

**A STUDY OF THE PERFORMANCE OF THE
"JEEVAN SAATHI" AND "JEEVAN MITRA"
POLICIES OFFERED BY THE L. I. C.**

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By

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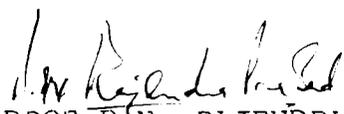
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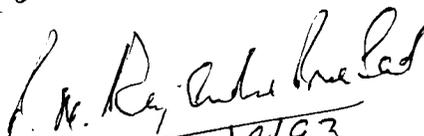
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D E C L A R A T I O N

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CHAPTER I
INTRODUCTION

The contract of life insurance is defined¹ as that in which one party agrees to pay a given sum upon the happening of a particular event contingent upon the duration of life in consideration of the immediate payment of a smaller sum of certain equivalent periodical payments by another. Life Insurance differs from all other forms of insurance in that, the ultimate benefit to be received under the contract by the person to whom a policy is granted is assured to him or her, so long as the contract is kept on foot by the policy holder. The consideration is termed the premium. The party receiving the premium and giving the security is termed assuree or insurer, The contingency insured against, the risk and the written instrument evidencing the contract is the policy. But "the law of Life Assurance", says Houseman,² "is that body of rules and principles by which are determined not only questions arising on the formation of contracts of life assurance, but also the interpretation and execution of such contracts and the devolution of such rights of property derived under them".

Contrast with other types of Insurance:

Life assurance, contrasted with other types of insurance, is not a contract of indemnity. The contract of indemnity' has been defined as "a contract by which one party promises to save the other from loss caused to him by the conduct of the promisor himself or

1. Richmond and Sheriff, Dictionary of Life Insurance Page 276 n.d

2. Houseman David, The Law of Life Assurance. Page XXIII.

by the conduct of any other person".³ But by a life policy the whole sum assured becomes payable on the happening of the event. Compared with life policy all other forms of insurance are indemnities.

Another point to note is that a life office having once accepted the life proposed and issued him a policy cannot cancel the contract. It must assure him the policy benefit, so long as he carried out his part of the bargain by continuing his agreed payments.⁴

Is Life Assurance a contingent contract?

A "Contingent Contract" is a contract to do or not to do something if some event collateral to such contract, does or does not happen.⁵ But the case of life insurance is different. The sum total of contingencies generally provided in a life insurance contract viz. death or survivance is a certainty. A life assurance policy generally assures payments against what is sure to happen. So it is not a case of contingent contract in the sense a 'Contingent Contract' has been defined by Law.⁶

The Science of Life Assurance:

The basic principle which underlies the working of life assurance is that a number of persons shall contribute to one

3. The Indian Contract Act Section 124.

4. Ibid., Page 185.

5. The Indian Contract Act Section 31.

6. Mitra Provakar, Life Assurance Law and Practice in India,
Page 6.

common fund (called life assurance fund) in order to make financial provisions for dependents or others in the event of one or more of the contributors dying at any time.⁷

The first essential for its working, therefore, is to fix the amount of each individual contribution according to age in order that it shall be (1) fair to the members of every age and (2) adequate to meet the whole of their claims from the common fund as they fall due. There is another factor which is of interest. The fund created by the contributions of the policy holders must be available to meet their claims as these are likely to arise. Therefore it needs to be safeguarded and carefully invested. Theoretically therefore, if the mortality table employed worked out exactly as regards claims and assured rate of interest exactly realised out of fund, the premiums, if correctly calculated would just meet every claim as it falls due.

The source of the profit or loss of the office comes from the factors of (1) mortality (2) interest and (3) expenses. Having found that it has got a surplus disclosed at valuation from these various sources, after providing for all future liabilities, the office can distribute its available balance to the policy holders by way of bonus.

Contract of Uberrimae fides : A Contract of insurance is a Contract of Uberrimae fides i.e., a contract based on utmost good faith which implies that the proposer must make a full disclosure of all material facts concerning the insurance. The withholding of any relevant information or mis-statement of any material fact may give the insurer the legal ground to declare the contract void.

7. Richmond and Sheriff, Dictionary of Life Insurance, Page 408-9.

Insurable Interest:

All policies of life insurance are void unless there is an insurable interest in the life assured. The reason is public policy. "A contract of insurance must be a contract for the payment of a sum of money or for some corresponding benefits to become due on the happening of an event, which event must have some amount of uncertainty about it; and must be of a character more or less adverse to the interest of the person effecting the insurance".⁸

Days of grace: Regarding the time of payment performance "days of grace" are generally allowed for payment of premium and the position of the assured during the days of grace and before payment of premium usually defined by the policy or by the regulations of insurance. "The days of grace" in life assurance means that if premium is paid during this period of grace no interest or fine is charged, it being presumed that the payment has been made when due.⁹

Transfer of Life Insurance:

A Life Insurance Policy is a property which can be transferred by sale, gift or exchange or any interest carved out of it, transferred by mortgage. A life insurance policy represents that class of property which is described in the Transfer of Property Act as an actionable claim. "Actionable claims"¹⁰ means a claim to any debt, other than a debt secured by mortgage of immovable property or by hypothecation or pledge of movable property, to any beneficial

8. Houseman David, Law of Life Assurance, Page 2.

9. Mitra Provakar Life Assurance Law and Practice in India, Page 56-57.

10. The Transfer of Property Act Sec. 3.

interest in movable property not in the possession either actual or constructive of a claimant, which the civil court recognizes as affording ground for relief, whether such debt be beneficial interest, be existent, accuracy conditional or contingent.

