

Seventeenth Loksabha

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Title: Request to the Union Government to stop the move to privatise LIC.

DR. PON GAUTHAM SIGAMANI (KALLAKURICHI): Sir, I would like to raise an important issue regarding Life Insurance Corporation of India.

LIC is just not like any other Public Sector Undertaking. It is connected with every common individual, with its motto "Even with life, even after life". Such a vital PSU is slowly being disinvested by the Union Government. Privatising a profit-making PSU does not make sense. This move not only affects common public but also affects lakhs of agents. Insurance Regulatory and Development Authority of India, IRDAI is also ruining LIC by bringing in Bima Sugam and operating insurance activities online. Bima Sugam is controlled by IRDAI at an investment of Rs. 85 crores. In this, 30 per cent of investment is by Life Insurance Corporation, 30 per cent is by General Insurance Corporation, 35 per cent is by banks, and five per cent is by brokers. The fact is Life Insurance Corporation and General Insurance Corporation were formed to strengthen human life and insurance sector but the opposite is happening.

Once this Bima Sugam portal comes to act, policy holders will face huge problem as agents will not be available to serve them as it will be done online. Livelihood of agents will be erased.

Already unemployment rate is increasing day-by-day. So, this new scheme will not bring any good to policy holders, but will put LIC on closure, which has an asset value of Rs. 42.54 lakh crore.

The Union Government is selling every PSU one by one. Already, the Union Government has sold 3.5 per cent of LIC shares at a very low price, when LIC, the largest insurance company in the country reported a massive net profit of Rs. 15,952 crore for the quarter ended September 30, 2022 and recorded a net profit of just Rs. 682.9 crore in the June quarter.

Hence, Chairman Sir, through you, I request the Union Government and the Finance Minister to stop the move of privatising LIC and bringing in Bima Sugam, etc., and save the policy holders and agents of LIC.

माननीय सभापति: श्री हनुमान बेनीवाल जी ।

... (व्यवधान)

SHRI N. K. PREMACHANDRAN (KOLLAM): Sir, we fully support it. Let the Government respond to this issue. ... (*Interruptions*)

HON. CHAIRPERSON : They are listening.

... (*Interruptions*)