

CA. Rajendra Goyal

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To,
Sh. T.S. Vijayan
The Chariman
Insurance Regulatory and Development Authority
E-mail : Chairman@irda.gov.in

31.07.2017

Dear Sir,

Subject :- Public issues by LIC's – Suggestions reg.

It is really a matter of great pleasure that because of your encouraging initiatives, private sector LIC's are coming out with their IPO's. It is worth appreciation that such LIC's need huge funds to aggressively develop their business to take care of their capital adequacy as well as the provisioning requirements.

It is really a pity that the IPO's by LIC's are in the form of 'Offer For Sale' by the promoters and not through public issues; as such the LIC's are not getting any funds. This situation is giving hefty profit to the promoters only. Since the LIC's are not getting any fund, so the objective of development of their business aggressively as discussed in the preceding para, remains defeated.

Hope your goodself shall take the things in their right perspective and would regulate this situation in the larger benefit of the insurance business.

With kind regards

Yours Faithfully

CA. Rajendra Goyal

(Ex-Director – MP Stock Exchange & State Bank of Indore)