

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 2980

ANSWERED ON – 21.3.2022

Investment by LIC

2980. SHRI THOMAS CHAZHIKADAN:

Will the Minister of FINANCE be pleased to state:

- (a) the total amount invested by the Life Insurance Corporation of India (LIC) in various social objectives of the Government like Housing, Drinking Water, Roads, Electricity, Irrigation -with sector-wise details of State/UT-wise investment; and
- (b) whether the Government has assessed the impact of the disinvestment of LIC on the national economy and the policy holders and if so, the details thereof?

ANSWER

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

(a): LIC invests in housing and infrastructure (which includes water supply, road, irrigation and power projects, among others). As per information furnished by LIC, as on 31.12.2021, LIC had an outstanding investment of Rs. 48,896.05 crore and Rs. 2,50,389.80 crore in housing (including real estate) and infrastructure sectors respectively. A sizeable proportion of the investment is made indirectly through sector-specific investment instruments and the State/UT-wise utilisation of such investment is not maintained with LIC.

(b): Government proposes to sell 5% of its stake in LIC through an initial public offer for listing of LIC's shares on stock exchanges. 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 too promote development and social protection.
