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AN OVERVIEW ON PERFORMANCE OF INSURANCE INDUSTRY IN INDIA

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Abstract
Insurance means a contract between insurer and insured or assurer and assured. In exchange for payments from the insured (called premiums), the insurer agrees to pay the policy holder a sum of money upon the occurrence of a specific event. Thus insurance is nothing but a promise of compensation for specific potential future losses in exchange for a periodic payment.

To examine the objectives of life insurance,its operations,employees and agents,to examine Indian insurance market,to examine life insurance business performance and non-life insurance business performance,to examine recent developments in insurance sector. Divisional office:Bangalore,Branchwise New Business Target for 2013-14,The study made with the help of secondary data obtained through Life Insurance Corporation manual 2011 and 2013,Bangalore division and ICFAI journals. The study is analytical in its nature.

Keywords: Insurance, Recent Developments, Non-Life Insurance.

Introduction

Insurance means a contract between insurer and insured or assurer and assured. In exchange for payments from the insured (called premiums), the insurer agrees to pay the policy holder a sum of money upon the occurrence of a specific event. Thus insurance is nothing but a promise of compensation for specific potential future losses in exchange for a periodic payment.

Insurance coverage that protects businesses from losses due to events that may occur during the normal course of business. The company pools clients' risks, facilitate transfer of risks and to make payments for the insured. Companies evaluate their insurance needs based on potential risks and lossess, which can vary depending on the type of environment in which the company operates. There are many types of insurance for businesses including coverage for property damage, legal liability and employee-related risks. Companies evaluate their insurance needs based on potential risks, which can vary depending on the type of business environment in which the company operates.

Insurance is designed to safeguard the financial well-beingness of an individual, company in the case of unexpected loss. Car insurance, health insurance, disability insurance, life insurance, and business insurance. Are some of the examples for various types of insurance. In addition to this there are many types of insurance for businesses ie., coverage for property damage, legal liability and employee-related risks. With the help of insurance coverage it is possible to get relief from the lossess which may occur in the future.

Nationalisation in 1955

Eventually, the Parliament of India passed the Life Insurance of India Act on June 19, 1956 creating the Life Insurance Corporation of India, which started operating in September of that year. It consolidated the life insurance business of 245 private life insurers and other entities offering life insurance services, this consisted of 154 life insurance companies, 16 foreign companies and 75 provident companies. The nationalisation of the life insurance business in India was a result of the Industrial Policy Resolution of 1956, which had created a policy framework for extending state control over at least seventeen sectors of the economy, including life insurance and by 2006 was contributing around 7% of India's GDP.

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During August 2000, the Indian Government embarked on a program to liberalise the Insurance Sector and opened it up for the private sector. Ironically,

In 2013 the First Year Premium compound annual growth rate (CAGR) was 24.53% while Total Life Premium CAGR was 19.28% matching the growth of the life insurance industry and also outperforming general economic growth.

Insurance companies are usually identified as stock companies. Insurance is a device for indemnifying an individual against loss and in the recent past due to natural calamities, few insurance companies have suffered financial setback. Premiums of little insurance have suddenly gone uphill as plenty of insurance providers have become insolvent. While selecting an insurance company, financial strength of the company must be considered as viability of the insurance provider is extremely crucial.

In the study titled ’Capital market reactions to the passage of the financial services modernization Act of 1999 Carrow Kenneth and Heron R investigate how the passage of the Financial Services Modernization Act of 1999 (FMA) affected stock prices of banks, thrifts, finance companies and insurance companies. The study looks at stock excess returns across sectors and company size. The idea is that the passage of the FMA opens doors for potential mergers and consolidations across banking, financial and insurance sectors, translating into abnormal positive returns for businesses that are the likely candidate for mergers and consolidation.

The results of the study suggest that the largest returns to the FMA passage were realized by large investment banks and insurance companies. The stock prices of banks, both small and large, seemed to be unaffected by the new legislation while thrifts, finance companies and foreign banks lost value.

