

# The New India Assurance Company Limited

## Silver Jubilee of Life Department

THE celebration of the silver jubilee of the life Insurance Department of the New India Assurance Company Limited on December 8, 1954 is an event of importance not only in its own history but also in the history of Indian Insurance. It may well mark the commencement of a new era in the progress and development of insurance business, which is bound to flourish and to contribute further to the economic regeneration of our country in the future.

Sponsored by the House of Tatas, who are pioneers in many fields, the New India, the biggest composite insurance company in India commenced writing fire insurance business in July 1919. Prior to its formation, general insurance business had been the closed preserve of a few foreign insurers, who monopolised the huge premium income in that field. Following the pioneering traditions of his forefathers, Sir Dorab Tata conceived the idea of forming a powerful national company with large capital to transact life, fire, marine and miscellaneous insurance business not only in India, but also abroad and enlisted the support of well known businessmen and industrialists of Bombay for this daring scheme.

With characteristic foresight, Sir Dorab decided in favour of operating the new enterprise with a General Manager and not with Managing Agents a form of management commonly employed in all industrial and commercial undertakings in India so that each Director could take active interest in the affairs of the company and

contribute to its progress. New India, therefore, became from its inception a public company in the true sense.

After establishing its General Insurance Departments and operating successfully for several years, the Directors decided to enter the field of life insurance business towards the end of 1928. It may be added here that entry into the field of General Insurance was not an easy one for the New India. The newly formed company met with severe difficulties and strong opposition from its competitors; however, with careful planning, the company was able to surmount them and within ten years, the "infant" concern acquired for itself a prominent position in the insurance market.

In the very first year the Life Department of the company completed a new business of Rs 38 lakhs which constituted an all-India record at that time. The business progressed from year to year as the company extended its activities by opening branches all over India to transact life and general insurance business. By 1942, the Life Department effected a scientific reorganisation of the agency force to accelerate the rate of progress. This effort coincided with the period of war prosperity from which the company derived full benefit. In 1946, the new life business of the company reached the figure of Rs 12.39 crores. There was, however, a temporary set back in 1947, mainly on account of a general increase in Life Insurance Premiums made by Indian insurers to meet the situation created by the cheap money policy.

Thanks to its growing organisation the company was soon able to recoup its position and the new business at the end of 1953 rose to the record figure of Rs 19.90 crores. The total funds of the company including Paid-up Capital, Life Fund, and Reserves for underwriting stand today at the colossal figure of Rs 26.35 crores. Tables I and II show the growth of Life and General Insurance business of New India from 1929 to 1953,

With the object of providing cheaper Life Insurance to the public the company took the bold step of reducing its Life Premiums in March last. Though this act of the company met with strong opposition from other Indian insurers, it was fully justified by the trend of mortality experience and of interest rates. The dissident insurers have finally followed in the steps of New-India by reducing their premium rates.

In the field of Indian Insurance. New India can tightly claim a place for many innovations. Apart from its struggle for establishing an Indian General Insurance market, the New India was mainly responsible for re-modelling the whole tariff structure. Through persistent agitation, the New India was able to secure<sup>1</sup> for Indian units many concessions and re-adjustments necessary for extending their activities in the home land. The New India was the first to provide a comprehensive insurance service to the insured and was the first to enter the fields of Aviation, Marine Hull, Machinery and Cattle Insurance.

Growth of Premiums (Rs in lakhs)					Growth of Funds (Rs in lakhs)					
Year	Life Assurance	General Insurance	Total	Index Number*	Year	Paid-up Capital	Life Assurance Funds	General Dept Funds	Total Funds	Index Number*
1929	0.12	77	77	100	1929	71	0.06	66	137	100
1932	7	71	78	102	1932	71	4	64	139	102
1935	21	62	83	108	1935	71	26	75	173	127
1938	39	71	110	143	1938	71	99	80	250	183
1941	53	96	148	193	1941	71	205	125	402	293
1944	113	112	224	292	1944	71	391	146	607	443
1947	223	173	396	516	1947	71	752	196	1019	774
1950	325	270	595	775	1950	71	1282	336	1689	1233
1953	474	390	864	1126	1953	107	2046	478	2631	1920

\* 1929 = 100.

Recognising the value of mechanical equipment in dealing with administrative problems, the New India set up at an early Stage a department of business machines and today it has perhaps, the most highly mechanised unit in the East. The company has constantly tried to introduce advanced organisational methods and has given considerable importance to the building up of an efficient field staff. By operating a number of training schemes, educated young men are encouraged to take up an insurance career.

