



**ALL INDIA INSURANCE PENSIONERS' ASSOCIATION**

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**President : Com Ashok Tiwari**

**Date : 14<sup>th</sup> July 2020**

**General Secretary : Com T K Chakraborty**

**Cir No : 11/2020**

**To**

**All Divisional/Regional/State units of AIIPA**

**Dear Comrades,**

**Re: Letter to Shri M R Kumar, Chairman, LIC of India.**

We reproduce below our letter dated 14<sup>th</sup> July 2020 addressed to Shri M R Kumar, Chairman, LIC of India.

With greetings.

Comradely yours.

General Secretary

**Date: 14<sup>th</sup> July 2020**

**Shri M R Kumar,  
Chairman,  
LIC of India,  
Mumbai.**

**Dear Sir,**

**Improvements in pensionary benefits**

The issues of improvements in pensionary benefits of LIC Pensioner's have been kept in limbo by the authorities, with AIIPA's representations for early solutions, not invoking serious consideration.

The ostensible reason for the government /LIC, remaining oblivious is, that certain matters are being agitated upon in judicial forum. AIIPA feels that the Government is adopting different yard sticks for different institutions and LIC Management, it seems, is not playing a pro-active role.

The LIC is well aware that, even the benefits that are not before the Court of Law, are not being conceded and whatever have been granted to RBI Pensioners, still awaits to be implemented in LIC. The matters relating to, Uniform Rate of Family Pension and criteria for

determination of Basic Pension, are under Government scrutiny for too long, even before the outbreak of pandemic.

AIIPA requests the Chairman of LIC, to take up immediately with the Government and ensure that issues awaiting government's approval and Notifications are expedited.

AIIPA, has been stressing upon the need to consider favourably, grant of Full Neutralisation in dearness relief to Pre-August 1997 pensioners and updation of pension for all, irrespective of Date of Retirement.

The Judgement of Hon'ble Delhi Court had created, another class within Pre-August 1997 Pensioners, implementation thereof by LIC, has aggravated the differential between pre and Post-August 1997 Pensioners.

While pension in LIC and under Central Government are based on similar rules, non-grant of updation of pension in LIC, is sought to be justified on the specious plea, that funded schemes cannot be equated with "pay as you go" scheme.

In Reserve Bank of India, where also a funded scheme operates, Pension of Pre-November 1997 retirees was updated and though the Central Government intervened to stop it, these pensioners were drawing increased pension due to the order of Bombay High Court. That being so, the Government rightly decided, to upgrade pension for all, as on November 2012, with a notional increase of 10% for every wage revision. Now all R.B.I. pensioners, have become entitled to, revised pension from March 2019.

All India Insurance Pensioners' Association (AIIPA) deems, the decision as in principle acceptance of updation of pension under a funded scheme even when the matter is sub-judice.

In one of its earlier communication, AIIPA had underscored the decision in SBI, to hike the limits of Basic Pay for purposes of 50% as Basic Pension, under the funded scheme, through a Committee appointed by the Court.

All these pinpoint, the fallacy of the submissions before the highest judicial authority, that updation is inadmissible under LIC's funded scheme.

AIIPA requests the LIC Management, to immediately initiate measures for pension updation, as in Reserve Bank of India, without waiting for Hearings to commence in the Apex Court.

All India Insurance Pensioners' Association (AIIPA) desires that, there is swift action on the part of LIC, in order that Pensioners get what is legitimately due at the earliest.

Thanking You,

Yours faithfully,



(T.K.CHAKRABORTY)  
General Secretary