

[*Translation*]

SHRI GIRDHARI LAL VYAS: Mr. Speaker, Sir, I want to know from the hon. Minister the criterion of allotment of funds? The States which could not spend the entire amount are being allocated more and the States like Rajasthan, which have spent more than the amount allocated, are getting lesser allocations. Why this discrimination when Rajasthan is the most backward State?

MR. SPEAKER: Allotment of funds is not his responsibility.

[*English*]

He is just monitoring it.

SHRI A.B.A. GHANI KHAN CHOU-DHURY: Sir, there is no question of discrimination. The hon. Member must know how the 20-Point programme money comes for Plan heads. The outlays for 20 Point programme are not fixed separately and specifically. These are derived from the relevant plan heads. This is the answer.

[*Translation*]

SHRI GIRDHARI LAL VYAS: My question has not been answered. I had asked as to why allotment of funds is being increased for those States which could not spend the whole amount allocated last year and why those States which have spent more than the amount allocated are getting lesser allocations?

MR. SPEAKER : It is not his responsibility.

[*English*]

SHRI P. KOLANDAIVELU: Sir, as far as our hon. Prime Minister is concerned, he is very liberal in allocating the funds for the poverty alleviation programmes. This year, he has allocated, 63 per cent more than that of previous year. We must appreciate that.

Last year, i.e. 1986-87, you have allotted funds amounting to Rs. 10,189 crores for the poverty alleviation programme and out of that, a sum of Rs. 10,065.57 crores was spent. So, there is a surrender of Rs. 124 crores. Now, this year, after allocating more funds for all the States, for Tamil Nadu you have allocated only Rs. 363 crores. But last year, we have spent Rs. 746 crores. When we are able to spend Rs. 746 crores, you are allocating only Rs. 363 crores. Why this discrimination? When more funds are available here, and the Prime Minister has also allocated more funds, you are allocating only Rs. 363 crores. But the Plan outlay is very less. (*Interruptions*)

MR. SPEAKER: Let him reply now.

SHRI A.B.A. GHANI KHAN CHOU-DHURY: Sir, I can say, effectively and with all the emphasis at my command, that there is no discrimination. These are derived from the relevant Plan heads. Every State has a Plan. (*Interruption*)

SHRI P. KOLANDAIVELU: Only according to the blocks you are allocating funds. We are having 386 blocks.

SHRI A. B. A. GHANI KHAN CHOU-DHURY : It is a question of Plan money.

SHRI P. KOLANDAIVELU : Funds have to be allocated according to the blocks available in the State. That is the main criterion.

SHRI A. B. A. GHANI KHAN CHOU-DHURY: The criterion is (*Interruptions*)

[*Translation*]

Matured Policies of Life Insurance Corporation

* 850. **SHRI DAL CHANDER JAIN:** Will the Minister of FINANCE be pleased to state:

(a) the number of policies of Life Insurance Corporation matured as on 31st March, 1986;

(b) the number of policies against which payment has been made and also the number of policies against which payment could not be made and the reasons therefor; and

(c) the remedial steps proposed to be taken by the Life Insurance Corporation in this matter?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). A statement is given below.

Statement

(a) The number of maturity claims payable by LIC as on 31.3.86 including those remaining outstanding as on 31.3.1985 was 13,56,372.

(b) Out of the above maturity claims, 12,78,443 were settled during the year 1985-86 and 77,929 remained outstanding on 31.3.1986 due to following reasons:

(i) Basic requirements such as claims forms, original policy documents, discharge vouchers, etc., not forthcoming from the policyholders.

(ii) Claimants not traceable in respect of paid-up policies.

(iii) Delay in submission of indemnity bond for loss of original policy document.

(iv) Clearance from exchange control authorities where necessary.

(c) Some of the important steps already taken by LIC to expedite settlement of maturity claims are given below:-

(i) Sending maturity claims discharge vouchers to the policyholders well in advance of the due date.

