

A Descriptive Study on Profile of Life Insurance Corporation of India

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Structured Abstract

Purpose: To analyses the profile of Life Insurance Corporation of India.

Methodology/Design: The paper is a descriptive one. Information has been collected from different sources viz. reputed books, journals, websites, newspapers etc. In house magazines, souvenirs of LIC provided valuable inputs to stretch complete shape of the work. Phase wise discussion has been conducted. Ultimately the authors ended with some concluding observations and policy suggestions.

Findings: At present, twenty three private players are operating in Indian insurance market but LIC still grabbed 53.24 per cent (Source: IRDA 2020 Report) of market share of the industry. It penetrates 3.7 per cent in countries GDP. Unfortunately, such type of a government venture is now facing a challenge of privatization.

Conclusion: Life Insurance Corporation of India is a promising Industry, flourishing day to day. Though the premier organisation facing a tough competition with the private players. In spite of that it grabbed major portion of market share still. Some negative aspects of LIC have been noticed, to be rectified to combat the present challenge.

Originality/Value: The novelty of the paper is to analyse the profile of LICI in the present scenario. The study tried to find out some lacunas of the organisation and scopes of improvement.

Social Implications: LICI plays a vital role in society by enriching better livelihood and wellbeing of the people through insurance coverage and also creating savings opportunity.

Keywords: LICI, Insurance, IRDA, Mission, Vision.

Paper Type: Descriptive Research Paper

Introduction

From time immemorial, the history of insurance has been a matter of highly debatable issue. Now-a-days modern business may have been endeavouring to take up measures against loss and disaster which were originated from the primitive society. The primitive people too did want to make up the loss caused by natural calamities, such as flood, earthquake, famine etc. They also wanted to agree to get themselves sacrificed with a view to achieving security. The modern concept of insurance is largely an on-going process which started continuing from the recent past. The industrial era, in particular, for the past few centuries has had an experience of the concept of insurance. More precisely, the concept of insurance started functioning dates back almost 6000 years.

In modern times, life insurance came to India in the year of 1818 from England. The Oriental Insurance Company pioneered by the Europeans came into existence for the first time on Indian Soil in Calcutta. Since then all other insurance companies set up during that period of time were brought up in order to look after the necessities of the European Community and Indian natives, too. In the past such communities and Indian natives were not at all accustomed to get themselves interested in coming into contact with any sort of insurance companies, whether it was meant for life insurance or any form of insurances. Later on, by dint of hard and sincere efforts of some famous persons like Babu Muttylal Seal, the insurance companies from abroad started insurance business in India on Indian lives. It is a pity to note that Indian lives were being looked upon by the foreign insurance businessmen to be sub-standard. As an inevitable result of it, heavy extra premia were being charged on them. Bombay Mutual Life Assurance Society appeared to work as a herald to pronounce the

birth of the first Indian insurance company in the year of 1870. They covered Indian lives at normal rates as they had some patriotic feeling at heart. They came into existence in order to carry on the message of insurance and social security by way of insurance business to various sectors of the society. In 1896 the Bharat Insurance Company came into existence with a spirit of patriotism at heart being guided by the nationalistic spirit in the broader sense of the term. The Swadeshi Movement of 1905–07 was earmarked as an era of insurance business booming. The United India in Madras, National Indian and National Insurance in Calcutta and The Co-operative Assurance at Lahor were set up in 1906. The Hindustan Co-operative Insurance Company saw its birth in one of rooms of the famous Jarosanko Tagore Family in Calcutta. The Indian Mercantile, General Assurance and Swadeshi Life (latter Bombay Life) were some of the companies which came into existence during the same period of time. Prior to 1912 India lacked legislation to regulate insurance business. In 1942, the Life Insurance Companies Act and the Provident Fund Act were passed. The Life Insurance Companies Act of 1942 made it mandatory that the premium rate tables and periodical valuations of companies should get certified by an enactment. But the act discriminated between foreign and Indian companies on many an account, putting the Indian Companies at a disadvantage.

