dear Sir,


We have great pleasure to inform you that the 3rd Annual Conference of our Union is scheduled to be conducted on the 25th and 26th March 1960. Hon. Sri Chandrasekharan, Minister for Law & Revenue, Kerala, has kindly consented to inaugurate the Public Meeting on the 26th at the V.J.T. Hall and Sri Manmadhan, Principal, Mahatma Gandhi College has kindly consented to inaugurate the entertainments to follow. The detailed programme of the conference is enclosed.

As one of the foremost trade unions working in this State, we would deem it a great favour done to us if you would kindly make it convenient to be present at the Conference and enthuse us by your valuable message and advice.

Thanking you very much and requesting the favour of passing on your message to us well ahead of the Conference.

Yours faithfully,

  
(P. Krishnan Nair),  
RECEPTION COMMITTEE CONVENOR.



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*Insurance Corporation*  
*Employees' Union*

TRIVANDRUM DIVISION

**THIRD ANNUAL CONFERENCE**

ON

25th & 26th March 1960

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# INSURANCE CORPORATION EMPLOYEES' UNION

TRIVANDRUM DIVISION

Dear Sir/Madam,

The Third Annual Conference of the Trivandrum Division Insurance Corporation Employees' Union will be held on the 25th and 26th March 1960.

**Sri. K. Chandrasekharan**, Minister for Law, Kerala State, has kindly consented to inaugurate the Public Meeting at V. J. T. Hall at 5-15 P. M. on the 26th.

Your presence on the occasion is earnestly solicited.

Trivandrum,  
15th March 1960.

**C. P. VELAYUDHAN NAIR**,  
*General Secretary.*

**First Day: 25-3-'60**

**General Body Meeting (For members only)**

**Place & time:** Union Office Hall, 5-30 p. m.

**President:** Sri S. Krishna Iyer.

**Agenda:**

- 1) Fancy Dress and Mono Act competitions
- 2) Annual Report of the Union.
- 3) Discussion on future programme.
- 4) Resolutions.

**Second Day: 26-3-'60.**

**Public Meeting:** V. J. T. Hall at 5-15 p. m.

- 1) Welcome Speech:
- 2) Inaugural Address:  
Hon. Minister. Sri K. Chandrasekharan.
- 3) Speakers:  
Sri E. M. Sankaran Nampoothiripad.  
Sri C. M. Stephen.  
Sri K. Balakrishnan.

P. T. O.

- 4) Resolutions.
  5. Thanks-giving
  - 6) Prize Distribution to the winners of Sports and games.
- by Hon: Minister Sri K. Chandrasekharan.

VARIETY ENTERTAINMENTS.

Inauguration:

Sri M. P. Manmadhan, M. A.  
(Principal, Mahatma Gandhi College)

1. Ganamela
2. "Salary Day"—One act play.  
Presented by the Members  
of the Staff-Quilon Branch
3. Instrumental Music.
4. "Dussehra"—One act play.

JANA GANA MANA

*Light & Sounds: Saraswathi Sounds, Nagercoil.*

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Admission by PASS ONLY



14 APR 1960

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GULBARGA .

D/- 4-4-1960.



The Secretary,  
Life Insurance Agents' Association,  
4-1-102, Saraf Bazar,  
Gulbarga,

The Hon'ble Finance Minister,  
Govt. of India,  
New Delhi,

Ref: Compulsory Insurance for Mysore Govt.  
Servants under the aegis of the Mysore  
Govt. Insurance Department,

Sir,

We had have occasion to write to your Department on the above subject, on the 10th Feb. 1959. Most reluctantly, and often waiting for more than a year for some suitable solution to the problem referred to by us, we are once again reverting to the subject.

We had brought to your kind notice that the halting policy of the Mysore Government Insurance Department and the half hearted - measures adopted by it with regard to their compulsory Insurance Scheme had been causing confusion and hardship to the very employees who were supposed to benefit by it. With the passing of every month since our last representation to you, the confusion is getting worse confounded and the poor employees are utterly bewildered - not knowing exactly what the Mysore Government Insurance Department wants them to do, in order to obtain the requisite Insurance cover. Warnings have been issued to them from time to time about with-holding of their pay, and even disciplinary action is threatened through the medium of Stat Govt. Gazette and Departmental circulars ( the latest of which is dated 29th Feb. 1960 and is issued by the Deputy Secretary to Govt. of Mysore, Finance Department.

Sir, if you closely study the various Departmental circulars and State Govt. Gazette in the matter of this Compulsory Insurance, you will find that the Mysore Govt. Insurance Department is following a "Dog-in-the-manger" policy since the integration of the new Territory in the original Mysore State. Their machinery may have been adequate to cope with the small and compact area of the original Mysore State, with a limited personnel manning the various Govt. services. But with the far-flung new areas added to it, and the consequent substantial increase in the personnel in Govt. services, the Mysore Govt. Insurance Department machinery has been obviously thrown out of gear. It is for this reason that we see on the one hand the astounding spectacle of the Mysore Govt. Insurance Dept. dinning into the ears of the Govt. employees since last three years that they must insure with the Mysore Govt. Insurance Dept. on the flat percentage of 10% of substantive pay and on the other hand the poor - bewildered employees are waiting all these years to know as to who will complete the necessary formalities, when they will do it and how they propose to do it ! The Mysore Govt. Insurance Dept. , it is obvious, is ill-equipped to undertake a task of the dimensions which it has been asked to handle. The logical course would be for them to pass on the job to the Life Insurance Corporation - which too they are not prepared to do.

The effort of this obstinate and stubborn attitude on the part of the Mysore Govt. Insurance Dept. is that many Govt. servants, fearing that perhaps the State Govt. may with-hold their pay, if they failed to provide adequate Insurance coverage on their lives, have taken recourse to the prompt Insurance facilities offered by the Life Insurance Department and have insured with them. And now they are faced with a dilemmabecause the Mysore Govt. Insurance Department has given them to understand that the Life Insurance Policies issued after 1st April 1960, will not be recognised for the purpose of

P.T.O.

Life Insurance.

It is high time that the Central Govt. stepped on the scene, to protect the interests of these long-suffering Govt. Employees, who being subject to the code of discipline, applicable to Govt. servants are clearly not in a position to represent their own view - point in the matter.

In our opinion this anachronism of multiple State agencies for the self- same purpose of Life Insurance service, has to be ended sooner or later ( and it is better if done sooner rather than later) by merging the various State Insurance bodies the Mysore Govt. Insurance Department, Kerala Insurance Unit, Andhra and Hyderabad Insurance Funds etc., in the Life Insurance Corporation. As long as the obvious step is not taken anomalies of the type brought to your notice, are bound to persist.

However, since this is a long range measure and in case there are any legal hitches in doing so, involving a substantive time limit, we suggest, that as far as the Mysore Govt. Insurance Department is concerned the following measures may be given due consideration:-

1. The employees of the new integrated areas in Mysore State who did not belong to the services of the original Mysore State, may be given the option of insuring either with the Mysore Govt. Insurance Department or the Life Insurance Corporation and the compulsion to insure only with the Mysore Govt. Insurance Department should be confined only to the original Mysore Govt. State servants.

2. The Mysore Govt. Insurance Dept. should be given a definite time limit by which they must arrange to complete the necessary - Insurance formalities. This may be fixed upto 31st May 1960, in view of the State Govt. Memorandum No.FD.12 PID 59 D/- 29-2-1960. If the Mysore Govt. Insurance Dept. is unable to complete the business till this specified date, the job may be inferred to the Life Insurance Corporation which is far better equipped to tackle it.

3) Those who are already insured with the Life Insurance Corporation as on 31st May 1960 should not be compelled to insure again with the Mysore Govt. Insurance Dept. and the L.I.C. policies issued till 31-5-1960 ( or earliest till 29-2-1960 which is the date of the latest Govt. Memorandum on the subject ) should be taken cognizance of, for granting proportionate exemption to the employees concerned.

4. The feature of compulsion inherent in the State Govt. Insurance Scheme should be studied by the Central Govt. Legal Advisers to find out whether this compulsion is in conformity with the spirit of our democratic constitution - specially in a matter life Savings of a salaried employee, which by its very nature, has to be on a voluntary basis.

5. Even if the feature of compulsion is found not to violate the spirit of our Constitution, the point of a flat levy of 10% should be examined as it militates against the socialist principle of " taxing only where it hurts the least". It is one thing for an Officer drawing Rs 2000/- per month to save Rs 200/-, and quite another for a poor clerk drawing Rs 100/- to save Rs 10/- per month out of his salary. Since such a wide margin for saving is clearly non-existent in the latter case.

May we hope to leave from your Department at an early date!

Thanking you in anticipation.

Yours faithfully,  
*Mirachand G. Shan*  
(Hon. Secretary).

Copy to Shri S.A.Dange, M.P,  
New Delhi

MIRACHAND G. SHAN

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L.I.C EMPLOYEES DEMAND NEED-BASED MINIMUM WAGE

CHARTER OF DEMAND FRAMED BY THE ALL INDIA INSURANCE EMPLOYEES' ASSCN.

(FROM : AJOY DAS GUPTA)

BOMBAY, April 9:-

A fourdays' session of the General Council of the All India Insurance Employees' Association finalised a new Charter of Demands for the LIC employees. The minimum starting salary for the lowest grade of employees (sweepers) has been fixed at Rs.130/- p.m. divided as follows : Basic Pay -Rs.100/- D.A.-Rs.20/- and House Rent-10/- This minimum has been reached ~~on~~ calculating on the basis of the norm fixed by the 15th.session of the Indian Labour Conference (Tripartite) for a need-based minimum wage. The basic pay has been computed on 100 points of the cost of living index (1949  $\frac{1}{2}$  100) and the D.A. at 120 points. The different pay scales of of different categories of employees varies from Rs.100/- to Rs.190/- <sup>for sweepers</sup> to Rs.130/- to Rs.430/- for Assistants and Rs.320/- to Rs.650/- for Superintendent. The D.A. scheme is Rs.20/- upto pay of Rs.199 and thereafter Rs.5/- increase for every hundred rupees of basic pay, so long the cost of living index is below 120 (1949- 100). Thereafter for every point of rise Re.1/- in D.A. is to be increased for all categories of employees. House rent is to be 10% of basic pay. The Charter also includes demands for retiring benefits, Staff Regulations, Housing and other service condings and trade union rights including the recognition of the All India Insurance Employees' Association as the only bargaining agent for the LIC employees. The General Council demanded Rs.25/- as an interim relief pending the final <sup>settlement</sup> ~~settlement~~ on the Charter. The General Council also decided to observe June 1 as the Charter of Demands Day throughout India.

The meeting also discussed the present position ~~in~~ the general insurance industry and decided to observe a week from May 25 to June 1 next to protest against closure and retrenchment, to focus attention on the malpractices in the industry and to demand ~~and~~ its nationalisation. It was decided to hold a convention

of the general insurance employees to devise ways and means to ~~enforce~~ enforce the demand of nationalisation and to secure standardisation of wages and service conditions in the industry.

These decisions of the General Council meeting which was held here from April 4 to 8, 1960 was announced in a mass rally of the insurance employees held on the evening of 8th April in the Cama Hall presided over by Shri Rajni Patel, the president of the All India Insurance Employees' Association. Shri Suroj Chaudhuri, the General Secretary of the Association explained the decisions and the President called upon the insurance employees to prepare for a long-drawn and hard struggle to achieve the demands.

The Charter of Demands will soon be submitted to the Chairman of the Life Insurance Corporation for their acceptance.

Edita,  
TUR.

Ajay Das Gupta  
9/4/60.