In the study titled"Mixing and matching: Prospective financial sector mergers and market valuation" Estrella, Arturo analyses which types of mergers are likely to be most productive for banks and other financial firms in the United StatesApart from this the paper examined the extent to which different business activities are fundamentally distinct induces a tradeoff between diversification gains and loss of efficiency.

The research considers life insurance, property/casualty insurance, securities, and commercial firms as potential matches for firms and concludes that potential diversification gains arise from almost all combinations involving banking and insurance. In addition the study examined motives for combining bank and other financial services. Diversification benefits and product complementarities (i.e. mortgage and mortgage insurance, auto financing and auto insurance) seem to be the prime motives. It is evident from various earlier research contributions also that there are few linkages between bank services and underwriting services in terms of customers, outlets, or other characteristics that generate efficiencies. Further it is evident from the study that the life insurance companies with their limited underwriting risk and wide variety of other products offered to individual customers would be more attractive targets for banks than other types of insurance companies.

In the study titled "Valuing the potential transformation of banks into financial service the authors Johnston, Jarrod and Madura J. examined that whether commercial banks, insurance companies, and brokerage firms were favorably affected by the Citigroup/Travelers merger for impending consolidation of financial services firms. Apart from this the author measured the valuation effects resulting from the merger announcement among those commercial banks and financial services firms most likely to be affected and conclude that commercial banks, insurance companies, and brokerage firms have all experienced positive and significant valuation effects upon the announcement of the Citigroup merger. However, the authors find that the valuation effects are more favorable for brokerage firms than for commercial banks and for insurance companies.

Further the authors perform a cross-sectional analysis which concludes that the largest banks and the largest brokerage firms experience more favorable valuation than the smaller banks or smaller brokerage firms. Size does not seem to be significant for insurance companies.

The authors Jonathan Gruber, Brigitte C. Madrian in their study provides a critical review of the empirical literature on the relationship between health insurance, labor supply, and job mobility. It is evident from this study that there is clear and unambiguous evidence that health insurance is a central determinant of retirement decisions and health insurance is not a major determinant of the labor supply and welfare exit decisions of low income mothers. Apart from this it is clear that there is fairly compelling evidence that health insurance is an important factor in the labor supply decisions of secondary earners further health insurance plays an important role in job mobility decisions. Finally it is clear from this study that health insurance has important effects on both labor force participation and job choice, but that it is not clear whether or not these effects results in large losses of either welfare or efficiency.

Methodology

To examine the objectives of life insurance,its operations,employees and agents,to examine Indian insurance market,to examine life insurance business performance and non-life insurance business performance,to examine recent developments in insurance sector. Divisional office:Bangalore,Branchwise New Business Target for 2013-14,The study made with the help of secondary data obtained through Life Insurance Corporation manual 2011 and 2013,Bangalore division and ICFAI journals. The study is analytical in its nature.

Objectives of Life Insurance Corporation

1. Spread life insurance widely and in particular to the rural area sand to the socially and economically backward classes view to reaching all insurable persons in the country and providing them adequate financial cover against death at a reasonable cost.
2. Maximise mobilization of people's savings by making insurance linked savings adequately attractive.
3. Bear in mind, in the investment of funds, the primary obligation to its policyholders, whose money it holds in trust, without losing sight of the interest of the community as a whole, the funds to be deployed to the best advantage of the investors as well as the community as a whole keeping in view national priorities and obligations of attractive return.
4. Conduct business with utmost economy and with the full realization that the moneys belong to the policyholders.
5. Act as trustees of the insured public in their individual and collective capacities.
6. Meet the various life insurance needs of the community that would arise in the changing social and economic environment.
7. Involve all people working in the Corporation to the best of their capabilities in furthering the interests of the insured public by providing efficient service with courtesy.
8. Promote amongst all agents and employees of the Corporation a sense of participation, pride and job satisfaction through discharge of their duties with dedication towards achievements of Corporation objectives.

