

## **LIC earns premium of Rs 4,853 cr from BSNL**

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NEW DELHI: Life Insurance Corporation (LIC) on Friday said it has earned premium of Rs 4,853 crore from BSNL under a group scheme, which is the largest sum got by a life insurer from a single company.

This single large deal would further improve LIC's market share, which currently is around 71 per cent. The policy bond of BSNL Employees Leave Encashment Scheme which is the corpus towards earned leave encashment to be paid to employees of BSNL at the time of retirement.

This is the single largest leave encashment scheme of LIC in which 2,81,000 BSNL employees are covered, the country's largest life insurer said in a statement. The business was bagged by Divisional Office one of Delhi zone of LIC.

BSNL board has decided to transfer the Liability of Leave encashment of Rs 4,852.91 crore to LIC under LIC's Group Leave Encashment Cash Accumulation Scheme (GLES), it said.

LIC Managing Director Thomas Mathew handed over the policy bond to BSNL Management yesterday.

LIC till July this fiscal, earned first premium of Rs 7,445 crore from group business. In July, it earned Rs 1,686 crore premium under this head. During April-July period, LIC registered an over 70 per cent growth in new premium (from both group and individual) collections to Rs 24,430 crore.

In comparison, in the first four months of the previous fiscal, LIC's premium collections from new business stood at Rs 14,265 crore. Private sector including 22 private life insurers together accounted for Rs 9,818 crore worth of new business in the April-July period, compared to Rs 7,730 crore in the year-ago period, a growth of 27 per cent.

LIC is already servicing entire BSNL employees Group Savings Linked Insurance Scheme (GSLI) and the Gratuity Scheme for those employees of BSNL who have joined after the corporatisation of BSNL, it said. As such BSNL has become the largest customer of LIC in terms of managing the schemes of employee benefits, it added.