

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:452  
ANSWERED ON:10.12.2010  
INSURANCE CLAIMS  
Dubey Shri Nishikant

**Will the Minister of FINANCE be pleased to state:**

- (a) whether terrorist/naxalite attacks are presently covered under the life insurance policies;
- (b) if so, the details thereof;
- (c) whether the Government/Insurance companies are struggling with the sizeable financial burden due to the settlement of insurance claims of terrorist attacks including naxalite attacks in the country;
- (d) if so, the details thereof for the last three years and the current financial year; and
- (e) the details of the number of such claims received and settled by the Insurance Companies during the said period along with the amount involved therein, company-wise?

**Answer**

The Minister of Finance (Shri Pranab Mukherjee)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION NUMBER 452 REGARDING 'INSURANCE CLAIMS' RAISED BY SHRI NISHIKANT DUBEY, MEMBER OF PARLIAMENT, TO BE ANSWERED ON 10.12.2010.

(a) and (b): The Insurance Regulatory and Development Authority (IRDA) has informed that death claims due to terrorist / naxalite attacks are presently covered under the life insurance policies.

(c) to (e): IRDA has informed that there is no extraordinary financial burden on the insurance companies due to settlement of insurance death claims due to terrorist / naxalite attacks in the country. The proportion of death claims due to terrorist / naxalite attacks to the total death claims settled by insurance companies is very insignificant. For instance the Life Insurance Corporation of India (LIC) has settled 17.77 lakhs claims in the last 3 years out of which probable death claims due to terrorist / naxalite attacks were only 711 in number with Rs.8.33 crore paid as claim.

IRDA has further informed that separate record of deaths due to terrorist / naxalite attacks is not maintained by the insurance companies. However LIC has estimated death claims due to terrorist / naxalite attacks during the last three years as per the details given below:

Year    Number of    Amount paid  
      death claims (Rupees in crore)

2007-2008    100    0.77

2008-2009    292    4.18

2009-2010    319    3.38

Total    711    8.33