Endorsements: Generally speaking policies that have often been issued to the assured, are not altered except in case of error discovered later. But circumstances arise during the currency of the policy which necessitate change, alteration or variation in the terms or provisions of the policy. Such alteration or variation is effected by endorsement on the policy. An endorsement may, therefore, constitute a special condition added to the policy so as to adopt it to the requirements of the policy holder¹¹. From the business point of view it gives a measure of flexibility to the custom allowed in the interest of the policy holders.

Insurance and Assurance:

The two terms, although different are used in the same sense and in common parlance clearcut distinction between these two words is never drawn. It is thought by some that it is more proper to use the word 'Insurance' as applied to contracts of Indemnity such as fire, marine, accident, motor insurance where the sum payable is determined by the extent of loss, whereas the term 'assurance' expresses a contract under which 'certain' sum becomes payable to the assured on the happening of a predetermined event. "Assurance"

11. Mitra Provakar, Life Assurance Law and Practice in India,
Page 112.

is therefore, correctly used in connection with life assurance business. On the same lines distinction is drawn between the words 'Insurer' and 'Assurer' and 'Insured' and 'Assured' ¹².

Lapse and Revival:

Subject to terms and conditions of policy, where the premium is not paid within the days of grace, the policy lapses but may be revived during the life-time of the life assured. As the provision for revival is one of the terms and conditions of the policy a fresh policy is not required to be issued, but the revival may impose certain obligation on the insured by virtue of the statements made by them at the time of revival and a policy can be avoided for suppression of material fact at the time of revival ¹³.

Surrender and Paid up values:

Sec. 113 of the Insurance Act provides for accrual of certain benefits to policy holders even if they are unable to keep their policies in full force by payment of further premium. If premiums for atleast three consecutive years have been paid, there shall be a guaranteed surrender value. If the policy is not surrendered, it shall subsist as a paid up policy for a reduced sum. The policy conditions usually provide for a more liberal surrender value and paid up value than those secured by the statutory provisions ¹⁴.

12. Bhir B.S and Limaye M.D., Insurance Principles and Practice, Chap. 3 P. 19.

13. 14: Legal aspects of Life Assurance: The Federation of Insurance Institution. Page 62, 63. Chapter 5.

14. Legal aspects of life assurance: The Federation of Insurance Institution. Page 62, 63. Chapter 5.

"Life Insurance in the usual sense means the business of issuing policies of Insurance on human life. A policy on human life has been defined as any instrument by which the payment of money is assured on death, on the happening of any contingency dependent on human life, or any instrument evidencing a Contract that is subject to payment of premium for a term dependent on human life".¹⁵

Life Insurance is a contract providing payment of a sum of money to the person assured or, failing him, to the person entitled to receive the same on the happening of certain event.

A family is generally dependent for its food, clothing and shelter on the income brought in at regular intervals by the bread-winner of the family. So long as he lives and the income is received steadily, that family is secure, but should death suddenly intervene, the family may be left in very difficult situation and sometimes, in stark poverty. Uncertainty of death is inherent in human life. It is this uncertainty, that is risk, which gives rise to the necessity for some form of protection against the financial loss arising from death. Insurance substitutes this uncertainty by certainty.

Life Insurance has the following advantages:¹⁶

1. It is superior to an ordinary savings plan:

This is so because unlike other savings plans it affords full protection against risk of death. In case of death, the full sum assured is made available under a life assurance policy, whereas under other savings schemes the total accumulated savings alone will be

15. Benton William, Encyclopaedia Britannica, INC, Vol.13,
P.1091, First published in 1768.

16. Manual for agents, Life Insurance Corporation of India. P. 4.

available. The latter will be considerably less than the sum assured if death occurs during early years.

2. Insurance encourages and forces thrift:

A savings deposit can be withdrawn too early. Many may not be able to resist the temptation of using the balance for some less worthy purpose. On the other hand, the payment of life insurance premium becomes a habit and comes to be viewed with the same seriousness as the payment of interest on a mortgage. Thus insurance in effect brings about compulsory savings.

3. Easy settlement and protection against creditors:

A life assured can name a person or persons to whom the policy money would be payable in the event of his death. The proceeds of a life insurance policy can be protected against claims of the creditors of the life assured by effecting a valid assignment of the policy.

4. Administering the legacy for beneficiaries:

It often happens that a provision which a husband or father has made through ~~Savings~~ is quickly lost through speculative or unwise investments or by unnecessary expenditure on luxuries. These contingencies can be provided against in the case of insurance. The policy holder can arrange, in the event of his death, that the beneficiary should receive instead of a single sum

- (1) Payment of the net claim amount by equal instalments over a specified period of years or
- (2) Payment of the claim amount by smaller monthly instalments over the selected period followed by a lumpsum at the end

thereof.

5. Ready marketability and suitability for quick borrowing. After an initial period, if the policy holder finds himself unable to continue payment of premiums he can surrender the policy for a cash sum. Alternatively, he can tide over a temporary difficulty by taking a loan on the sole security of the policy without delay. Further, a life insurance policy is sometimes acceptable as security for a commercial loan.

6. Tax relief:

For computing Income Tax, the Indian Income Tax Act allows a rebate of certain portion of the taxable income of individuals or Hindu Undivided Families, which is diverted to payment of life insurance premiums, from income chargeable to tax in India. When this tax relief is taken into account it will be found that the assured is in effect paying a lower premium for his insurance.

Life Insurance Corporation of India¹⁷

The Life Insurance Corporation was established by an Act of Parliament which received the assent of the President on 18th June 1956. The Act came into force on 1st July 1956. Since that

17. Manual for agents, Life Insurance Corporation of India.

day the Corporation is having the exclusive privilege of carrying on life insurance business in India. The Corporation is an autonomous body and has necessarily to run on sound business principles. The Corporation has been fully carrying out the role assigned to it and justifying the confidence of the public by offering absolute security, better policy conditions, cheaper rates, dependable service, economic management and favourable returns to the nation at large.

