



PROFILE 2013

On 1st of September 1956, The Life Insurance Corporation of India (LIC) embarked upon its momentous journey in true spirit of serving the people and nation as a whole. Since then it has spearheaded the financial and infrastructure development of the nation. The performance of LIC has been exemplary and it has been growing from strength to strength be it customer base, agency network, branch office network, and the like. LIC has played a significant role in spreading life insurance among the masses and mobilization of people's money for people's welfare. Even after the entry of private insurers for over a decade now, LIC continues to be the frontrunner in the industry in terms of market share.

LIC today services its customers through 8 Zonal offices, 113 Divisional Offices, 2048 Branches, 1275 Satellite Offices, more than 1.16 lakh employees and 11.72 lakh agents. Besides life insurance, through its various subsidiaries, it is involved in providing various financial services viz. Pension (LIC Pension Fund Ltd.), Housing Finance (LIC HFL Ltd), Mutual Fund (LIC Nomura MF), Credit cards (LIC Card Services Ltd), Financial Products distribution (LIC HFL Financial Services Ltd) , LIC HFL Care Homes Ltd. and LIC HFL AMC Ltd. It also provides insurance services in several countries abroad through branch offices, JVs and wholly owned subsidiaries.

Some highlights of our performance are as follows:

NEW BUSINESS DURING THE YEAR 2012-13

(Composite)

	Policies (in lakh)	First Year Premium Income (Rs. in crore)
COMPOSITE	367.82	76245.64
MARKET SHARE	83.24%	71.25%

PENSION & GROUP BUSINESS & SOCIAL SECURITY SCHEMES

ACHIEVEMENT FROM 1.4.2012 TO 31.03.2013

	P&GS Conventional	Social Security Schemes
No of Lives (in lacs)	304.61	132.24
Premium Income (in crore)	34343.37	210.46

BUSINESS IN FORCE AS ON 31.3. 2013

	Policies (in crore)	Sum Assured (Rs. in crore)
Individual Assurances	29.46	3138415
Group Insurance(lives)	11.35	666096.79

Mktg. - Bancassurance & Alternate Channels

Achievement from 01-04-2012 to 31-03-2013

	Volume	Percentage share to Total New Business
Policies	576369	1.57
First Premium Income (Rs. in crore)	1392.89	4.78

Mktg.-Chief Life Insurance Advisor (CLIA) Channel

Achievement from 01-04-2012 to 31-03-2013

	Volume	% Growth	% Share to total New Business
Policies	3055982	12.95	8.31
First Premium Income (in crores)	2363.55	10.62	8.11

Micro Insurance

Achievement from 01-04-2012 to 31-03-2013

Year	Volume	Growth %	Percentage share to Total New Business
Policies	4340235	13.42	11.81
FPI (Lakhs)	6602.52	42.22	---

Direct Marketing

Achievement from 01-04-2012 to 31-03-2013

Year	Volume	Growth %	Percentage share to Total New Business
Policies	103204	17.84	0.28
FPI (Crore)	341.83	29.41	1.17

Health Insurance

Achievement from 01-04-2012 to 31-03-2013

Year	Volume	Percentage share to Total New Business
Policies	352507	0.95
FPI (Crore)	70.05	0.24

Other Parameters 1/04/2012 TO 31/03/2013 (Rs. In crore)

1.	Total Income	326341.88
2.	Total Premium Income	208589.72
3.	Total Policy Payments	136289.64
4.	Total Life Fund	1433103.14
5.	Total Assets	1560481.84

PEOPLE'S MONEY FOR PEOPLE'S WELFARE

True to the spirit of nationalization, the Corporation has deployed its funds to the best advantage of LIC policyholders as well as for the community as a whole. National priorities and the obligation of reasonable returns to the policy holders are the main criteria of our investments.

The investment of the Corporation's funds is governed by Section 27A of the Insurance Act, 1938, subsequent guidelines / instructions issued there under from time to time by the Government of India and the IRDA by way of Regulations.