Tele { gram : BIMAKARMI Calcutta  
phone : 24 - 1583

# ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION

9A, HARALAL DAS STREET,  
CALCUTTA-14.

DRAFT CHARTER OF DEMANDS AS FORMULATED BY THE SUB-COMMITTEE, APPOINTED  
IN THE FOURTH GENERAL CONFERENCE OF THE ALL INDIA INSURANCE EMPLOYEES'  
ASSOCIATION, HELD AT CALCUTTA FROM FEBRUARY 29TH TO MARCH 4TH, 1960.

## CHARTER OF DEMANDS

Everything contained hereinbelow shall apply equally to transferred  
employees as also to the employees recruited on or after the Appointed  
Day & shall also apply equally to employees working in all the offices  
of the Life Insurance Corporation of India throughout the Indian Union

### 1. GRADING:

- (1) Sweepers, Cleaners, Etc. shall have GRADE "A".
- (2) Sepoys, Chaprasis, Malis, Farashmen, Hamals, Head Peons, Liftmen,  
Watchmen, Daftries, Packers, Pumpmen Etc. shall have GRADE "B".
- (3) Drivers shall have GRADE "C".
- (4) Record Clerks, Banda, <sup>Carls,</sup> Duplicating Machine Operators, Electricians,  
Bill Collectors, Carpenters, Gas Mistries, Masons, Plumbers Etc.  
shall have GRADE "D".
- (5) Assistants, Telephone Operators, Addressing Machine Operators,  
Punch Card Operators, Typists, Receiving & Paying Cashiers, Adrema -  
~~Gente~~ - Bradma - Power Samas - Comptometre - Hollerith - I. B. M.  
Machine Operators, Building Inspectors, Caretakers, Cooling Plant  
Operators, ~~Section Heads Etc.~~ shall have GRADE "E".
- (6) <sup>Section Heads,</sup> Higher Grade Assistants, Stenographers, Artists, Journalists, Over-  
seers, Draftsmen Etc. shall have GRADE "F".
- (7) Superintendents shall have GRADE "G".

### 2. GRADE STRUCTURE:

(A)	Rs.100 - 4 - 120 - 5 - 160 - 6 - 190	...	18 Years
(B)	Rs.110 - 4 - 122 - 5 - 147 - 6 - 189 - 7 - 210.		18 Years
(C)	Rs.160 - 6 - 172 - 8 - 220 -10 - 250	...	11 Years
(D)	Rs.150 - 8 - 190 -10 - 240 -12 - 300	...	15 Years
(E)	Rs.180 -10 - 240 -15 - 390 -20 - 430	...	18 Years
(F)	Rs.235 -15 - 325 -20 - 485 -35 - 510	...	15 Years
(G)	Rs.320 -30 - 530 -40 - 650	...	10 Years

3. DEARNESS ALLOWANCE SCHEME:

Basic Salary	Dearness Allowance
Upto the salary of Rs.199/-	Rs.20.00 nP
From the salary of Rs.200/- to Rs.299/-	Rs.25.00 "
From the salary of Rs.300/- to Rs.399/-	Rs.30.00 "
From the salary of Rs.400/- to Rs.499/-	Rs.35.00 "
From the salary of Rs.500/- to Rs.599/-	Rs.40.00 "
From the salary of Rs.600/- and above	Rs.45.00 "

While computing the actual quantum of D.A., the Consumer Price Index upto 120 points has been accounted for. Any further rise in the All India Price Index over point 120 shall be compensated by further dearness allowance on the basis of Re.1.00 per month for every point of rise. The Dearness Allowance has to be reviewed every three months on average index number.

4. STARTING SALARY:

On the above basis of calculation the starting salary of different grades will be as under :-

G R A D E	BASIC	D. A.	HOUSE RENT	TOTAL
Sweepers etc.	Rs.100/-	Rs.20/-	Rs.10/-	Rs.130/-
Peons etc.	Rs.110/-	Rs.20/-	Rs.11/-	Rs.141/-
Drivers	Rs.160/-	Rs.20/-	Rs.16/-	Rs.196/-
Record Clerks etc.	Rs.150/-	Rs.20/-	Rs.15/-	Rs.185/-
Assistants. etc.	Rs.180/-	Rs.20/-	Rs.18/-	Rs.218/-
Higher Grade Assistants etc.	Rs.235/-	Rs.25/-	Rs.23/-	Rs.283/-
Superintendents	Rs.320/-	Rs.30/-	Rs.32/-	Rs.382/-

5. SPECIAL PAY:

Employees engaged in works mentioned below and/or designated as below shall be entitled to Special Pay per mensem, in addition to their salaries and emoluments, in the following manner. This Special Pay shall for all practical purposes be treated as Basic Pay in so far as all benefits entitled to the employees are concerned:

- (a) Watchmen, Cycle Peons, Messengers, Mail-Peons, Letter Delivery Peons, Head Peons, Bank Peons, Cash Handling Peons, Liftmen, Franking Machine operators, Packers, Daftries, Security Guards, Armed Guards and Pumpmen etc. ... .. Rs.25/- P.M.
- (b) Typists, Comptometer Operators, Addressograph Operators, Punch Card Operators, Telephone Operators, Paying & Receiving Cashiers, Adrema - Bradma - Power Samas - Cento Operators, Hollerith & I.B.M. Machine Operators, Building Inspectors and Caretakers etc. ... .. Rs.35/- P.M.
- (c) Section Heads: From 1st Year to 5th Year ... .. Rs.50/- P.M.  
From 6th Year to 10th Year ... .. Rs.60/- "  
From 11th Year onwards ... .. Rs.70/- "

6. OTHER ALLOWANCES:(1) Hill Station Allowance:

An employee working at a hill station on an altitude of 3000' ft. and up above sea level shall be paid an allowance designated as "Hill Station Allowance" at the rate of 30% of the salary, with a minimum of Rs.40/- per mensem.

(2) Overtime Allowance:

An employee working overtime shall be entitled to Overtime Allowance for such period of work rendered at the rate of double the hourly rate of wages inclusive of Special Pay and all other allowances.

28 MAY 1960

Grams "BANKFLAG"

# U. P. Bank Employees' Union

CENTRAL OFFICE

78/16 Anuragaj  
23/4, Patkapur,

Ref. No. \_\_\_\_\_

KANPUR 24th May 19 60.

The Editor,  
Trade Union Record,  
4 Ashoka Road,  
New Delhi,

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Dear Comrade,

We enclose herewith a copy of the Charter of Demand submitted by the All India Insurance Employees Association. The Insurance Employees are observing 1.6.60 as All India Charter Day. The L.I.C. Chairman has invited the representatives of the Insurance Employees Association to discuss the Charter of Demand and for negotiations on 2nd June 1960.

With greetings,

Yours comradely,

*Mahesh Bajpai*

( Mahesh Bajpai )

# THE CHARTER

ALL INDIA INSURANCE EMPLOYEES ASSOCIATION

[ L. I. C. Employees all over the country will  
observe Charter of Demands Day on June 1, 1960 ]

CIRCULATED BY  
CENTRAL ZONE INSURANCE EMPLOYEES FEDERATION  
KANPUR

and com-



# Implement The Charter

Chandra Sekhar Bose

The Charter of Demands as adopted in the meeting of the General Council of the AIEA held at Bombay from 4th to 7th April, has been on the 14th April submitted to the Chairman of the Life Insurance Corporation of India.

The Charter, as was discussed and adopted in the Council meeting, it would be recalled, has the background of the wide discussions at the broadest level of employees' organisations on the basis of the draft Charter of Demands as formulated by the Sub-Committee constituted at the last Kanpur Conference. The Kanpur Conference did not direct itself to adopting a Charter with a view to ensuring that proper justice was done to the various questions pertaining to the several demands and to guarantee that the employees in general had adequate opportunity to ventilate their views in the formulation of the demands. The Charter now adopted in the General Council, it can be reasonably claimed, reflects in largest possible measure the demands, needs, requirements of the employees, their hopes and aspirations.

The Charter, as is known, conforms to the principles evolved out and unanimously accepted in the 15th Session of the Indian Labour Conference which lays down that a minimum wage, irrespective of the capacity of the industry to pay, should be paid and that the minimum wage should be determined by need-based norms. The emoluments demanded in the Charter, therefore, is the minimum wage which an LIC employee should get in order to live and work as an employee of the premier institution in the fast developing public sector.

While submitting the Charter the Chairman has been requested to start negotiations with the All India Insurance Employees' Association early and pending a settlement to grant interim relief of Rs. 25/- per mensem to all employees. The AIEA has urged amicable settlement through talks round the table. This is not just a slogan for AIEA. It has in the past left no stone unturned to resolve disputes through negotiations and has stuck to this basic policy through all vicissitudes and against all odds. In its efforts to induce the authorities to implement the Charter also the AIEA would firmly adhere to this policy.

But realisation of the Charter is in no way going to be an easy task. Submission and realisation of a Charter are two distinct things—the former does not carry the latter automatically with it. In realising the Charter we are to wage a many-pronged battle. The employees, individually and collectively, must have the conviction that the Charter is reasonable, realistic and realisable. Organisation at all levels must shake off looseness and com-

placence and consolidate further, and ideological struggles against swing from extreme to extreme, from inaction to hasty action has to be relentlessly waged and, above all, a psychological preparedness for a protracted and long-drawn struggle must be built up. While our readiness is of paramount importance, experience would show that only our preparedness may not suffice. We have to carry with us the assistance and guidance of the people's representatives in the Parliament, the sanction of the various public bodies, the approval of the insuring public and the support of the trade unions. In doing that, what we require most is patience, courage and determination. As we have a case strong in logic, sound in outlook and unassailable in scientific approach, we can ill afford to be hasty and reckless. We must have patience enough to outpatience the forces of negation and hurdles of delay and deferment.

The LIC, we hope, would allow wise counsel to prevail. It should be the policy of the LIC to adhere to the progressive labour policies, to put into practice the unanimous decisions of the labour conference, to set a pace for the whole country, to serve as a model to the private employers and to infuse the economic content in the concept of cordial relations in the industry. Let immediate negotiations and settlement on the Charter of Demands further strengthen the relations which have been built up in the past.

This Charter of Demands was adopted unanimously in the meeting of the General Council of the All India Insurance Employees' Association held at Bombay from 4th to 7th April, 1960.

## Charter of Demands of the Employees of the Life Insurance Corporation of India

April 14, 1960

The Chairman,  
Life Insurance Corporation of India,  
Central Office,  
'Jeevan Kendra',  
Laxmi Bazaar, Tata Road,  
BOMBAY-1.

Dear Sir,

**Re : Charter of Demands**

The Fourth General Conference of the ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION held at Kanpur from 25th to 28th December, 1959 decided unanimously to submit a Charter of Demands on behalf of the employees of Life Insurance Corporation of India. In pursuance of this decision the Charter of Demands as adopted unanimously in the Meeting of the General Council of the Association held at Bombay from 4th to 7th April 1960, is being submitted herewith to the Life Insurance Corporation of India for acceptance.

The Association desires to set forth hereunder in brief, the background of the Charter of Demands and the consideration that have formed the basis of the same.

On Nationalisation of the Life Insurance Industry it was found that the Scales of Salary and other service conditions were in a most anarchic condition.

The Parliament having seen this aspect of the matter and being aware that some sort of immediate and urgent standardisation of conditions of service for employees was absolutely necessary for the immediate functioning of the Corporation, by Section 11 provided that the conditions of service shall remain unaltered and only for the limited purpose of removing abnormal inequalities, by Sub-Section 2 of Section 11 empowered the Central Government to fix salary scales and other service conditions. Obviously, the more fundamental and far-reaching questions of norms of salary etc. could not have been investigated and considered adequately in those emergent times.