The nationalisation of the insurance aims at widening the channels of public savings and is an important step towards mobilising these savings more effectively to finance national plans. Nationalised insurance, in brief, is designed to bring to the door of even the humblest citizen, wherever he may be, the benefits of this social service, to ensure complete security to the funds collected by way of premiums and to utilize profitably, such funds for nation building activities.

The Corporation's central office is located at Bombay. There are 5 zonal offices, one each at Bombay, Delhi, Kanpur, Calcutta and Madras. ^{17A} As on 31-3-1989 the Corporation had 64 Divisional Offices and over 1427 branch offices spread over 398 districts. As regards remaining 47 districts, which were sparsely populated, there are field organisations consisting of Development Officers or Agents who are attached to branch offices in the adjoining

17A. 32nd Reports and Accounts for the year ended 31-3-1989 Life Insurance Corporation of India Page 41 para No.135.

districts and they have been assigned the task to develop and also to look after insurance needs of the people in these areas.

The Corporation is, once at least in every two years, required to cause an investigation to be made by Actuaries into the financial condition of its business including a valuation of its liabilities and submit the report of the Actuaries to the Central Govt.

Out of the surplus disclosed as a result of such an investigation, 95% thereof or such higher percentage as the Central Government may approve, will be allocated to a fund reserved for the life insurance policy holders of the Corporation and the remainder after meeting the liabilities of the Corporation, if any, will be paid to the Central Government or if the government so desires be utilised for such purposes and in such a manner as the government may determine. The manner in which the surplus allocated to the policy holder will be determined by the valuing Actuary.

LIC has made considerable progress since its inception and it plays a key role in mobilising resources for the economic development of our country. It will continue to work for the growth of the economy and welfare of the people in India. It must devise new schemes to help the weaker and unprivileged sections of the Society¹⁸.

18. The Economic Times Bombay, Sept. 1. 1986

Vol.xxvi No.179.

Statement of the problem:-

Life Insurance Corporation of India introduced different plans of policies in order to suit the needs of different income and occupation groups to which they belong. Of these, some policies are getting very good response from the public, whereas others are not. For example, the Endowment policy or Money back policy had a very good response from the public, whereas Jeevan Saathi or Jeevan Mitra policy did not get such response from the public as per the data given in the annual report of LIC during the year 1986-1989.

Table showing Sales of different types of policies
from 1986 - 1989.
(number of policies in thousands)

Year	Jeevan Saathi	Jeevan Mitra	Money back policy	Endowment Assurance
	No.	No.	No.	No.
1986-87	23	337	1347	1832
1987-88	27	367	1795	2084
1988-89	53	348	2695	2415
1989-90	92	429	3140	3169

(Reports and accounts of LIC from 1986-87 to 1989-90)

The table given above shows that even though there is an increasing tendency in the sale of Jeevan Saathi and Jeevan Mitra Policies, when compared with Money Back Policy or Endowment Assurance Policy, the sale of these policies is low.

In the year 1986, the total number of Jeevan Saathi and Jeevan Mitra policies sold were 23000 and 337000, whereas in the case of

money back policy and Endowment assurance the figures are 1347000 and 1823000.

In the year 1989-90 the total number of Jeevan Saathi and Jeevan Mitra policies sold were 92000 and 429000, whereas in the case of Money Back policy and Endowment Assurance the corresponding figures were 3140000 and 3169000 respectively.

From the above it is clear that compared with Money back policy or Endowment Assurance, the sale of Jeevan Saathi and Jeevan Mitra policies is low.

The main benefit of Jeevan Saathi policy is that, it is a joint life policy which covers the life of both husband and wife under a single policy. And they also get double benefit if any one of them dies during the term of the policy. The Jeevan Mitra policy is a single life policy, the main advantage of which is that the dependents get double benefit in case of normal death and triple benefit in case of accidental death during the term of policy.

So both the policies have their own attractions but when compared with the annual sales of other policies, the additional increase in the sales of these policies are decreasing. It is a fact finding study concerned with market performance of these two policies by conducting a survey among the Jeevan Saathi and Jeevan Mitra policy holders, and a thorough analysis of the various information or data collected from them. This study is an attempt to present an integrated picture of the main features of the policy holders who have bought these policies, the major factors responsible for making them purchase these policies, the various difficulties faced by them at

present and further modification needed in the plans of these policies according to the opinion of policy holders. For increasing accuracy of the conclusions, information is also collected from Agents and Development Officers by using interview schedule.

The main purpose of this study is to draw attention of LIC to introduce new plans of policies taking into consideration the drawbacks or defects of the existing policies and present needs of policy holders. It will also help to make new plans in order to suit the needs of more people who want to buy life insurance policies.

Objectives of study: The main objects of present study are:

1. To identify the various needs of Jeevan Saathi and Jeevan Mitra policy holders.
2. To analyse the changes needed in the plans of these policies as per the opinion of policy holders.
3. To analyse the effect of age, income of family, occupation, size of family and other similar factors in the sale of these policies.
4. To examine the opinion of policy holders in connection with the various services or benefits provided by LIC, agents of LIC, staff of LIC in the office to know whether these factors have any effect in the sale of these policies.

Methodology : There are three main LIC divisional offices in Kerala. They are situated in Trivandrum, Calicut and Ernakulam. The scope of the present study is confined to the Ernakulam city, Ernakulam Divisional office and two other branches situated in the heart of the city of Ernakulam. The main reason for selecting Ernakulam city as the area of survey is that it is a highly industrialised, thickly populated area with a high degree of literacy and the inhabitants include people belonging to different occupations, different income

classes, different religions and a good number of families belong to the category in which both husband and wife are employed, which is one of the main reasons for taking Jeevan Saathi Policy.

