

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION No. 3276

TO BE ANSWERED ON MONDAY, 16 DECEMBER, 2024/AGRAHAYANA 25, 1946 (SAKA)

UNCLAIMED FUNDS HELD BY LIC

3276. Shri Asaduddin Owaisi:

Will the Minister of FINANCE be pleased to state:

- (a) the total amount of unclaimed funds held by the Life Insurance Corporation of India (LIC) during the last five years, year-wise;
- (b) whether it is true that a significant number of policyholders or their nominees do not claim maturity benefits, death benefits and other payouts leading to the accumulation of unclaimed funds;
- (c) if so, the details of quantum of funds that remain unclaimed due to non-settlement of maturity, death or other benefits, year-wise;
- (d) the steps taken/being taken to identify and contact policyholders or their nominees to ensure rightful claim of these funds; and
- (e) whether the Government has taken measures to raise awareness about unclaimed funds and simplify the claim process particularly for policyholders of rural and semi-urban areas?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (e): The total amount of unclaimed fund in respect of outstanding death and maturity claims furnished by LIC for last five years is as under:-

Years	Total Unclaimed and outstanding Maturity Claims		Total Unclaimed Death Claims	
	Number	Amount (Cr.)	Number	Amount (Cr.)
2023-24	3,72,282	880.93	10	0.14
2022-23	3,73,329	815.04	31	0.81
2021-22	3,24,813	897.1	24	0.24
2020-21	3,13,117	652.95	35	0.43
2019-20	2,43,790	480.78	89	2.02

In order to reduce the Unclaimed and Outstanding Claims following steps are undertaken:

- i. 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 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.

- ii. Reminder letters are sent thorough ordinary/ speed post as well as through email where available and also SMS are sent where mobile numbers are available.
- iii. Both print media and digital media advertisement are given apart from radio jingles for policyholders to claim their due amounts.
- iv. Unclaimed claim data (list of policies) & list of requirements are placed on LIC's website (www.licindia.in) from where the policyholders can check and claim the amount.
- v. LIC officials visit the residence of the policyholders for requirements and settlement of the unclaimed amounts.
- vi. Policy service camps (campaigns) are organized in residential localities in various cities.
- vii. Facility of online registration of NEFT details is made available through LIC's portal.
- viii. A facility of anywhere submission of NEFT and claim requirements is provided to the policyholders for their convenience.
- ix. Claim settlement process is simplified and only valid NEFT is required to settle the claim. Continuous follow up is made with the policyholders through agents and Development officers to comply with the requirement and claim the amounts.
- x. Services of credit bureau agencies are utilised to get the latest contact details of the policyholders.
- xi. Division/branches arrange Policy Service Camps (Campaigns) in housing societies and prime areas in various cities.
