

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4533
ANSWERED ON:21.02.2014
DECLINE IN SALE OF LIC POLICIES
Semmalai Shri S.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has noticed a steep decline in the sale of life insurance policies during the last fiscal;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has devised any strategy to revive investor sentiment in life insurance sector;
- (d) if so, the details thereof; and
- (e) the other measures taken/proposed to be taken by the Government in this regard?

Answer

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

(a) and (b): The Insurance Regulatory and Development Authority (IRDA) has informed that there is no steep decline in sale of life insurance policies during the last fiscal year 2012-13. However there is a marginal decline of 0.01% in respect of individual policies sold and a marginal decline of 0.58% in respect of group schemes. There is a growth of 17.09% in case of lives covered under various group insurance schemes.

The details are given in the Annex.

(c) to (e): The Authority has taken various measures like notification of Linked/Non Linked Product Regulations which are aimed to protect the element of insurance in all the policies offered and to protect the interests of policyholders. In addition, guidelines were issued to allow the insurers to utilize the existing infrastructure network of Common Service Centres both for selling insurance policies and servicing the policyholders through these Common Service Centres spread across the country.