The primary data for the study were collected by a sample survey of policy holders, Agents and Development Officers. The lists of the names of Jeevan Saathi and Jeevan Mitra Policy holders were collected from the two branch offices. It was found that upto December 1988 there were 140 Jeevan Saathi Policies and 170 Jeevan Mitra policies of which 20% from both these policy holders were included in the survey. The sample was selected using straight forward Random Number Tables. The sample come to a total of 62 policy holders, who were personally interviewed using an interview schedule specially prepared and pretested.

There were 440 Agents and 16 Development Officers working under these two branch offices. Among them 10% agents were selected using straight forward Random Number Tables. The total number of Agents selected for the survey comes to 44 Agents and all Development Officers were included in the survey. Thus the total number of Agents and Development Officers came to 60 (44 + 16) who were interviewed personally using another pretested interview schedule. The secondary data used for the study were collected from LIC's Annual reports, Yogashema (a monthly magazine issued from the Bombay Central Office of LIC) and other survey reports published by LIC in various years.

A word or two about the two policies selected for the study may not be out of place. Both Jeevan Saathi and Jeevan Mitra policies are quite different in ~~the~~ their features. The first one is a joint life policy

while the second one is a single life policy. The first is meant only for those couples where both husband and wife are employed, while the second one can be bought by any one who is an income bearer. The reason for selecting the two entirely different groups of policy holders for the study is to incorporate greater variety of problems faced by the two groups, different varieties of opinions and different features or characteristics which existed among them.

The present study is both descriptive and analytical. It is descriptive in the sense that it traces the historical growth of LIC in general and present performance of LIC, regarding Jeevan Saathi and Jeevan Mitra policies. It is analytical in the sense that it analyses and interprets the data and projects future trends. Being a fact finding study no hypothesis has been formulated.

Limitations of the study

The study of Jeevan Saathi and Jeevan Mitra Policy holders taking the entire district of Ernakulam is too complex to be handled. The Ernakulam city area can provide typical samples of both these types of policy holders. More over this is only a market survey of these two policies confined to the Ernakulam city. Therefore no generalisation or statistical inference from the sample to the universe have been attempted.

Scheme of the Report

The study is divided into five chapters. The first chapter provides a brief introduction to the study. It includes the object and purpose of Life Insurance Corporation, statement of the problem, objectives of the study, methods of data collection and limitations of the study.

The second chapter deals with historical background of LIC from its origin to its incorporation and other developments taken place after incorporation.

The third chapter deals with the analysis of information collected from the interview schedule of Jeevan Saathi and Jeevan Mitra policy holders and information collected from agents and development officers .

For convenience and easy understanding this chapter is divided into three parts. The first part deals with simple and cross analysis of information collected from the interview schedule of Jeevan Saathi and Jeevan Mitra policy holders regarding the LIC and these two policies.

The second part contains information relating to agents. It deals with simple and cross analysis of the information collected from the interview schedule of Jeevan Saathi and Jeevan Mitra policy holders relating to agents and development officers.

The third part deals with analysis of information collected from the interview schedule of agents and development officers. It contains simple and cross analysis of opinion regarding the performance of Jeevan Saathi and Jeevan Mitra policies and opinion about LIC and also about their profession.

The fourth chapter presents the summary and highlights of the various conclusions drawn from the analysis of the interview schedule for both types of policy holders and also for agents and development officers.

The fifth chapter deals with the recommendations that are drawn from the conclusion of the fourth chapter and also scope for further studies.

CHAPTER II
HISTORICAL BACKGROUND

The story of Life Insurance is as old as the story of mankind. The Biblical story of Joseph during the famine in Egypt has been cited as the first insurance plan in recorded history. The Egyptian ruler Pharaoh had a dream one night in which he stood on the banks of the Nile and saw seven fat and glossy cows coming out of the river followed by seven lean and hungry cows. The latter swallowed the former. Pharaoh was disturbed and he sent for Joseph to interpret the dream. According to Joseph seven fat cows represented seven years of good crop and the seven lean cows represented seven years of famine. He advised Pharaoh to take one fifth of the crop of each prosperous year to be used in the years of famine. Joseph himself was entrusted with the implementation of the scheme.¹ In Islamic scriptures the same story is associated with the name of Prophet Yusuf.

The story illustrates though symbolically, the Insurance principle of spreading the risk and the wisdom of preparation in the prosperous present for the need of an uncertain future.

Roman practices

Romans had developed a high state of social structure and their commercial and social needs were such that complementary forms of Insurance automatically evolved.² The Romans were familiar

1. Saga of Security, story of Indian Life Insurance 1870-1970, Towards Scientific approach. Life Insurance Corporation of India, Chap-1. p.1.

2. Ibid. p. 3

with the practice of census and their burial clubs compiled records of birth and death for study. Though averse to thinking about death as an insurance of risk, they had not the same objection to making proper arrangements for a decent burial. The gods and goddesses of classical mythology were the deities of heathen Rome, whose worship included elaborate and costly burial ceremonies. The purpose of 'collegia' organisation was to provide money for these funeral celebrations.

Though the growth of insurance was hindered in the Middle Ages by church laws against usury and by other factors, economic forces ultimately prevailed. The church too recognised and even practised the grant of life annuity. The prohibition of interest encouraged the use of annuity contract by which the land owner or businessman could obtain capital for use. Monasteries, towns and states as well as individuals often sold life annuity in order to raise money.