(ii) Dispensing with production of age proof up to the sum assured of Rs. 20,000/- if the life assured's age at entry has not been admitted.

(iii) Regular review and follow up of outstanding maturity claims backed by personal visits by the field staff to contact the policyholders personally and obtain the pending requirements.

(iv) Decentralisation of claim settlement function to Branch Offices.

[Translation]

SHRI DAL CHANDER JAIN : Mr. Speaker, Sir, as stated by the hon. Minister, payment has not been made against 77 thousand policies. The Life Insurance Corporation makes every effort to bring more and more people under its schemes but during the time of payment of maturity claims, the claimants have to face a lot of difficulties and payments are held up for petty reasons. What action will the hon. Minister take to ensure that such difficulties are removed ? Besides, will additional interest be given to those claimants whose payment has been delayed and there are more than 77 thousand such cases?

[English]

SHRI JANARDHANA POOJARY: Here, the number of maturity claims payable, as on 31.3.1986 by LIC was 13,56,372. Out of that, we have settled 12,78,443 claims. So far as the remaining 77,929 policies to be settled are concerned, in some of the cases we did not get the original documents, discharge vouchers, policy documents and even claim forms. In some cases the claimants are not traceable. But that does not mean that we should not take action. Action is being taken; and our performance has been much better, even compared to foreign countries. That type of figures are available.

So far as interest is concerned, when the reason for the claim not being settled lies with the claimant, we are not in a position to give any interest.

[*Translation*]

SHRI DAL CHANDER JAIN: Mr. Speaker, Sir, first my question regarding the payment of interest until the settlement of claim made has not been answered.

Secondly, there should be an office to assist people in the settlement of their claims. Will the hon. Minister make any such arrangements?

[*English*]

SHRI JANARDHANA POOJARY: There is a Claim Review Committee at the zonal level as well as at the corporate level, to settle claims as also to redress the grievances; and this is functioning very effectively. Here, for the benefit of the hon. Member I may bring to his notice that in 1981-82 the pendency was 12.23%. Now that has been reduced to 5.75%. In the case of death claims and maturity claims, the percentage of pending cases was 13.85%. It has been reduced to 6.86%. In the case of death claims alone, the pendency was 26.6%, and it has been reduced to 18.6%.

SHRI HAROOBHAI MEHTA: Has the Government come across any cases where the delay in payment of this due has been attributable to the officer concerned; is so, the number of cases in which action has been taken against the officer concerned?

SHRI JANARDHANA POOJARY: Wherever it is due to the deliberate action or deliberate negligence of the officer concerned, action has been taken. The actual number of cases is not available with me.

[*Translation*]

MR. SPEAKER: Bairagiji, do you want to put a question?

SHRI BALKAVI BAIRAGI: Sir, I want to ask one question.

AN HON. MEMBER: Why are you getting involved in Life Insurance?

MR. SPEAKER: Good, he has at least got rid of his involvement with opium.

SHRI BALKAVI BAIRAGI: I will talk about opium later on. Mr. Speaker, Sir, the hon. Minister in part (c) of his reply has stated that some steps to improve the situation are under consideration. The percentage of pending cases is much less. However, in view of the vastness of the country and the scope of this business, it is a substantial percentage. We expect you to accelerate the pace of the disposal of pending cases for which the entire work at the district level and S.D.O level should be computerised. Do you have any such proposal under consideration?

[*English*]

SHRI JANARDHANA POOJARY: Some of the important steps taken by LIC to expedite settlement of the maturity claims have been set out in the main reply. So far as computerisation is concerned, the process is on and we are at it.

Alleged Misuse of Foreign Exchange by Public Sector Undertakings

*854. SHRI ATISH CHANDRA SINHA†:
SHRI BANWARI LAL PUROHIT:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of certain cases of alleged misuse of foreign exchange by public undertakings;

(b) if so, the details thereof and whether any investigation has been conducted in this regard; and

(c) the outcome of the investigations and the action taken in the matter?