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PRESS RELEASE

LIC becomes First Institutional Partner in UID Project

Life Insurance Corporation Of India (LIC), the largest life insurance institution in the world with more than 21 crore unique customers (holding more than 27 crore policies) has become a partner for the Unique Identification Authority of India (UIDAI) by signing a Memorandum of Understanding to act as a Registrar for the delivery of the unique 12-digit Identity Numbers to the people of India. LIC is the first Institution other than the State Governments to sign the MOU with UIDAI.

The UIDAI has envisioned the UID as a number that will make it possible for Indian residents to easily establish their identity in order to facilitate their interaction with various public and private agencies across the country. The UID will be based on demographic and biometric data i.e. photograph, fingerprints (10) and iris scan of an individual and, hence, no duplicates will creep into the system.

The MoU was signed today in a function held at LIC's Central Office at Mumbai in the presence of Mr. Nandan Nilekani, Chairman, UIDAI and Mr. TS Vijayan, Chairman, LIC. Speaking on the occasion, Mr. TS Vijayan stated that "LIC will be able to uniquely identify its customers thereby enhancing its efficiency in service delivery and achieving a high level of effectiveness in various operations. All these will result in a very high degree of customer satisfaction".

Expressing his happiness over the signing of the MoU with LIC, Mr. Nandan Nilekani, Chairman, UIDAI stated, "Our partnership with LIC is a significant milestone in the mission of UIDAI to give a Unique ID to every resident of India. It will enable a large number of residents to enrol and get an Aadhaar number as well as enable LIC to effectively deliver new products and services to enable financial inclusion."

For the implementation of the Project, LIC will use its robust Information Technology infrastructure for which it has been recognized as the 'Best User of Information Technology' amongst the Life Insurance Institutions in India by NASSCOM.

The partnership with UID will help LIC not only to refine its Customer ID but also to strengthen its administration of the various Social Security Schemes that are managed by LIC on behalf of Government of India. Currently, there are more than 4 crore policyholders under the Jana Shree Bima Yojana (JSBY), Aam Aadmi Bima Yojana (AABY) and Micro Insurance Schemes who will stand to benefit from the financial inclusion initiative that will form part of the UID project. The UID will play a critical role in enabling financial inclusion and is expected to transform the way benefits under various social welfare programs are delivered, by making the process more inclusive of communities now cut off from such benefits. LIC intends to use this platform for disbursement of benefits under the Social Security Schemes and to collect renewal premiums on regular policies.

LIC has entered into this partnership with the aim of providing best-in-class services to its customers and also fulfilling its commitment of extending insurance coverage to each and every Indian. LIC already has a Data Warehouse consisting of the complete details of all its customers, which it intends to leverage for the allocation of UIDs to LIC customers. Using its own customer ID generated from the Data Warehouse, LIC has implemented many Customer Relationship Management initiatives over the last 5 years.