The First Life Policy:

The earliest available record of life insurance policy is on the life of William Gybbons, a citizen and Salter of London effected on the 18th June 1583. The policy was procured by Richard Martin, Citizen Alderman of London and it was underwritten by sixteen individuals.³

Real beginning:

Out of the search of security, the concept of insurance was born. The basic requirement of the science of Life insurance is precise knowledge about the rate of which members of a group will die at a given age and from year to year. This knowledge is made

3. Ibid, p. 6.

available with the help of past records of death. It is assumed that the same experience will be repeated in the future. The validity of this assumption has been demonstrated by experiment and has been formulated in the "law of large numbers" which is the basis of all application of that branch of mathematics known as 'Theory of probability'. In England the relevant data was available even from earlier periods as the parish registers were kept from 1538 onwards.

More outstanding was the contribution of Edmund Halley, the Royal astronomer, best known to later generation for his calculations of the orbit of the comet which bears his name⁴. He presented before the Royal Society, in 1693 his degree of Mortality of mankind based on vital statistics obtained from Breslau in Silesia, the only city in the world, which at that time maintained records of births and deaths including the age of its dead. From these records, Halley constructed the first correct table of the value of life annuities.

The next important contribution in this branch of research was by Abraham De Moiver. His hypothesis that of a given number of persons alive at any age an equal number would die each year, enabled him to establish a simple formula for calculating the value of annuities on single and joint life, reversions and survivorship⁵. Other advances along actuarial lines were made both in England and on the Continent.

The actuarial science developed to a great extent in the 19th century. The establishment of the Institute of Actuaries in 1848 in England marked a turning point in the history of life assurance.

4,5, Ibid, p.6, p.11

Early Insurance Offices

The first registered life office in England was "The Hand-in-hand society" established in 1696 followed by 'The Mercess Company' established in 1698. In course of time life insurance began to be sold on an associated scale, i.e., a fixed number of persons would be brought together and would be insured together all paying the same amount. The Master would promise to pay those who died, after a fixed probationary period, a given sum on the satisfaction of certain conditions. The first of this type was "The Society of Assurance for widows and orphans" founded in 1699.

The Old Amicable Society is reputed as the oldest life office registered in the world and certainly it is the first life office recognised by the British government in as much as the society obtained a Royal charter from the Queen Anne authorising them to transact life insurance business from 25th March, 1706.

Ancient concepts in India:

Some writers have claimed that insurance was practiced in India even in the Vedic period in one form or another. It is said that the Sanskrit term "Yagakshema" in the Rigveda meant some kind of insurance, which was practised by the Aryans in India nearly 3000 years ago⁶. During the Moghul period, Insurance took firm roots. The joint family system which existed in India is also one kind of self insurance.

Under British Influence:

Exposure of Indians to the full strength of British Industrial

6. Ibid. p. 15.

and commercial system led to a fundamental change in their social, economic and commercial outlook.

Sir John Child, who was the governor of Bombay between 1681-1690⁷, was instructed by the court of Direction of East India Company to constitute an Insurance office in Bombay, but it was not known what had become of this suggestion. A few leading European merchants in the Bombay island established in 1793 the earliest known insurance company namely "Bombay Insurance Society".

The first life insurance company on Indian soil appeared in the year 1818 namely Oriental Life Insurance Company. It was established to afford relief to distressed relatives of Europeans. This company was reformed in 1829. This renewed company got into trouble in 1833. In Jan., 1834 the Government made up its mind to establish a public insurance company and a committee was set up for this purpose. As a result another company was born out of the previous one in the name of "New Oriental Company".

On May 1823 several enterprising people in Bombay started the 'Bombay Life' Assurance Company⁸. This company did not issue whole life policy and its main business was to offer protection for short periods.

'The Madras Equitable' was founded in 1829 in Madras⁹. This company was started to ensure lives of British Officers. The policies were payable on death and Premia were payable throughout life.

^{7,8, 9.} Ibid. p. 20.

These efforts were made by Europeans and some granted cover to Indians treating them at par with the Europeans. Even when selected Indians lives were granted Insurance Policies, heavy extra premium was charged. The contribution of the greatest social reformers of India to the development of life insurance was very great.

The period of about half a century commencing from the establishment of the 'Oriental' in 1818 and ending about 1870 covered the early attempts to propagate life insurance in India on the lines of contemporary English model. During the period of 44 years from 1824 to 1868, 285 life offices were founded in England of which 174 ceased to exist for various reasons by 1870.

The failure of 'Albert Life Insurance Company' in August, 1869 caused consternation throughout the world of Life Insurance owing to the far reaching consequences of the disaster and sending numerous families to misery and ruin. The reason for failure of the company was reckless management and large sums paid away for acquiring the business of the numerous offices which had been transferred to the company.

Their failures led to the passing of the Life Insurance Companies Act 1870 and a further Act was passed in 1872 made it compulsory for the new companies to deposit £20,000 with the government and to keep separate accounts of life business etc.

Proposal for a Government Company

The progress of Life Insurance in England was being watched with keen interest in India and there arose a demand here that the government of India should start an insurance company for insuring Indian lives.

The Government found it impracticable as the government did not have adequate statistical information regarding mortality of Indian lives and it was difficult to find the correct age of Indians. It was also argued that Indians themselves did not want insurance.

Birth of Indian Insurance:

The failure of Albert Life Insurance Company and other companies spread gloom all over the country.¹⁰ On December 3, 1870 seven earnest men of Bombay with just seven rupees for initial expenses gave shape to the plan of offering insurance to the public without the risk of ruin and the Bombay mutual Life Assurance Society came into existence.