It is a happy coincidence that the Silver Jubilee of the Life Department of the company was celebrated in the huge newly-constructed ultra-modern administrative building of the company at Vile Parle, a suburb of Bombay. It is expected that its ever increasing day to day work will be carried on more efficiently and effectively in the spacious new building in this picturesque suburb. The staff colony situated at the New India centre at Vile Parle is a visual reflection of the company's approach to its own staff.

*From the Calcutta End.*

## Strikes and Lock-Outs

SEASONS change, so does the labour situation in Calcutta. It is always acute at the beginning of autumn and at mid-winter. One coincides with the approaching Durga Puja, and the other with the end of the year. As the Puja time approaches, there are labour demands and demonstrations for Puja bonus. As the year approaches its end, there are labour troubles arising out of claims for higher wages. Labour troubles in Calcutta are not, like the busy season in the money market, seasonal. Calcutta's labour disturbances are, however, as inevitable as the change of seasons. Only, one does not quite know why the labour situation is not intense in the hot season, and why it is, contra-seasonally, acute in the winter months.

One would be wrong in assuming that Calcutta's labour troubles are seasonal affairs. There is labour trouble all the year round. It may or may not help the Communists to consolidate their position. It may or may not help labour to secure better wages. It, perhaps, has a tendency to drive industry away from Calcutta or West Bengal. But it certainly helps Calcutta correspondents of foreign journals and news agencies to raise their earnings. Credit is due to this brood of correspondents for Calcutta's notoriety or reputation as a Communist stronghold. An impartial observer may find the claim exaggerated. Communists from the southern States will endorse this footnote.

### DRAMATISING EVENTS

One confesses one's ignorance of whether some of the paper mills near and around Calcutta are still plagued by strikes, or how many industrial concerns are still suffering from partial or complete strikes or lock-outs. But one very often overhears a paper salesman warning his prospective customers that if they do not place their orders now they may not get their requirements later because of the strikes or threats of strikes.

Proceedings of industrial tribunals are not as widely journalised in this city as in, say, Bombay. But a briefless lawyer or an ardent trade unionist will tell you that there are so many cases pending before indus-

trial courts that they cannot deal with them properly or expeditiously. Stock market reporting in Calcutta's dailies is not as colourful as in Bombay. But any one who occasionally frequents Clive Street may often be told that Indian Iron are slumping because of a strike threat at the Burnpur Works. One tries to check-up these market reports only to discover that the stock exchange denizens are as adept in fabricating stories as foreign correspondents.

All this does not mean that labour strikes and disturbances are not frequent in Calcutta. There have been many street processions and demonstrations by labour in recent days. For some time now, the bank employees have been staging dress rehearsals for the threatened strike on December 10. They hold street demonstrations almost daily. These daily processions get longer and longer as fellow-sympathisers join the demonstrations. Recently, there was a demonstration by tramway-men. But all these demonstrations and marches are peaceful and orderly. No "breaches of the peace" have occurred. Policemen and passers-by are tolerant. And the demonstrators are not militant.

### 135-MILE STRIKERS' MARCH

These demonstrations do not, therefore, hit the newspaper headlines. Not even, the 135-mile march to Calcutta of the strikers of the Ceramic and Refractory Works of Raneeunge. These workers have been on strike since April 28. They began the march to Calcutta on November 22. It took them twelve days to complete the 135-mile march to Mission Row, Dalhousie Square's annexe. Their object was to discuss their troubles with the management of the company, and to place their grievances before the West Bengal Government. There was adequate police "bandobust". There was no disturbance of the peace. The management told the striking marchers that it could not discuss the matter with them as the issue was before the industrial tribunal. The workers were asked to go to the Secretariat. They went there. What else could they do?

Like all the major industrial and financial cities, Calcutta is expectantly, awaiting December 10 by



Founded by  
Acharya J. B. Kripalani

VIGIL, now in its Fifth Year of publication, is an independent political weekly devoted to the service of the nation. It is noted for articles by distinguished writers and editorials of enduring interest. Its other features are: Political Correspondence from various capitals, Book-reviews, the Press, Students' Page, etc.

Editor: Manoranjan Guha

Published every Saturday  
from Calcutta

SINGLE COPY 4 ANNAS

Annual Rupees 12/-;

Six Months Rs. 6/-.

Agents and Advertisers please  
write to:

The Manager, VIGIL,  
54, Ganesh Chandra Avenue,  
Calcutta-13.

Delhi Office:

30, Prithviraj Road,  
New Delhi.