The Standardisation Order dated June 1, 1957, which the Central Government issued, was preceded by negotiations between the Life Insurance Corporation and the All India Insurance Employees' Association. Though the Wages agreed to in the negotiations did not fully reflect the needs, requirements and aspirations of the employees and though some of their major demands remained unfulfilled, the Association accepted them in a spirit of accommodation and with a view to breaking the stalemate that persisted on the question of wages since nationalisation which was vitiating industrial relations and which was being taken advantage of by the opponents of

nationalisation. All the parties accepted the measure as an interim one to be substituted by a comprehensive settlement subsequently when the Corporation stabilised. Even the then Union Finance Minister while placing a Report in the Lok Sabha termed the settlement as 'Interim'.

Since then, the Life Insurance Corporation of India, having successfully sustained the shock of transition from Private to Public Sector and the difficulties of initial period have now settled down and taken a full stride towards steady expansion and progress. The history of the Life Insurance Corporation during these years has been one of unprecedented rise in the volume of business, concomitant increase in premiums and other incomes and continued consolidation all of which have gone to contribute to the confidence the Life Insurance Corporation commands for itself today. The perspective before the Life Insurance Corporation of India, in the context of planned development and speedy industrialisation, is one of unfettered progress and prosperity.

The period following the interim settlement has been a period with steep rise of prices. All measures taken have so far failed to arrest the upward movement of prices and even the Government cannot say with any certainty as to when and at which level prices would stabilise. All in the country are in no two opinions that this constant spiralling of prices have completely upset the family budget, increased the want and indebtedness of workers and have exposed them to chronic depression of living standard.

The Association while framing the Charter of Demands has kept before it these factors and noted and considered the principle enunciated in these respects and also the urge and aspirations of the employees for better standards of life and living and more encouraging conditions of work.

During these years, fuller shape has been given to the various principles and concepts evolved out and accepted by the country and Government has come forward to take more concrete steps to implement the objective of ensuring a floor of minimum wage. The Planning Commission in its report on the 2nd Five Year Plan observes: "A Wage policy which aims at a structure with rising real wages requires to be evolved. Workers' right to a fair wage has been recognised, but in practice, it has been found difficult to qualify it inspite of the best efforts. Industrial Tribunals have been unable to evolve a consistent formula. A major difficulty experienced in the fuller implementation of the principle of Fair Wage is the 'drag' exercised by the marginal units in determining the wage structure." (Page 578/79—2nd Five Year Plan).

In pursuance of this objective of a minimum wage which should represent not only bare subsistence of life but also preservation of the efficiency of the worker by providing some measure of education, medical requirement and amenities, the 15th Indian Labour Conference held at New Delhi in July, 1957 under the Chairmanship of Shri Gulzarilal Nanda, Hon'ble Minister for Labour and Employment, unanimously made certain specific recommen-



# DEMANDS

*Everything contained hereinbelow shall apply equally to transferred employees as also to the employees recruited on or after the Appointed Day and henceforward and shall also apply equally to employees working in all the Offices of the Life Insurance Corporation of India.*

## 1. Grading

(1) Sweepers, Head Sweepers, Cleaners, Head Cleaners and such other employees shall be in GRADE 'A'.

(2) Sepoys, Chaprasis, Malis, Farashmen, Hamals, Liftmen, Watchmen, Packers, Pumpmen, Head Peons, Headmen of Building Maintenance and Engineering Staff of Class V and such other employees shall be in GRADE 'B'.

(3) Drivers shall be in GRADE 'C'.

(4) Record clerks, Banda-Cento-Franking Machine and Duplicating Machine Operators, Electricians (unlicensed), Billcollectors, Carpenters, Duftries, Gas Mistries, Macons, Plumbers and such other employees shall be in GRADE 'D'.

(5) Assistants, Telephone Operators, Addressing Machine Operators, Punchers, Punch Card Operators, Typists, Receiving & Paying Cashiers, Adrema-Bradma-Power Samas-Comptometer-Hollerith-IBM Machine Operators, Building Inspectors, Caretakers, Cooling-Plant Operators, Electricians (Licensed) and such other employees shall be in GRADE 'E'.

(6) Higher Grade Assistants, Section Heads, Stenographers, Artists, Journalists, Overseers, Draftsmen, Language Assistants and such other employees shall be in GRADE 'F'.

(7) Superintendents shall be in GRADE 'G'.

## 2. Grade Structure :

A—Rs. 100-4-120-5-160-6-190.

B—Rs. 110-5-150-6-186-8-218.

C—Rs. 160-6-172-8-220-10-250.

D—Rs. 150-8-190-10-240-12-300.

E—Rs. 180-10-240-15-390-20-430.

F—Rs. 235-15-325-20-485-25-510.

G—Rs. 320-30-530-40-650.

## 3. Dearness Allowance Scheme :

(a) All the employees shall be entitled to the following quantum of Dearness Allowance in accordance with their Basic Salary according to the All India Consumers' Price Index upto 120 points (1949=100).

Basic Salary	Dearness Allowance
Up to the Salary of Rs. 199/-	Rs. 20.00
From the Salary of Rs. 200,- to Rs. 299/-	Rs. 25.00
From the Salary of Rs. 300/- to Rs. 399/-	Rs. 30.00
From the Salary of Rs. 400/- to Rs. 499/-	Rs. 35.00
From the Salary of Rs. 500/- to Rs. 599/-	Rs. 40.00
From the Salary of Rs. 600/- and above	Rs. 45.00

(b) For further rise in the All India Consumers' Price Index over point 120

(1949=100) all the employees shall be entitled to further dearness allowance in addition to above at the rate of Rs. 1.00 per month for every point of rise. Dearness Allowance has to be reviewed every three months on average Index Number.

#### 4. Special Pay :

Employees engaged in works mentioned below and/or designated as below shall be entitled to Special Pay per mensem, in addition to their salaries and emoluments in the manner stated below. The Special Pay for all practical purposes be treated as Basic Pay in so far as all benefits entitled to the employees are concerned :—

(a) Watchmen, Cycle peons, Messengers, Mail Peons, Letter Delivery Peons, Bank Peons, Cash Handling Peons, Liftmen, Packers, Security Guards, Armed Guards, Pumpmen, Head Sweepers and such other employees..... Rs. 25/- p. m.

(b) Head Peons and such other Headmen :—

From 1st year to 5th year ... Rs. 25/- p. m.  
From 6th year to 10th year ... Rs. 30/- p. m.  
From 11th year onwards ... Rs. 35/- p. m.

(c) Typists, Comptometer Operators, Addressograph Operators, Punchers, Punch Card Operators, Telephone Operators, Paying and Receiving Cashiers, Adrema-Bradma-Power Samas-Hallerith and I. B. M. Machine Operators, Building Inspectors and Caretakers. ... Rs. 35/- p. m.

(d) Higher Grade Assistants working in Internal Audit Department. Rs. 50/-p. m.

#### 5. Other allowances :

##### (1) Hill Station Allowances :

An employee working in a hill station on an altitude of 4000 ft. and above the sea level shall be paid an allowance designated as "Hill Station Allowance" at the rate of 30% of the salary with a minimum of Rs. 40/- per mensem.

##### (2) Overtime Allowance :

An employee working overtime shall be entitled to "Overtime Allowance" for such period of work rendered at the rate of double the hourly rate of wages inclusive of Special Pay and all other allowances. No employee shall be engaged in overtime work more than 90 hours in a calendar year.

##### (3) Officiating Allowance :

(a) If an employee is required to officiate in a higher post, he shall be entitled to an "Acting allowance" at the rate of 25% of his salary for the period for which he officiates.

(b) If an employee is required to act in a post for which Special Pay is provided, he shall be entitled to pro-rata Special Pay for the period of such work done.

(c) Employees having to work in high racks shall be entitled to a Rack Allowance of Rs. 5.00 per mensem.

#### 6. Staff Quarters &

##### House Rent Allowance :

The L.I.C.I. shall provide for subsidised Staff Quarters for all the employees within a reasonable period and till such provision is made, all the employees of all the Offices of the L.I.C.I. shall be paid as "House Rent" a

sum at the rate of 10% of their Basic Salary per mensem.

### 7. Adjustments :

(i) When the salaries of the existing employees will be fitted into the new scales, the employees shall be given a rise according to the exact number of years of service i.e. the existing salaries shall be fitted on a point-to point basis.

(ii) When the salaries of the existing employees will be fitted into the new salary scales, the "Additional Dearness Allowance" now enjoyed by the employees shall be protected in full throughout their tenure of service.

(iii) When fitting the existing salaries of the employees into the new salary scales, no employee shall suffer loss in existing emoluments or be adversely affected.

### 8. Amenities :

#### (a) Free Medical Aid :

All the employees of the L.I.C.I. shall be entitled to Free Medical Aid for selves and their dependents. The L.I.C.I. shall bear the cost of Hospitalisation, Medicine and Doctors' Bill.

#### (b) Subsidised Cheap Canteens :

The L.I.C.I. shall provide for adequately Subsidised Cheap Canteens for supply of wholesome food to its employees in each of the Office premises. Wherever such Canteens exist the L.I.C.I. shall provide for necessary subsidy to those.

#### (c) Subsidy for Sports, Recreation and Cultural Activities :

The L.I.C.I. shall provide for adequate

subsidy for Sports, Recreational and Cultural Activities of the employees.

#### (d) Free Pure Endowment :

All the employees shall be entitled to a Free Pure Endowment Policy—(maturing at age 60 without return of premiums), the premiums of which shall be borne by the L.I.C.I. The sum assured of such Pure Endowment Policy for Class III employees shall be Rs. 6000/- and for Class V employees Rs. 3,500 only.

#### (e) Travelling Facilities On Leave :

The L.I.C.I. shall bear the actual cost of conveyance of an employee and his dependents once in two years for going outstations on leave, provided, however, that such cost will not exceed Rs. 500/- at a time.

### 9. Retirement Benefits

#### (i) Age.

The age of retirement of an employee shall be 60 years.

#### (ii) Gratuity.

Life Insurance Corporation of India (Payment of Gratuity to Employees) Standing Order, 1958, shall be amended as per Annexure "A".

#### (iii) Pension.

The benefit in respect of Pension Schemes, free and/or contributory, enjoyed by the employees as on 31.8.1956. shall be made available to such employees only under schemes in force on the above date, provided, however, that the scheme in respect of the employees of the Oriental Government Security Life Assurance Company shall be changed as per Annexure "B".



**(iv) Provident Fund:**

Provident Fund No. 1 Rules of the L.I.C.I. shall be amended as per enclosed Annexure "C".

**10. Disability Benefits :**

In case of permanent disability, employees of Class III and V shall be entitled to a Disability Allowance till death in addition to other benefits to which they are entitled to, at the rate of 25% of their last drawn salary per month.

**11. Housing Schemes :**

The Scheme for giving financial assistance to the employees for building their own houses as approved by the L.I.C.I. shall be amended on the following lines :—

(a) The L. I. C. I. shall directly finance for either building compact colonies under Employees' Co-operative Societies or for building individual households outside such colonies against reducing risk policies.

(b) The L. I. C. I. shall also introduce house purchase policy scheme.

(c) Full amount required for building houses including the cost of a land should be financed without any restriction on the place of construction and irrespective of the facts whether the employees work in Divisional Head Quarters of the L. I. C. I. or not.

(d) Land owned by the Corporation shall be given to the employees for the purpose of building houses at book value.