The first two decades of the 20th century experienced a lot of growth in the insurance business. From 44 companies with total business-in-force as Rs. 22.44 crore, it rose to 176 companies with total business-in-force as Rs. 298 crore in 1938. During the period of the mushrooming of insurance companies many firms which were not financially sound were also floated and this inevitably, failed totally. The insurance Act of 1938, the first legislation which governed not only life insurance but also non-life insurance for the purpose of providing a strong and stern state control over insurance business came into force. The demand for nationalization of the life insurance industry was sounded more than on one occasion in the past, but the demand gathered momentum in 1944 when a bill with a view to amending the Life Insurance Act of 1938 was introduced in the Legislative Assembly. However, it was long overdue and on the 19th day of January 1956, the life insurance business as a whole was nationalized. More or less 154 Indian insurance companies, 16 non-Indian companies and 75 provident fund companies were in operation in India at the time of nationalization. Nationalization was allowed to come into force in two stages: (a) at the beginning the management of the companies was taken over by means of an Ordinance and (b) later on the ownership also was taken over by passing a comprehensive bill. The Parliament of India enacted and passed the Life Insurance Comprehensive bill. The

parliament of India enacted and passed the Life Insurance Corporation Act on the 19th day of June, 1956. In this connection it may be noted that the Life Insurance Corporation of India was constituted on the 1st day of September, 1956, with an objective of taking a policy of spreading life insurance business to a larger extent. For this the rural areas were, particularly, emphasized so as to reach all insurable persons in the whole of India, providing them proper and sufficient financial cover at a reasonable cost.

The LIC consisted of five Zonal Offices, 33 Divisional Offices and 212 Branch Offices, apart from its Corporate Office in 1956. Since the life insurance contracts are long term contracts and during the currency of the policy it requires a variety of services, need was felt in the later years to expand the operations and place a branch office at each district headquarter. Reorganization of the LIC took place and, consequently, a large number of new branch offices were set up. As a result of re-organization, servicing functions were transferred to the branches and branches were transformed into accounting units. Magic was visible with the proper performance of the Corporation. It may be taken into account that from about Rs. 200 crore of New Business in 1957 the Corporation surpassed Rs. 1000 crore in the year 1969–70. It took another two years for LIC to cross Rs. 2000 crore mark of new business. By 1985–86 with the pattern of re-organization, which happened in the early eighties, the LIC had already surpassed the volume of business amounting to Rs. 7000 crore sum assured on the new policies.

At present the LIC has been functioning with 2048 fully computerized branch offices, 100 divisional offices, 7 zonal offices and the corporate office. The LIC's Wide Area Network may be mentioned with pride. Such a wide area network covers 100 divisional offices and connects all the branches via a Metro Area network. Apart from this, the LIC has entered into a contract with some banks and service providers to offer on-line premium collection facility in some selected cities. The LIC's ECS and ATN premium payment provision have already started functioning and this should be regarded as an additional benefit to the customer convenience. Besides on-line KIOSKS and IVRS, Info Centres have been installed at Mumbai, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, New Delhi, Pune and many other cities. The LIC has had a vision of providing easy access to its policyholders. Therefore, the LIC has launched its SATELLITE SAMPARK offices. In this connection, it may be mentioned that the satellite offices are smaller in size, leaner and closer to the customer. Digitalized records of the satellite offices will facilitate anywhere servicing and many other conveniences in the future.

The LIC is, no doubt, the largest insurer in the public sector in India. It is equally true that even in the liberalized scenario, the LIC has been enjoying the honour of dominant life insurer in the Indian insurance business arena. It has been surpassing all its past records. The LIC has already issued 1 crore policies during the current year. Furthermore, the LIC had crossed the milestone of issuing 1,01,32,955 new policies by 15th October 2005. Thereby it has posted a healthy growth rate of 16.67% over the corresponding period of the previous year.

Hitherto, the LIC has crossed many a milestone and has established the unprecedented performance records in different aspects of the life insurance business. The same motives which inspired our forefathers to bring insurance into existence in this country, inspire us to help the LIC to take this message of protection to light the lamps of security in as many homes as possible and to help the people in providing security to their families.

