

**Statement of Motor Insurance Claims**

2776. SHRI DHARAMVIR SINGH TYAGI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to settle motor and non-motor insurance claims without riot cover arising out of disturbances after 31 October 1984 at 50 per cent of the estimated cost or Rs. 50,000 whichever is lower as reported in the Times of India dated 26 February, 1985; and

(b) if so, the action taken or is proposed to be taken to settle these claims in the light of the above decision ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) The State Governments/Union Territories have been requested to pay these claims on the specified scale on receipt of their particulars from the insurance companies and to claim reimbursement of the amount from the Central Government thereafter.

**Financial Straits in National Textile Corporation**

2777. SHRI ANAND SINGH : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether the National Textile Corporation has lately been in financial straits owing to large scale accumulation of unlifted controlled cloth;

(b) if so, the details in this regard; and

(c) the steps taken to clear the accumulation and to streamline the cloth distribution to extricate the Corporation from the financial stringency ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) to (c). As per the available information the National Textile Corporation Mills were having stocks of controlled cloth of around 17,449 bales as on 28th February, 1985, of value around Rs. 1047 lakhs and equivalent to about 1½ month's production which is within the normal limits. With a view to liquidate the stocks expeditiously, the National Textile Corporation is in continuous liaison with N.C.C.F. and Textile Commissioner,

**Overstaffing in L.I.C.**

2778. SHRI G. VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Life Insurance Corporation of India is stated to be grossly overstaffed and unbusiness like and if so, corrective steps proposed;

(b) whether the overheads of L.I.C. are one of the highest, leading to high premia and low bonuses; and

(c) whether Government propose to allow private sector units with insured as shareholders to enter the business with minimum Government interference as in the pre-independence period ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. The staffing pattern of the offices in the LIC is based on a formula laid down by the Staff Inspection Unit of the Government of India.

(b) Although there has been some increase in the overall expenditure due to inflation and rising costs, the overhead expense ratio and the renewal expense ratio have shown a steady decline and LIC has also declared higher bonus rates in the last few years.

(c) No, Sir.

**Disincentives to Customs Officials**

2779. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether Government have announced certain incentives for the customs officials for seizing contraband items being smuggled into the country;

(b) whether any disincentives have also been announced in case the customs officials who are found lacking in performing their duties honestly; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). As part of the intensification of anti-smuggling drive, the scheme of rewards and other incentives granted to informers and depart-