(e) Rate of interest for the loan shall be at 2.5% and there shall be no additional charges. Servicing by the Engineering Department shall be free.

(f) Provision for repayment shall be extended till the date of retirement, keeping allowances for earlier repayment if the employees can so afford.

(g) There shall be a minimum and maximum limit fixed for the purpose for loans advanced for the purpose of building houses.

**12. Working Hours :**

The working hours for all categories and groups of employees shall uniformly be 6½ hours on weekdays with a recess of 10 minutes and 3½ hours on Saturdays and half-holidays without recess.

**13. Holidays :**

All the employees shall uniformly be entitled to one and half days' weekly non-days besides holidays and half-holidays provided under the Standardisation Order.

**14. Out-fit For Class V Employees :**

An employee of class V shall be provided with the following outfit annually :—

(i) Summer Uniform : Four Sets (ii) Winter Uniform : Two sets (iii) Umbrella : One (iv) Foot-Wear Two Pairs : (v) Winter Overcoat and Torch Light for Night Gaurds (vi) Rain Coat : one for those who are to do out-door duties.

**15. Extra Risk Cover :**

Plumbers, Gas Mistries, Masons, Cashiers, Drivers, Liftmen, Bank Peons, Gaurds, Sentries, Watchmen and employees working with live wires and machines shall be entitled to extra risk cover for the hazards involved in the nature of their duties. The expenses required in such coverage shall be borne by the L. I. C- 1.

**16. Special Increments :**

Besides the existing provisions for special increments for passing various examinations, those of the existing graduates who have not been given special increments by L.I.C.I. or by the Insurer and also those employees who shall graduate in future shall be entitled to two special increments in their scales of pay apart from their usual increments. Those employees who have passed or shall be passing Degree Examination in Law and/or Master's Degree Examination shall be entitled to another additional special increment.

**17. Leave Rules :**

(a) The rules governing leave shall be as per the amendments made in the (Staff) Regulations.

(b) Besides the rules governing leave as demanded in the Charter of Demands accumulated leave to the credit of Transferred Employees as at 31st August, 1956 should also be accounted for.

**18. Promotion Rules :**

The rules governing promotion of the employees shall be as per our suggestions already submitted.

**19. Staff Regulations :**

The ( Staff ) Regulations governing the conditions of service of the employees shall be amended as per our suggestions already submitted.

**20. Recruitment :**

Any employee recruited by the L. I. C. I. shall be paid the minimum of the grade. No employee shall be recruited on daily, weekly or any other ad hoc basis. Retrenched employees of the General Section shall have the first preference in times of recruitment.

**21. Staff Agency :**

The provision of fulfilment of minimum quota of annual business required of agents shall be waived in respect of Staff agencies.

**22. Existing Rights and Privileges :**

Nothing contained in this charter shall adversely affect or take away from any employees or group of employees any rights, privileges or usages, practice or conventions, amenities or other conditions of service that are already vested in or enjoyed by such employee or group of employees.

**23. Date of Effect :**

All benefits stated in this Charter of Demands shall have effect from the 1st day of January, 1960.

**24. Provision for Option :**

The employees who have exercised their option under the Standardisation Order in favour of the Insurers' Scale of Salary have the option to accept the Scales of Salary fixed in pursuance of the Charter of Demands.

**25. Trade Union Rights :**

(i) The L. I. C. I. shall recognise the A. I. I. E. A. and its affiliated Units as the sole bargaining agents of the employees of the L. I. C. I.

(ii) The L. I. C. I. shall provide necessary space for office accommodation of the A. I. I. E. A. and its Units in all the offices of the L. I. C. I. in India.

(iii) The L. I. C. I. shall provide Special Leave for attending meeting and conference and other facilities for Trade Union activities.

26. The A. I. I. E. A. reserves the right to add, alter or amend any demand in this Charter as may be found necessary by it at any later date.

**Sd/- Saroj Chaudhury**      **Sd/- Rajni Patel**

(General Secretary)

(President)

# Insurance Employees' Association

ASANSOL.

( Regd. No. 4232 )

( Affiliated to All India Insurance Employees' Association ).

President :

*Shi P. H. Mukherjee*

Secretary :

*Shi J. P. Sinha*

C/o. SRI B. MALLICK  
PATEL BUILDING  
15, Raha Lane,  
ASANSOL.

Ref. No.....

Dated..... June 11, 1960.

The General Secretary,  
All India Trade Union Congress,  
4, Ashok Road, New Delhi.

Dear Sir,

The 4th Annual General Conference of our Association is going to be held from 19th to 21st June, 1960 at Asansol. We shall be highly obliged if you please send a "Message" to the conference which will enthuse the delegates attending the conference.

Thanking you,

Yours sincerely,

*J. P. Sinha*  
General Secretary.

20 JUN 1960

29/6

Gauhati Division Insurance Employees'  
Association.  
Gauhati, Assam.

PROGRAMME

- 18 th June '60 Delegates Session.  
3 P. M. Oriental Buildings.
- 19 th June '60 Delegates Session.  
8 A. M. Oriental Buildings.
- 20 th June '60 Procession at 5 P. M. from  
Oriental Buildings.  
Mass Rally  
5-30 P. M. Arjya Natya  
Hall.
- 20 th June '60 Cultural Function  
"SEI BATEDI"  
at 8 P. M. in the ARJYA NATYA HALL.

Date 14.6.60

to state

Dear Friend,

The 4 th Annual General Conference of the  
Gauhati Division Insurance Employees' Association  
will be held on and from 18 th June to 20 th June '60  
at Gauhati.

This Conference will discuss amongst other  
things, the various problems facing the employees  
and will also devise ways and means for realisation  
of their legitimate demands.

Your kind presence in the Conference is  
Cordially invited. In case of your inability to grace  
the Conference by personal presence, a message from  
you will be gratefully acknowledged.

Yours faithfully,  
Panimal Das  
General Secretary.

A C R I T I Q U E O F  
L I F E I N S U R A N C E C O R P O R A T I O N ' S F I V E - Y E A R ( 1 9 5 9 - 6 3 ) P L A N

With the elimination of the vested interests, consequent on 'nationalisation', there remain two classes or class-interests primarily involved in the life insurance industry in India. They are the consumers (the policy-holders) and the workers engaged in the industry. The industry being socially owned, there is no owning class or class-interest as such, unlike the old order (of the company times).

A conspicuous fallacy in the institutional framework of LIC is that neither of these two classes partake of any share in its management though their interests are at once primary and foremost in all matters in terms of its policy decisions. The managing board of LIC is controlled by a bureaucracy (comprised of some top Govt. officials and technical experts) which tends to have arrogated to itself all the right to determine and dictate what is good or bad, mutual or antagonistic, to their (the policyholders and workers') interests for and by whom the industry largely exists and works. Though a basic contradiction of 'democratic, co-operative, socialism' in itself, it has no parallel of its kind anywhere in the world.

Another contradiction is evident in the qualitative nature of the 'managerial class' in LIC. This class had played the hand- maiden to the vested interests in their notorious bid to exploit the workers and policy-holders to feed the capitalist interests; they had set in a systematic competition to perfect new devices of exploitation and had excelled in their art of having moulded the earlier method of exploitation to one of subtle and scientific game. With insurance in the private sector; the measuring yardstick of efficiency of one (in management) was the degree of perfection one had reached in the subtle art of exploitation, and nobody would deny to this class its due credit for the directly negative role it had played in bringing nationalisation. But, it follows, that the most efficient person (in insurance management) in the private sector is usually the most inefficient and incompetent one in the public sector. Sri. T. T. Krishnamachari's famous remark that most of those officers could not comprehend the magnitude of the task posed before LIC, had deep significance.

In the context of these contradictions, one has to evaluate and analyse LIC's 5-year (1959-63) plan and appraise its phased implementation. This plan envisages a rise in new business output by 25% per annum to culminate in an expected output of Rs. 1000 crores in 1963, thereby raising the business-in-force to Rs. 3320 crores (from Rs. 1660 crores as on 31-12-58)

Like banking, insurance, in terms of its investment dispersal, has to work within the limitations of available money-supply and demand, but it has one advantage in that its entire money-supply is of a long-term nature. And here the similarity ends. Other than this, the essential nature of working of the life insurance industry has no kindredship with any other industry.

Every industry is regulated by the two basic economic factors of supply and demand (of its product). But for insurance there holds no such basic factor as supply as it can supply any quantity of its product (life insurance policies) to the country and the world.

The working of the insurance industry is strictly regulated by two basic ~~fact~~ socio-economic factors, the insurance need and demand of the people. While with a growing population the insurance need of our country would be an ever-increasing phenomenon (it would be so even without corresponding economic prosperity), the insurance demand of the population would be controlled within the resiliency of the people's capacity to save. It is like running a three-legged race on an ever-expanding track.

On a broad and conservative estimate, the insurance need of the country can be put at twice the per capita annual earning of the population. This would work out to Rs. 25,500 crores at the beginning of the plan period (1959-63), of which only 15.40% was covered (in terms of the business in force as on 31-12-58).

Assuming for the rate of population growth at 2% per annum and the rise in national income at 5% per annum during LIC's plan period, the potential insurance need would amount to Rs. 34,000 crores in 1963; of this only 10.24% would be covered (in terms of Rs. 3320 crores of business in force expected as on 31-12-63). In other words, LIC's 5-year (development) plan envisages a planned regression in real percentage insurance at the rate of 1% per annum. That would explode the verbose moonshine built around LIC's much-vaunted 5-year development plan.

The insurance demand of the people forms only a part of their total saving demand or, in other words, only a part of the people's capacity to save is being channelised through life insurance today. It follows that there is always a wide margin between the actual and potential demand in terms of insurance at any given time. Assuming on a non-varying rate of consumption at any given time, the calculations would be as under :-  
Actual demand = Business in force + new business output  
Potential demand = actual demand + saving demand otherwise deployed + ~~px~~  
+ marginal potential saving demand otherwise dissipated in consumption.

LIC's interests are directly antagonistic to its immediate competitors in terms of its efforts towards attracting 'the saving demand otherwise deployed'; their interests are broadly mutual when they try to transform a portion of the existing consumption demand into 'potential saving demand'.

In the rural sector, LIC meets a serious challenge in the most crude and traditional ways of saving money. This is used in buying gold and silver (socially a dead investment), mortgage-loans, and is otherwise lent and even buried. Its ramifications are wide and diverse and it would be difficult to assess the extent of 'potential saving demand' thus frozen from rendering any socially useful purpose to the community.

In the urban sector, LIC competes with the conventional methods of saving money in 'small-savings', 'small-investments' etc. But here it has to meet the challenge of a fast-rising pace of consumption (with a rising tempo of demand for comforts and luxuries).

LIC cannot by itself create the 'potential saving demand' but it can, in collaboration with the other machineries of national saving schemes, promote and stimulate the potential capacity of the people to channelise their 'potential saving demand' in socially useful avenues.

To do it, LIC has to reorientate its policies in terms of its under-writing, conservation and development. There is scope and urgency for research into its insurance plans and prospects to suit to the socio-economic conditions of the rural and urban sector of the country. Particularly the mode and method of its premium-collection has to be revised to enable the rural population to offset their premium-dues during the slack season; this could be profitably secured through the machinery of the co-operative banks in the rural areas who may be made to guarantee its payments on behalf of its rural constituents (against the crop prospects). Investment in rural co-operatives would go a long way to create a 'sense of belonging' in the rural populace. Extensive research has to be conducted towards more progressive and prolific publicity of insurance in the rural areas. Death is so obvious a feature in life insurance that ~~ixx~~ the consequent benefits in terms of insurance on its incident deserve little mention. Publicity should motivate the rural populace to garner more and more their 'potential saving demand' in life insurance.