Review of Literature

Life Insurance Corporation of India is a interesting field of research in financial arena. Numerous research works have been conducted on Life Insurance Corporation of India. Some highlights of these are given in this phase of this study. According to J. Graham (1994), there are twenty-four ways to increase the LIC's sales. The primary goal is to create conditions so that the customer will want what the LIC sells. R. N. Malhotra, Chairman, Committee on Reforms in Insurance Sector (1994), had conducted a survey and arrived at the conclusion that the agency organization has also registered growth and the number of active agents has increased from 1,23,221 to 4,95,745 between 1983 and 1993, an increase of about 300%. During 1973 – 1983, the number of active agents actually decreased by about 31,000 i.e. by about 20%. The recruitment of development officers after 1981 had led to an increase in the business of the LIC. But requisite attention and importance have not been given to the training and professional development of agents. Consequently, a very large number of agents are recruited and terminated every year in a routine manner. MARG survey shows that agents and development officers are not showing much interest in after-sale-services. In his study, A. Debnath (1996) confirms that it is a reality that the customer has become the 'King'. Agents' services should be customer-friendly. It needs recruiting only those who will take up agency as a whole-time occupation because in a competitive environment, the agents with an amateurish attitude will not survive. Agents who like to retain the profession, will have to work much harder and keep in constant touch with the clients and to render the services they

desire. But tomorrow's agents should develop knowledge not only about their own products but also about the products of their rivals. A. Dasgupta (1996) recommends in his study that the LICI should keep in mind that now-a-days people are talking not merely of customers' satisfaction but customers' delight. Planning Department of the Calcutta Suburban Division of the LICI conducts a special study on repudiated death claims (1995-1996) and comes to the conclusion that a proposer must know the responsibility of giving details of his/her particulars on different questionnaire as mentioned in a proposal form and here the role of the agents and development officers is immensely important. The agents happen to be the first line underwriters while the development officers are supposed to know the customers' need vis-à-vis the LICI's role in extending the insurance cover better through a varied experience of the market. If, therefore, everybody keeps himself alert at the time of accepting a proposal the number of repudiation can be minimized further and by doing this the image of the LICI will be protected. Satish Manjure (1996) shows in his research work that 'Building a man' is the job of the development officers. Life insurance agency is a very responsible occupation. So the selection of agents should be suitable enough to maintain reputation and image of the corporation. Development officers are the 'Agency managers'. Their conduct, knowledge, expertise and professionalism are meant for influencing their agents. They should develop such abilities in them as to create professionals, because their role is the most important in field underwriting. Kalpakam & Vijayalakshmi (1997) mentioned in their study that the stress level of managers is considerably high due to conflicting demands made on them by their team members, specially the significant ones. In his article, P. Bandyopadhyay (1997) suggests that to achieve excellence, the LICI has to examine: (a) Customers' delight, (b) Satisfied internal customer, (c) People-focused approach, (d) A questioning alert and proactive office to meet the future challenges, (e) Improvement in customers' service and (f) Fullest possible use of Information Technology. S. K. Dhar (1997) argues that if the four keys of market driven organization Viz., Belief & Values, Organizational structure and System, Strategic development process and Supporting programmes etc. are identified, the corporation will surely do well in the days of intense competition by a large number of players in the context of opening of insurance sector in Indian liberalized economy. It will not be difficult for the LICI to find out not only his competitors' strength and weakness but also a sound, consistent and significant growth path and a solid contribution to the life insurance market of the great country. Hence market driven organization's response to the customers is the main thrust area for the LICI in the present decade. S. Saminathan (1997) explains in his study that the executive of the traumatic twenty-first century requires lifelong exercises not

only on the physical fitness machine, but on the mental fitness machine as well. In effect, the executive of tomorrow will have to be a life-long learner. Prof. M. N. Mishra (1998) has highlighted the performance of the LIC and the GIC and he has come out with the conclusion that Privatization of Insurance Industry is in no way desirable. The author is most neutral and has analyzed the subject purely on merit, which confirms the Federation's viewpoint. An empirical study conducted by A. K. Chakrabarty and U. K. Mallik (1999) indicates that judicial selection of agents and the service criteria can have impact on the business performance of the LIC branches. In another study A. K. Chakrabarty and U. K. Mallik (2001) conclude that the LIC is the only organization that deals with life insurance business in this country, there is no scope for any direct competition. But in respect of tapping the household savings, the LIC is used to face competition here. To explain the meaning and importance of training in his article, L. M. Mundra (2004) identified the word 'training' which consists of eight letters, to each of which could be attributed some significant meanings in the following manner: (i) T : Talent and Tenacity, (ii) R : Reinforcement, (iii) A : Awareness, (iv) I : Interest, (v) N : Novelties, (vi) I : Intensity, (vii) N : Nurturing, (viii) G : Grip. Training, obviously, does become an essential & inevitable factor for anyone who still finds himself in the process of achieving excellence in his own sphere of work. In his work, R. K. Vashishtha (2004) stresses upon one common factor, that is, relationship and trust. This is the source of strength and growth. So it should properly be nurtured to take the LIC to new unprecedented heights. N. Namasivayam, S. Ganesan and S. Rajendran (2006) studied the socioeconomic factors of policy procuring and performance of agents. They found that Income Level, Occupation & Family size are significant in this regard. In his study Kunjalsinha (2013) revealed that loyalty based customer service should be the quality service of a customer focused organization. Rajeshwari and Karthesswari (2012), in their study stated that though majority (82%) of the policy holders paid insurance regularly but lapsed policyholders fail to do that due to financial difficulties. In his study Kunjalsinha (2013) revealed that loyalty based customer service should be the quality service of a customer focused organization. H. M. Rakesh and R. Shilpa (2015) recommends in their study that LIC need to control the operating expenses by not affecting its income. The research of R. Khader Mohideen and K. Sekar (2016) has made an attempt to assess the relationship between types of policy holding and dependants. The research revealed that whole life and endowment policies are more favoured by the samples with zero dependents, with one dependant, with two dependants and with four dependents. Pius Babuna (2020) observed their study during Covid-19 pandemic insurance companies were affected

