

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 1890

ANSWERED ON – 14.3.2022

UNCLAIMED FUNDS OF LIC

1890. SHRI MANICKAM TAGORE B.:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Life Insurance Corporation (LIC) had unclaimed funds to the tune of Rs. 21,539.00 crore as of September, 2021;
- (b) if so, whether it is also true that this includes interest earned over the outstanding unclaimed amount;
- (c) if so, the details thereof; and
- (d) the manner in which the said huge funds is likely to be used/disposed of in the event of its disinvestment?

ANSWER

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

(a) to (c): Yes, sir. The outstanding unclaimed deposits of the Life Insurance Corporation of India (LIC), as on 30.9.2021, stood at Rs. 21,538.93 crore, which include Rs. 2,911.08 crore as interest earned on unclaimed deposits.

(d): 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 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.