There is at once the scope and necessity to evaluate the actuarial loading in table-rates of premium; this was done in the private sector not without its underlying implications to the best interests of the vested interests. The mortality rate is improving occasioning an improved change in the very basis on which the extant table-rates were calculated. There is scope for research towards formulating more progressive and comprehensive insurance plans in the context of the obtaining complexities of socio-economic conditions of the country.

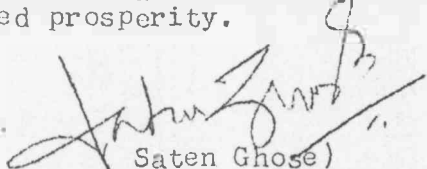
Conservation and development of new business have to move at the same pace to avoid bottlenecks in policy-servicing.

There is a definite impression that the LIC has been soft-peddalling its conservation (particularly of existing policies of the lod units) in its overzealous to drive ahead with the new business output. The old and notorious craze for 'new business' (of the company times) has inordinately pervaded the entire psychology of the reigning management. It should not be forgotten that the essential basis for expansion of development ~~is~~ can only be on the floor of optimum conservation. The more efficiently you serve the existing policyholders the more prospects are opened up for further development of new business. It follows that the servicing tempo should rise concurrently and with equal pace with the developmental tempo.

As a developing industry, LIC should and would open up employmental potential and thereby serve the country by accommodating a certain percentage of the growing unemployment in the country. There is ample scope and opportunity to do so, both in development and in administrative wings of the LIC. There is scope for economy by doing away with many a sinecure and parasites now thriving in the LIC. There should be rational devolution of power with attendant responsibility towards decentralisation of authority to serve to planned progress.

Not only that the wages should be raised to insulate against the rising living-cost, there should be progressive participation of the workers in all phases of the management. The two primary classes, the policy-holders and the workers, should have an effective say and share in the management. Only that would translate ~~the~~ 'co-operative, democratic, socialism' in an urgent department of social welfare. Nationalisation can not stay put; it has to lead to socialisation of the industry.

In development, the organisational pattern should be on horizontal integrity (as opposed to the vertical integrity practised in the private sector) with attendant devolution of responsibility and authority to conduce to the interests of planned progress. Developmental planning should ensue from the bottom. An essential pre-requisite to any planning is an extensive and comprehensive survey of the insurance potential to determine the quantitative man-power-potentiality needs of the areas. Planned deployment can only be carried out on a planned potentiality-evaluation & the man-power needs. Instead of forcing the workers to fritter away an appreciable amount of labour-time in avoidable competition (between a worker and another worker), the cumulative labour-time should be garnered to promote a co-operative healthy growth of field-organisation to conduce to the ~~maximum~~ best interests of the industry. Incentives, progressive incentives, have a rational part to play within a co-operative organisational growth based on the floor of the optimum conservation. LIC should eschew the practice of setting any unhealthy competition between a worker and another. That is only practised in a capitalistic economy and LIC has definitely come out of that track and is on its way to a socialised prosperity.

  
(Satén Ghose)  
Member, Advisory Committee,  
National Federation of Insurance field workers of  
India.

Radio House,  
Cuttack.1.,  
Dated 4th July '60.

15 SEP 1960

# The Life Insurance Employees' Association

## JALPAIGURI DIVISION

Ref. \_\_\_\_\_

Dated August 31, 1960.

The General Secretary,  
All India Trade Union Congress,  
Asaf Ali Road,  
New Delhi.

Dear Sir,

On 10th and 11th September, 1960, we propose to meet in our First Annual Conference at Jalpaiguri.

The Conference meets at a crucial moment of Trade Unionism. The attitude of clinging to stiffened sinsterism by the Employers towards the employees every day are infatuated by the labour policy of the Government.

The heroic struggle of the Central Govt. Employees for wresting the bare minimum from the authorities has at last exposed the sabriety of the Government. The blood thirsty jaws and the claws have come out throwing away all the coats.

The wage earners in general at this moment will have to fight their fields anew. We want to take that row at this moment and we would deem it a pleasant fortune if we find you beside us in our strive to thrust forward.

We know your pre-occupations. It would impede your will to come. In that case your measure will be the oracle and we await the same.

Yours faithfully,

*B. S. S. S.*  
General Secretary.

*Said memo 26.*  
*W.P.*  
*9/11*



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## GENERAL INSURANCE EMPLOYEES' FIRST ALL-INDIA CONVENTION

DEMANDS NATIONALISATION OF INDUSTRY : SUGGESTS AMENDMENTS TO  
INSURANCE ACT : FRAME ALL INDIA CHARTER OF DEMANDS

(FROM : AJOY DAS GUPTA)

Under the auspices of the All India Insurance Employees' Association an All India Convention of the general insurance employees was held in Bombay on August 15 and 16. The Convention was called to study the conditions prevailing in the general insurance industry, particularly in the background of spate of closures of offices and retrenchment of staff; to consider the formulation of amendments to the Insurance Act, 1913, to ensure stricter control, minimisation of malpractice by managements and safeguarding the interests of the employees; to frame a Charter of Demands for all general insurance employees, keeping in view the offer made by the Indian Insurance Companies Association, Bombay and to devise ways and means to strengthen the organisation of the general insurance employees and to bring them under the banner of the All India Insurance Employees' Association. Nearly 100 employees delegates from different parts of the country attended and took part in the convention which was presided over by Shri Madan Mohan, Vice President, All India Insurance Employees' Association.

Shri Prabhat Kar, M.P., General Secretary, All India Bank Employees' Association inaugurating the convention demanded nationalisation of the industry to safeguard the interest of the industry itself and of the employees. He asked why the Government of India could not issue an ordinance to prevent closures of companies and retrenchment of staff when it could issue ordinance to prohibit the strike of the employees.

Shri K.S.B.Pillai, Joint Secretary of the All India Insurance Employees' Association presented the report to the Convention which was supplemented by various delegates in the light of their own experience. The report revealed that the general insurance industry in India is passing through a paradoxical phase of crisis amidst prosperity. According to the figures given in the official Insurance Year Books the Gross Premium income of the industry has gone up from Rs. 22.81 crores in 1953 to Rs. 29.66 crores, a rise of nearly

50%; and the nett premium income has gone up from Rs.13.12 crores to Rs.20.15 crores, a rise of nearly 54%. ~~Total~~ And during the last 5 years nearly 40 general insurance companies have closed down either wholly or partially and more than 1,000 employees have been retrenched.

The prime reasons for this situation, the convention opined are rampant malpractice in the industry and high degree of monopolisation. Now Asiatic Insurance Company of the Birlas, where Government sponsored enquiry has revealed all conceivable malpractice, was not an exception. And the degree of monopolisation can be understood by the fact that the New India Insurance Co., Ltd, a Tata concern alone account for 31.1% of nett premium income. Nationalisation of life insurance alone has also caused some genuine difficulty and is a contributory factor to the prevailing crisis.

Keeping in view the above facts the Convention unanimously demanded nationalisation of the industry, which in its opinion is the only way out of this impasse. And at the same time in response to the Union Finance Minister's desire suggested amendments to the Insurance Act - on sections 31c(vii), 32A, 40C, 52 A and the Schedule and Rules of the Act.

The Convention suggested creation of a Pool of retrenched general insurance employees and demanded that all appointments to the LIC, Reinsurance Corporation, other insurance companies or corporations under government control and as well as the general insurance companies must make their recruitments through this pool.

The report revealed that out of an estimated complement of 10,000 employees in the industry the All India Insurance Employees' Association have more 4,500<sup>members</sup> under its banner. It was also revealed that though the organisation in big cities is fairly strong, at smaller centres they are rather weak. The Convention instructed the Divisional Insurance Employee Unions to pay special attention for organising and activating the general insurance employees.

A Negotiating Committee consisting of the President and General Secretary and seven other members as formed to negotiate with various authorities.

The Convention decided to hold an All India General Insurance Employees' Demands Day on October 6, 1960 throughout the country. Meetings, demonstrations badge-wearing and such other activities will form the programme of the day. The convention also decided to prepare a memorandum to be submitted to the Prime Minister and other persons concerned on the demand of nationalisation of the industry and problems of closure and retrenchment.

*Ajay K. Bhatia*  
*22/5/60*

1487-8

# The Western Zone Insurance Employees' Federation

ESTD. 1956.

Sri. RAJNI PATEL,  
M.A., (CANTAB) BAR-AT-LAW  
President

150, VIJAY NAGAR,  
DADAR, BOMBAY 28.

Sri. R. J. GHURYE,  
General Secretary

Date, 21st Sept. 1960

Shri S.A. Dange,  
General Secretary,  
All India Trade Union Congress,  
4, Ashok Street,  
New Delhi.

Dear Sir,

Re: Tripartite Meeting and Staff Regulations of  
L. I. C. of India.

L. I. C. of India has tightened up its regulations recently and they have imposed all sorts of restrictions, similar to that of Government employees.

We are enclosing herewith a relevant extract of rule No.25 of L. I. C. Staff Regulations (1960), prohibiting the employees as well as their family members from participating in any political activities directly or indirectly. L. I. C. of India is an autonomous body and as such its employees are not Government employees. About three years before Allahabad High Court has given a decision to this effect.

Moreover insurance is an industry and the workers employed therein are industrial workers. Therefore all the rights and privileges enjoyed by the industrial workers must be extended to L. I. C. employees as well.

We therefore feel that in the coming Tripartite meeting you will attack and expose the policy of L. I. C. authorities and the Union Govt. both, in suppressing the political and other rights of L. I. C. employees.

L. I. C. is a nationalised industry and as such it comes under Public Sector. In future the public sector is bound to grow and if the Government is going to impose and extend all sorts of restrictions on workers coming under Public Sector it will result in nothing but regimentation which is detrimental to the national interest.

We hope A. I. T. U. C. will help the L. I. C. employees to safeguard their political rights.

Yours faithfully,

K. H. Deshpande

JOINT SECRETARY.

Encl: 1

PROHIBITION AGAINST PARTICIPATION IN POLITICS AND STANDING FOR ELECTIONS:

25. (1) No employee shall be a member of, or be otherwise associated with, any political party or any organisation which takes part in politics, nor shall he take part in, subscribe in aid of or assist in any other manner, any political movement or activity.

(2) It shall be the duty of every employee to endeavour to prevent any member of his family taking part in, subscribing in aid of or assist in any other manner any movement which tends directly or indirectly to be subversive of the Life Insurance Corporation or of the Government as by law established, and where an employee is unable to prevent a member of his family from taking part in, or subscribing in aid of, or assisting in any other manner, any such movement or activity, he shall make a report to that effect to the Corporation.

EXPLANATION: For purpose of the Regulations in this chapter "members of the family" in relation to an employee include -

- (i) the wife, child or step-child of such employee whether residing with him or not, and in relation to an employee who is a woman, the husband residing with her and dependent on her; and
- (ii) any other persons related, whether by blood or by marriage, to the employee or to such employee's wife or husband and wholly dependent on such Corporation employee;

but does not include a wife or husband legally separated from the employee, or child or step-child who is no longer in any way dependent upon him or her or of whose custody the employee has been deprived by law.

(3) If any question arises whether any movement or activity falls within the scope of this Regulation the decision of the Corporation thereon shall be final.