differently depending on different factors such as liquidity, their portfolio at risk, reliance on reinsurance, level of free assets and protection that reinsurers have in place. A study during covid-19 by Lovely Biswas, Amit Kumar Chakrabarty and Malay Kumar Ghosh (2021), revealed that the after sale service of the selected LIC branch is being hampered after Covid-19, though agents ability to secure business performs efficiently.

In the present study we have proposed to portray a profile of Life Insurance Corporation of India at a glance.

Objective of the study

The focus of the present work is to discuss about the following areas:

- (a) Life Insurance: It's Explanation
- (b) Objective of the Corporation.
- (c) Life Insurance vs. Other Savings.
- (d) Information Technology in LIC.
- (e) LIC's International Operations.
- (f) Role of LIC for the Welfare of the Society
- (g) Mission of the LIC
- (h) Vision of the LIC
- (i) Operations of the LIC in India

Methodology

A sophisticated methodology has been framed to carry on the research work smoothly. The research work is purely a descriptive one. To conduct the study, the help of different books, reputed journals, newspapers and websites has been taken. In house magazine, souvenir of LIC provided valuable inputs to stretch complete shape of the work. Finally a conclusion has been drawn on the basis of discussion and analysis. Recommendations have been made for policy suggestion purpose.

Analysis and Discussion

Life Insurance: It's Explanation

The Life Insurance is such a contract which pledges payment of such an amount to the person concerned assured, or to his authorized nominee in the event of insured against the person on whom the insurer has approved of. The contract is certainly valid for payment of the insured

amount during: (a) the date of maturity, or (b) specified dates at periodic intervals or (c) unfortunate death, if it occurs earlier.

Among other things, the contract guarantees for the payment of premium from time to time to the Corporation to be given by the policyholders. No doubt, the life insurance is now acknowledged worldwide to be an institution, which eliminates 'risk', substituting certainty against uncertainty and certainty will come forward with aids and assistances to the family concerned in the event of shocking death of the bread-earner. Chiefly, the life insurance should be regarded as the civilization's partial solution to the problems caused by death. In a nut shell, the life insurance is anxious about two hazards which may appear before the life-path of all persons:

- (a) That for those who die prematurely leaving a dependent family to fend for itself.
- (b) That for those who live till old age without any guaranteed avenues for financial support.

Objective of the Corporation

- One basic objective of the Corporation is to reach all insurable persons in the country and provide them sufficient financial cover against death at a remunerative cost and, in particular, to reach the vast rural areas and the socially and economically backward classes. To fulfil this objective the life insurance ought to be widely spread and the LIC has rightly and judiciously thought of this.
- Another objective of the Corporation is to maximize the mobilization of subscribers' savings by making insurance-linked savings adequately attractive.
- Bear in mind, in the investment of funds, the primary obligation to its policyholders, whose money it holds in trust, without losing sight of the interest of the community as a whole; the funds to be deployed to the best advantage of the investors as well as the community as a whole, keeping in view national priorities and obligations of attractive return.
- To conduct business with utmost economy and with the full realization that the money owned to the policyholders should be properly maintained and managed by the competent Fund Managers.

