

Seventeenth Loksabha

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Title: Regarding privatization of LIC -laid.

**SHRI GAUTHAM SIGAMANI PON (KALLAKURICHI)** : From the very beginning, the Union Government is very keen on privatising public sector companies. Government is not bothered to save the profit making Navratna public sector companies.

The latest announcement by Finance Minister during Corona crisis management involving 22.5 lakh crores economic / financial packages included an announcement about privatisation of all Public Sector companies.

LIC is not just a profit earning public sector but has a larger role to play in the lives of several crores of ordinary citizens. Among the life insurance companies, its services are far better than most other private health and life insurance companies.

LIC nationalised in 1956 with a capital of just Rs. 5 crores has grown to the size of Rs. 32,06,000 crores and shows the support and faith it has gained from the people.

It's everybody's knowledge that a major portion of the funds of LIC are effectively invested in govt projects like Railways and others. In fact, LIC has a big role in managing financial crisis at various points of time. It is one of the biggest employment sources as well. It provides direct employment to 1.25 lakh people and an indirect opportunity to several lakh agents.

Hence indiscriminate privatisation of such profit earning co. is in no way a noble act. Even the preliminary step of devolution of shares of LIC will ultimately lead to absolute privatisation. So, the Government should desist from doing this now.

