

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:6261  
ANSWERED ON:05.05.2000  
LIC AGENTS IN RURAL AREAS  
RENU KUMARI SINGH

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

- (a) whether the Life Insurance Corporation (LIC) is not according priority to the rural areas in the insurance business;
- (b) if so, the reasons for not giving the similar facilities of training and stipend to the agents in the rural areas as are available to the agents in the urban areas;
- (c) whether the Government are contemplating to appoint rural career agents in the rural areas on the lines of urban career agents in the urban areas; and
- (d) if so, by when?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) and (b) The Life Insurance Corporation of India (LIC) have informed that they accord due priority to the rural areas in the insurance business. In fact more than 50% new business of the LIC today comes from the rural areas.

LIC has specially formulated a Rural Career Agents` Scheme to provide opportunities for rural youth. It has provision for training of agents for 4 weeks. A monthly stipend of Rs. 750/- in the first year and Rs. 600/- in the second year is given to them. They are also given the additional facility of being attached to Development Officers for exposure and training. This facility is not provided to Urban Career Agents.

(c) LIC have informed that the Rural Career Agents` Scheme and Urban Career Agents Scheme have distinct features of their own and both the Schemes are running successfully. The Rural Career Agents` Scheme has been operative from 1979. Under this Scheme Agents are appointed in rural areas by the Corporation. The rules of appointment are not as stringent as that of Recruitment of Urban Career Agents.

For appointment as Rural Career Agents, candidates have to pass a simple aptitude test in regional language and also an interview.

(d) Not applicable.