

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:289
ANSWERED ON:23.11.2012
LIC SCHEMES AVAILABLE IN RURAL AREAS
Shankar Alias Kushal Tiwari Shri Bhisma

Will the Minister of FINANCE be pleased to state:

- (a) the extent to which Life Insurance Schemes and other social security schemes are accessible and available to the people especially in rural areas in the country at present;
- (b) whether the Government has formulated any guidelines to cover the common people under social security schemes launched by the Government and private sector insurance companies in the country;
- (c) if so, the details thereof;
- (d) whether private insurance companies are not interested/reluctant in providing insurance cover to the common people;
- (e) if so, the details thereof along with the reasons therefor; and
- (f) the steps taken/being taken by the Government in this regard?

Answer

Minister of State in the Ministry of Finance (Shri Namu Narain Meena)

(a) The Insurance Regulatory & Development Authority (IRDA) has informed that out of the total 4,41,91,864 life insurance policies issued in the year 2011-12, 1,39,83,265 constituting 31.64% of the total number of policies, were issued in the rural areas. In addition to this, 1,45,31,183 lives were covered by all life insurance companies from social sector groups including unorganised sector, economically vulnerable or backward classes and informal sector groups during the year 2011-12.

Further Government of India has launched following social security insurance schemes especially for rural and urban economically backward people:

- i. Aam Aadmi Bima Yojana (AABY)
- ii. Janashree Bima Yojana (JBY)
- iii. Rashtrya Swastha Bima Yojana (RSBY)
- iv. Mahatma Gandhi Bunkar Yojana (MGBY)

(b) to (f): IRDA has issued IRDA (Obligations of Insurers to Rural and Social Sectors) Regulations 2002 wherein every life insurance company shall fulfil the norms towards its obligations (Percentage of Policies on the total number of policies written direct in that year) in the rural and social sector.

As per IRDA, 26.84% of the total policies issued by private insurance companies during the year 2011-12 were issued in rural areas.