LIC Group Insurance Schemes

LIC offers life insurance protection under group policies to various groups such as:

1.Group term insurance Schemes, Group term insurance Scheme in lieu of EDLI,Group gratuity Schemes, Group leave encashment Scheme, Group superannuation Scheme, Group Annuity Scheme, Group flexible income plan,Group Savings linked insurance Scheme, Group critical illness rider benefit,Group mortgage redemption Assurance Scheme and Social security schemes such as Aam Admi yojana and Shiksha Sahayog yojana.

Operations

At present the LIC has 8 zonal offices, around 109 divisional offices, 2,048 branches and 992 satellite offices and corporate offices; it also has 54 customer zones and 25 metro-area service hubs located in different cities and towns of India. It also has a network of 1,337,064 individual agents, 242 Corporate Agents, 79 Referral Agents, 98 Brokers and 42 Banks for soliciting life insurance business from the public.

Awards and recognitions

- The Economic Times Brand Equity Survey 2012 rated LIC as the No. 6 Most Trusted Service Brand of India.
- From the year 2006, LIC has been continuously winning the Readers' Digest Trusted brand award.
- Voted India's Most Trusted brand in the BFSI category according to the Brand Trust Report for 4 continuous years - 2011-2014 according to the Brand Trust Report.

Analysis

Table 1, Employees and Agents: 2012-13

Category of employees	Total Number	No. of Women
Class-I Officers	28,417	5,375
Development Officers	25,638	861
Class III/IV employees	65,712	18,059
Total	119,767	24,295

Source:Annual Report of Life Insurane corporation of India.

The above table reveals that total Class-I Officers,Development Officers,Class III/IV employeesand women employees mentioned.LIC had 12,78,234 agents as on 31 March 2012, out of which the number of active agents were 12,14,111 (95%).

Holdings in Various Companies

LIC holds shares worth about Rs 2.33 lakh crore in all the Nifty companies put together, but it lowered its holding in a total of 27 Nifty companies during the quarter.

The cumulative value of LIC holding in these 27 companies fell by little over Rs 8,000 crore during the quarter shows the analysis of changes in their shareholding patterns.

Individually, LIC is estimated to have sold shares worth Rs 500-1,000 crore in each of Mahindra & Mahindra, HDFC Bank, ICICI Bank, Tata Motors, L&T, HDFC, Wipro, SBI, Maruti Suzuki, Dr Reddys and Bajaj Auto.

The insurance business also trimmed holdings in Ambuja Cements, Cipla, TCS, Lupin and Asian Paints. A marginal decline was also witnessed in its stakes in companies such as IDFC, Hindustan Unilever, Grasim, ACC, BPCL, Bank of Baroda, Punjab National Bank, Sun Pharma and Tata Power.

On the other hand, LIC further ramped up its stake in a total of 14 Nifty constituents with purchase of shares worth an estimated Rs 4,000 crore.

The major companies where LIC has raised its stake include Infosys, RIL and Cairn India. Other such companies are ITC, Power Grid Corp, NTPC, Siemens, Bharti Airtel and Hero MotoCorp.The state-run insurer also marginally hiked its exposure in Ultratech, Gail India, Ranbaxy, Kotak Mahindra Bank and HCL Technologies, while its shareholding remained almost unchanged in companies like ONGC, Tata Steel, BHEL and Reliance Infra.

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Among the Nifty companies, LIC's holding in terms of value is estimated to be highest in ITC (Rs 27,326 crore), followed by RIL (Rs 21,659 crore), ONGC (Rs 17,764 crore), SBI (Rs 17,058 crore), L&T (Rs 16,800 crore), and ICICI Bank (Rs 10,006 crore).

