

Threat to Launch Agitation by Officers of L.I.C.

8335. SHRI BIRENDER SINGH RAO: Will the Minister of FINANCE be pleased to state:

(a) whether the officers of the L.I.C. have threatened to launch an agitation for the removal of anomalies in their salary scales;

(b) what are their main demands; and

(c) what is Government's and Corporation's reaction to this threatened agitation?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a) Yes, Sir.

(b) The main demands of these Offices pertain to the revision of scales of pay, dearness allowance and bonus, with effect from 1-4-1973.

(c) The whole matter is receiving Government's attention.

Loss to India as a Result of Manipulating Claims and Expenses in Kuwait Branch of the Oriental Fire and General Insurance Co. Ltd., New Delhi

8356. SHRI ATAL BEHARI VAJ-PAYEE: Will the Minister of FINANCE be pleased to state:

(a) whether one Shri Nair has been arrested on charges of manipulating claims and expenses in Kuwait Branch of the Oriental Fire and General Insurance Co. Ltd., New Delhi resulting in huge loss to India including that in Foreign exchange;

(b) whether the Kuwait branch has been also found in indulging in the practice of taking premium at lower rates than fixed by the Kuwait Insurance Association and showing still lesser amounts to their principals in India; and

(c) what are the full facts in this regard and action taken in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a) The Oriental Fire and General Insurance Company Ltd. does not have a Branch in Kuwait but has also only an Agency there. In January, 1975, C.B.I. arrested one Sri Nair, who was an employee of the Agent. He was subsequently released on bail.

(b) and (c): Regarding the allegation of the Kuwait Insurance Association that the Agent of Oriental Fire and General Insurance Company Ltd. was charging lower premium, certain discounts without proper documentation of entitlement had been allowed due to oversight and the same were corrected to the satisfaction of the Association. The allegation of showing lesser amount to the Oriental Fire and General Insurance Company Ltd. is being investigated by the C B.I.

Withdrawals of and restrictions on powers of agents for settlement of claims were made with immediate effect. Underwriting instructions were also tightened.

Cheques issued by Jaipur Udyog Ltd. dishonoured by State Bank of India

8337. DR RANEN SEN: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the fact that several cheques issued by Jaipur Udyog Ltd. during the last three years in respect of excise duty, railway freight, electricity and NCDC telephone bills were dishonoured by State Bank of India;

(b) whether Government are aware of the fact that State Bank of India has refused to be the Bankers of the said company;

(c) if so, reasons and details thereof; and