

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

STARRED QUESTION NO:348  
ANSWERED ON:13.12.2002  
CELEBRITY MARKETING BY LIC  
AMBATI BRAHMANIAH

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

- (a) whether Life Insurance Corporation wants to reverse the decline of its business by going in for Celebrity Marketing;
- (b) if so, the details of this strategy;
- (c) whether LIC has identified such celebrities who will want insurance at this juncture;
- (d) if so, the details thereof; and
- (e) the action plan prepared by the LIC to concentrate on giving good service to middle class people and earn their goodwill?

**Answer**

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH):

(a) to (d) The Life Insurance Corporation (LIC) has informed that there has been no decline in their business in terms of the number of policies sold. During the current year, upto 31st October LIC has sold 91,30,230 new individual assurance and pension policies as against 85,91,612 policies during the corresponding period of previous year, registering a growth rate of 6.27%. However, there has been a decline in the first premium income during the current year, consequent to revision in the premium rates of the some of their Plans due to fall in interest rates in the economy. To increase the sale of its policies, LIC has informed that they have strengthened their marketing force to tap high value clients including celebrities. LIC is also targeting high value policies in professional segments, corporates and prosperous rural centres.

(e) As part of its strategy to improve customer service, LIC has laid emphasis on expeditious settlement of claims and quicker disposal of grievances including review of repudiated claims. It has also launched a special campaign for revival of lapsed policies. Other initiatives taken to provide better service to the public in general include toll free access to the LIC call centres in metros and wide area network covering 1350 branches and all the 100 Divisional Offices. Further, LIC has computerized its 2048 branches, thus enabling them to provide better service to the customers.