

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:499

ANSWERED ON:24.11.2006

FALSE INSURANCE CLAIMS

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**Will the Minister of FINANCE be pleased to state:**

(a) the number of cases of passing false and inflated insurance claims detected in public sector insurance companies during each of the last two years in Punjab;

(b) the total loss suffered by these companies as a result thereof; and

(c) the steps taken by the Government to check the false insurance claims?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): General Insurers` (Public Sector) Association of India (GIPSA) has reported that the National Insurance Company Limited (NICL) and The New India Assurance Company Limited (NIACL) have detected 7 cases of passing false/inflated insurance claims and suffered a total loss of Rs. 46.62 Lacs as per details given below:

Sl.No.	Name of the Year	Year 2005-06	Loss suffered
	Insurance 2004-05	(Rs.in Lacs)	Company

1	NICL	1	-	31.96
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2	NIACL	4	2	14.66
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(c): The companies have an appropriate vigilance set-up headed by a Chief Vigilance Officer(CVO) and Vigilance Officers(VO) posted at all the Regional Offices. The Vigilance Officers conduct surprise checks of offices besides conducting investigation on the instructions of CVO. The Vigilance Department of the company follows the instructions and guidelines of Central Vigilance Commission (CVC) in the matter of Vigilance Administration for initiating appropriate disciplinary action in proven cases of irregularities besides coordinating with CBI.