

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1513

ANSWERED ON:01.12.2006

GOVERNMENT GUARANTEE ON LIC POLICIES

Aaron Rashid Shri J.M.;Bhadana Shri Avtar Singh;Mishra Dr. Rajesh Kumar;Sajjan Kumar Shri

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

(a) whether the Insurance Regulatory Development Authority has recommended to the Government to withdraw the Government Guarantee on LIC policies;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

**Answer**

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

(a) to (c): Yes, Sir. With a view to provide a level playing field to all insurers in opened up insurance sector, Insurance Regulatory and Development Authority (IRDA) has recommended withdrawal of sovereign guarantee to life insurance policies of Life Insurance Corporation (LIC). It is under consideration of the Government.