

Government of India
Ministry of Finance
Department of Financial Services
Lok Sabha
Unstarred Question No. †4633

Friday, March 23, 2018/Chaitra 2, 1940 (Saka)

Irregularities in LIC

†4633. DR. UDIT RAJ:

Will the Minister of FINANCE
be pleased to state:

- (a) whether Life Insurance Corporation of India (LIC) management did not take any action against the guilty staffs and officers involved in the alleged fraud/ irregularities of Rs. 3.45 crore in a LIC Branch at Sub Division Office, East Region (Kolkata) if so, the details thereof and reasons therefor;
- (b) whether the LIC had returned the money to the customers, if so, the details thereof;
- (c) whether any penal action has been taken against the guilty officials of LIC so far, if so, the details thereof; and
- (d) if not, the action likely to be taken by the Government in this regard?

Answer
Minister of State in the Ministry of Finance
(Shri Shiv Pratap Shukla)

(a) to (d): Life Insurance Corporation of India (LIC) has informed that a vigilance case was registered against 71 Employees and Agents. One officer who was the main perpetrator was removed from service. Forty four officials and employees were levied with various penalties for negligence in discharging their duties. Disciplinary Proceedings have been initiated against 15 employees/officials of LIC. Money suit CS 182/2016/ dated 28.07.2016 for Rs 3.63 Crore was filed against the main perpetrator in Kolkata High court.

The amount of Rs 3.63 crore was raised by debiting different heads of accounts of LIC and as such no customer was affected.