INVESTMENT IN GOVT. & SOCIAL SECTOR
(Rs. in crore)

Type of Investment	As on		
	31.03.11	31.03.12	31.3.2013
01 Central Government Securities	407934	441760	470254
02 State Government & Other Govt. Guaranteed Marketable Securities	176213	213913	261852
Sub-Total (A)	584147	655673	732106
03 Housing & Infrastructure Investment			
(a) Housing	43297	41067	46276
(b) Power	80165	86880	93317
(c) Irrigation/ Water Supply & Sewerage	4265	3774	3388
(d) Road, Port & Bridges, Railways	9819	10494	11208
(e) Others (Incl. Telecom.)	27457	21947	35076
Sub- Total (B)	165003	164162	189265
Total A+B	749150	819835	921371

LIC's Investments during Five Year Plan Periods

Plan	Year	Gross Investments (Rs. cr)
II	1956-1961	184
III	1961-1966	285
IV	1969-1974	1530
V	1974-1979	2942
VI	1980-1985	7140
VII	1985-1990	12969
VIII	1992-1997	56097
IX	1997-2002	170929
X	2002-2007	394779
XI	2007-2012	704151
XII	2012-2017	183988

AWARDS WON

We enlist the awards received by LIC during 2012-13

1. Readers Digest – Trusted brand Award – Platinum Category
2. Planman Marcom Pvt Ltd.- Power brands 2013
3. Institute of Public Enterprise / Banking Financial Services & Insurance Awards – Best Employer Brand Award
4. CNBC TV 18 India Best Bank and Financial Institution Awards – Overall Leading Insurance Company 2012
5. Association of Business Communicators of India(ABCI)- Wall Calendar 2012 (Silver)
6. Association of Business Communicators of India(ABCI)- Web Communication – Online Campaign (Independence Day- Gold)
7. Brand Equity Most trusted Brands 2012- Top Tern (Rank VI) in Most Trusted Service brands 2012
8. Zee Business Brand Excellence Awards- Customer Centric Brand
9. World Brand Congress- Global Award for Brand Excellence
10. Outlook Money Awards 2012- Best Life Insurer of the Year
11. Dainik Purvoday –North East Consumer Awards 2012- Most Preferred Life Insurer of the Year
12. Dainik Bhaskar – India Pride Awards
13. Superbrands- Consumer Superbrands 2011/12
14. Money Today FPCIL Awards – Life Insurer Provider of the Year
15. Youth Marketing Awards - Most Popular Youth Brand (Banking & Insurance)
16. 7th Indy's Award- Best In House Magazine (Gold)

17. 7th Indy's Award- Best Corporate Film of the Year (Silver) Why Go Anywhere Else
18. 7th Indy's Award- Most Creative Ad (TV) BFSI (Silver)- Jeevan Anand Family Ad
19. 7th Indy's Award- Media Innovation of The Year (Silver) – LIC Agent G One Print Ad
20. MY FM Stars of the Industry Award- Excellence in Life Insurance (GOLD)
21. MY FM Stars of the Industry Award- Brand Leadership Award (GOLD)
22. Certificate of Merit for the CFBP- Jamnalal Bajaj Award for Fair Business Practices- Services Category (Large Enterprises)
23. Nielsen's Corporate Image Monitor study 2012-13 – LIC of India features in top 3 in Corporate Reputation Index and 11th in Companies Most Active in CSR Activities
24. NDTV Profit Business Leadership Awards 2012- Insurance (Life)

OUR PRODUCTS

OUR PRODUCTS

We have 52 different products for individuals catering to the differing needs of all segments of the society. These are basic insurance plans (whole life, endowment and money back), term assurance plans, unit linked plans, health plans, pension plan, Variable Insurance Products etc.

Our New Product Launches:

During 2012-13, five new individual products were introduced and one product was modified, details of which are as below:

1. **LIC's Jeevan Vaibav (T. No 809): -** A close-ended, non-linked, single premium plan wherein on death during the policy term, excluding last policy year, Sum Assured is payable. On death during the last policy year and on maturity, Sum Assured along with Loyalty Addition, if any, is payable. This plan was available for sale up to 17.9.2012.
2. **LIC's Jeevan Akshay VI (T. No 189):-** - LIC's Jeevan Akshay VI was modified with effective from 16/05/2012 and the modifications were as hereunder:
 - This plan is also offered online in addition to other existing distribution channels.
 - A new annuity option- "Joint-life and 100% of annuity to spouse on death of the annuitant with return of purchase price on death of last survivor" is available in addition to the existing six options.
 - Age at entry has been reduced from 40 years to 30 years and the maximum age at entry has been extended from 79 years to 85 years.
 - Increase in minimum purchase price: The minimum purchase price for online sale is Rs. 1.5 lacs and for other distribution channels is Rs. 1 lac.
 - Slabs of incentive for higher purchase price have been modified and additional rebate of 1% by way of increase in annuity rate provided for proposals sold online.

