

In view of the severity of the global economic crisis. India has taken both monetary and fiscal measures to restore the growth momentum. The monetary and credit measures taken by the Reserve Bank of India include provision of adequate liquidity and credit delivery, progressive reduction in the Repo and Reverse Repo rates under the Liquidity Adjustment Facility (LAF) and reduction in cash reserve and statutory liquidity ratios (CRR and SLR) for banks. These measures have been supplemented with sector specific credit measures for exports, housing, micro and small enterprises and infrastructure.

Further, to counter the negative fallout of the global slowdown, the Government has responded by providing a substantial fiscal expansion in the form of tax relief to boost demand and increased expenditure on public projects to create employment and public assets.

As a result of monetary and fiscal stimulus packages, an unimpaired financial system and a large domestic market, the effect of global economic recession on the Indian economy has been minimal *vis-a-vis* most other countries.

#### **Market share of Life Insurance Corporation**

3390. SHRIMATI SYEDA ANWARA TAIMUR:

SHRI VIJAY JAWAHARLAL DARDA:

Will the Minister of FINANCE be pleased to state:

(a) the market share of Life Insurance Corporation (LIC) *vis-a-vis* other public or private sector 'Life Insurance' enterprises;

(b) the details of financial viability, *i.e.* profit or loss, made by LIC during the last three fiscal years;

(c) the penetration of LIC in countries where majority of migrant labour and professionals is 'Indian'; and

(d) the number of foreign offices of LIC, country-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):

(a) Life Insurance Corporation of India (LIC) has reported that its market share in terms of First Year Premium and Number of Policies *vis-a-vis* private sector life insurance companies as on 31st March, 2009 is as under:—

#### *Market Share in percentage*

	First Year Premium	Number of Policies
LIC	60.79	70.52
Private Sector Life Insurance Companies	39.21	29.48

(b) The concept of Profit and Loss is not applicable to LIC. However, the Valuation Surplus is calculated every year by Appointed Actuary. The Valuation Surplus for last three financial year is as under:—

Financial Year	Valuation Surplus (Rs. in crore)
2005-06	12,435.76
2006-07	15,156.19
2007-08	16,591.79

(c) LIC operates through its Branch offices in Fiji, Mauritius and United Kingdom (U.K.) and operates through joint venture (JV) companies in Sri Lanka, Nepal, Bahrain, Kenya and Saudi Arabia. LIC's penetration in these countries is as follows:—

Country	Market share in terms of premium income (in %).
Fiji	51.4
Mauritius	12.25
U.K.	Insignificant
Sri Lanka	01.23
Nepal	23.02
Bahrain	60.50
Kenya	06.70

(d) LIC has foreign operations in the following countries:—

1. **Branch Offices:**

- (a) Suva, Fiji
- (b) Port Louis, Mauritius; and
- (c) Wembley, U.K.

2. **Representative Office:** Singapore

3. **Joint Venture Companies:**

- (a) LIC (International) B.S.C. (c), Bahrain — operates in Bahrain, Kuwait, Qatar, Oman and UAE.
- (b) LIC (Nepal) Ltd., Kathmandu, Nepal
- (c) LIC (Lanka) Ltd., Colombo, Sri Lanka
- (d) Saudi Indian Company for Co-operative Insurance, Kingdom of Saudi Arabia
- (e) Kenindia Assurance Co. Ltd., Nairobi, Kenya
- (f) LIC (Mauritius) Offshore Ltd., Port Louis, Mauritius.