

LIC signs MoU with UIDAI to share database

Published: Wednesday, Jun 9, 2010, 19:44 IST
Place: Mumbai | Agency: PTI

State-run Life Insurance Corporation (LIC) today signed a memorandum of understanding (MoU) with the Unique Identification Authority of India (UIDAI) **under which the insurance major will share data with the Nandan Nilekani-led entity.**

"UID is a project of national importance and a great challenge for us to implement due to the tight deadlines," LIC's chairman, TS Vijayan, said, maintaining that its business will also benefit through the association.

It will help LIC in catering to customers with multiple policies as everybody will start having one unique number, while LIC's initiatives in social schemes like micro-insurance will also get a fillip, Vijayan said.

Nandan Nilekani, ex-CEO of Infosys and Chairman of UIDAI, said the UIDAI will be taking certain fields from LIC's database of over 21-crore policy-holders like the name, address, date of birth, sex and biometrics.

"The rest of the database remains with them and whatever we take is also secure as we will not be sharing it with anyone, only using it for authentication," Nilekani said, adding that the Authority will be tying-up with more registrars for a quicker roll-out of the numbers.

The Authority's plans for providing online authentication wherein information of a particular person can be obtained remotely through the Internet will benefit LIC, Nilekani said, maintaining that UIDAI is moving as per its target of rolling-out the first of its numbers between August 2010 and February 2011 as announced in this year's Budget.

"Our partnership with LIC is a significant milestone in the mission of UIDAI to give a unique ID to every resident in India. It will enable a large number of residents to enroll and get an Aadhaar number as well as enable LIC to effectively deliver new products and services to enable financial inclusion," Nilekani said.

The UID will play a critical role in enabling financial inclusion and is expected to transform the way benefits under various social welfare programmes are delivered, by making the process more inclusive of communities now cut off from such benefits.