3. **LIC's Jeevan Deep (T. No.810) :-** A Micro Insurance, endowment assurance plan with Guaranteed Additions and Loyalty Additions wherein on death during the policy term excluding last policy year, basic sum assured along with accrued Guaranteed Additions will be payable whereas on death during last policy year Basic Sum Assured with accrued Guaranteed Additions along with Loyalty Addition, if any, is payable. At the end of the policy term maturity benefit equal to the Basic Sum Assured along with accrued Guaranteed Additions and Loyalty Additions, if any, is payable. Accident benefit rider is also available under the plan along with the auto cover facility.
4. **LIC's New Jeevan Nidhi (T. No.812):** A conventional with-profits pension plan which provides for death cover during the deferment period and offers annuity on survival to the date of vesting. On death during first five policy years, basic Sum Assured along with accrued Guaranteed Addition is payable as lump sum or in the form of an annuity or partly in lump sum and balance in the form of an annuity to the nominee at the then prevailing immediate annuity rates. On death after first five policy years Basic Sum Assured along with accrued Guaranteed Addition, vested Simple Reversionary Bonuses and Final Additional Bonus, if any, is payable as lump sum or in the form of an annuity or partly in lump sum and balance in the form of an annuity to the nominee at the then prevailing immediate annuity rates. On vesting, an amount equal to the Basic Sum Assured along with accrued Guaranteed Additions, vested Simple Reversionary bonuses and Final Additional bonus, if any, is available to the Life Assured. Option for utilization of the benefit amount rests with the life assured either to purchase an immediate annuity OR to purchase a new Single Premium deferred pension product from Life Insurance Corporation of India. Accident Benefit Rider is available under the plan under the Regular Premium policies only.
5. **LIC's Flexi Plus (T. No.811) :-** A unit linked insurance plan which not only provides a lump sum benefit on death but also the maturity benefit irrespective of the survival of the policyholder. In case of death of the Life Assured within the policy term, an immediate lump sum payment equal to Sum Assured is payable to the nominee/ legal heir and an amount equal to sum of all future premiums payable after the date of death is credited to the Policyholder's Fund. On the date of maturity, an amount equal to the Policyholder's Fund Value is payable irrespective of survival of the policyholder.
6. **LIC's Jeevan Sugam (T. No.813):--** A close-ended, single premium par plan which provides for high level of death cover during the policy term and a Maturity Sum Assured along with Loyalty Addition, if any. On Death during first five policy years Basic Sum assured i.e. 10 times the single premium is payable whereas on death after completion of five policy years: Basic Sum assured i.e. 10 times the single premium along with loyalty addition, if any, is payable. On the life assured surviving to the maturity date, Maturity Sum Assured along with Loyalty Addition, if any, is payable. This plan was available for sale up to 10.4.2013.

CLAIM SETTLEMENT PERFORMANCE (2012-13)

- Total number of claims settled was 183.63 lakh claims and amount paid was Rs.74077.84 Crores. (Including Micro Insurance & P&GS Claims)
- 52.53% of Maturity Claims settled on or before the date of Maturity.
- 88.05% of Non-early Death Claims settled within 15 days of intimation.
- O/s Claims Ratio – Maturity + Survival Benefit is 0.53%
- O/s Claims Ratio – Death Claims is 1.04%

Payments made through NEFT:

- Total number of NEFT masters created 4.35 crs
- % of policy payments through NEFT as compared to total payments for the year 2012-13 is 90%

CUSTOMER CENTRIC INITIATIVES;

ALTERNATE CHANNELS OF PREMIUM PAYMENT:

Premiums can be paid through Alternate Channels for in force policies only which are not under Salary Savings Scheme (SSS). For the year 2012-13 almost 35% of total renewal premium transactions and 32 % renewal premium amount received, was collected through Alternate Channels. The various alternate channels for collection of premium are as under:

A. Offline payment channels where premium receipt is sent by post:

1. **Electronic Clearance System (ECS):** This facility is presently available at all 89 centers enabled by RBI for ECS. This facility is available at all locations through **Regional ECS (RECS)** in Tamil Nadu, Andhra Pradesh, Karnataka, Kerala, Rajasthan, Punjab, Himachal Pradesh, Haryana, Odisha, W.Bengal, all North East States & UT-Chandigarh & Andaman Nicobar. Through ECS premium can be collected for ULIP and Health Insurance (HI) policies also.
2. **Direct Debit:** At present Direct Debit is enabled through ICICI Bank. Through this facility all the account holders of ICICI Bank pan India can pay premium through standing instruction to the bank.

Premium collection through Debit authorization is extended to investors of LIC Nomura Mutual Funds also, where premium can be paid through their LICNMF systematic withdrawal funds.

