

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
LIC BUILDING SECRETARIAT ROAD HYDERABAD 500 063
(E-mail: aiieahyd@gmail.com)

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29th August, 2021

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

Dear Comrade,

Today we have addressed a letter to the Chairperson of LIC demanding immediate enhancement of family pension to 30% without any ceiling and enhancement of management's contribution to the NPS (DCPS) from the existing 10% of Pay plus DA to 14%. The letter is self-explanatory. This may please be brought to the notice of all our members.

With Greetings,

Comradely Yours

Shreekanth Mishra

General Secretary

The Chairperson
LIC of India
Central Office
MUMBAI

Date: 29.08.2021

Dear Sir,

Re: Enhancement of Family Pension and Employer's contribution under NPS

It has been almost two years since the LIC sent its recommendation to the government on the issue of improvements in family pension. We understand that these improvements pertained to the enhancement of family pension at a uniform rate of 30 per cent and determination of the basic pension on the basis of the last drawn pay or average of the last ten month's pay whichever was beneficial to the pensioner. The inordinate delay in getting clearance of the government on these improvements has given rise to considerable disquiet amongst the employees and pensioners.

We have also been demanding, without any prejudice to our demand of scrapping of the NPS, the enhancement of management's contribution under the Defined Contribution Pension Scheme from the existing 10% of pay plus dearness allowance to 14% thereof as is applicable to central government employees under the National Pension System (NPS). The DCPS beneficiaries of LIC have now been made a part of the institutional architecture of the NPS. But the management's contribution to the fund continues to be at the old rate of 10%. This is unfair.

Now the government of India has approved a proposal of the IBA to increase family pension of public sector bank employees to a uniform rate of 30% of pay of the deceased employees without any ceiling. The government has also allowed enhancement of the rate of

employers' contribution to the NPS from the existing 10% to 14% of the pay plus dearness allowance. It is also to be noted that these demands of the bank employees have been conceded with retrospective effect.

In view of these developments, there is no reason why the benefits should not flow to LIC employees and pensioners. We would request you for your personal intervention in the matter to ensure that the government gives its clearance to the LIC Board's recommendation on enhancement of family pension to 30% without any ceiling and management's contribution to the NPS is enhanced from 10 to 14% with retrospective effect.

Thanking You,

Yours faithfully
Sd/-
General Secretary