

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2591
ANSWERED ON:08.08.2003
DECREASE IN LIC BUSINESS
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Will the Minister of FINANCE be pleased to state:

- (a) whether after opening insurance sector for private participation, the number of policy holders of LIC has come down;
- (b) if so, the details of the policy holders of LIC before opening of insurance sector for private participation and as on date;
- (c) whether LIC has taken various measures to increase in number of its policy holders;
- (d) if so, to what extent these measures have been helpful to increase its business; and
- (e) the further steps taken or being taken by LIC in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) & (b): No, Sir. The total number of policies of Life Insurance Corporation of India (LIC) during the years 1999-2000, 2000-2001 and 2001-2002 are 917.26 lacs, 1131.11 lacs and 1258.76 lacs respectively.

(c) & (d): LIC has informed that they have taken various measures to increase the number of policies which interalia include additional publicity campaign, introduction of new products, recruitment of new agents including corporate agents, training of agents, moderanisation and upgradation of information technology etc. All these have helped in increasing the number of policies.

(e): LIC has informed that they have taken various Customer Relationship Management (CRM) initiatives with a view to bring about more customer satisfaction and also improve business prospects. Some of the steps include targeting high net worth clients, enhancing the productivity level of Development Officers & Agents in terms of quantity and quality, strengthening of alternative distribution channels, further strengthening the information technology areas etc.