3. **Electronic Bill Presentation and Payment (EBPP):** Premium can be paid through various Banks like Citi Bank, HDFC, ICICI, Federal Bank, Corporation Bank, Axis Bank, LIC Credit Cards and through Service Providers – Bill Desk and Tech Process which cover almost all other banks throughout the country. Premium can be paid through Credit Card also availing this facility.

4. **ATM:** Banks can collect premium through ATMs also. At present Axis Bank, Corporation Bank and ICICI Bank have enabled this facility.

Through EBPP & ATM, Premium can be collected only for in force policies which are NOT with Monthly /Salary Savings Scheme (SSS) mode or under ULIP or Health Insurance plan.

B. Online Payment channels, Valid Receipt issued instantly:

5. **Customers' Portal Payment Gateway:** Online premium payment on LIC Website, www.licindia.in with the help of Net Banking Facility of 50+ major Banks and VISA/Master Credit and Debit domestic Cards. For premium payment through cards a small flat fee is levied as interchange fee. Premium can be paid for ULIP policies (excluding Health Insurance plan) also.

6. **Premium Collection through Banks:**

- **Axis Bank:** Premium can be paid at any of the Branch or Extension Counter of Axis Bank and in cash or cheques drawn on Axis Bank.
- **Corporation Bank:** Premium can be paid at any of the Branch or Extension Counter of Corporation Bank in cash or cheques drawn on Corporation Bank.

Premium collection for Ulip Policies is not yet enabled through the cash counters of the Banks.

7. **Premium collection through Franchisees:**

- Premium can be collected only in CASH.
- Receipts are issued by the collection center.
- No service charges are required to be paid to the collection center to avail this facility.
- Following are the approved Franchisees :
 - a. **APOnline** : website www.aponline.gov.in
 - b. **MpOnline** : Website www.mponline.gov.in
 - c. **Suvidhaa Infoserve Pvt.Ltd.** : Toll Free helpline number : 9223225225
 - d. **Easy Bill Limited** : www.easybillindia.com /Toll free No 1800-11-75-75
 - e. Premium collection through CSC (common service center) Network pan India through **CSC e-Governance Services India Ltd.**

Premium collection for Ulip Policies is not yet enabled through the collection centers of Franchisees.

8. **Premium collection through Senior Business Associate:** Selected Development officers are authorized to collect the premium on line and issue receipt instantly. Premium can be collected for conventional and ULIP (other than Health Insurance) policies. At present more than 2168 SBAs are enabled to collect premium. Their collection centers are referred as "Life Plus".
9. **Premium collection through Empowered Agents:** Keeping in tune with the increasing customer expectation for more conveniences in servicing, the Corporation has empowered selected Agents to collect the renewal premium through their collection centers called as "Premium Point". At present, there are more than 28266 authorised Agents across the country, who can collect the premium (including ULIP but excluding HI Policies) in CASH or CHEQUE and issue a valid receipt instantly.
10. **Premium collection through Retired Employees:** Selected retired LIC Employees are also authorized to collect the premium on line and issue receipt instantly. Premium can be collected for conventional and ULIP (other than Health Insurance) policies.

IVRS (Interactive Voice Response System)

IVRS are operating 24x7 from following 15 cities, providing information to our customers.. Any customer can contact our IVRS by dialing Universal Access Number (UAN) 1251.

IVRS Centers:

Allahabad, Asansol, Aurangabad, Bareilly, Gorakhpur, Kolhapur, Kota, Meerut, Nasik, Pondicherry, Ranchi, Shillong, Shimla, Thanjavur, Vadodara

Customer Zones:

Customer Zones have been conceptualized as a 'one-stop resolution' for all servicing needs of Phone-in & Walk-in customers, with special emphasis on "Quality Experience" for the customer.

Presently 73 **Customer zones** are **Operational** : customers can contact these offices from 8.00 a.m. to 8.00 p.m. on Monday to Friday and from 10.00 a.m. to 6.00 p.m. on Saturday on below mentioned telephone numbers.

Agra: 0562-2527755, **Ahmedabad:** 079-27456848, **Amritsar:** 0183-2564561, **Bangalore-1:** 080-26659230, **Bangalore II:** 080-22966836, **Bhopal:** 0755-2550242, **Bhubaneswar:** 0674-2573996, **Bhagalpur:** 0641-2610024, **Belgaum:** 0831-2438857, **Chandigarh:** 0172-2678107, **Chennai -1 :** 044-25300030 , **Chennai II:** 044-24747535, **Coimbatore:** 0422-2300300, **Cuttack:** 0671-2307085, **Delhi 1 :** 011-23762681, **Delhi 2:** 011-22785930, **Delhi 3-Dwarka:** 011-28042585, **Delhi 3-Gurgaon:** 0124-2578060, **Dhanabad:** 0326-2222725, **Ernakulam:** 0484-2383883, **Gandhinagar :-** 079-23240083 **Goa:** 0832-

