

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA): (a) According to the information available from the State Government, the total number of Indian and foreign tourists who visited Kanyakumari during 1995 and during the current year are as given below:

Year	Number of tourists		
	Indian	Foreign	Total
1995	10,23,013	39,012	10,62,025
1996 (January-July)	6,51,128	22,192	6,73,320

(b) State Governments agencies and local bodies have provided a number of low priced accommodation units at kanyakumari for the benefit of low budget tourists.

#### Performance Rate of LIC

\*450. SHRI BANGARU LAXMAN: Will the Minister of FINANCE be pleased to state:

(a) the performance rate of period set for loan payments, claims and despatch of bonds to policy holders of LIC; and

(b) steps taken to effectively implement various points of LIC objectives in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The requisite information is given in the Statement I. (See below).

(b) A Statement is laid on the Table of the House.

#### Statement-I

##### I. Loan Payments—Performance rate

Target	Achievement
Four days after receipt of all the requisite documents from the policy holders.	Sample checks carried out by LIC reveal that the performance level, on an average, varies from same day to five days.

##### II. Claims settlement—Performance rate

The target set by the LIC for Maturity Claims, is to settle at least 65% of the claims before the date of maturity through post dated cheques and the balance within one month. In the case of death claims, the target is to settle at least 80% of the non early death claims within 70 days from the date of receipt of intimation. Both for maturity and death claims no claim should be outstanding for more than 6 months except on legal grounds. Against these targets, the performance of the LIC is given in the following tables:—

##### (a) Maturity Claims—Settled Before time

For Financial year ending	Target Performance Rate	Actual Implementation Rate
31.03.1994	65%	69%
31.03.1995	65%	71%
31.03.1996	65%	69%

##### (b) Death Claims:—

For Financial year ending	Target Performance Rate	Actual Implementation Rate
31.03.1994	75%	69%
31.03.1995	75%	69%
31.03.1996	80%	78%

NB: In the figures given for the Financial Years 1994 & 1995, claims include both early and non-early death claims and settlements were completed in 75 days. For the year 1996 the figures indicate only non-early death claims, settled in 70 days.

**(c) Outstanding Claims:**

Financial Year	CLAIMS		OUTSTANDING	
	Maturity Claims		Death Claims	
	Target	Performance	Target	Performance
31.03.1994	2.5%	3%	9%	13%
31.03.1995	2.5%	3%	10%	14%
31.03.1996	2.5%	3%	10%	18%

**NB:** The target fixed is based upon past experience which may not be true in the year because of the number of cases which go into litigation.

**III. Despatch of Policy Bond—Performance rate**

Target	Achievement
(i) Within 30 days from the date of completion of the proposal; and	(i) & (ii) The experience of the LIC had been that it takes on an average 1 day to 3 months to despatch the Policy Bond.
(ii) Within 2 months, if the proposals are completed in the month of March.	

**Statement—II**

The LIC have set for themselves certain objectives to achieve after nationalisation of life insurance industry. Two of the objectives relate to consumer service. In order to improve their performance, the LIC propose to take a number of steps.

The LIC is the process of upgrading technology by installing front end computers at various Branch centres.

Keeping in view the changing customers needs, the LIC had introduced many innovative covers, the latest being 'Jeevan Suraksha, a pension cover which provides for a personal life long monthly retirement pension with an option to commute 25% of the corpus, totally tax free. If the insured takes a policy with life cover, a minimum family pension of 50% of target annuity as family pension is guaranteed, which may go upto 85% depending upon the contribution already made and other relevant factors. The family pension scheme has a provision for nomination also. The premium contributed under this pension scheme also qualifies for attractive income tax reliefs.

The LIC have made available loans to the policy holders to the extent of Rs. 3,000 crores, on mortgage of property; and on insurance policies within their surrender value. The LIC

have also built over 5000 residential units under the policyholders housing schemes at Ahmedabad, Bangalore, Mumbai, Hyderabad, Kanpur and Madras.

The LIC imparts training to its Class-I officers, Staff, and to their agency force, in the Zonal/Divisional/Branch Training Centres. The senior officers are also sent on refresher courses from time to time. The Agents are given, depending upon their performance, facilities like joining Chairman's/Zonal Manager's/ Divisional Manager's Clubs and participation in International Conferences such as "Million Dollar Round Table".

All the measures will go a long way in improving the performance of the LIC in achieving the objectives relating to consumer service.

**Encouraging Private Sector Banking in Rural Sector**

**\*451. SHRIMATI VEENA VERMA  
SHRI RAJUBHAI A. PARMAR**

Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to encourage and invite private sector to set up banks and branches of banks in rural sector;

(b) if so, the number of proposals received for opening such banks and their branches; and