**Abstract**

Insurance is a scheme or in modern terms, a paid service which reduces the cost of loss or effect of loss caused by variety of risks. It accumulates funds to meet individual losses and provides safety and security for untoward losses. In this juncture it is highly important for an insurance company to be efficient in its operations. This study has attempted to study the operational efficiency of Life Insurance Corporation of India (LIC) of India during the post reform period. It has been nearing two decades since opening up of Private life insurance players in the market. Hence it becomes imperative to study the performance and position of LIC of India in managing its funds.