

Seventeenth Lok Sabha

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Title: Regarding privatization of LIC -laid.

PROF. SOUGATA RAY (DUM DUM): The Life Insurance Corporation of India (LIC) is deeply rooted in the lives of Indian people. DIPAM is giving final touches to the procedure for finalising bids for the ultimate privatisation of the LIC. The bids are slated to open on July 14. Until 1956, private capital had absolute control over the country's insurance sector. The LIC was created in 1956 as a result of an initiative by the country's first prime minister, Jawaharlal Nehru. Two hundred and forty-five foreign and domestic insurance companies were nationalised on September 1, 1956 with an initial investment of Rs 5-crore. Gradually, the LIC became a force to reckon with not only in the insurance sector but also in the Indian economy at large. It supported the vital sectors like housing, irrigation, power generation, water supply, beverage, roads and bridges, ports and railways. The LIC's imprint is visible in the growth trajectory of all these sectors. The LIC derives its strength from the confidence of the country's common people. It provides a sense of assurance to the lower and middle classes. I urge upon the government to stop the process of privatization of LIC in the interest of the nation.