GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA
UNSTARRED QUESTION NO. 2914
ANSWERED ON – 29.3.2022

DISINVESTMENT OF LIC AND GIC

2914 Dr. V. Sivadasan:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is not aware of the widespread objections and protests against the move to privatize LIC and GIC;
(b) the revenue received from LIC and GIC, the details since 2010, year-wise;
(c) the value of the assets of LIC and GIC;
(d) whether LIC and GIC are working in profitable condition; and
(e) if so, the reasons for the move to disinvest LIC and GIC?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a) to (e): With regard to Life Insurance Corporation of India (LIC), its listing is proposed in the Draft Red Herring Prospectus filed with the Securities and Exchange Board of India. The proposed listing will, *inter alia*, enable the Government to unlock the value of its investment in LIC, position LIC to raise capital from the market for its future growth, and improve its governance through greater market discipline and transparency resulting from listing requirements and disclosures. These benefits, in turn, will equip the Government and LIC to pursue growth of the economy and the insurance sector and thereby promote development and social protection. Further, the LIC Act envisages, *inter alia*, that the Central Government shall hold at all times, not less than 51% of the issued equity share capital of LIC.

With regard to General Insurance Corporation of India (GIC), there is no proposal to privatise GIC is under consideration of the Government at present.

Further, as per inputs received, total assets outstanding as on 31.3.2021 were Rs.38.04 lakh crore and Rs. 1.35 lakh crore for LIC and GIC respectively.

Additionally, share of surplus /details of dividend received since 2010 from LIC and GIC are at Annex.

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Annex

Rajya Sabha unstarred question no. 2914, regarding " Disinvestment of LIC And GIC "

Year-wise details of share of surplus /details of dividend received since 2010 from LIC and GIC

S. No	Financial Year	Amount of share of surplus paid/payable by LIC (In Crore Rupees)	Amount of dividend paid by GIC (in crore Rupees)
1	2010-11	1,138.00	206.40
2	2011-12	1,281.61	--
3	2012-13	1,436.80	468.70
4	2013-14	1,634.90	449.35
5	2014-15	1,804.35	540
6	2015-16	2,501.75	860
7	2016-17	2,206.70	1001.90
8	2017-18	2,430.19	1015.87
9	2018-19*	2,663.10	1015.87
10	2019-20**	2,699.73	--

Source: Life Insurance Corporation of India and General Insurance Corporation of India

**In the year 2018-19 Rs.52.35 Crore were retained by LIC for Capital infusion to LIC Singapore.*

***Government share of surplus for FY 2019-20 and 2020-21 is retained as Reserve by LIC.*

Note: The dividend mentioned is on accrual basis and paid to GOI in the subsequent F.Y