

ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
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6th January, 2022


To
All the Zonal /Divisional /State /Regional Units

Dear Comrade,

We reproduce herein below a joint letter addressed by the Joint Front of Unions/Associations in LIC to Hon'ble Union Finance Minister, Smt. Nirmala Sitharaman, on issues related to improvements in Pension.

Please bring it to the notice of all our employees.

With Greetings,

Comradely Yours

General Secretary

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FEDERATION OF LIC CLASS I OFFICERS' ASSOCIATIONS
NATIONAL FEDERATION OF INSURANCE FIELD WORKERS OF INDIA
ALL INDIA INSURANCE EMPLOYEES' ASSOCIATION
ALL INDIA LIC EMPLOYEES' FEDERATION

January 06, 2022

Smt. Nirmala Sitharaman
Hon'ble Minister for Finance
Government of India
New Delhi

Respected Madam,

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

The Pension Scheme in LIC was introduced in lieu of management's contribution towards Provident Fund in the year 1995. This scheme was formulated on the basis of the Central Government Employees Pension Scheme. There were many improvements in the Central Government Pension Scheme after the recommendations of the Fifth Pay Commission headed by Justice Ratnavel Pandian like up-dation of pension, improvement in family pension etc. Unfortunately these recommendations, despite repeated representations, were not made applicable to the insurance employees.

We were delighted when you expressed your concern over the plight of the Bank pensioners in the Annual General Body Meeting of IBA held in November 2020. You were kind enough to have expressed

the view that pensioners should not be discriminated against in terms of pension. You were also reported to have advised the IBA to review the family pension on the lines existing in the government. We are thankful to you for expressing your concerns on two very important issues relating to Pension. We would like to inform you that the pensioners in LIC too suffer from the same handicap as the Bank pensioners.

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. The Bank pensioners and employees have already started enjoying the fruits of these improvements.

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 all clarifications sought by the Ministry have also been given by LIC. The LIC is also understood to have sent the draft notification of the proposed improvements more than two months ago. The 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 (DCPS) 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). As we have pointed out earlier, this benefit has now been extended to the Bank employees. 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%.

In view of these developments, 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.

We assure you of our unstinted cooperation and commitment in taking LIC to still greater heights.

Thanking You,

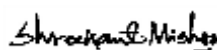
Yours faithfully



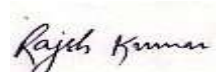
S. Rajkumar
General Secretary
Federation of LIC
Class I Officers'
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Vivek Singh
Secretary General
NFIFWI



Shreekanth Mishra
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