2490100, **Guwahati**:0361-2460003, **Gwalior**:0751-2630272, **Guntur**:- 0863-2222772, **Gulbarga**: 08472-233035, **Hubli**:0836 2255073, **Hyderabad**:040-23437997, **Indore**:0731-2533523, **Jabalpur**:0761-2407283, **Jaipur**:0141-2712606, **Jalandhar**: 0181-2480918, **Jammu**:0191-2479717, **Jamshedpur**:0657-2320600, **Jodhpur**:0291-2620079, **Kanpur**:0512-2307443, **Karnal**:0184-2266024 /0184-2208400, **Kolkata-1**:033-22545454, **Kolkata II**: 033 24198476, **Kolkata(S)**: 033-23370642, **Kottayam** :- 0481-2300243, **Kozhikode**:- 0495-2726006, **Howrah**:033-26374387, **Lucknow**:0522-2627470, **Ludhiana**:0161-2424074, **Madurai**:0452-2372737, **Mangalore**:0824-2411655, **Mumbai-1**:022-26766221, **Mumbai- 2 (Nerul)** 022-27725968, **Mumbai -3 (Borivali)** 022-28912605, **Mumbai -4 (Dahisar)** 022-28482907, **Muzaffarpur** – 0621-2271083, **Mysore**- 040-27820146, **Nagpur**: 0712-2250306, **Noida**:0120-2444026, **Patna**:0612-2201795, **Pune**:020-25514248, **Raipur**:0771-2210010, **Rajkot** :- 0281-2581318 **Siliguri**:0353-2216000, **Surat**: 0184-2208400, **Secunderabad**: 040-27820146, **Salem** : 0427-24405887, **Thane** :- 022-25423226, **Tirunelveli** :- 0462-2577070, **Trichy**: 0431-2741000 , **Trissur** :- 0487-2389312, **Trivendrum**: 0471-2335222 , **Varanasi** :- 0542-2500412, **Vellore** :- 0416-2252202, **Vijaywada**:0866-2484803, **Vishakhapatnam**: 0891-2523473, **Warangal**- 0870-2544460,

SATELLITE OFFICES:

Satellite Offices were opened to serve as an “**extended arm**” of the existing Branch offices and were connected thro’ network with the parent Branch Offices.

Following functionalities are operative in satellite offices.

- Acceptance of Renewal Premium, Proposal Deposit, Loan interest collection
- New Business functions- From Registration to Policy Bond Printing
- Change of Address
- Registration and validation of NEFT and ECS mandate.
- Issuance of Premium Paid certificate
- Effecting Nomination changes
- Revival of policies with DGH.

Claims Dispute Redressal Committee:

The Corporation settles a large number of death claims every year. Only in case of fraudulent suppression of material information is the claim repudiated. The number of death claims repudiated is very small. Even in these cases, an opportunity is given to the claimant to make a representation for consideration by the Claims Dispute Redressal Committees at the Zonal Office and the Central Office. As a result, depending on the merits of each case, appropriate decisions are taken. The Claims Dispute Redressal Committees at the Central and Zonal Offices have among other members a retired High Court / District Court Judge.

Grievance Redressal Machinery:

Policyholders' Grievance Redressal Cells exist in all the Offices of the Corporation, headed by Senior Officers who can be approached by policyholders for redressal of their grievances, on any day but particularly on every Monday between 2.30 p.m. and 4.30 p.m. without prior appointment.

Central Office - Executive Director (CRM) - for conventional policies
 Executive Director (HI) - for health insurance policies
 Executive Director (P&GS) - for Group Insurance policies
 Executive Director (MI) - for Micro Insurance policies.

All Zonal Offices - Regional Manager (CRM) - for conventional policies
 Regional Manager (P&GS) - for Group insurance policies.

All Divisional Offices - Manager (CRM)

All Branch Offices - Chief Manager / Sr./ Branch Manager

INFORMATION TECHNOLOGY IN LIC

LIC has been a pioneer in using information technology for enhancing the quality of its service to customers. Being the largest insurer in India, LIC has always explored all the avenues that technology offers to provide the best of services to its valued customers and other stakeholders.

