GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT
(DIPAM)

RAJYA SABHA
UNSTARRED QUESTION NO. 225
TO BE ANSWERED ON TUESDAY, JULY 19, 2022
ASHADHA 28, 1944 (SAKA)

LIC IPO

225. SHRI MALLIKARJUN KHARGE:

WILL THE MINISTER OF FINANCE BE PLEASED TO STATE :

(a) whether it is a fact that Government has reduced the valuation of Life Insurance Corporation of India(LIC) from ₹ 14 lakh crore to ₹ 6 lakh crore in just two months;
(b) if so, the reasons therefor;
(c) whether the share price band of LIC was reduced from ₹ 1100 per share to ₹ 902 per share during the IPO launch;
(d) if so, the total monetary value incurred as a result of this reduced share price;
(e) the total loss of market capital of LIC due to the decline in share price; and
(f) the reasons for such poor performance of the LIC share?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KISHANRAO KARAD)

(a) No Sir.

(b) Does not arise in view of (a) above.

(c) No Sir.

(d) Does not arise in view of (c) above.

(e) & (f) The market capitalization of a listed entity changes on a continuous basis based on a small volume of shares traded in the market. There are several factors that affect the trading price such as geo-political factors, global and national macro-economic environment and perceptions of market participants on the prospects of a particular sector and/or an entity. The market performance of a particular stock needs to be analysed on a medium to long-term basis for a newly listed entity.

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