Indian Insurance Market

The insurance industry of India consists of 52 insurance companies of which 24 are in life insurance business and 28 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the sole public sector company. Apart from that, among the non-life insurers there are six public sector insurers. In addition to these, there is sole national re-insurer, namely, General Insurance Corporation of India. Other stakeholders in Indian Insurance market include Agents (Individual and Corporate), Brokers, Surveyors and Third Party Administrators servicing Health Insurance claims.

Out of 28 non-life insurance companies, 5 private sector insurers are registered to underwrite policies exclusively in Health, Personal Accident and Travel insurance segments. They are Star Health and Allied Insurance Company Ltd, Apollo Munich Health Insurance Company Ltd, Max Bupa Health Insurance Company Ltd, Religare Health Insurance Company Ltd and Cigna TTK Health Insurance Company Ltd. There are two more specialised insurers belonging to public sector, namely, Export Credit Guarantee Corporation of India for Credit Insurance and Agriculture Insurance Company Ltd for Crop Insurance

Insurance penetration of India i.e. Premium collected by Indian insurers is 3.96 % of GDP in FY 2012-13. Per capita premium underwritten i.e. insurance density in India during FY 2012-13 is US$ 53.2.

Here are some performance highlights of the Indian insurance industry.

Table2, Life Insurance Business Performance

	2012-13		**2011-12**	
	Public Sector	**Private Sector**	**Public Sector**	**Private Sector**
Premium Underwritten (Rs in Crores)	208803.58	78398.91	202889.28	84182.83
New Policies Issued (in Lakhs)	367.82	74.05	357.50	84.42
Number of Offices	3526	6759	3455	7712
Benefits Paid (Rs in Crores)	134922	57571	117497	35635
Individual Death Claims (Number of Policies)	750576	127906	731336	122864
Individual Death Claims Amount Paid (Rs in Crores)	7222.90	2147.32	6559.51	1849.23
Individual Death Claims Amount Paid (Rs in Crores)	245467	119970	244314	158093
Group Death Claims (Number of lives)	1697.37	949.08	1586.75	794.99
Group Death Claims Amount Paid (Rs in Crores)	99.25	99.74	97.42	89.34
Claim Settlement Ratio (in percent)				

Source: Annual Report,Life Insurance corporation of India.

From the above table it is noted that the premium underwritten of public sector insurance companies has been increased from the year 2011-12(Rs.2,02,889.28) to the (Rs.2,08,803.58) in the year 2012-13. Therefore this shows that public sector insurance companies are having good reputation in the minds of the public sector that of private insurance companies.

From the table it is noted that the new policies issued by the public sector insurance companies has been increased in the year 2012-13 when compared to 2011-12 ie,from (357.50 lakhs) to (367.82 lakhs) from that of private sector insurance companies where it has decreased from (84.42 lakhs) in 2011-12 to (74.05 lakhs)in the year 2012-13.

The number of insurance officers also increased from (3526) of 2012-13 from (3455)of 2011-12 ie., 71 public sector insurance officers has been increased.

From all these observations ,it is clear that public sector insurance companies are working more and has more reputation and reliance in the minds of the public than that of the private sector insurance companies The life insurance business performance of public sector insurance companies is outstanding when compared to private sector insurance companies.

Table 3,Non-Life Insurance Business Performance

	2012-13		**2011-12**	
	Public Sector	**Private Sector**	**Public Sector**	**Private Sector**
Premium Underwritten (Rs in Crores)	35022.12	27950.69	30560.74	22315.03
New Policies Issued (in Lakhs)	689.68	380.56	528.41	329.3
Number of Offices	6190	1466	5281	1394
Incurred Claim Ratio	79.56	84.79	89.22	88.22
Number of Grievances	20164	60358	12721	82790
Grievances Resolved During the Year	19057	60230	11110	82741
Grievance Resolved (in percent)	94.51	99.79	87.33	99.94

** Specialised and Standalone Health Insurers are not included*
Source: Annual Report,Life Insurance corporation of India.