The salient features of IT in LIC includes

1. Networking of all its branches, satellite offices, divisions and zones through which the applications are standardized and MIS obtained
2. Standard applications for Policy servicing and all operations of branches developed at Software Development Centre of Corporate Office which are indigenously maintained
3. A real-time data flow for online transactions processing across the offices and to the Centralised Database which caters to the services rendered through LIC's portal www.licindia.in
4. An active Data Warehouse of all policy operations which helps in generating leads, analysis and campaigns
5. Enterprise Document Management System, through which all the policy dockets and their incremental papers have been scanned and used for Policy servicing.

I Networking:

Network is a very critical infrastructure for all business applications of the Corporation as most of the applications have been centralised and ride over the network. All our offices and Training Centers have been connected to a Wide Area Network for more than 10 years now. The entire network of the Corporation is being monitored by automated tools. Network Traffic compression tool *called WAAS (Wide-Area Application Services)* was implanted for better bandwidth management.

Earlier, our offices were connected over WAN through wired links only. However, since wired links are prone to get cut due to digging etc., wireless links were introduced in the corporate network using the CDMA technology of BSNL.

Last year, we connected our Central Office, Zonal Offices, Zonal Training Centers and the 113 Divisional Offices through high definition Video-Conferencing facility.

As a green initiative which has not only reduced costs of travel etc., but also increased the communication within various levels of LIC offices, approx. 911 multi-site Video Conferencing meetings were held by CO, Zones and Divisions thus, on an average about 3 meetings were held through video-conferencing per day. About 15 VC-meetings were held between CO and Ministry of Finance, other Organisations, LIC-London etc. in 2012-13.

II eFEAP :

The front end application package has been upgraded to a three-layer architecture in 2012 and stabilized. There are nearly 30 modules which support

- i) Marketing Channels starting from New Business data, underwriting, policy issue and payments for regular agency and Development Officers, B&AC, CLIA, SBA, Direct Marketing
- ii) CRM functions such as Claims, PS, Revivals, Loans, SSS, IPP, ULIP, ECS, CZee
- iii) System related activities like F&A, Office Services (salary, Leave, TE/LTC), Audit, Inspection, Concurrence
- iv) Valuation and year-end operations
- v) IT related monitoring and maintenance of Data Centres, EDMS servers, updates, backups, TIBCO

An active MIS system supports the monitoring of many activities of Branches and Divisions by the Zones and the CO

III Portal:

Portal is the single largest collection centre with **29,782 merchants** actively using the systems for premium collection and other servicing. Portal collections have gone up to more than 12 crore policies in the year 2012-13; In 2012-13, percentage of

premium collection through portal channels to All India collection **increased to 34.66%** as compared to 27.41% in FY 2011-12. The systems are also actively used by 1700+ Development officers for submitting I-Proposals.

Today, LIC customers can pay their premium not only in any one of its offices, but also through LIC's Premium Payment Gateway on our website through partner Banks like Corporation Bank, Axis Bank or through associate agencies like APOne, MP Online, etc. Customers can use their Net Banking accounts, Debit Cards and Credit Cards to pay premiums online. *Customers can also pay the premium through the link 'Direct Pay' without logging in to the customer portal and through LIC mobile application.*

The LIC mobile application has been enhanced with features like, Premium Calendar for Customer and Weekly Premium Due List for Agent.

LIC reaches out to its customers through IVRS, Call Centers, Customer Zones, SMS, e-mail, website and through the popular Social Networking sites.

IV Data Ware House

Data warehouse has been the single source of information for all the regulatory as well as management information reports. Warehouse has also been actively used by all the marketing and servicing channels to launch various campaigns during the year, which has been a rich source of Lead generation and customer contact, as well as cost savings through initiatives like Single notice to customers holding multiple policies.

V Other initiatives:

LIC has also undertaken many other customer-centric initiatives like Enterprise Document Management System, Portal for Customers, Agents, Development officers and Employees, etc.

A Portal for Hardware & AMC Vendors was inaugurated by our Chairman on 19/11/2012. Through Portal important Information related to HW breakdown; Purchase Orders for new hardware; Delivery & Installation status of HW; Payment status etc. is shared and meetings can be scheduled online.

In order to safeguard its IT infrastructure from external threats, LIC has also installed the latest IT Security products in its setup.

The mailing systems are the main communication systems in LIC. The department has ensured regular mail flow from all over the organization with nearly 100% uptime of services.

Chief Life Insurance Advisor Channel

Chief Life Insurance Advisor (CLIA) Scheme, 2008 was introduced to augment the resources available and strengthen the distribution channel in the Corporation. Agents who are members of DM/ZM/CM/Corporate club, Retired employees and Financial Service Executives (FSE) are eligible to become Chief Life Insurance Advisors under certain conditions.

