



ALL INDIA INSURANCE PENSIONERS' ASSOCIATION

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President : Com Ashok Tiwari

Date : 12th August 2020

General Secretary : Com T K Chakraborty

Cir No : 14/2020

To

All Divisional/Regional/State units of AIIPA

Dear Comrades,

Re: Letter to Finance Minister.

We reproduce below our letter dated 12th August 2020 addressed to Finance Minister.

With greetings.

Comradely yours.

General Secretary

Date: 12th August 2020

To,
Smt Nirmala Sitharaman,
Hon Finance Minister,
Govt of India,
New Delhi.

Dear Madam,

Long pending issues of Insurance Pensioners

Our Organisation of Pensioners of LIC and PSGIC Companies(AIIPA), would like to take a few minutes of your time, to highlight certain long pending issues, pertaining to the welfare of the Insurance Pensioners' fraternity.

Insurance Pensioners have been restless, as their genuine and justified issues have not been considered favourably and remain in the realm of consideration for too long.

The benefits like Uniform Rate of Family Pension at 30% of Pay, criteria for determination of Basic Pension etc., are still to be granted, though recommendations therefore, have been sent by the LIC, nearly an year back. AIIPA requests that the process be expedited in order that eligible Pensioners get their dues at the earliest.

Grant of Full Pension for twenty years of service, Increased Pension for Pensioners above the age of eighty, as are in vogue in Central Government, are issues that have to be

favourably considered by the Government at the earliest opportunity, to end the differentiation as between the Government Pensioners and Insurance Pensioners.

As you are aware, Rules relating to Pension in Insurance Sector are akin to those of Central Civil Pension Rules. When Pension Rules were notified in Monolithic Insurance Industry in the year 1995, Central Government Pensioners were also drawing Pension based on Pay at the time of retirement and were entitled only to Dearness Relief on a graded basis.

Central Government Pensioners got the benefits of cent percent neutralisation in dearness relief and updated pension on revised wages prevalent on January 01,1996, through acceptance of Recommendations of Fifth Central Pay Commission and issuance of G.O. without any modification in Central Civil Pension Rules in the year 1998 and that process had continued up to 2016 wage revision.

Although AIIPA has been representing for redressal, there has been no tangible progress and it seems the Government is not inclined to consider, given the situation where issues are treated sub-judice. According to the Government, Insurance Pensioners cannot be equated with or considered on par with Central Government Pensioners since payment is out of a specified Fund in Insurance Sector, whereas it is "pay as you go" under Central Government.

AIIPA would like to stress that there has been upward revision of Pension in SBI while the matter was before the Court and the threshold limit for 50% of Pay as Pension was increased based on recommendations of a Committee appointed by the judiciary.

Similarly in RBI, where a funded scheme, as in Insurance Sector, is in vogue and when a section of Pensioners were drawing upgraded Pension in the background of a Court Order, the Government rightly decided in March, 2019, to revise upward Pension for all irrespective of Date of Retirement.

We are happy to note that issues being under scrutiny in Court and payment of Pension from out of a Pension Fund, did not come in the way when Pension in RBI was upgraded, through multiplication factors depending upon the period of Retirement.

AIIPA earnestly requests the Hon'ble Finance Minister to adopt the same yard-stick, in relation to eligibility 'under a funded scheme and sub-judice matters', for Insurance Pensioners also and grant upgraded Pension irrespective of Date of Cession from Service.

AIIPA is sure that the Government will appreciate the merit and justness of issues placed and come out with favourable decisions on all matters immediately. AIIPA opines that Insurance Pensioners well deserve the same, having contributed to the progress of Public Sector Insurance Industry.

Thanking you,

Yours faithfully,



(T.K.CHAKRABORTY)
General Secretary