

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA

UNSTARRED QUESTION No. 1157

TO BE ANSWERED ON MONDAY, FEBRUARY 10, 2020/MAGHA 21, 1941 (SAKA)

MERGER OF INSURANCE COMPANIES

†1157. SHRIMATI KESHARI DEVI PATEL:
SHRI KANAKMAL KATARA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposed to merge three insurance companies i.e. National Insurance Co., Oriental Insurance Co. and United India Insurance Co.;
- (b) if so, the details thereof along with the time by which it will be done;
- (c) the details of the scheme for employees of these three companies in case of merger;
- (d) whether financial assistance will be given to these companies after merger; and
- (e) if so, the details thereof along with the quantum of financial assistance proposed to be given to these companies?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) to (c): It was announced in the Budget Speech of 2018-2019 that the three Public Sector General Insurance Companies (PSGICs), National Insurance Company Ltd, United India Insurance Company Ltd and Oriental Insurance Company Ltd will be merged into a single insurance entity and will be subsequently listed. The issue of merger of the three PSGICs is under process in this Department for which the extant legal, regulatory compliances as well as stakeholder consultation is being carried out as per the established procedure.

(d) and (e): A financial assistance of Rs. 2500 crore for the current fiscal and Rs. 6950 crore for the next fiscal year has been budgeted.