As on 30.3.2013 the Mktg/CLIA channel has 31752 CLIAs with 25801 as active CLIAs. Supervised agents on roll are 127260. Out of 2048 branches, 626 branches (30%) are contributing more than 10% share through the CLIA channel.

Micro Insurance

Micro Insurance Business vertical continued its mission of Financial Inclusion by completing 43.40 lac policies thereby registering a growth of 13.42 % over last year and has achieved 96.45% of its annual budget. Four zones exceeded their budgets in the Financial Year 2012-13. The Micro Insurance Business share to LIC's total policies has increased from 10.71% in the last F.Y. to 11.81% in the year 2012-13. South Central Zone has achieved a unique landmark of completing 1 million Micro Insurance New Business policies during the year. As many as Sixty MI units have achieved their budgets and Nine MI units have procured more than 1 lac policies during the year. East Central Zone enjoys the unique distinction of achievement of budget by all its MI units.

Direct Marketing

In the span of 4 years of its operations, Direct Marketing has successfully become a supportive channel of LIC by creating new systems for business generation, sales process monitoring and business process with a view to reach out to untapped markets with the use of technology. The Robust Lead Management System which has been put in place has become a medium of direct communication between individual customers and LIC.

Direct Marketing started with 138 DSEs and 6 Units in August, 2009 has created strong professional field force of 4900 DSEs and 124 Units as on 31-03-2013 pan India for providing best possible financial advisory services to the Customers.

In the Financial Year 2012-13, the department has kept in place the following in-house software –

- Online engagement of DSEs
- Cash Flow Management wherein the Units are sensitized the importance of receiving renewal premium online
- Corporate Business Module where the Employer had been given an opportunity to get the details of the premium paid by the employee through LIC website.

Direct Marketing also has a full-fledged Call Centre at Vile Parle, Mumbai. The Call Centre Executives ensure that –

- all online leads get validated immediately
- all the proposals registering on online site are navigated through the system seamlessly.
- Validation of all leads received through portal/SMS

The Department's initiatives for the year 2013-14 will be as under -

- More on-line products
- Anytime Anywhere Proposal deposit collection
- Strengthening Corporate Business Vertical

Marketing – Bancassurance & Alternate Channels

Under Bancassurance, at present LIC have tie-ups with 8 PSU Banks, 4 Private Banks and 50 UCBs / RRBs / CO-OP Banks under Corporate Agency agreement. These Banks procure New Business for LIC through their Branch Outlets. At present, we have about 21000 Outlets under these Banks and our efforts are to make each one of them active. The Share of B& AC Premium to Total Premium has gone up from 4.17% to 4.78% during the year. In the current year also, we will continue our endeavour to show a substantial increase in the share as well as volume.

Health Insurance

Our Health Insurance Division has started its operations at Hyderabad from Feb' 08 with an objective of tapping the vast health Insurance market through suitable Health Insurance products and services. So far, we have covered 15,37,923 lives under our Health Insurance Policies up to 31.03.2013.

During the year 2012-13, we have sold 3,52,507 Health Insurance Policies covering 4,61,493 lives and registered a growth of 51% in Policies garnering a First Premium Income of Rs.70.05 crores during the year. In all, 1,17,148 Agents have sold Health Insurance during the year which is 30.68% higher compared to the no. of Agents involved previous year.

Currently, we are marketing 2 Health Insurance Products – '**Jeevan Arogya**' & '**Health Protection Plus**'. Both are Individual fixed Benefit Health Insurance Products where Benefits are paid irrespective of actual expenses, subject to Policy Conditions.

'**Jeevan Arogya**', is a non-Unit Linked Individual Health Plan' launched on 01/06/2011 and has been quite successful. Under this Policy, besides Self, Spouse and Kids, Parents/In-law can also be covered. This product offers Hospital Cash Benefit, Major Surgical Benefit for 140 listed surgeries, Day Care Procedure Benefit for 140 more listed surgeries, Other Surgical Benefit for all other surgical procedures besides other features like 50% Advance MSB under Quick Cash Facility, No Claim Benefit/Increasing health Cover, Optional riders for Term / Accident Insurance for Principal Insured and Spouse.

The other Product '**Health Protection Plus**' is a Unit Linked Health Insurance policy providing for Hospitalization Cover and Major Surgical Benefit for 49 specified surgeries. This plan also has a facility of withdrawal for domiciliary treatment, besides other benefits.

