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**President : Mr Ashok Tiwari Date : 22nd June 2021**

**General Secretary : Mr T K Chakraborty**

Smt. Nirmala Sitharaman,

Hon’ble Minister for Finance,

Government of India,

NEW DELHI.

Madam,

**Long pending issues of insurance pensioners**

We, from All India Insurance Pensioners’ Association (AIIPA), are writing to you with an air of expectation and fond hope that you will address our concerns, in matters related to our Pensionary Benefits, which are pending for quite a long time.

The comity of Insurance Pensioners feel concerned that the merits of their issues have not been considered dispassionately and there has been no application of mind. Insurance pensioners, who during their active service, have contributed considerably for the growth and development of the public sector insurance industry, feel unhappy, as they have been denied of their rightful benefits for long.

Ever since Pension Rules for Insurance Industry that was under Public Sector then, incorporating similar provisions prevalent in Central Civil Pension Rules, 1972, were notified in the year 1995, there has been no change in Basic Pension that corresponded to Basic Pay at the time of their Retirement.

Our plea for Upgradation of Pension, with periodical revision of wages, which benefit the Central Government pensioners have been granted from 1.1.1996, has not been acceded to, till now for insurance pensioners and a differentiation is sought to be made as between a “pay as you go" Scheme and a "funded” Scheme.

Upgradation of pension is also not conceded as, according to the Authorities, there are no provisions therefor in Insurance Pension Rules, though Central Government had granted pension upgradation to its pensioners through G.O.s only, though there is no provision for pension upgradation in the Central Civil Pension Rules.

The Government rightly decided to upwardly revise pension of all earlier RBI Pensioners and it being a “funded” Scheme, as in Insurance, was not a deterrent and this logic is not applied to Insurance Pensioners, even with persistent efforts of our Organisation.

Insurance Pensioners saw a ray of light and hope, when there were Reports that while addressing the Annual General Meeting of IBA, Finance Minister asked Banks to do more for Bank Pensioners, so that they are not discriminated against in the matter of pension. AIIPA had hoped for an immediate redressal of the grievance of Bank Pensioners and equitable treatment for Insurance Pensioners.

Similarly there were also reports in the print media that while interacting with some national news paper, 'Business Standard', Finance Minister, recalling the yeoman services rendered by the Bank employees during the pandemic situation, conveyed her concern about the financial conditions of the bank pensioners, felt that their issues should be addressed urgently.

But it seems there is no material progress thereafter and our Organisation urges upon the Government to initiate immediate measures so that Pensioners in the Financial Sector also get the benefit of pension upgradation, they richly and justifiably deserve.

Certain sectional issues of insurance pensioners continue to be in the realm of consideration of the Government for almost a year and a half, after Recommendation by LIC Board and two such matters relate to enhancement of Family Pension @ 30% of Basic Pay and reckoning of Last Drawn Salary, if beneficial, for determination of Basic Pension. Family pensioners have been drawing meagre amount of family pension, with which they find it financially difficult to make both ends meet.

We request you to ensure early clearance and issuance of Notifications by the government, covering both LIC and Public Sector General Insurance Companies.

Full Pension for 20 years of service and increase in age eligibility for increased Family Pension, are matters represented by AIIPA, yet to be agreed upon.

Our Organisation earnestly hopes that all these matters will receive your utmost consideration and solutions will follow in the immediate future.

Thanking You,

Yours faithfully,



(T.K.CHAKRABORTY)

GENERAL SECRETARY