(4) No employee shall canvass or otherwise interfere or use his influence in connection with or take part in an election to any legislature or local authority;

PROVIDED THAT -

- (i) an employee qualified to vote at such election may exercise his right to vote but, where he does so, he shall give no indication of the manner in which he proposes to vote or has voted;
- (ii) an employee shall not be deemed to have contravened the provisions of this Regulation by reason only that he assists in the conduct of an election in the due performance of a duty imposed on him by or under any law for the time being in force;
- (iii) the Chairman may permit an employee to offer himself as a candidate for election to a local authority and the employee so permitted shall not be deemed to have contravened the provisions of this Regulation.

EXPLANATION: The display by an employee on his personal vehicle or residence, of any electoral symbol shall amount to using his influence in connection with an election within the meaning of this sub-regulation.

Sept 29, 1960

Joint Secretary,  
The Western Zone Insurance Employees'  
Federation,  
150 Vijay Nagar,  
Dadar, BOMBAY 28

Dear Com.Deodhar,

Thank you for your letter of 21st  
September.

In the 18th Session of the Indian Labour  
Conference, as you might have noticed from  
press reports, only the recent strike of  
Central Govt employees and the proposed  
legislations were discussed and therefore,  
we could not make use of the material sent  
by you at this meeting.

We are publishing an item on it in  
the TRADE UNION RECORD and will also raise  
it in the appropriate committee whenever  
opportunity arises.

With greetings,

Yours fraternally,

*msf*  
(K.G.Sriwastava)  
Secretary

**THE NEW INDIA Assurance Company Limited**

PHONE: 45081-82 • CONNAUGHT HOUSE, CONNAUGHT PLACE • P. O. BOX 46 • NEW DELHI • GRAMS: "NIASURANCE"

IN REPLY PLEASE QUOTE

REF.

19.9.60.

Dear Sir ,

In continuation of our previous Circular regarding Cycle Insurance, we have now pleasure to inform you that in view of the encouraging response received so far we have deleted the minimum requirements of 50 cycles and are now in a position to issue our Policy to all Offices as per their individual requirements.

The Policy if taken in group will carry a rate of Rs.3/= and for individual cycles the premium will be Rs.3=50 per cycle per annum against Theft of cycle. In case you are interested kindly let us know so that we could depute our representative to meet you in this regard.

Thanking you,

Yours faithfully,

(S.S.Mehta)  
Asstt. Regional Manager

The General Secretary,  
All India Trade Union Congress,  
4, Asaka Road,  
New Delhi.

Phone ( Office: 246241 (Slines  
Resi. : 77233



*Suresh M. Mehta*, M.A.L.L.B.

FIELD OFFICER

*Life Insurance Corporation of India*

Residence:

C/O. DR. R. S. KOTHARI, M.D.  
2C, SONAWALE-BUILDING,  
TARDEO, BOMBAY-7.

BRANCH No. 915

STADIUM HOUSE, 5th FLOOR,  
VEER NARIMAN ROAD,  
BOMBAY-1.





# Life Insurance Corporation of India

9-9-60,  
B'bay.

Ref:-

Telephone:

Telegrams:

To

The Secretary,

All India Trade Union Congress,

55, Gixgam Rd, Bombay-4.

Dear Sir,

I take liberty to address this letter to you.

I am a Field-Officer of Life Insurance Corporation of India. It is my foremost duty to select and appoint right person as an agent of Corporation. It is but obvious that my choice falls on you. You are holding a very good position and also high respects in your organization. You can earn decent income and can do very good services to your fellow workers by taking Corporation's agency.

Will you be kind enough to grant me an interview at your earliest convenience? Please kindly let me know about it so that we can arrange get together

September 7, 1960

General Secretary,  
The Life Insurance Employees Association,  
Jalpaiguri Division,  
Jalpaiguri,  
West Bengal.

Dear Friend,

The All-India Trade Union Congress sends its warm greetings to the First Annual Conference of Jalpaiguri Division of the Life Insurance Employees Association to be held on September 10 and 11.

The employees of the Life Insurance Corporation all over India had expressed their magnificent solidarity with the Central Government employees on July 14 and have won praise from all sections of the working class. The unity shown by the LIC employees needs consolidation in the struggle for TU rights and against deteriorating working and living conditions.

We wish all success to the Conference in chalking out a programme for forth-coming struggles of the LIC employees and for T.U. unity.

With greetings,

Yours fraternally,

*(K.E.)*  
(K.E. Sriwastava)  
Secretary

Calcutta Division Life Insurance Corporation Agent's Association

(PREPARATORY COMMITTEE)

~~304, HARE STREET CALCUTTA-1~~

Phone: 44-2965

Ref. No. 96/1, Park Street, Calcutta- Dated 24. 10. 60

Sri S.A. Dange, M.P.  
Leader of the Opposition, Lok Shava,  
New Delhi.

Dear Sir,

I take this opportunity to invite you in the Convention of the Life Insurance agents of the Corporation to be held on the 28th and 29th October, 1960 at the Metropolitan Buildings, 7, Chowranghee Road, Calcutta, at 3 p.m.

I hope that you would oblige the agents by your presence and wise guidance of the deliberations in the Convention.

In case preoccupations do not permit you to join us, I shall be grateful if you kindly send us a message on this occasion.

Hope to be reciprocated by an early reply.

Yours sincerely,

*Subodh. Podder*

Convener, Preparatory Committee,  
L.I.C.I. Agents, Cal. Division.

October 28, 1960

Convenor,  
Preparatory Committee,  
Convention of Life Insurance Corporation of  
India Agents,  
Calcutta Division,  
96/1, Park Street,  
Calcutta - 17.

Dear Friend,

Thank you for the invitation to Com.S.A. Dange, our General Secretary for the Convention of the Life Insurance Agents of the LIC to be held in Calcutta on October 28 and 29.

I am sorry to inform you that Com. Dange would not be able to attend the conference due to pressing pre-occupations. However, on behalf of the AITUC, we send you our good wishes for the Success of your Convention.

Yours sincerely,

(K.G. Sriwastava)  
Secretary

(2/10)

L.I.C's refusal to meet reasonable demands pushes employees to path of struggle.

All India Insurance Employees' Association Call.

(Ajoy Das Gupta)

Calcutta, Nov. 12, 60.

\*\*\*\*\*

By their refusal to meet very reasonable demands put forward by the employees for a partial settlement of their Charter of Demands, the authorities of the nationalised Life Insurance Corporation are pushing the employees on to the path of agitation and struggle. On the face of L.I.C's refusal to meet very modes demands and their insistence upon proposals which discriminates among employees of ~~different~~ different categories, the Working Committee of the All India Insurance Employees' Association (AIIEA) had no other alternative than to find the offices of the L.I.C. unacceptable and to chalk out a programme of activities to bring about a change in the attitude of the LIC authorities and for realisation of the Charter of Demands.

It may be recalled that the AIIEA submitted to the LIC in April, 1960 a Charter of Demands for a comprehensive settlement of pay scales, allowances and conditions of service to replace the "Interim Settlement" arrived at between the LIC and the AIIEA in May 1957, primarily to ~~xxxxx~~ standardise the pay scales and service condition of 21,000 employees coming from more than 250 companies. The Charter of Demands was based on the recommendations of the 15th Tripartite Indian Labour Conference on the norms Need-based Minimum Wage and computing on the minimum of prices.

For the last six months the Negotiating Committee of the AIIEA was carrying on negotiations with the LIC authorities on the Charter. For the sake of amicable settlement in this public sector undertaking the AIIEA agreed to come to a partial settlement on limited issues pending comprehensive settlement of the Charter in the year 1962, as was proposed by the Chairman of the Corporation. The Chairman gave an offer to make some increments in the Dearness allowance of the emp-

loyees and while conducting for the negotiation officers of the LIC ~~expressed~~ expressed their agreement on certain other points. The AIIEA is demands forming the basis for negotiation were, (a) uniform increase of DA for all staff and increase in the amount; (b) linking the D.A. with cost of living index and formulation of a scheme there of; (c) progressive merger of the part of D.A. with basic wage; (d) protection of additional D.A. at present received by a section of the employees (e) granting ad hoc increments to those who reached top of the grades, and (f) giving effect to this settlement retrospectively from January 1, 1960. It may be mentioned here that the present scheme of D.A. of the L.I.C. is based on slab system, i.e. Rs.46/- for basic salary upto Rs. 50/-; Rs.55/- for basic salary of Rs.51/- to 100/- and so on and there is no distinction between staff and sub staff. But L.I.C's offer make differentiation in the basic categories of staff. They also hinted introduction of differentiation in big cities and other places, where at present there is no such difference. Such differentiation when uniformity has been achieved, will only lead to division among the employees. So the AIIEA could not accept the proposal of the L.I.C.

It is also reported that some of the demands of the AIIEA were agreed to by negotiating officer of the LIC in preliminary talks, but subsequently they went back on their words and the final offer of the LIC as given by the Chairman was only the above mentioned rise in DA. All other points were either rejected downright or assumed some vague consideration, but no firm assurance. Under the circumstances, the Working Committee of the AIIEA meeting at Bombay from Nov. 5 to Nov. 8, 1960, found the offer of the LIC unacceptable and resolved to launch a movement for the realisation of its Charter.

The Working Committee also decided to launch a vigorous movement for progressive ~~and~~ amendment in the "Staff Regulation" introduced by the LIC in July, 1960, which contains clauses

nullifying fundamental rights, restricting the trade union activities and denying political rights of the employees and even their wife, sons, daughters and dependent relations. It has been decided to call a conference of the various unions in public sector undertaking to evolve a unified programme of movement.

The Committee also endorsed the Charter of Demand of the General Insurance Employees adopted by the All India Convention of General Insurance Employees held in August 1960. The Committee expressed satisfaction that the Indian Insurance Companies Association is considering the Charter. It also approved the organisational decisions taken to strengthen the General Insurance Employees' movement and organisation. The Committee thanked those members of the Parliament who have sponsored resolutions for Nationalisation of General Insurance and fully supported the move.

COPY

The Insurance Employees' Federation, Bombay.  
(Estd. 1950)  
Reg. No. 1478.

296

2 copies  
in the stamp

20, INDIRA NIVAS,  
HAYANISHANKAR ROAD,  
DADAR/BOMBAY 28.

L.I.C.'s refusal to meet reasonable demands  
pushes employees to path of struggle

All India Insurance Employees Association's call

Calcutta, November 12, (From: ATJAY DAS GUPTA)

By their refusal to meet very reasonable demands put forward by the employees for a partial settlement of their Charter of Demands, the authorities of the nationalised Life Insurance Corporation are pushing the employees on to the path of agitation and struggle. On the face of L.I.C.'s refusal to meet very modest demands and their insistence upon proposals which discriminates among employees of different categories, the Working Committee of the All India Insurance Employees Association (AIIEA) had no other alternative than to find the offers of the L.I.C. unacceptable and to chalk out a programme of activities to bring about a change in the attitude of the L.I.C. authorities and for realisation of the Charter of Demands.

It may be recalled that the AIIEA submitted to the L.I.C. in April, 1960, a ~~comprehensive~~ Charter of Demands for a ~~comprehensive~~ settlement of Payscales, Allowances and conditions of service to replace the "Interim



(2)

"Settlement" arrived at between the LIC and the AIEEA in May 1967, primarily to standardise the pay rates and service conditions of 21 thousand employees coming from more than 250 companies. The Charter of Demands was based on the recommendations of the 15<sup>th</sup> Tripartite Indian Labour Conference on <sup>the norms</sup> need-based Minimum Wages and computing on the minimum of prices.