The success that attended the efforts of the society in the first week of its existence was pleasantly surprising. In the first seven day policies involving a liability of no less a sum than a lakh of rupees were issued.

The prudent members asked as to what would happen in the event of any claim arising before sufficient reserves have been built up out of the premiums. To dispel all doubts and distrust, the seven valient heroes, not to be dismayed by their poser gave an undertaking to all members that if in the first two years a policy became a claim then they would from their private purse . make good a short fall upto Rs.5000/-. But no claim was registered until 1874. In the following year a claim came for Rs. 3000/-. The funds of the society were more than sufficient to cover it.

By 1895, barely 25 years after its foundation, it was found that

10. Ibid, Chap. 3, p. 36.

the membership of the society had sufficiently increased and the surplus accumulated to such an extent that the Board of Directors, after securing a valuation report in London and with the consent of its members found it expedient to refund 15% of its capital premium paid.

The oriental:

The urge for "An Indian Company for Indians" was not to be denied and Mr. Slater's quick response to this demand combined with his perception of the advice received by him resulted in the formation of the 'Oriental'. He foresaw the key role life Assurance was destined to assume in Indian economy and set about to introduce it in an organised manner. The response of his effort was spontaneous and on the 5th of May, 1874, the 'Oriental' was formed with an authorised capital of Rs. 10,00,000 of which Rs. 1,50,000 was subscribed.

In the final year of the first decade of its existence, the 'Oriental' was able to issue 1325 policies assuring over Rs.38 lakhs and had a total annual income of over Rs. 5,00,000 and funds totalling Rs. 10,50,000¹¹.

A State Department:

The Mysore State Government started its insurance department in the year 1891 with the intention of providing cheap insurance to the officials of the Mysore Government. This scheme known as the official branch insurance was compulsory for all permanent government employees, the premium being 10% of the pay per month subject to a maximum of Rs. 70.

11. Ibid Chap.3 p. 36.

Indian Life:

It was after 18 years of the formation of the 'Oriental' that another Indian life office came on the scene. Some citizens of Goa, settled in Karachi promoted an institution for providing insurance on scientific basis. By 1892 they had finalised a plan for mutual aid and on March 7, 1892 the Indian Life Assurance Company Limited was registered in Karachi.¹²

The Commercial Union Assurance Company Ltd. established in 1861 in the U.K. extended its activities to India in 1870.¹³

'City of Glasgow' established its branch office in Calcutta in 1881 and was the first to charge the same rate of premium for both Indian and European residents.¹⁴ After doing a fairly large volume of business, the company was amalgamated with the 'Scottish Union and National' in 1913.

The American interest entered the Indian field in 1832 through the "Equitable Life Assurance Society of New York" the largest insurance company in the world.

Another American Company 'New York Life' commenced business in India in 1835 and continued upto 1922 when its Indian liability and assets were transferred to the "Sun Life of Canada".¹⁵

The Sun Life Assurance Company of Canada commenced its Indian business in November 1892 by opening an agency in Bombay.¹⁶ In 1893 the Gresham Life Assurance Society of England commenced business in India through their chief agents.

12, 13, 14, 15, 16 Ibid. Chap. 4. P. 60, 65, 66.

New awakening:

The 'Bharat' Insurance company was established in Lahore in the year 1896.

The 'Empire of India ' was started at Bombay in the year 1897. In March 1925 it shifted its business to its own building at Hornby Road, which came to be known as "Empire House".

The cream of Insurance business in India used to go to non-Indian companies. But then dawned the glorious renaissance of the Swadeshi movement. The wave of violent political unrest soon turned to a complete boycott of British goods and British institutions and gave birth to a Swadeshi movement. The question of starting insurance companies in India also came to the forefront at that time. It was felt that the premium income received from Indians should remain in the country so that accumulated funds might be utilised to help indigenous industries.

The first 14 years of the 20th century preceeding the world war I, saw the growth of Life Insurance enterprise in India at a rapid pace.

United India:

The United India Insurance Company was started in March 1906 by Shri Vijendra Rao. The main object of the company stated in the Memorandum of Association was "providing the poorer and middle class people life assurance at a moderate cost".

National and National Indian:

The National Insurance Company was started in Bengal in the year 1906, and another company with similar name was started in

Calcutta called "National Indian Insurance Company".¹⁷ 'The Hindustan Co-operative Insurance Society' was started in Calcutta in 1907. The chief aim of the company was to offer an insurance service to the country that would be owned, managed and controlled by Indians, the money must be utilised for the development of the country.

'The General Assurance Society' was started in July 1907. Another two Insurance Companies started during this period were co-operative Assurance started in 1906 at Lahore and shifted to Amritsar and the Indian Equitable of Calcutta started in 1908.

Bombay Life:

This company owned its origin to Swadeshi Movement and so decided to call itself as ¹⁸ "Swadeshi Life Assurance Company". The promoters felt that this name of the company would appeal to prospective policy holders. The company was registered on March 4, 1908. The company received complaints from some of their chief agents that they were not able to secure sufficient business as people were afraid that they might be shadowed by the police if they insured their lives with a Swadeshi concern and requested for a change in the name of the company. In 1913 the name of the company was changed into 'Bombay Life'.

During the first decade of 20th century, the Government realised that the provisions of the Indian Companies Act were inadequate for the control of Insurance Companies. The Indian Life

17. Ibid. p. 85.

18. Ibid. p. 92.

Insurance Companies Act and the Provident Insurance Societies Act were passed in 1912.

An attempt was made in the Act of 1912 to discourage the mushroom growth of Life Insurance Companies. The Act made it necessary for the companies to submit certain returns to the government. The passing of the Insurance Act of 1912 was an important landmark in the progress of life insurance in our country.

