

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2718

ANSWERED ON:17.03.2017

Merger of Insurance Companies

Adityanath Shri Yogi;Chavan Shri Ashok Shankarrao;Gaikwad Dr. Sunil Baliram;Gupta Shri Sudheer;Kirtikar Shri Gajanan Chandrakant;Mahato Shri Bidyut Baran;Radhakrishnan Shri T.;S.R. Shri Vijay Kumar;Singh Shri Kunwar Haribansh

Will the Minister of FINANCE be pleased to state:

- (a) the details of total market share of State owned general insurance companies namely Oriental Insurance, National Insurance and United India Insurance;
- (b) whether the Government has decided to merge these State-owned insurance companies and if so, the details thereof along with the aims and objectives thereto;
- (c) whether the Government has also approved to list the State run general insurance companies;
- (d) if so, the details thereof and the time by which it is likely to be listed; and
- (e) whether the Government has also consulted all the Employees Unions in this regard and if so, the details thereof along with the response of the Employees Unions thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a): The total market share of National Insurance Company Ltd. is 11.82%, Oriental Insurance Company Ltd is 8.49% and United India Insurance Company Ltd is 13.65% as on 31.12.2016.

(b): No, Madam.

(c) and (d): Government has approved the listing of the following five Government owned General Insurance Companies on the stock exchanges. These are:

- (i) The New India Assurance Company Ltd.
- (ii) United India Insurance Company Ltd.,
- (iii) Oriental Insurance Company Ltd.,
- (iv) National Insurance Company Ltd. and
- (v) General Insurance Corporation of India.

Further, Government has approved dilution of shareholding from 100% to 75% in the above companies in one or more tranches in the domestic capital market based on all applicable Securities and Exchange Board of India (SEBI)/ Insurance Regulatory and Development Authority of India (IRDAI) rules and regulations.

(e): Does not arise.