- In order to act as trustees of the insured people, whether it is meant for their individual or collective capacities, the LIC has been maintaining a proper insight and foresight.
- With a view to meeting various life insurance requirements of the community, which may arise from time to time in the ever changing social and economic environment, the LIC has rightly adopted proper and time-fitting measures.
- For involving all people who are engaged in working in the Corporation to the best of their capacity in furthering the interests of the insured people in general by providing efficient service maintaining modesty and all sorts of gentlemanliness, the LIC has insured all probable measures.
- Owing to promoting amongst all agents and employees of the Corporation a sense of participation, pride and job satisfaction by means of discharging their duties and responsibilities with a sense of dedication at heart, the LIC has taken every care which they might be proud of.

Life Insurance vs. Other Savings

1. Contract of Insurance

A contract of insurance means an utmost good faith, known as *uberrima fides* in technical terminology. The principle of disclosing all material facts is qualified and personified in this important doctrine, that applies to all varieties of insurance.

During the period of taking a policy, a policyholder ought to ensure that all terms and conditions in proposal form are correctly understood. Any sort of misrepresentation, concealing or fraud in any document leading to the acceptance of the risk would render the insurance contract null and void.

2. Protection

Savings from people in general via life insurance should be guaranteed for full protection against risk of death of the saver – the LIC has fully agreed on. Apart from this, should there be demise, the life insurance corporation fully assures payment of the entire amount assured, including all bonuses wherever applicable, whereas in other savings schemes only the amount up to date saved with accrued interest.

3. Aid to Thrift

Life insurances encourage ‘thrift’ which allows long-term-savings since payments can be made without any effort, for the ‘easy instalment’ facility built into the scheme. There are

provisions for premium payment against insurance which is either monthly or quarterly or half yearly or even yearly. Apart from this, the Salary Savings Scheme (SSS), which is popularly known as SSS, provides a convenient mode of payment of premium every month by way of deduction from one's salary. In this particular case the employer is empowered to deduct premium directly from one's salary bill and to pay the premium to the LIC. The SSS is an ideal insurance policy for any organization, institution or establishment or any public and private sector subject to specified terms and conditions.

4. Liquidity

In case of insurance it is easy to acquire loans on the sole security of any policy which has acquired 'loan value'. Apart from this, a life insurance policy is also generally accepted as security, even for a loan which is exclusively meant for a 'commercial loan'.

5. Tax Relief

Life insurance is one of the best avenues to enjoy tax deductions on income tax and wealth tax. This opportunity can be available for the amounts paid by the insurers as premium for life insurance subject to income tax rates in force. Assesseees may also avail themselves of provisions in the law for tax relief. In such cases the assured, in effect, has to pay a lower premium against insurance than otherwise.

6. Money when one needs it

A policy which has a suitable plan or a combination of various plans can be effectively used to meet certain monetary requirements which may arise from time to time. For example, children's education, start-in-life or marriage provision or even periodical needs for cash over a period of time can be less troublesome with the help of these policies. In other words, policy money can be made available during one's retirement from service and used for any specific purpose, Viz., purchase of a house or for other investments. Loans are granted to policyholders for the purpose of house building or of purchasing flats, obviously subject to certain conditions as laid down from time to time by the Corporation.

Information Technology in LIC

LIC can be and should be proud of being one of the pioneering organizations in India which, for the first time, introduced the leverage of Information Technology in case of service-sector, in particular, and in business sector, in general. Data pertaining to almost 10 crore of policies are being operated on computers in the LIC. It was 1964 which saw the introduction of computers in the LIC. Apart from this, the Unit Record Machines came into force in late 1950, phased out in 1980 by Microprocessors based computers in Branch and Divisional

Offices for Back Office Computerization. Standardization Hardware Software started functioning in 1990. Besides, Standard Computer Packages were being gradually developed and implemented for Ordinary Salary Savings Scheme (SSS) policies.

In order to enhance customer responsiveness and customer services, the LICICI launched a special drive of On Line Service to Policyholders and Agents via computer in July 1995. This renovated on-line-service made policyholders able to receive on-demand policy status report, instant acceptance of their premium and to have revival Quotation, Loan Quotation on demand. With a view to expediting completion of proposals and dispatch of policy documents have now become a reality. In all 2048 branch offices all over the country have been covered under front-end operations. This is how all the 100 divisional offices of the LICICI have been honoured of 100% branch computerization. Moreover, new-payment-related-Modules pertaining to both ordinary and SSS policies have been allowed to come under the Front End package catering to Loan, Claims and Development Officers' Appraisal. Needless to say, all these modules help reducing time lack and ensure accuracy.