LIC of India – International Operations

Life Insurance Corporation of India is present in 13 countries abroad through its Branch Offices, Wholly Owned Subsidiary and Joint Venture Companies. Our Overseas Offices are:-

1. LIC Fiji Branch
2. LIC Mauritius Branch
3. LIC UK Branch
4. LIC (International) B.S.C. (c), Bahrain operating in GCC countries of Bahrain, Qatar, Kuwait, U.A.E and Oman
5. LIC (Nepal) Ltd
6. LIC (Lanka) Ltd
7. Kenindia Assurance Co. Ltd
8. Saudi Indian Company for Co-Operative Insurance
9. Life Insurance Corporation (Singapore) Pte Ltd

It is planned to commence operations in Bangladesh during 2013-14.

Performance Highlights:

- Our Foreign Units collectively procured First Premium Income of INR 506.68 crore under 90140 policies in the respective financial years of their units ended during 2012-13 showing a growth of 45%
- Total Premium Income (TPI) of our units was INR 1246.09 crore during the respective financial years ended during 2012-13.
- LIC (International) B.S.C. (c), Bahrain and LIC Fiji are market leaders in their respective geographies.
- Contribution of International Operations to the conventional business of the Corporation has grown from 1.2% to 3.5% in the current year (year-on-year) with foreign premium of INR 1009.85 crore for the period from 01.04.2012 to 31.03.2013 registering a growth of 186%.

OUR SOCIAL RESPONSIBILITY

Pension & Group Schemes:

LIC offers life insurance protection under group policies to various groups such as Employer - employee, co-operatives, weaker sections of society etc. and insurance coverage to people below poverty line at subsidized rates under social security group schemes like 'Janashree Bima Yojana' & 'Aam Admi Bima Yojana'. The scheme 'Shiksha Sahayog Yojana' is a free add-on scholarship benefit that is available for the children of the members who are covered under Janashree Bima Yojana as well as Aam Admi Bima Yojana.

Ministry of Finance, Government of India merged both these Social Security Schemes viz., Aam Admi Bima Yojana (AABY) and Janashree Bima Yojana (JBY). The merged scheme is renamed "*Aam Admi Bima Yojana*" and has come into effect from 01.01.2013. This scheme provides life insurance protection to the rural and urban poor persons living below poverty line and marginally above poverty line. Persons, normally the head of the family or one earning member of the family, between age 18 and 59 years who follow any of the specified vocations / occupations can be covered under the scheme. As on 31.03.2013, 48 vocations/occupations have been identified for coverage under Aam Admi Bima Yojana.

The benefits under the scheme include natural death cover of Rs. 30,000/-, accidental death cover / permanent disability benefit (due to accident) of Rs. 75,000/- and partial permanent disability (due to accident) of Rs. 37,500/- for premium of Rs 200/- per annum per member where Rs 100/- is borne by the Social Security Fund managed by LIC. No additional premium is charged for accidental benefit.

Scholarship Yojana

A free add-on scholarship benefit is available for the children of the members who are covered under Aam Admi Bima Yojana. Scholarship of Rs.600/- per half-year (payable on 1st January and 1st July every year) is given to students studying in Classes IX to XII (including ITI courses). Scholarship is restricted to two children per family.

Micro Insurance Products

Jeevan Madhur - LIC has a micro-insurance cum savings plan with profits wherein premiums can be paid in weekly, fortnightly, monthly, quarterly, half-yearly or yearly intervals. The sum assured varies from Rs. 5000/- to Rs. 30,000/-.

Jeevan Mangal - It is a Micro Insurance, term assurance plan with return of premiums on maturity. On death during the term of the policy the Sum Assured under the basic plan is payable, provided the policy is kept in force. The premium can be as low as Rs 15/- per week.

Jeevan Deep – It is a Micro Insurance Plan with Guaranteed Additions and Loyalty Additions if any. The Guaranteed Additions will accrue @ Rs.20/- per 1000/- Basic Sum Assured per year during the term of the policy. On death during the term of the policy, basic Sum Assured is payable along with accrued Guaranteed Additions and Loyalty Additions if any. Sum Assured varies from Rs.5000/- to Rs.30,000/-.

Golden Jubilee Foundation - LIC Golden Jubilee Foundation was established in the year 2006 as a part of LIC's Corporate Social Responsibility. The objectives of the Foundation are relief of poverty or distress, advancement of education, medical relief and advancement of any other object of general public utility. Since inception the Foundation has supported NGOs dedicated to the above areas through 252 projects which are located across the country. The Foundation has reached out to many deprived sections of society through the infrastructural support provided in the above areas.

LIC Golden Jubilee Scholarship Scheme provides scholarships at the rate of ` 10,000/-p.a to children from economically weaker sections of the society to pursue higher education till they complete their graduation /professional course. Approximately 6755 students have benefited from the scheme so far.
