

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1055  
ANSWERED ON:24.11.2000  
DIVISION OF LIC INTO FOUR SEPARATE COMPANIES  
SURESH RAMRAO JADHAV (PATIL);UMMAREDDY VENKATESWARLU

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

- (a): the total number of policy holders with the Life Insurance Corporation of India in the country as on date;
- (b): whether there was a proposal in the Mittal Committee report to divide the LIC into four separate companies;
- (c): if so, the status of this proposal;
- (d): whether there would be better administration if the LIC was divided into more manageable units; and
- (e) if so, the steps taken by the Government to induce better management of LIC?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL)

- (a): The Life Insurance Corporation of India(LIC) have informed that as on 31st March, 2000 there were 8.31 crores policy holders.
- (b): The LIC have further informed that they are not aware of any Committee named as Mittal Committee having submitted a report on LIC or recommending division of LIC into four separate companies.
- (c): There is no proposal under consideration for dividing the LIC into separate companies.
- (d) : For better administration, LIC has 7 Zonal Offices which operate under the guidance of the Central Office. Substantial administrative and financial powers have been delegated to the Zonal /Divisional/Branch Offices.
- (e): The Board of Directors of LIC is being strengthened by induction of experts from professional fields as Directors. Adequate autonomy has been given to LIC to enable it to effectively function as a Board managed Corporation.