In a nutshell, all these renovative and innovative systems have enabled the LICICI to carry out more than 10 thousand transactions in any working day. As on November 2005 the LICICI have got 91 centres in India having more than 2035 network under Wide Area Network (WAN). The Interactive Voice Response Systems (IVRS) has already started functioning in 59 centres all over the country to enable customers to ring up the LICICI and receive information about their policies. The LICICI's internet site can be safely defined as 'information bank'. Besides, the LICICI has given opportunity to its policyholders to pay premiums through internet made absolutely free of cost. The LICICI has established 150 Interactive Touch based Multimedia KIOSKS in prime locations in metros and some major cities for dissemination of information to general public on their products and services. The LICICI has set up 8 Call Centres.

LICICI's International Operations

The LICICI has got insight and foresight so as to reach the target of multinational organization-limit catering to insurance and financial requirements of Non-Resident-Indians and also of people of Indian origin in particular.

The LICICI has been operating in the international markets through its branch offices as well as joint ventures subsidiaries.

Branch Offices

1. Mauritius, 2. Fiji, 3. The United Kingdom (U.K)

Joint Ventures Subsidiaries

1. LIC (international) B.S.C. (C) [Bahrain Stock Company (Closed)]

A Joint Venture Offshore Company has been promoted by the LIC. Operations commenced in July 1989 with the objectives at heart which are mentioned below:

- (a) To offer US \$ denominated policies to cater to the insurance needs of Expatriate Indians.
- (b) To provide insurance services to the holders of Indian registered policies of the LIC, currently residing in Gulf. Besides, the NRIs of other countries can avail themselves of the services of the company through mail order business.

2. LIC (Nepal) Ltd.

A joint venture having the Vishal Group of Industries, Nepal has been in operation starting from December 2001. It is worthy to mention that the Company has been operating through five Branch Offices at Kathmandu, Birat Nagar, Nepalgauni, Pokhara and Butwal.

3. LIC (Lanka) Ltd.

M/S Bartleet Group of Companies, Sri Lanka, a joint venture company, started operations since March 2003. The Company has been operating through Branch Offices in the cities of Colombo, Ganpaha, Jaffna, Anuraghpur, Kandy, Puttalam, Batticaloa. In these cities there are eleven Development Centres and eighteen Distribution Outlets.

4. LIC (Mauritius) Offshore Ltd

A joint venture Offshore Company, a promotion of the LIC, and the GICI, started its operation in the year 2005.

Role of LIC for the Welfare of the Society

In the best interest of the policyholders and community as a whole, the LIC has deployed the funds in order to make nationalization a proper success. Of course, both national priorities and obligation of reasonable returns in favour of the policyholders are the two basic criteria of the LIC's investments. The total funds so far invested in the best interest of the policyholders, in particular, and of the community, in general, are Rs. 3,85,639 crore as on 31st March, 2005. This is, no doubt, after meeting the liabilities towards the claims, management and other expenses, registering an accretion of Rs. 63,964 crore during the year

of 2004-2005. The Section 27A of the Insurance Act, 1938 governs the investment of the corporation's funds, subsequent guidelines or instructions issued thereby the Government of India from time to time, and the IRDA by way of regulations enacted from time to time. The IRDA has approved and the allocation of funds has been as per provisions stated below:

- Not less than 50% is invested in government securities or other approved investments.
- Not less than 15% invested in infrastructural and social sector investments.
- Not exceeding 20% in others to be governed by exposure prudential norms.
- Not exceeding 15% to be invested in investments other than approved investments.

The total investment as made by the LICI in the social-oriented sector including investment in Central and state governments securities and Governments guaranteed marketable securities as on 31st March 2005 amounted to Rs. 3,12,524 crore.

Mission of the LICI

The mission of the LICI can, in a nutshell, be presented in the following manner:

“With a view to exploring and enhancing the quality of life of the common people through financial security by providing products and services of aspired attributes with remunerative returns and by rendering resources as well as social development.”

