

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1384  
ANSWERED ON:04.08.2006  
AWARENESS OF INSURANCE PRODUCT  
Pallani Shamy Shri K.C .

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the awareness of the insurance products among the rural people is not adequate ;
- (b) if so, the details thereof ?
- (c) whether the Government has any proposal to utilize the services of postal departments for selling the insurance products both life and non-life particularly in rural areas ;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor ?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) and (b) The Insurance Sector was opened up in the year 2000 to facilitate entry of private players in the Insurance Industry. At the time of opening up, it was envisaged that the new entrants would facilitate the reach of insurance to the rural sectors. With this mandate, a number of steps have been taken, which inter-alia, include regulatory stipulations, targeted awareness campaigns, introduction of various channels of intermediation and innovative/tailor-made products.

(c) to (e) The Department of Posts is already selling rural postal life insurance policies since 1995. These policies are whole-life, endowment, anticipated endowment, convertible whole-life and 10 years money back. It has also entered into an agreement with the Oriental Insurance Co. Ltd. (OICL) for the sale of selected non-life insurance products through the network of post offices in rural areas.