From the above table it is observed that the premium underwritten by the private sector insurance companies increased to (Rs.27,950.69,2012-13) from (Rs.22,315.03 during 2011-12) where has in the public sector insurance companies it has been increased to (Rs.35,022.12) from (Rs.30,560.74 during 2011-12).The number of policies newly issued has been increased in both public sector insurance companies and as well as private sector insurance companies.

The number of insurance branch offices has also been increased from (Rs.5281 during 2011-12) to 6190 during 2012-13) is in the case of public sector insurance companies where as in private sector insurance companies it has been slightly increased from 1394 during 2011-12 to 1466 during 2012-13.

Incurred claim ratio has decreased from 89.22 during 2011-12 to 79.56 during 2012-13 is in the case of public sector insurance companies whereas in private sector insurance companies it has been slightly decreased from 88.22 during 2011-12 to 84.79 during 2012-13.

Number of grievances has increased from 12,721 during 2011-12 to 20,164 during 2012-13 is in the case of public sector insurance companies whereas in private sector insurance companies increased decreased from 82,790 during 2011-12 to 60,358 during 2012-13.
Grievances resolved during the year increased from 11,110 during 2011-12 to 19,057 during 2012-13 is in the case of public sector companies whereas in private sector insurance companies the same has decreased from 82,741 during 2011-12 to 60,230 during 2012-13.

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Grievances resolved (in per cent) increased from 87.33 per cent during 2011-12 to 94.51 per cent during 2012-13 whereas the same has decreased from 99.94 per cent during 2011-12 to 99.79 per cent during 2012-13.

With 36 crore policies, India's life insurance industry is the largest in the world. In fact, the population of about 200 countries in the world is less than the total number of lives insured in India. However, despite such statistics, India continues to be underinsured. Life insurance penetration in the country, the ratio of premium underwritten in a year to the Gross Domestic Product (GDP), was a minuscule 3.17% in 2012.

However this does not mean that the life insurance industry is stagnating. It is one of the fastest growing industries in the country and is forecast to grow at a compounded annual growth rate (CAGR) of 12-15% over the next five years. In 2012-13, the industry grew by 7% in the first six months (until October 2013). The industry has set itself a target of increasing penetration levels to 5% by 2020. The sector has the potential to touch $1 trillion over the next seven years. The disparity between the current level and target level makes the Indian insurance market a lucrative opportunity for investors.

Recent Developments in Insurance sector

New regulations to govern traditional policies and variable insurance policies are likely to be implemented in January 2014. These reforms aim to overhaul traditional products. Insurance companies have been given time up to 31 December 2013 to develop new products as per the new guidelines.

Unit-linked insurance plans (ULIP) are also being restructured to win back investor confidence. These include strict regulation by central agencies and lower commission for agents. Innovation that meets consumer needs, supported by technology, will be the differentiator for companies to increase market share.

The impact of the new regulations can be assessed only after the new products are unveiled. In 2013, investors preferred traditional plans over other products offered by insurers. This is likely to continue in the near future. However, given the improving macro-economic scenario, ULIPs are poised to deliver value if subscribers stay invested.

The changes in conventional products indicate a paradigm shift of the investor's mindset. Insurance is no longer perceived as a tool to save tax, but as an important financial savings instrument. The modern policyholder is more aware and knowledgeable of his rights as the consumer. Consequently, focusing on the customer has become important for the Indian insurance industry.

Semi urban and rural customers will also benefit immensely from the industry's evolving distribution system. Common Service Centres (CSC), the cornerstone of the nation's e-Governance plan, could revolutionize the accessibility of insurance in remote parts of the country. It could be the key to improving penetration levels.

Currently, India has about 1 lakh CSCs, each serving a cluster of six or seven villages. Cumulatively, these centers serve about 6.5 lakh villages. The irda, or Insurance Regulatory and Development Authority, has mandated a tie-up between CSCs and life insurance companies, which will help the latter reach customers in rural areas.

