

Study of Participation of Women In Life Insurance

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Abstract:

Women occupied around 49 per cent of the total population in India. Their contribution to the economic activity of the country is slightly increasing every year and it is important. Under the situation, there is a need for life insurers to accept the growing importance of women population in the economy, identify their special needs or requirements, if any, and develop suitable product solution to provide adequate life insurance coverage. In this context, a short study is made on the share of female lives covered in life insurance business. Only discrete new business data- number of policies and first year premium for the year 2021-22 has been considered for the purpose.

Key Words:

Insurance Company, Life insurance, policies, premiums

1. Introduction :-

Women occupied around 49 per cent of the total population in India. Their contribution to the economic activity of the country is slightly increasing every year and it is important. Under the situation, there is a need for life insurers to accept the growing importance of women population in the economy, identify their special needs or requirements, if any, and develop suitable product solution to provide adequate life insurance coverage. In this context, there is need to study the share of female lives covered in life insurance business.

Definition of 'insurance' by investopedia

"A contract (policy) in which an individual or entity receives financials protection or reimbursement against losses from an insurance company". The company pools client's risks to make payments more affordable for the insured.

1. Insurance is a device of sharing risk that occurs on happening or uncertain event.
2. In insurance the risk is minimized by re-insuring or grouping the insurance.
3. Premium is charge as consideration for insurance.
4. In insurance contract payment will be made if contingency (insurance) occurs. In some insurance is certain in some it is not.
5. The amount of payment depends upon the value of loss.
6. In order to minimize risk large numbers of persons to be involved in insurance contract.
7. Insurance is not gambling nor it is a charity one. Has to pay a premium to protect (insure) one's risk.

Types of Insurance:

Insurance in India is mainly of two types:

1) Life Insurance:

has made its way in India over 100 years ago. It has been defined as a term of insurance where the insured pay a certain amount called premiums of specified time and in return the insurance companies agrees to compensate or pay back a certain sum of money to the insured on specific terms and conditions related to the duration of human life. Life insurance guarantees full protection against the risk of death of the insured. On the death of the insured person, Life insurance pays the full sum assured with bonuses as applicable while in other saving schemes only the saved amount with interest is payable. In a sense, Life insurance is superior to other forms of savings.

2) General Insurance:

means insurance against health, fire, marine and various insurance which include insurance against property, burglary or theft, reliability guarantee, employers' liability, and insurance of motor vehicles etc.

Every asset has a value of its own and the main aim of general insurance is to protect the economic value of assets. Assets can be prevented from the losses of accidents and calamities through insurance.

- a. Property Insurance Policy: This particular policy is specially intended to cover all the risks of a house and other property of insured.
- b. Health Insurance: It covers all medical expenses following hospitalization from sudden illness or expenses from any kind of accident.
- c. Personal Accident Insurance: This insurance policy allows full compensation for injury and even loss of life caused by an accident. It also includes compensation of cost of treatment and the use of hospital facilities in the process of treatment.
- d. Travel Insurance: These policies caress the insured against various events and misfortunes while travelling abroad. Travel insurance covers the insured against any kind personal accidents medical expenses and even loss of checked luggage, passport etc.

e. Liability Insurance: This policy identifies the offices or other professional employees against loss of their jobs arising from claims made against them by reason of any wrongful Act in their terms of service.

f. Motor Insurance: Motor Insurance is compulsory for every vehicle running on the road as per Motor Vehicle Act. Generally, there are two types of Motor Insurance Policy; one covers the act of liability while the other covers all liability and damages caused to the vehicles.

2. Profile of the study area.

In India, insurance has a deep-rooted history. It finds mention in the writing of **manu** (manus –mrithi), **yagnavalkya** (dharmashastra) and **kautilya** (Arthashastra). The writing talks in terms of pooling of resources that could be re-distributed in times of calamities such as fire, floods, epidemics, and famine. Ancient India history has preserved the earliest trace of insurance in the form of marine trade loans and carries contract. Insurance in India has evolved over time heavily drawing from other countries, particularly England.

1818 saw the advent of life insurance business in India with the establishment of the oriental life insurance company in Calcutta. This company failed in 1834, in 1829, the Madras equitable had begun transacting life insurance business in the Madras presidency. 1870 saw the enactment of the British Insurance Act and in the last three decades of the nineteenth century the Bombay Mutual (1871), Oriental (1874) and Empire of India (1897) were started in the Bombay Residency.

The Indian Life Assurance Companies Act, 1912 was the first statutory measure to regulate life business. The insurance Amendment Act of 1950 Abolished Principal Agencies. An ordinance was issued 19th Jan'1956 nationalizing the life insurance Sector and Life Insurance Corporation came into existence in the same year.

The history of general insurance dates back to the industrial Revolution in the West in 17th Century. Triton Insurance Company Ltd., rooted in the year 1850 in Calcutta. General Insurance business was nationalized with effect from 1/1/1973. The IRDA opened up the market in August'2000 with the invitation for application for registration. Foreign Companies were allowed ownership of upto 26%. In December'2000, the subsidiaries of the General Insurance Corporation of India were restructured as independent Companies and at the same time GIC was converted into a national re-insurer. Parliament passed a bill de-linking the four subsidiaries from GIC in July'2002. Today there are 28 general insurance companies including the ECGC and Agriculture Insurance Corporation of India and 24 Life Insurance Companies operating in the country.

