

**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**RAJYA SABHA**  
**QUESTION NO 02.03.2010**  
**ANSWERED ON**  
**NEW BUSINESS MARKETS OF LIC .**

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Will the Minister of COAL, HEALTH AND FAMILY WELFARE, INFORMATION AND BROADCASTING AND FINANCE be pleased to state :-

- (a) the details of new business markets that Life Insurance Corporation (LIC) forayed into during the last three years;
- (b) the share of LIC in the new business markets and the private sector companies, company- Wise;
- (c) whether LIC is gradually eroding its new business market to private players; and
- (d) if so, the details thereof and the reasons therefor?

**ANSWER**

Minister of State in the Ministry of Finance

Shri Namu Narain Meena

(a) Life Insurance Corporation of India (LIC) has reported that it has procured new business during the last three years as per details hereunder:

Year	No. of Policies	Premium (Rs. in crore)	Life Insurance
2006-07	3,82,29,292	56,223.56	
2007-08	3,76,12,599	59,996.57	
2008-09	3,59,12,667	53,179.08	

(b) The percentage of market share of First Year (including single Premium) Life Insurance Premium of LIC and Private Life Insurance companies for 2008-09 is as under:

Company	Market Share (%)
LIC	61.12
ING Vysya	0.80
HDFC Standard	3.05
Brila Sunlife	3.24
ICICI Prudential	7.45
Kotak Mahindra	1.54
TATA AIG	1.31
SBI Life	6.20
Bajaj Allianz	5.16
Max New York	2.12
Metlife	1.32
Reliance	4.04
Aviva	0.83
Sahara	0.15
Shriram Life	0.36
Bharti AXA	0.34
Future Generali	0.17
IOBI Fortis	0.36

CanaraHSBC	0.34
DLF Pramerica	Negligible
Aegon Religare	0.04
Star Union Dai-ichi	0.06
TOTAL	100.00

(c) & (d): In an evolving market where number of players are going up, the market share of the leading player i.e. LIC is bound to lessen. However, the total life business has also increased from Rs.9,708 crore ( First Year Premium Income) in 2000-01 to Rs.87,006.23 crore in 2008-09. As on 31.03.2009, market share of LIC in First Year Premium (including Pension & Group Schemes) was 61.12% while that of all the private insurance companies put together was 38.88%. For the current fiscal, LIC continues to be the frontrunner in the industry with 49.97% growth in First Year Premium income vis-a-vis 29.18% growth rate of life insurance industry and 2.35% of private companies.