

**GOVERNMENT OF INDIA  
FINANCE AND COMPANY AFFAIRS  
LOK SABHA**

UNSTARRED QUESTION NO:4952

ANSWERED ON:20.12.2002

LOSS SUFFERED BY LIC

AJAY CHAKRABORTY;CHANDRA NATH SINGH;SADASHIVRAO DADOBA MANDLIK;SUNIL KHAN;TUFANI SAROJ

**Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:**

- (a) whether Life Insurance Corporation has lost about seven per cent of the insurance market since April, 2002;
- (b) if so, the areas of business where LIC has suffered this decline in market share; and
- (c) the strategies LIC has adopted to meet the challenge from private insurance companies?

**Answer**

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

(a) & (b): According to information furnished by the Life Insurance Corporation of India (LIC) they continue to enjoy the highest market share in the New Business during the current year. LIC's market share as on 30.10.2002 is 95.68% of the number of Policies with Sum Assured of 88.97% and First Premium Income 90.66%.

(c): LIC has taken various measures to meet the challenge from private insurance companies such as increase in the agency force, alternate channels of distribution like Corporate Agents & Bancassurance, regular training of agency force at Branch level, Divisional level and other training institutions, design and introduction of various innovative products in the market and aggressive publicity campaigns in respect of products and services rendered by the Corporation.