The Indian Life Assurance Companies rules framed in 1913 made it obligatory for every company transacting business to show in its accounts both the premium income and the claim of such business separately.

During the first world war:

The year 1914 saw the beginning of world war I which had disastrous effects on the economic conditions of the country.

However the outbreak of influenza epidemic which followed the war in 1918 took a heavy toll. In India six to seven millions were estimated to have perished in 1918. Such heavy mortality naturally affected the claims experience of the Indian Life Assurance Companies. For instance, the valuation report of the Oriental for the period 1916-1918 showed an increase in claims of nearly Rs. 23 lakhs.

Post War Development

During the war years 1914-1918 there was naturally a slackening in new company floatation. The task of fulfilling national objectives naturally fell on the shoulders of Indian people. Many industrialists

came forward to found new companies. The lead was taken by the celebrated house of Tata, realising that in the field of Insurance there was hardly an Indian company catering for general insurance business.

Sir Dorab Tata with prophetic dream conceived the idea of establishing a great and truly Indian composite Insurance company and undertook responsibility of promoting the New India Assurance Company. It was floated with an authorised capital of Rs.20 crores the largest capital of any insurance company in India. It commenced Life Insurance business only 10 years after its inception.

Another composite insurance company which started in the year 1919 was the Jupiter General Insurance Company Ltd. The 'Jupiter' also commenced Life business in 1928, nine years after its formation.

The year 1919 saw the formation of nine insurance companies of which eight were at Bombay and the remaining one in Bengal.

The twenties of this century witnessed constant rise in the volume of new life business as well as total life business in force.

Postal Insurance:

It was an interesting coincidence that the demand for the entry of the state in the sphere of life insurance repeated in the very year of birth of Indian Insurance in 1870. In this year itself it was found necessary to have a government sponsored scheme of life insurance to help government employees making provisions for the security of their families¹⁹. Admissions to the benefits of the scheme was voluntary, premium was payable by monthly instalments

19. Ibid.Chap.9 p.121

and was deducted from pay bills. The Director-general, Post and Telegraph was the administrator of the scheme. The accounts of the fund were however centrally maintained at Calcutta by the P and T Audit Department upto the middle of 20th century. In 1928 the total number of Postal Insurance Policies in force was 58,586 assuring a total amount of Rs. 11.67 crores.

Lakshmi Insurance Company:

Lakshmi Insurance Company was founded in 1924. During the first year of its birth, policies for Rs. 23 lakhs were issued. Pandit Motilal Nehru was one of the great Patrons of Indian Insurance. He joined the Lakshmi as its founder director and it was the influence of his name that enabled the company to write record business in the initial stages.

'Andhra Insurance Company Ltd.' was founded in August 1925. The Indian Mutual Life Association Ltd. was started on March, 1926. The Tropical Insurance Company Ltd. was founded in Delhi in 1927. A large number of companies were established in 1928. Special mention may be made of the commonwealth Assurance Company Ltd. at Poona and East India Assurance Company was established at Calcutta in 1928 itself.

An outstanding year

The year of 1928 was an outstanding year in the field of insurance in India as during this year, the Indian Insurance Officers' Association and Indian Life Assurance Officers' Association came into existence.

During the period this field was practically a monopoly of

foreign insurance and Indian companies found it difficult to withstand their competition. And there was a persistent demand for amending the Insurance Law to provide for disclosure of details of the business carried on by non-Indian companies and during this time Indian Insurance Act of 1928 was passed in September.

The two features of the act were as follows:

1. The new act provided that the surplus shall be allocated to shareholders and to policy holders in the proportion in which the profits were allocated during the ten year immediately preceding the commencement of the winding up.
2. The new act required every insurance company which transacted any class of insurance business in British India to submit annual statements showing details of its business both in and outside India. The main reason for the collection of these details is to have sufficient information regarding the character and volume of Insurance business transacted in India.

The year was thus an important landmark in the history of Indian Life Assurance.

During the year 1930, when the independence movement was at its peak, the insurance business naturally suffered and new business came down.

The Eastern and Western parts of India appeared to have taken the lead in another direction. They resolved that additional benefits would be given to policy holders who were victims of British repression in view of the fact that many of the policy holders had joined

the national struggle. They decided if any policy holder was sent to jail while fighting for national freedom,²⁰ since April 6, 1930, his policy would be kept automatically in force even though the premium due on his policy was not paid during his detention in jail.

By the end of 1929 the international money market faced a critical situation. Security values tumbled, Commodity prices reached their lowest ebb, Gigantic industrial plants were forced to close down and businessmen lost heavily. Indian Insurance was however fortunate in escaping this calamity because of the peculiar circumstances of its development. Indian Insurance emerged successfully through this crisis.

During the decade from 1928 the promotion of new life companies continued to be almost a craze and companies were promoted in a haphazard manner quite oblivious of the warning repeated in the year books. The Blue Book (as the Indian Insurance year book came to be known) of 1929 and 1939 reports the promotion of as many as 176 companies. In 1938 the business in force exceeded Rs.1 crore only in respect of 22 of them. The increase in number of companies does not appear to have had any healthy effect on the business. On the contrary they seem to have done more harm than good to insurance business in India.

The formation of the Aryasthan Insurance Company Ltd. was the dream of a group of leading public men in Calcutta.²¹ The Company was inaugurated in 1933. The Company chose to pursue a conservative

20. Ibid, Chap. 10, p. 141.

21. Ibid, Chap. 11, p. 154.

policy with the result that there was a steady progress. In 1935 the Aryasthan completed only Rs. 7.60 lakhs of new business which was raised to over Rs. 13 lakhs by 1940 and crossed Rs. 80 lakhs mark in 1949. It completed a business of more than a crore of rupees in the year 1954.

