

PRESS RELEASE

Insurance employees and officers affiliated to the Federation of LIC Class I Officers' Associations, National Federation of Insurance Field Workers of India (NFIFWI) and All India Insurance Employees' Association (AIIEA) today held joint demonstrations all over India against the Budget proposal to list LIC in the stock exchange and sell part of its stake via public offering.

The Joint Front of these three major unions representing over 90 per cent of LIC officers and employees strongly opposes this move of the government. The LIC, which is at present hundred percent government owned, mobilises small savings of the people and makes them available for national development. Since its inception in the year 1956, the LIC has earned the trust and goodwill of millions of Indians and has crossed many milestones. The LIC has set unprecedented performance records in various aspects of life insurance business. Commencing its operations with a paltry sum of Rs. 5 crore in the year 1956, the LIC today commands over an astronomically huge asset base of over Rs.31 lakh crore. The total Life Fund of the LIC as on 31.03.2019 was Rs.28.28 lakh crore. Even after over two decades of competition in the life insurance business, the LIC stands tall with a market share of more than 73 per cent. The LIC has the proud distinction of contributing more than 25 per cent to the total budgetary efforts of the government of India. The LIC has recently paid a dividend of Rs.2611 crore to the government of India against an initial equity of Rs.100 crore. It is pertinent to mention here that the total dividend paid by LIC till date since its inception is a huge Rs.26,005.38 crore. The contribution of LIC to independent India's planned development process and its investments in the social sectors of the economy have simply been phenomenal. Selling part of LIC's stake to private interests and its disinvestment would be a surest blow to the resource mobilization efforts of India. At a time when the government is faced with a severe resource crunch because of dwindling tax revenue collections, selling part of government equity in LIC would be akin to killing the golden goose that lays golden eggs.

Insurance employees and officers under the banner of the Joint Front have decided to go for ONE-HOUR WALK-OUT STRIKE preceding lunch recess on 4th February 2020 (Tuesday) as an immediate response to the ill conceived move of the government. The employees and officers call upon the government of India to drop the move to list LIC in the stock market and make efforts to strengthen LIC in the public sector. The officers and employees will have no choice but to embark upon intensified agitation in the future if the government does not desist from the ill conceived move.

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