

**ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION**  
**LIC BUILDING SECRETARIAT ROAD HYDERABAD 500 004**  
**(E-mail: [aiieahyd@gmail.com](mailto:aiieahyd@gmail.com))**

Cir. No. 10/2026

March 18, 2026

To,  
All the Zonal/Divisional/State/Regional Units

Dear Comrades,

We reproduce herein below one more editorial of the upcoming April 2026 issue of Insurance Worker. This is on the issue of "Wage Revision in PSGI Industry". The Editorial is being reproduced in advance for the benefit of our members. Please ensure its wide circulation.

With Greetings

Comradely Yours



General Secretary

---

**WAGE REVISION IN PSGI INDUSTRY- A SPLENDID ACHIEVEMENT**

The Government issued notification on 11<sup>th</sup> February 2026 on wage revision in Public Sector General Insurance Industry. With this the long glorious struggle of the employees for a good upward wage revision came to a successful end. The fruits of this wage revision have already started flowing to the employees with the payment of arrears. There are joy and happiness in all offices and appreciation of the AIIEA for the role it played.

The details of the settlement are known to all employees and it is not necessary to list them all here. The major benefits brought through this settlement are framing the pay scales with 14% loading, increased contribution of managements at the rate of 14% towards the defined contribution pension scheme and enhancement of family pension to 30% without any ceiling from the existing 15%. These are tremendous achievements; especially the loading factor of 14% which is better than many other financial institutions. The demand for parity in insurance industry is conceded with all the allowances framed on the lines of what is existing in the LIC.

Perhaps this wage struggle was the most difficult for the PSGI employees in their history. They not only had to contend with the rigidity of the government but also with the administration which was unwilling to forcefully place the demands of the employees before the government. The most significant achievement is defeating the concept of pay on the basis of the individual performances as defined in the notification for the last wage revision. This was an experiment the government wanted to test and if successful take it to the other public sector institutions. It was clearly an effort to promote individualism at the expense of collective and weaken the bargaining capacity of the trade unions. The struggle of the employees did not allow this retrograde design to succeed and this is the most significant achievement.

The AIIEA signalled that this design is not acceptable and collective bargaining is the foundational principle of industrial relations. Therefore, it was the first trade union to submit the Charter of Demands. The AIIEA was aware of the enormity of the challenge involved. Therefore, it took the lead and made significant contributions to develop unity of all classes of employees and officers to meet this challenge. This proved very fruitful with general insurance industry witnessing unprecedented joint struggles. This unity and joint struggles not only created confidence in the workforce but it also sent strong message to the government and the managements that employees were determined to fight for their legitimate demands. The AIIEA also laid the roadmap of demands and struggles. It made all constituents of JFTU to make a common demand for parity with LIC. This strategy paid rich dividends.

The struggle for wage revision has made all employees realise the correctness of the understanding of AIIEA and today it is seen as the leader of the movement. This places still greater responsibility on the AIIEA. With the wage revision settled, the struggle begins to defend what is gained and this requires vigilance and alertness. The government is recklessly pursuing the policy of privatisation and efforts are on to privatise the PSGI companies. The attention, therefore, must now shift to defend the industry. The unity achieved for the struggle for wage revision has to be further cemented. A joint struggle must begin to demand the merger and consolidation of the PSGI companies. The government must be forced to abandon the policy of privatisation. This is a gigantic task. But if the past is any indication, a united and committed workforce is capable of successfully undertaking these tasks.

While congratulating the entire workforce of PSGI industry, we advise them to remain vigilant and alert to defend the gains and take the struggle in defence of the industry with greater intensity.

---