

Place, New Delhi takes more than five months to issue such a policy;

(d) if so, the reasons for taking such an inordinately long time;

(e) the number of cases in which fire and riot insurance covers were tendered at the above Branch Office in the later half of November, 1984 and insurance policies in respect of which have not so far been issued; and

(f) the steps his Ministry propose to take to get matters expedited and lay down a time-limit in such cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b). Although no time limit has been prescribed for issue of an insurance policy by the insurance companies, they are expected to do so immediately after acceptance of proposal and collection of related premium. Pending issue of policy, a provisional cover note is issued to the insured. However, cases do arise where the description of risk is found incorrect/incomplete and/or the premium is inadequate; these deficiencies delay issue of the insurance policies.

(c) and (d). No, Sir. However, issue of policy may get delayed at times on account of reasons referred to above.

(e) 57 proposals for fire and riot insurance were received during second half of November, 1984. In no case the insurance policy remains to be issued.

(f) Cases of inordinate delays, if any, in issue of policy etc. are brought to the notice of the GIC/Company concerned for remedial action. Insurance Companies have been asked to pay greater attention towards customer satisfaction and expeditious issue of policy documents.

Issues of Debentures by Lohia Machines

7123. SHRI RAM SAMUJHAWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Lohia Machines Ltd., Kanpur has been authorised to issue debentures;

(b) if so, the amount authorised to be raised and the number of debentures to be issued;

(c) whether the issue of debentures is restricted to their issue to the existing debenture-holders only; if so, the manner in which these will be allotted them; and

(d) the reasons for not throwing open the issue to the public and restricting it to previous debenture holders only?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d).

M/s Lohia Machines Ltd. Kanpur have applied to the Controller of Capital Issues for permission to issue 13.5% secured, redeemable partially convertible 8,00,000 debentures of the face value of Rs. 125/-each totalling Rs. 10 crores for cash at par on right basis to existing equity shareholders of the company. The debenture issue on right basis is proposed to be made in accordance with the resolution passed by the shareholders at an extraordinary general meeting of the company. The company has so far not been authorised to raise these debentures.

Committee on Stock Exchange Reforms

7124. SHRI RAM SAMUJHAWAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have since received the first and second parts of the Report of the Committee on Stock Exchange Reforms headed by the former UTI Chairman Shri G.S. Patel;

(b) if so, the broad outlines of the recommendations made therein; and

(c) the reaction of Government thereto?