IRDA has also authorized five repositories to open up e-Insurance accounts. Besides this, Irda is also taking measures to improve consumer trust in insurers through initiatives that increase awareness and by increasing the number of grievance cells and customer contact centers.

It is evident that advancement of the insurance industry will also provide a strong impetus to meet the country's longterm infrastructure and financial goals.

Thus LIC Insurance Corporation of India has been a nation builder since its formation in 1958.True to the objective of nationalization,the Corporation has mobilized the funds invested by the people in the Life Insurance for the benefit of the community at large.

The total funds so invested for the benefit of the community at large are Rs.14,86,456.53 crore as on March 31st 2013.The investment of the Corporation's funds is governed by Section 27 A of the Insurance Act 1938,subsequent guidelines /instructions issued thereunder from time to time by the Government of India and the IRDA by way of regulations.

Table 4, Investment in Government and Social Sector

Type of Investment	As on		
	31-03-14	**31-03-13**	**31-03-12**
Central Government Securities	307934	470254	441760
State Government and other Government A Guaranteed marketable securities	176213	261852	213913
Sub-total(A)	584147	732106	655673
Housing and Infrastructure investment			
a) Housing	43297	46276	41067
b)Power	80165	93317	86880
c)Irrigation /Water supply and sewerage	4265	3388	3774
d)Road,port and bridges,railways	9819	11208	10494
e) Others(Incl.telecom)	27457	35076	21947
Sub-total(B)	165003	189265	164162
Total A+B	749150	921371	819835

Source: Life Insurance Corporation Mannual,2013.

It is clear from the above table that investment on Central Government Securities, State Government and other Government A Guaranteed marketable securities, Housing and Infrastructure investment,Power,Road,port and bridges,railways declined during 31-03-14 when compared to 31-03-13.

Investment on Road,port and bridges,railways,others (Incl.telecom) enhanced from 31-03-14 when compared to 31-03-13.

Table 5, Life Insurance Corporation of India: Divisional office:Bangalore,Branchwise New Business Target for 2013-14.

Branch code	Branch name	Budget FY 2013-14			
		Total policies	SP(Lacs)	NSP(Lacs)	Total FPI
	Unit -I				
611	City Branch –I	19000	1600	1500	3100
602	N.R.Square	16000	1300	1000	2300
610	D A B	12000	1000	700	1700
61C	Jayanagar	18000	1300	1300	2600
6002	CAB	7000	500	400	900
615	Tumkur-I	26000	1200	1000	2200

61A	Basavanagudi	14000	1300	1000	2300
61U	Peenya	15000	900	900	1800
61T	Kunigal	18000	700	800	1500
605	Tiptur	23000	700	800	1500
Total	Unit-I	168000	10500	9400	19900
	Unit-II				
604	K.G.Road	18000	1300	1100	2400
61Y	Sarakki	12000	1000	900	1900
6001	Tumkur-II	23000	900	900	1900
61B	J.C.Road	15000	1200	800	2000
613	Malleswaram	15000	1200	1000	2200
61D	Yeshawanthapur	18000	1200	1100	2300
61H	Madhugiri	22000	900	800	1700
6003	Pavagada	12000	300	600	900
61G	Rajajinagar	17000	1300	1100	2400
61X	Vijayanagar	20000	1200	1200	2400
Total	Unit-II	172000	10500	9500	20000
		340000	21000	18900	39900
	Direct MKTG	5000	2000	1100	3100
	Division Total	345000	23000	20000	43000
	Micro insurance	55000			
	Grand Total	400000	23000	20000	43000

Source: Life Insurance Corporation Mannual,2013.

It is clear from the above table that in various branches total policies mentioned. Total number of branches is more in Tumkur-I followed by Tumkur- II Tiptur,Madhugiri,Jayanagar,Kunigal,K.G.Road,Yeshavanthapur,Rajajinagar,N.R.Square,J.C.Road,Malleswaram, Peenya,Basavanagudi,Sarakki,DA.B and division total proved to be 345000,micro insurance proved to be 55000 and grand total proved to be 400000.