For the last six months the Negotiating Committee of the AIEEA was carrying on negotiations with the LIC authorities on the Charter. For the sake of amicable settlement in this public sector undertaking the AIEEA agreed to come to a partial settlement in limited issues pending comprehensive settlement of the Charter in the year 1962, as was proposed by the Chairman of the Corporation. ~~The AIEEA wanted~~ The

Chairman gave an offer to make some increments in the Dearness Allowance of the employees and while conducting further negotiations officers of the LIC also expressed their agreement on certain other points. The AIEEA's <sup>demands forming the</sup> basis for negotiation were, a) Uniform increase of D.A. for all staff and increase in the amount; b) linking the D.A. with cost of living index and formulation of a scheme thereof; c) progressive merger of a part of D.A. with basic wage.

Rs 11/- for sub-staff,  
Rs 15/- for staff.  
Drawing Salary upto Rs 200/-  
and Rs 10/- for staff  
over Rs 200/-

1/11

COPY

(3)

20, INDIRA NIVAS,  
HAYANISHANKAR ROAD,  
DADAR, BOMBAY 28.

d) protection of Additional D.A. at present received by a section of the employees;  
e) granting adhoc increments to those who reached top of the grades, and giving effect to this settlement retrospectively from January 1, 1960. It may be mentioned here that the present scheme of D.A. of the L.I.C. is based on slab system, i.e. Rs 45/- for basic salary, up to Rs 50/-; Rs 57/- for basic salary, ~~up to~~ <sup>Rs 50/-</sup> Rs 100/- and so on and there is no distinction between staff and sub staff. But L.I.C. is ~~not~~ <sup>to</sup> make differentiation on the basis of categories of staff. They also ~~in~~ <sup>hinted</sup> introduction of differentiation in big cities and other places, where at present there is no such difference. Such ~~differentiation~~ differentiation, where uniformity has been achieved will only lead to division among the employees. So the A.I.E.A. could not accept the proposal of the L.I.C.

It is also reported that some of the demands of the A.I.E.A. were agreed to by negotiating officers of the L.I.C. in preliminary talks, but subsequently they went back on their word and the final offer of the L.I.C. as given by the Chairman was only the above mentioned rise in D.A. All other points were either rejected outright or ~~referred~~ <sup>referred</sup> assumed some vague consideration, but no firm assurance. Under the circumstances, the Working Committee of the A.I.E.A.

①  
meeting at Bombay from Nov 5 to Nov 8, 1960,  
found the offer of the I.L.C. unacceptable and resolved  
to start launch a movement for the realization  
of its Charter.

The Working Committee also decided to launch a  
vigorous movement for progressive amendment in the  
"Staff Regulations" introduced by the I.L.C. in July 1960,  
which contains clause nullifying fundamental rights,  
restricting the trade union activities and denying  
the political rights of the employees, and <sup>wife</sup> their  
daughters and dependent relatives. It has been decided  
to call a conference of the various unions in  
public sector undertakings to evolve a unified  
programme of movement.

The Committee also endorsed the Charter  
demand of the General Insurance Employees adopted by  
the All India Convention of General Insurance Employees  
held in August 1960. The Committee expressed satisfaction  
that the Indian Insurance Companies Association is con-  
sidering the Charter. It also approved the organizational  
decisions taken to strengthen the general insurance  
employees movement and organization. The Committee  
thanked those members of the Parliament who have pro-  
posed resolutions for nationalization of General  
and fully supported the move.

DEC 1960

# Calcutta Division Life Insurance Employees' Association

REGD. NO. 3886

HINDUSTHAN BUILDINGS,  
4, CHITTARANJAN AVENUE  
CALCUTTA-13.

Ref. No. ....

EXPRESS DELIVERY

DATED November 28, 1960.

Com. S. S. Lirajkar,  
President,  
All India Trade Union Congress,  
T. U. Law Bureau,  
R. L. Trust Building,  
65, Girgaon Road,  
BOMBAY 4.

Dear Comrade,

We understand that you will be coming to Calcutta to attend the Conference of the A.I.T.U.C. scheduled to be held from the 2nd to 4th December, 1960.

Now, you may be aware that following submission of a Charter of Demands, talks were being carried on between the representatives of the All India Insurance Employees' Association and the Life Insurance Corporation of India for the last several months. The All India Insurance Employees' Association in its eagerness to settle the dispute amicably expressed its preparedness to discuss for settlement of some of the issues at present, deferring most of the other vital issues till 1962. As a result, certain proposals put by the authorities were discussed and, in fact, several tentative conclusions were arrived at as a basis for further negotiations and settlement.

Notwithstanding the unsatisfactory nature of the offer of increase in emoluments and their discriminatory character, the authorities have shifted from the original position thus pulverising the very foundations and understanding on the basis of which talks were being carried out. The Working Committee of the All India Insurance Employees' Association which met at Bombay from the 4th to 8th November 1960, came to the conclusion that the position and proposals as lastly taken by the LIC were wholly unacceptable. The Working Committee has given a call to the employees for mobilisation to realise the demands by peaceful means. The observance of the ALL INDIA DEMANDS DAY on the 5th DECEMBER 1960 is a part of the programme.

In Calcutta, we are observing the Day by demonstrations ending in a meeting at a public place (Wellington Square) at 6 p.m. It would be a privilege for the LIC employees in Calcutta to hear you in the said meeting. We would, therefore, request you to kindly allow <sup>us</sup> some time out of your busy hours during these days in the evening of the 5th December 1960 and address the gathering which would undoubtedly enthuse the employees in their struggle for realisation of the Charter of Demands.

We enclose a copy of our Circular No. 18/60 dated 17th November 1960 which would provide a genesis of the demands and struggle.

With warmest greetings,

Encl: 1.

Comradely yours,

*Bhata Raja*  
JOINT SECRETARY.

CIRCULAR NO. 18/60

NOVEMBER 17, 1960.

TO ALL UNITS:

Dear Comrades,

Re: Working Committee Meeting & Charter of Demands.

As notified earlier the meeting of the Working Committee of the AIIEA was held at Bombay from 4th to 8th November, 1960. While the working Committee had several other urgent matters before it to discuss about and decide which, in fact, it did, it would be only truism to say that the situation pertaining to the Charter of Demands of the LIC employees by its very nature and nature and import kept the entire Committee preoccupied with it.

You will recall that following a suggestion from the authorities in June last to continue talks informally to evolve out proposals for finding grounds of a settlement, talks were carried out with the representatives of the Corporation, including the Chairman. All the Zonal Secretaries joined the talks in course of the Zonal Secretaries' meeting at Bombay in the first week of August last. On the basis of the talks that were carried out throughout these months, a circular from the President's Office was issued on 22.9.1960 embodying the suggestions that had emerged out of the talks. The following suggestions were contained:-

- (a) The uniform quantum of rise in D.A. will be Rs.7/- in the case of sub-staff members, Rs.15/-, to other members of the staff drawing a basic salary upto Rs.300/- p.m. and Rs.10/- to those drawing a basic salary above Rs.300/- p.m.
- (b) 75% of the D.A. will be merged in the basic pay within 5 years. The merged D.A. will count for provident fund and Gratuity and Pension. It will not be counted for the purpose of the bonus during the period of Bonus Agreement.
- (c) The principle of linking of D.A. with cost of living may be accepted by the Corporation. But this linking will be on a Governmental pattern.
- (d) The agreement will be for 5 years.
- (e) There will be no general scale revision at this time. But employees who have reached the maximum will be paid some ad hoc rise.
- (f) The Corporation is willing to keep the question of revision of scales open for consideration during the agreement period.
- (g) They have given indications that they will be willing to give differential treatment to employees working in big cities.
- (h) Additional D.A. enjoyed by the employees may be protected.

*(i) Effect would be given from 1.1.60.*  
It was felt that the Working Committee at this time should meet and decide the course of future activities and give guidance to the Negotiating Committee. Two days prior to the Working Committee meeting the authorities, on our request, to give their proposals in writing, gave an outline of their offer in an unsigned paper. The following is the text of the unsigned paper:-

"Chairman stated that both the basic salary and the D.A. now being paid to the employees of the Corporation are adequate. Despite this, in view of all that has transpired in the informal discussions carried on so far, he has, in his personal capacity, offered an increase in the D.A. to the employees of the Corporation as under:-

Class IV employees...	...	Rs. 7/- per month.
Class III employees drawing basic salary upto Rs.300/-	...	Rs.15/- per month.
Class III employees drawing basic salary between Rs.301 to Rs.500/-...	...	Rs.10/- per month.

contd.....2

2. The above rise in the D.A. will be given effect to from 1st July 1960.
3. The agreement of the increase in the D.A. will be co-terminus with the Bonus agreement. When the revision of the bonus agreement is taken up in 1962 as aforesaid, consideration of the revision of the present pay scales, dearness allowance, amenities to the staff and merger, if any, of part of the D.A. into the basic salary will also be taken up.
4. Chairman made it clear that the offer was not an offer from the Corporation but from him, in his personal capacity, and if the Association found it acceptable, he, on his part, would undertake to persuade the Board to accept the same.
5. Chairman suggested to the representatives, as his view, that the Association should consider agreeing to a higher increase in the D.A. for employees working in bigger cities and proportionately lower increase in D.A. for those employees working elsewhere - the total quantum for distribution by way of increase in D.A. remaining unaltered.
6. As for the suggestion of the Association that the proposed increase in D.A. as aforesaid should also be given to those employees of the Corporation who had opted out for their old grades, Chairman suggested that each such case would be considered separately to find out if any relief by way of increase in D.A. was called for to those employees.
7. As for the suggestion of the Association to consider the question of those who have reached the maximum of their grades, Chairman pointed out that the said question need not be mixed up with the question of increase in the D.A. but may be considered separately.
8. As for the question of protection of the additional D.A. Chairman agreed to examine the question in the light of the statistics to be placed before him. "

The Working Committee was, therefore, faced with a new situation as these meant a complete reversal of the position and understanding in which the talks were carried out for months and a shifting of grounds in the proposals of the Corporation. In order to elicit an authoritative elucidation of the Corporation's suggestions, Sri Rajni Patel, President of the Association, met the Chairman at the Central Office on 7.11.1960. The Chairman informed our President that the questions of protecting Additional D.A. and extending the benefits to those employees who opted for the Insurers' grades could only be considered. All the other matters, the Chairman informed, would be taken up only in 1962. The Working Committee felt that the proposals of the Corporation as embodied in the unsigned note even after the elucidation of the Chairman did not correspond to the positions of the proposals as contained in the circular of the 22nd September last. The Association representatives in course of the talks pointed out that in the context of the present developments the principle of merger of a portion of D.A. in basic salary and linking up of D.A. with the cost of living as highly desirable. They also informed the authorities that the proposal of differential treatment in the matter of emoluments of employees city-wise or region-wise was wholly unacceptable to the Association and its Charter of Demands also envisaged uniform benefits to all employees irrespective of their place of work. The following improvement, besides, were suggested as a basis of settlement :

- a) The quantum should be raised to Rs.25/-. The rise in D.A. to be uniform to all categories including to those employees who have opted for Company grades. If this is in no way possible than the D.A. scale should be so recasted as to confer benefit on a slab system. We are opposed to increase in D.A. categorywise.
- b) Additional D.A. should be fully protected.
- c) Linking of D.A. to cost of living should be agreed to and an agreed formula evolved.
- d) Merger of D.A. in basic salary should start with immediate effect.
- e) Date of effect of increase should be from 1.1.1960.

