

Amount of Policies lying unclaimed with LIC

931. SHRI A. K. ROY: Will the Minister of FINANCE be pleased to state:

(a) number and amount of policies lying unclaimed with the Life Insurance Corporation of India after maturing for the whole of the country in general and Dhanbad District of Bihar in particular for the last three years (year-wise break-up in details);

(b) whether it is a fact that the number and amount involved in the unclaimed policies are on the increase

and no attempt is made on behalf of the L.I.C. to trace out the real policy holder and reason for non-claiming; and

(c) if so, steps taken thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) to (c) A statement is laid on the Table of the House.

Statement ..

(a) to (c) The maturity claims payable by the LIC, which were outstanding for various reasons as at the end of the years 1977-78 to 1979-80, as under:

Year	L.I.C.		Dhanbad District	
	No. (in thousands)	Amount (Rs. crores)	Number	Amount (Rs. thousands)
1977-78	57	13.17	7	11
1978-79	74	14.85	9	16
1979-80	88	21.76	19	38

These include cases in which the policyholders have not put in any claim papers but separate figures of such cases are not readily available.

The increase in the figures of claims pending with the LIC, as the increase in the figures of claims settled by the LIC, reflects the overall growth of its operations. The main reason for the pendency of the maturity claims is delay on the part of the claimants in furnishing the requirements including discharge forms and policy documents. In some cases, the LIC finds that the policyholders are not traceable at their last known addresses, and this happens particularly in respect of policies which became paid up long ago and the LIC lost touch with the policyholders. In such cases the LIC deputed its field officials to make on-the-spot enquiries regarding the present whereabouts of the policy-

holders to expedite settlement of the claims.

SHRI A. K. ROY: Sir, I try to explore the hidden income of the Government. If you read the statement laid on the Table, you will be surprised to find that the amount of maturity claims payable by the LIC is increasing by leaps and bounds. In 1977-78 it was more than Rs. 13 crores, in 1978-79 it was more than Rs. 14 crores and now, in 1979-80, it has become Rs. 21,76,00,000. I wonder whether people have lost interest in money, and I wish and I presume that the Government does not desire this to meet the budgetary gap by keeping all this money. In view of that, I would like to know (i) whether the Government has probed deeply into the causes of this increase in unpaid amount, and (ii) whether it is the

duty of the agent while bringing somebody under the cover of insurance to find out the policy-holder and go to him and whether after the maturity also the duty of the agent remains and the responsibility of the LIC also remains to find out the policy-holders and to contact them, and whether the Government is going to pay interest for their default of paying the money in time.

SHRI MAGANBHAI BAROT: The hon. Member's apprehension about the figures is not justified because the quantum assured is increasing, the work is increasing and the income is increasing, and so the amount of maturity claims payable is also increasing.

So far as the responsibility of the LIC to find out the policy-holders and make payment is concerned, we have been trying, and successfully trying, to do so and we are reducing the period during which the payment can be made and the unclaimed claims can be paid off.

So far as the question about interest is concerned, we have introduced a policy. Formerly we were paying 6 per cent interest, now we have increased it to 7½ per cent and only after 30 days of the maturity period the interest becomes due to be paid.

SHRI A. K. ROY: This is some sort of a forced fixed deposit made by the Government and they are saying in their answer that in some cases the LIC finds that the policy-holders are not traceable. It is not that the policy-holders are not traceable. But their agents are not traceable. Nowadays, who are the agents of L.I.C.? They are only the better halves of the better placed persons in the country. Usually, they become the agents. So, they are not traceable. They say that they are unable to find out the policy-holder. You will be surprised to know that I am also personally a victim of that. My policy also matured. I wrote to the L.I.C. I did not get a reply even. Nobody can say I am not traceable.

MR. DEPUTY SPEAKER: No communist insures his life.

SHRI A. K. ROY: They say that they are unable to find out the policy-holder. I am one of the policy-holders whose policy matured and they are unable to find me.

What is more important... (Interruptions)

MR. DEPUTY SPEAKER: What is the worth of your policy?