SP(Lacs), City Branch –I followed by N.R.Square,Jayanagar, Basavanagudi,K.G.Road, Rajajinagar, J.C.Road,Malleswaram,Yeshawanthapur,Vijayanagar, D A B, Sarakki, Peenya, Tumkur-II, Kunigal,Tiptur,CAB.

NSP(Lacs) more in City Branch –I followed by Jayanagar,Vijayanagar,Rajajinagar,Malleswaram, Tumkur-I,Basavanagudi,N.R.Square,Peenya,Kunigal,Tiptur, D A B,Pavagada,CAB.

Table 6, Details of total policies of various branches:NB Figures as at 31-07-2013:Current Year 2013-14

Branch Code	Branch name	Total policies	Sng Prem FPI(Lacs)	Non Sng FPI(Lacs)	Total FPI(Lacs)
	Unit-I				
611	City Branch-I	4034	476.09	258.82	734.91
602	N.R.Square	3157	181.21	165.62	346.83
610	D.A.B.	3030	185.97	131.96	317.93
61C	Jayanagar	3377	46.02	229.70	675.72
6002	CAB	966	70.23	48.23	118.46
615	Tumkur -I	4051	129.35	170.74	300.09
61A	Basavanagudi	2946	213.29	188.96	402.25
61U	Peenya	3357	278.75	163.41	442.16

61T	Kunigal	3698	83.30	129.57	212.87
Total	Unit-I	31624	2099.43	1584.99	3684.42
	Unit-II				
604	K.G.Road	3625	273.18	192.12	465.30
61Y	Sarakki	2352	300.14	142.25	442.39
6001	Tumkur-II	3988	69.79	133.13	202.92
61B	J.C.Road	3079	94.32	180.44	274.76
613	Mallesswaram	2841	325.94	167.49	493.43
61D	Yeshwanthapur	3428	194.47	200.06	394.53
61H	Madhugiri	3162	93.63	107.48	201.11
6003	Pavagada	1671	44.25	71.04	115.29
61G	Rajajinagar	2820	649.56	174.31	823.87
61X	Vijayanagar	4200	230.97	201.83	432.80
Total	Unit-II	31166	2276.25	1570.15	3846.40
		62790	4375.68	3155.14	7530.82
	Direct MKTG	541	31.59	39.58	71.17
	Division Total	63331	4407.27	3194.72	7601.99
	Micro	14436		270.64	270.64
	Grand Total	77767	4407.27	3465.36	7872.63

Source; Life Insurance Corporation Mannual,2013.

It is clear from the above table that during 2013-14 that total policies are more in Vijayanagar followed by Tumkur –I, City Branch-I, Tumkur-II, Yeshwanthapur, Kunigal, Madhugiri, Sng Prem FPI(Lacs) recorded more in Rajajinagar followed by,City Branch-I, Mallesswaram, Sarakki, Peenya and other branches.FPI(Lacs) recorded more in City Branch-I,Jayanagar,Vijayanagar,Yeshwanthapur,K.G.Road, Basavanagudi,J.C.Road,Rajajinagar, Tumkur –I, Mallesswaram, N.R.Square,Peenya and other branches.

Conclusion

Nowadays Insurance is gaining increasing importance. Public sector and private sector companies are performing well in insurance sector. More people are becoming policy holders of various insurance schemes. In India enhancement of insurance sector will surely helpful for enhancing economic development and economic growth which surely promote faster rate of growth and it is possible to achieve self-reliance.

Suggestion

1. Poorer section of the society should be aware about various insurance schemes and they should become policy holders of insurance companies to get insured themselves so that they can get relief from lifelong suffering and they can get economic security to themselves and to their families.
2. Central Government and entrepreneurs should provide proper support for the development of insurance industry.

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