The Insurance Sector is a colossal one and is growing at a speedy rate of **15 – 20%**. Together with banking services, insurance services add about **7%** to the country, **GDP**. A well developed and evolved insurance sector is a boon for economic development as it provides long-term funds for infrastructure development at the same time strengthening the risk taking ability of the country. Under the situation, there is a need for life insurers to accept the growing importance of women population in the economy.

In the light of the above, the present research is an attempt to “Study of participation of women in life insurance business in India”.

3. Objectives of the Study:

1. To Study the participation of women in life insurance business
2. To study the type of insurance.
3. To study the share in number of policies bought by women in 16 States/UTs,

4. Limitation of the Study:

The present study will be restricted to the The proportion of policies on women amongst private Life Insurance and LIC of 16 States/UTs. The references period of the study will be two years (2020 – 2022) and it will be based on secondary data which will be collected through various sources.

5. Review of Literature:

1. Singh H. and Loll M (December 2011), states that life insurance is one of the rapid growing and evolving markets in India. Insurance dispersal in rural area – the insurance industry has an acceptance grant in socio-economic development. Researcher has studied the opportunities for insurers in the rural market and new action to be taken to tap the highly underinsured rural area.

2. Rashmita Sahoo, (2012) studied Indian Life insurance market. More than 80% of the population in India does not have any life insurance cover. There was monopoly of LIC. But after privatization and opening up of life insurance sector, this sector is developing very fast. The growth rate of life insurance industry in India is @ 15 to 20% per annum.

3. Harmanpreet Singh, (2012) evaluated satisfaction level of female employees working in insurance industry in India is critically analyzed. For this present scenario of insurance sector and causes which produce stress on female employees has been studied.

4. Babu P. R. (February 2013) in his study by, on the private sector life insurance companies have been making smartly bunch in terms of increasing their extension and market share since year 2000. The Indian life insurance system is having strong base on mixed economic system

where in the public sector engaged a monopolistic position in life insurance business. Private players play an wide aspect in life insurance business more active and customer friendly.

5. Padhi B. (August 2013), study reflects that Indian insurance market was nationalized in 1956 and LIC of India was setup. LIC of India admired monopoly on Indian Insurance market for more than 4 decades. The study by will reveal the performance of particular private insurance companies in the sections like number of policies floated number of money collected through premium and the annual expansion in the specific areas from 2001 to 2012.

6. Data-base and Research Methodology:

• **Secondary Data**

Data required for the study primarily will come from online. The secondary Data also will be collected from annual reports and financial statements of the sample insurance companies. These will obtain from Hand book of insurance companies and their annual reports Newspaper, Magazines, Journals and periodically and search engine will be used.

• **Data Interpretations :**

Processed data and analysis will be further interpreted and presented in the form of elaboration, general finding and conclusions to the effectiveness.

7. Analysis:

Women occupied around 49 per cent of the total population in India. Their contribution to the economic activity of the country is slightly increasing every year and it is important. Under the situation, there is a need for life insurers to accept the growing importance of women population in the economy, identify their special needs or requirements, if any, and develop suitable product solution to provide adequate life insurance coverage.

In this context, a short study is made on the share of female lives covered in life insurance business. Only discrete new business data- number of policies and first year premium for the year 2021-22 has been considered for the purpose.

- The number of policies issued to women in the year 2021-22 is approx. 1.01 crore which is 34.7 % of 2.91 crore total policies as against a share of 33% in 2020-21.

No. of policies	Crore (100%)	34.7%	2021-22 year
No. of policies	2.91 Crore (100%)	33%	2020-21 year

- The proportion of policies on women amongst private Life Insurance and LIC
- In 16 States/UTs, the share in number of policies bought by women to the total policies sold is higher than the all-India average of 34.7%.

Top 5 States/UT		Bottom 5 States/UT	
State	Share to total Policies (%)	State	Share to total Policies (%)
Karnataka	45	Jammu & Kashmir	26
Kerala	44	Ladhak	26
Sikkim	42	Haryana	27
Goa	42	Rajasthan	30
Arunachal Pradesh	41	Uttar Pradesh	30

Participation of Women in Life Insurance Marketing

1. 6,99,429 women are working as agents in the life insurance industry, making it 29% of the total individual agency force as at March 31, 2022. Out of the total number of women agents, the share of private life insurers is 52% and LIC is 48%.
2. Among the private life insurers, Max Life Insurance Company Ltd. has the highest percentage of women agents at 42.5 per cent followed by Ageas Federal Life Insurance Co. Ltd. at 42.4 % and SUD Life Insurance Co. Ltd. at 41.7 %.

Conclusion:

Life insurance is available to women on the same term as relates to men, subject to however their income earning capacity. In fact, there is a positive practice of according privileged treatment to the female lives by most of the life insurers while charging the premium as their life expectancy is higher. Insurance of women type also depends on literacy levels, financial independence and financial decision making. Possible more peril.

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