

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA
UNSTARRED QUESTION NO. 3736
ANSWERED ON – 5.4.2022

UNCLAIMED AMOUNT AVAILABLE WITH LIC

3736 SHRI JOHN BRITTAS:
SHRI IRANNA KADADI:

Will the Minister of Finance be pleased to state:

- (a) details and quantum of unclaimed amount available with LIC;
- (b) quantum and details of amounts so far transferred by LIC to Senior Citizens Welfare Fund;
- (c) quantum and details of unclaimed amount available with LIC as on date which remains unclaimed for a period not exceeding ten years from due date;
- (d) any instances of keeping the unclaimed policy amount by LIC itself, pertaining to those unclaimed amounts exceeding ten years;
- (e) quantum and year-wise details of unclaimed amounts repaid to policy holders/legal heirs after its transfer to Senior Citizens Welfare Fund; and
- (f) steps being taken to ensure that these unclaimed amounts reach investors?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a) to (f): Outstanding amounts lying in unclaimed accounts are settled in favour of respective policyholders or claimants upon receipt of claim request. Further, as per the provisions of Senior Citizens' Welfare Fund Rules, 2016 notified by the Government of India and a Master Circular dated 25.7.2017 issued by the Insurance Regulatory and Development Authority of India, all insurers, including LIC, who have unclaimed amounts of policyholders for a period of more than 10 years as on 30.9.2017 are required to transfer the same with interest to the Senior Citizens' Welfare Fund (SCWF) every year. Further, even after transfer of the unclaimed amounts to the Fund, a policyholder or claimant continues to be eligible to claim the unclaimed amounts under their respective policies for a period of up to 25 years.

With regard to steps to ensure that unclaimed amounts reach those who are entitled to the same, LIC has informed that instructions are already in place to all its branches and operating units to follow up the outstanding items with respective policy holders with a view to settle or adjust all of the amounts lying in unclaimed and outstanding accounts. Further, LIC has informed that it has placed the information on unclaimed amounts on its website and policyholders / legal heirs can check the unclaimed amounts on the website against their policy number.

With regard to unclaimed funds available with LIC, LIC has informed that as on 31.12.2021 it has an outstanding unclaimed (for a period not exceeding ten years) amount of Rs.21,336.28 crore under individual and group business policies.

With regard to unclaimed funds transferred to SCWF, LIC has informed that till 30.9.2021, an amount of Rs. 1,255.66 crore that had remained unclaimed (for a period of more than 10 years) was transferred to SCWF.

With regard to unclaimed amount paid to policyholders / legal heirs after its transfer to SCWF, LIC has informed that in the 12-month period ending 30.9.2018, 30.9.2019, 30.9.2020 and 30.9.2021, unclaimed amounts of Rs. 4.6 lakh, Rs. 1.61 crore, 1.51 crore and Rs. 8.08 crore respectively were repaid to the respective policyholder/ legal heirs after such transfer.
