

(a) whether the applicability of Cash Compensatory Support (CCS) scheme and other benefits to contracts registered under a separate scheme formulated for the purpose for 1988-89 has been affected following several changes made under the scheme;

(b) if so, the details thereof; and

(c) the remedial steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI): (a) to (c). The policy of Registration of Export Contracts as outlined in Chapter XVII of Import Export Policy April 88-March 91 (Vol I) has been made applicable to cases of Cash Compensatory Support with a few modifications of the benefit given in para 208 of Chapter XVII of the above said Policy. For example, the benefit of para 208 will not be applicable where CCS rates are applicable upto a specific terminal date.

LIC Agents In Kanpur

7365. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether some over-ambitious agents of the Life Insurance Corporation of India (LIC) in Kanpur have been procuring business in irregular ways;

(b) whether as a result thereof rate of surrendering of insurance policies has been increasing by leaps and bounds in City Branch Nos. 1, 2 and 3 of the LIC, Kanpur;

(c) whether the agents are getting new insurance policies issued to those policyholders immediately after their surrendering earlier policies;

(d) if so, the facts thereof and expenses being incurred by the LIC on such policies;

and

(e) the steps contemplated to be taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) No, Sir. The surrenders in the three branches namely City Branch Nos. 1, 2 & 3 of Kanpur Division have not increased during the current year but have, in fact, come down.

(c) to (e). No, Sir. The Life Insurance Corporation of India does not encourage any policyholder either to take a new policy in lieu of his existing lapsed policy or to surrender any existing policy. If a policy is lapsed by non-payment of premiums within the last 3 years and in case of surrender within 6 months, the Corporation does not issue a new policy unless such lapsed/surrendered policy is revived/reinstated. In fact, when it came to the notice of the Corporation that one agent attached to the City Branch No. 1 in Kanpur was persuading policyholders to discontinue old policies and take new policies under different plans, immediate action was initiated and the concerned agent was suspended and was directed not to solicit any new business.

Legal Expenses Incurred by MTP

7366. SHRI ATISH CHANDRA SINHA: Will the Minister of RAILWAYS be pleased to state:

(a) the amount of legal expenses incurred by the Metro Rail (MTP), Calcutta, for contesting different cases in different courts of law or legal bodies during the last three years;

(b) the issues involved in these cases;