The Working Committee after discussing the whole situation in the light of the outcome of the talks our President had with the Chairman came to the conclusion that the very basis on which the whole edifice of talks and suggestions for a settlement were built up had been destroyed substantially. It was understood both implicitly and

and explicitly at all stages of talks that any rise in D.A. now would be effected without touching the Additional D.A. This also applied equally in the case of those employees who opted for their Insurers' grades. The question of merger of D.A. in the basic salary vanished suddenly and the principle of linking of D.A. with the cost of living also disappeared abruptly. The point of giving some increment to those employees who had reached the maximum of their grades which was also to be considered found no mention. In spite of our repeated refusal to admit differential treatment in the matter of emoluments, the point was still being pursued. The quantum proposed was also not commensurate with the needs of the employees and the quantum as suggested category-wise also lacks reason and justice. The present scheme carried the inherently unjust mode of distribution as it widens the gap among the different sections of employees. Shifting back of the date of effect from which the benefit would take effect from 1.1.60 to 1.7.60 would reduce the quantum of monetary benefit the employees might receive at a time. The Working Committee, therefore, felt that there had been a substantial shift in the position of the Corporation vis-a-vis its proposals which, in view of the changes that had taken place at the last lap, lost much of its force and weight as a basis of further negotiations. The Working Committee also felt that while the Charter reflected the level of wages that should obtain in this ~~important institution~~ ~~important institution~~ institution, it could, for ensuring a peaceful settlement of issues through bipartite talks, persuade itself to settlement on some issues now and deferring certain issues, though of very primary importance, at a later date. The Committee expressed its distress at the inability of the authorities to accept the very reasonable proposals of the Association as referred to above. The Committee, therefore, found itself in a position where it was left with the inescapable conclusion that the proposals of the Corporation as they stood after the discussion with the Chairman on 7.9.1960 was not acceptable. In pursuance of this decision, the Committee decided a course of activities to realise the Charter of Demands submitted by the AIEA. The Committee, however, pursuant to and in accordance with the expressed and practised policy of the AIEA reaffirmed its faith in peaceful means of settlement. The programme has been so phased as to ensure a full appreciation of the position by the employees first and their mobilisation behind the decisions of the Working Committee and secondly to lay the basis of a broad-based movement for realisation of the demands. In all these stages whether in the first lap of explanatory campaign amongst the employees or the subsequent broad-based prolonged campaign for realisation of demands, the stand of the AIEA for a negotiated settlement has been emphasised. In explaining the decision of the Committee a programme - Departmental/Building/Base/Branch Meetings ~~have~~ have been suggested. It would be better if leaders from the Zonal centres could visit the Divisional centres and address meetings. The Committee decided that this campaign should be continued upto the first week of next month. 5th DECEMBER 1960, will be observed as a ALL INDIA DEMANDS DAY. Other details of the programme that are to be gone through will be supplied later. Any special programme intended by any Unit for any particular reason and purpose should be drawn and implemented only after consultation with the Zonal Federations/Associations.

Friends ! We must mobilise the entire organisation to persuade the Corporation to settle this urgent problem at the earliest.

On the 16th instant we had an occasion to meet the Chairman at Calcutta where he was on a short visit. During the brief talk, the Chairman expressed that he would talk to us if we so wanted. We have therefore requested the Chairman to please fix up a date, suited to his convenience, so that we could place our view points again before him. This would be perfectly consistent with our policy to try to induce the authorities to accept our contentions which are obviously just modest.

Friends ! as we are struggling for a cause that is reasonable and as we are, as we have been, keeping ourselves amenable to understanding and reasonable approach victory will be ours !

With greetings,

Comradely yours,

Sarg Chaudhuri

GENERAL SECRETARY.

PROGRAMME UPTO DECEMBER 5, 1960.

From November 21 to 26:

Working Committee/Managing Committee and/or General Council Meetings of Divisional Associations. Reporting on developments till the Working Committee decision. Zonal leaders to attend such meeting for fuller appraisal. Resolutions to be adopted ratifying the stand of the AIIEA and urging upon the LIC to settle the Charter in negotiation with the AIIEA. Copies of resolutions to be sent to the Head Quarters of AIIEA, Calcutta, President's Office, Bombay, Zonal Association in respective areas and the Chairmen, LIC.

From November 28 to December 3:

General meetings in every building - resolutions ratifying the stand of the AIIEA to be adopted. Copies of resolutions to be sent to Head Qr. AIIEA, Calcutta; President's Office, Bombay and Zonal Association of respective areas.

DECEMBER 5:

Observance of ALL INDIA DEMANDS DAY - Every unit to observe this Day. M.Ps., M.L.As., T. U. Leaders and other public dignitaries to be invited for addressing such rallies. Processions to be organised. Resolutions ratifying the stand of the AIIEA and urging upon the LIC to settle the Charter to be adopted.

Further programme will follow in due course.

DRAFT RESOLUTION

This Working Committee/General Council meeting of the employees working at ..... notes with regret that notwithstanding the sincere desire and earnest efforts of the All India Insurance Employees' Association for a negotiated settlement on the Charter of Demands by going to the furthest limit, an area of agreement could not be found out for a just and reasonable settlement due to non-reciprocation on the part of the authorities of the LIC.

This meeting also regrets to note that the offer of the Corporation is inadequate as a basis for a negotiated settlement. The actual quantum of relief offered, apart from its discriminatory nature, falls short of the reasonable expectations of the employees. It is also surprised to find that the Corporation had shifted from its original position and modified its proposals so much so that made a settlement impossible.

This meeting, therefore, reaffirms the stand taken by the All India Insurance Employees' Association on the offers of the Corporation and hereby expresses its whole-hearted support to the decisions of the AIIEA Working Committee in this respect.

This meeting appeals to the Chairman to reciprocate the sincere desire of the AIIEA and to open formal negotiations with the representatives of the AIIEA so as to arrive at a satisfactory settlement of the issue in the best interests of all concerned.

\* \* \*  
\* \*  
\*



November 25, 1960.

Com Saroj Chaudhari,  
General Secretary,  
All India Insurance Employees' Association,  
Calcutta.

Dear Comrade,

We are glad to receive a copy of your circular in respect of the developments on the Charter of Demands of the LIC employees.

We assure you of our maximum cooperation and assistance in the coming struggles of the LIC employees for the achievement of their just demands.

We would also request you to put us on the regular mailing list of the circulars, which your organisation would send to its units from time to time, barring of course the confidential and inner ones.

With greetings,

Yours fraternally,

*K.G. Srivastava*  
( K.G. SRIVASTAVA )  
SECRETARY.

2716  
November 18, 1960 ✓

Dear Com.Chandra Sekhar,

We learn that your negotiations with the LIC over the Charter of Demands and specially the demand of DA has broken down.

Will you please send us copies of your demand regarding D.A. and the offer made by the LIC, for our information.

With greetings,

Yours fraternally,

<sup>11770-11771</sup>  
(K.G.Sriwastava)

22 NOV 1960

CENTRAL ZONE INSURANCE EMPLOYEES FEDERATION  
8/71, ARYANAGAR, KANPUR.

Dear Friend,

19th November, 1960.

We have great pleasure to inform you that our fourth Annual Conference of the Central Zone Insurance Employees Federation will be held at Agra on 28th and 29th of this month under the presidentship of Sri S.M. Banerjee, M.P.

We therefore take this opportunity to extend our cordial invitation to you to kindly grace the occasion by your presence. In case for some difficulties it is not possible for you to attend our Conference personally, kindly do send your valuable message for our inspiration and guidance.

With kind regards,

Yours sincerely,

*Anchal Chandra*  
GENERAL SECRETARY.

*to me*  
*ms*  
*ms*

# All India Insurance Employees' Association

9A, HARALAL DAS STREET, CALCUTTA-14

President : Rajni Patel, M.A. (Cantab), Bar-at-Law  
General Secretary : Saroj Chaudhuri

November 21, 1960.

The General Secretary,  
All India Trade Union Congress,  
4, Asoka Road,  
New Delhi.

Dear Comrade,

Re: Charter of Demands:

Enclosed you will please find a copy of the Circular No.18/60 dated 17.11.1960 in respect of the developments on the Charter of Demands, which would give the genesis of the present dispute. You will please note that we have embarked upon a phased movement starting with an intensive explanatory campaign amongst the employees on the demand of a negotiated settlement.

We like to take this opportunity to express our gratitude to the ATTUC and hope that in the struggles that lie ahead we would receive the same guidance and assistance from you.

With greetings,

Comradely yours,

Saroj Chaudhuri  
General Secretary.

Encl: 1.

*Referred him if he can  
put in an appeal regarding the  
of circulars (except confidential  
to other ones - if possible).  
MA  
24/11*

1. Corporation's original offer.

(A) Immediate increase in D.A. as follows:-

25,000	Staff - (Basic upto Rs.300/-)	-	Rs. 15/-
(1000)			(Basic above Rs.300/-) - Rs. 10/-
5000	Sub-Staff	-	Rs. 7/-

- (B) (i) Some adhoc increase to those who have reached maximum.  
(ii) Merger of 75% of total D.A. in next five years.  
(iii) Attach D.A. with Index on Central Govt. formula.  
(iv) Additional D.A. may be protected.

2. On 29th Oct. '60 the Corporation backs out as follows:-

- (i) Only increase in D.A. immediately.  
(ii) Revision in Pay Scales & Bonus to be taken up in Mid 1962.  
(iii) No other commitment today i.e. clause (B) above withdrawn  
Further derogatory proposals:-  
(iv) Additional D.A. to be adjusted (This means depriving a few thousand from Rs.25/- to Rs.15/-)  
(v) No increase in D.A. to those who have opted units (Previous Companies) grades.  
(vi) Agreement to be effective from 1-7-60 (It was implied as 1-1-60).

3. The Working Committee then meets and discusses situation. Two views emerge out:-

- (i) Last hour attempts be made. Possibilities of settlement exist.  
(ii) No such possibility exists. Programme of movement be chalked out while demanding formal negotiations.

4. On 7th Nov. '60, formal deputation meets Chairman. His final offers were as follows:-

- (i) Additional D.A. & (ii) Increase to those who have opted Units grades may be considered.  
(iii) Those who have reached maximum - every case to be looked individually.

Nothing else can be considered at present. The Chairman clearly indicates that we may consider soon or else the offer may not remain.

5. The Working Committee then meets again and unanimously adopts resolution.

- (i) Demanding immediate start of formal negotiations. (They were going on for more than two months only informally) and simultaneously,  
(ii) Calling the employees for movement (1st phase movement till Dec. '60 excludes demonstrations outside office, badge xxx wearing etc.)

ORGANISATIONAL POSITION

- (i) Main feature unevenness.  
(ii) Managements general attitude worsening.  
(iii) Ultra left tendencies developed in some spots - about half dozen strikes in last 8-10 months are petty issues.  
(iv) 14th July '60 - Strike in almost all major centres.  
(v) The Corpn. plans all out offensive taking its advantage. A.I.I.E.A. intervenes and ultimately compromise arrived -

13 DEC 1960

पुरुषोत्तमचक्र काजपेयो एम० ए०

एलाहाबाद बैंक लिमिटेड  
VARANASI

समसंख्या

296

8th, Dec., 1960.

दिनांक

FOR FAVOUR OF PUBLICATION

Insurance Employees' Observe Demand Day

VIA VARANASI

✓

Insurance Employees alongwith Bank workers paraded the main streets of Varanasi and held a meeting at Town Hall under the Presidentship of K. L. Bhatt. The meeting was addressed by S. N. Bagchi, Parasottam Bajpai, Kustam Datin, P. S. Fathek and D. R. Tewari where in a resolution demanding honourable and early settlement on the GRANTING OF DEMANDS was passed.

S. N. Bagchi  
Secretary  
Ins. Camp. Assoc.  
Vt. Gion.