Vision of the LICI

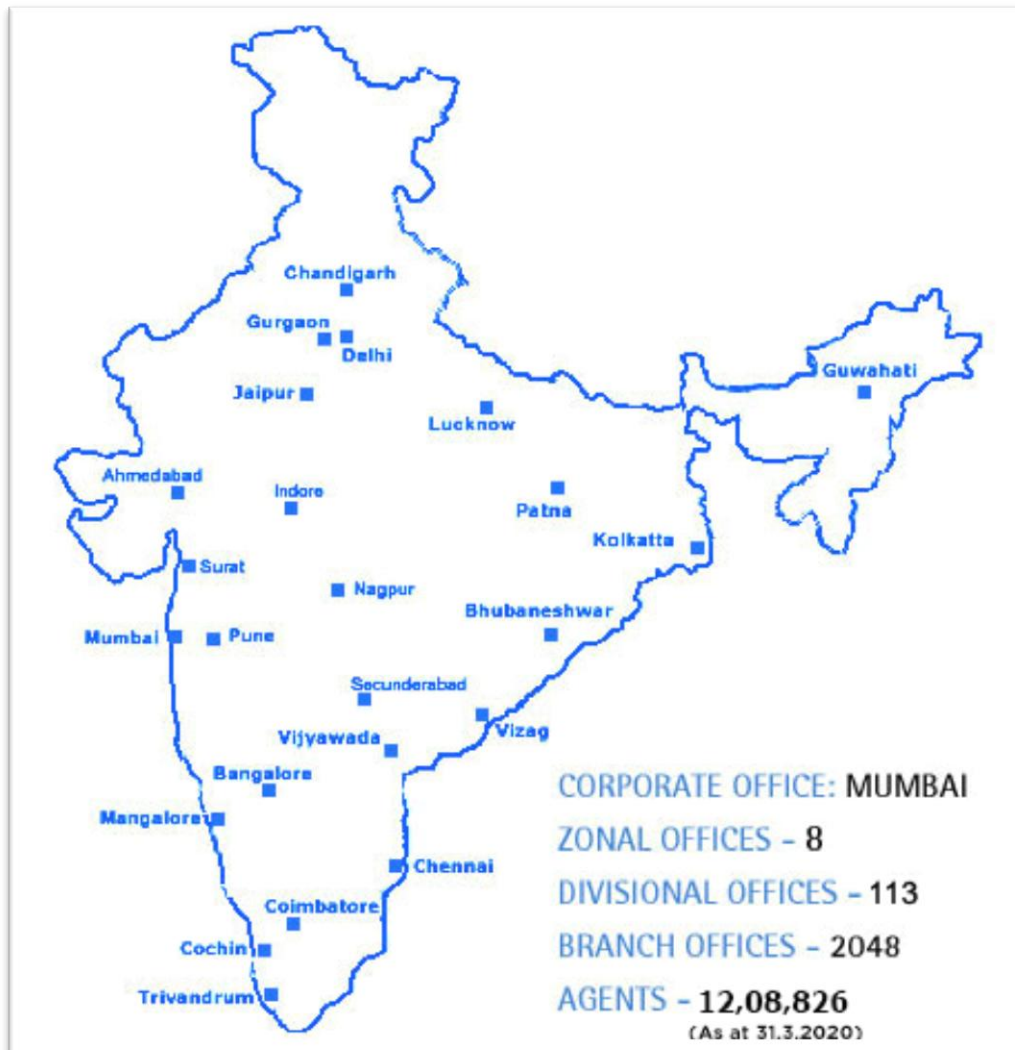
The vision of the LICI can, aptly, be expressed in the manner noted below:

“A trans-nationally competitive financial organization of significance to societies, and in particular, pride of India.”

The Operating Centres of the LICI in India have been shown in the Map of India given below:

1. CORPORATE OFFICE: MUMBAI
2. ZONAL OFFICES: 08
3. DIVISIONAL OFFICES: 113
4. BRANCH OFFICES: 2048
5. AGENTS: 12,08,826 (as at 31.03.2020)

OPERATING CENTRES OF THE LIC IN INDIA



Conclusion

Life Insurance Corporation of India is the oldest life insurer of India. It is a premier organisation in the financial sector of India still. At present, twenty three private players are operating in Indian insurance market but LIC still grabbed 53.24 per cent (Source: IRDA 2020 Report) of market share of the industry. It penetrates 3.7 per cent in countries GDP. Unfortunately, such type of a government venture is now facing a challenge of privatization.

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