

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7082
ANSWERED ON:18.05.2012
SETTLEMENT OF CLAIMS
Venugopal Shri P.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Life Insurance Corporation of India (LIC) has performed better in terms of claims settlement ratio as compared to private life insurance companies;
- (b) if so, the details thereof;
- (c) whether the Union Government has asked the private insurance companies to improve their performance;
- (d) if so, the details thereof; and
- (e) if not, the reason therefor?

Answer

Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

- (a) & (b): As per Insurance Regulatory and Development Authority's (IRDA) Annual Report 2010-11, settlement ratio of Life Insurance Corporation of India (LIC) has increased to 97.03% in 2010-11 from 96.54 in 2009-10. For private insurers, settlement ratio was only 86.04 per cent during the financial year 2010-11.
- (c) to (e): The Union Government has not asked the private insurance companies to improve their performance. However, Insurance Regulatory and Development Authority (IRDA) monitors the claims settlement performance of insurance companies through offsite and onsite inspection methods.