SHRI A. K. ROY: That is another point. That is something kept secret. What is more important—you will find that most of the middle class salaried persons have come under the purview of the L.I.C. The poor people, the cultivators, the rural poor, could not be brought under its purview. All those persons who are not paid are not the vocal intelligent people, but they are the few poor people who are fed up with correspondence and have become losers. In view of that will the L.I.C. take a fresh view of the things and go deep into the matter to see that these policy-holders are paid their amount within a year?

SHRI MAGANBHAI BAROT: I have full sympathy for the hon. Member if he is a victim. I would also like to know the party to which the hon. Member belongs. Was he for some time underground and the information, therefore, could not reach him? Then I am sorry for it. So far as the suggestion to make improvements is concerned, we are doing that. After the submission of the Seghyan Committee Report, certain suggestions are being implemented. So far as searching of the policy-holders is concerned, we have a system. We have brought pendency down to a very limited figure and the pendency is not more than two months disposed. I have got the figures. If the hon. Member desires I can give. It is not so much the fault of the LIC in not asking for it, but the details are not being provided. Therefore, a large number of policies are not paid.

SHRI A. K. ROY: One more point. Have you enquired whether most of these persons who are now losing belong to Harijan, Adivasi and weaker Sections of society?

SHRI MAGANBHAI BAROT: We will do the needful.

SHRI SONTOSH MOHAN DEV: Is it a fact that the main reason for non-payment is that at the time of getting the policy, the policy-holder does not give the name of the nominee because it is an optional thing? Will you make it compulsory? In that case the position of payment will improve.

SHRI MAGANBHAI BAROT: There are so many suggestions to improve the working. This suggestion is also one of them. But I would like to inform the House that out of 73862 pending cases, 62719 are pending for want of information from the policy holders themselves. All attempts are being made. Therefore, the element of paying interest is also added so that the policy-holder is not a loser.

श्री इयाराम शास्त्री : श्रीमन्, जैसा कि फिर्मा से जाहिर होता है, दिनों-दिन अनपेड-मैच्योर्ड पालिसीज की संख्या बढ़ती जा रही है। सरकार अथवा एल० आइ० सी० लाखों रुपया पब्लिकेशन और प्रचार पर खर्च करती है, क्या मंत्री महोदय इस प्रकार का निदेश देंगे कि जो पालिसीज कुछ समय तक अनपेड रहने के बाद ट्रेस-अपड नहीं होती हैं, उन के बारे में रेडियो और अखबारों में सूचना दें ताकि उन के वारिसान को सूचना मिल जाय और वे आप को कान्टैक्ट कर लें।

SHRI MAGANBHAI BAROT: All attempts are made to find out the policy-holders. But in many cases there whereabouts are not known because the addresses are changed. The attempts are also made to contact them through the filed officers. The field staff is also involved. All efforts are made to see that the policy-holders are reached and, therefore, an

element of payment of interest is also added.

SHRI OSCAR FERNANDES: I would like to know from the hon. Minister as to delays in the settlement of claims on the part of policy-holders and the number of claims pending due to delay on the part of LIC.

SHRI MAGANBHAI BAROT: As I said, the total number of pending cases in 1979-80 were 73,862 out of which 62,719 cases were because of the necessary information not being provided by the policy-holders. So far as non-payment on account of default of the LIC itself is concerned, the figure is only 512 out of 73,862 cases.

Income-tax raids on stockists of Food-grains, Cement and other Essential Commodities

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933. **SHRI H. N. NANJE GOWDA:**
SHRI D. M. PUTTE GOWDA:

Will the Minister of FINANCE be pleased to state:

(a) whether Income-tax Department has recently conducted raids on the stockists of foodgrains, cement and other essential commodities at Calcutta, Siliguri, Jalpaiguri, Bhadrak and Muzaffarnagar;

(b) if so, the details of the firms raided and the outcome thereof; and

(c) action proposed against the erring firms in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAISINGH S'SODIA): (a) Yes, Sir. The searches were conducted on 19-2-1981 and 20-2-1981.

(b) Details are given in the Annexure.

(c) The cases are still under investigation. Action as warranted under the law is being taken in these cases.