Another great achievement was the formation of the Railway employees' Co-operative Insurance Society Limited. The Society was started in 1932 on a co-operative basis by the employees of Eastern Bengal Railway later known as Bengal-Assam Railway.

Recognising the service rendered by the society, the authorities permitted recovery of premium through salary bill in 1942. When the Indian Railway system was reorganised in the zonal pattern, the society was not affected in any way. The majority of office bearers worked honourarily. In 1951 it crossed the mark of Rs.1 crore new business, its 1954 performance was Rs. 1.60 crores.

The Hindustan co-operative, the biggest company of Bengal celebrated its silver jubilee in the year 1934. In 1930 the business was a crore and 12 lakhs. It exceeded 2 crores mark in 1933 and it crossed 30 crores in 1954.

The National also celebrated its silver jubilee in 1931 and Golden jubilee at the time of nationalization. Its amount of business came to Rs. 18.18 crores in 1954.

The New India Assurance Company, promoted in 1919 by the house of Tatas, had concentrated on General Insurance. The issued capital consisting of 240,000 shares of Rs.250 each was all taken

privately. It started its life business in 1929. Its life insurance business reached a record of Rs.43.42 crores in 1954.

The 'Oriental' celebrated Diamond jubilee in 1934 and its total business reached Rs.47.75 crores in 1954. In case of 'Bombay Mutual' its business came to Rs. 6.83 crores in 1954.

South India

During this period a few companies emerged in the south. The Popular Insurance Company with head office at Mangalore was formed in 1929. Its business amounted to Rs. 36.12 lakhs in 1954.

The South Indian Co-operative Insurance Society Ltd., Madras was established in the year 1932. In 1954 the Society completed new business of 81.56 lakhs.

The New Guardian of India was registered in Madras in 1934. Its total business amounted to Rs.82.33 lakhs in 1954.

The Canara Mutual Assurance Company was registered in 1935. Its business touched Rs. 88.29 lakhs in 1954.

The 'United India' celebrated silver jubilee in 1932. The company wrote new business of more than Rs. 4.25 crores in 1954.

The Indian Mutual of Madras had a new business of Rs.1.15 crores in the year 1954.

The premier company of Andhra was another one. Its new business in the year 1954 amounted to Rs. 1.94 crores.

North India

The 'Sunlight of India' Insurance Company was established in Lahore in the year 1932. Its new business reached the mark of Rs. 1 crore in 1954.

The new Asiatic Insurance Co.Ltd.was sponsored in the year 1933 by the well known house of Birlas. The company's life business reached Rs. 3.43 crores for the year 1954.

The Bharat Insurance company was reorganised in 1935. During partition the head office was shifted from Lahore to Delhi. In 1950 and 1951 the 'Bharat' wrote new business of over Rs.3.5 crores and over a 4 crores each in the following two years.

The 'Warden' was registered with its head office at Ahmedabad in 1933. They registered a new business of Rs. 85 lakhs in 1954. The 'Western India' celebrated its silver jubilee in 1939. The Company completed a new business of Rs. 3.56 crores in 1954.

By the end of 1938 there were 217 Indian Insurers in the field as against 147 non-Indian insurers.

The advent of a large number of new companies resulted in intensifying a struggle for existence and pushed the expenses upto uneconomic levels. Some Indian Insurance Companies, in order to declare high bonuses resorted to raising the valuation interest rate even to 5% and diminishing the premium reserves for future expenses. The public developed a craze for bonus and they would rush to a particular company because its bonus declaration was more satisfactory than those of other companies.

Coupled with this was the baffling problem of lapsation of

policies facing the Indian insurers. The main cause of increased lapse ratio was the attempts of companies to outbid every year their record of previous new business,

The total number of policies issued by Indian Companies²² exceeded one lakh every year except in 1931 when the number was 96,909. From 1935 onwards the number of policies under written in a year crossed 2 lakhs and in 1938, the figure was almost 3 lakhs. The Endowment Assurance continued to be the most popular form of insurance and in no year was its share less than 72% of the total business and in some years it even touched 83%. The percentage of whole life policies constituted about 14% approximately.

Remedial measures

The unhealthy competition of foreign companies, indiscriminate growth, both of insurance companies and provident societies, malpractices and fraud, all demanded some sort of control at the highest level. And the Indian Insurance Companies Act of 1928 was found to be insufficient to control properly. The Government appointed Shri. Sushil C. Sen a Special Officer to report as to what type of legislation was called for. He submitted his report at the end of 1935. A consultative committee consisting of representatives of various insurance companies considered the recommendation of the Special Officer. Thereafter a bill was framed and circulated for opinion. It was introduced in the Indian Legislative Assembly in 1937 it became law in early 1938 and came into force on the 1st July 1939. Though the new act was considered

22. Ibid. Chap.13 P. 183.

satisfactory, a few voices were raised for nationalisation.

Provident Societies:

In 1938 when the new insurance Act was passed there were 505 provident societies operating in the country.²³ As a result of the act and the world war that followed in the next year a very large number of them went into liquidation. The sections of the Act dealing with Provident Insurance provided for a speedy exit for any society which was not upto the mark and was unable to comply with the provision. The provident insurance in the real sense of the term, took birth from the insurance Act of 1938. At the time of Nationalisation in 1956, there were 75 provident societies in the field which were integrated into the Life Insurance Corporation.

Superintendent of Insurance

The new act had created the post of superintendent of insurance. A separate department under the superintendent of insurance was set up. Its functions were to see that all insurers complied with the provisions of the Act and to publish annually the summary of returns of the companies. Mr. J.H. Thomas was appointed the first Superintendent of insurance and he took charge of his duties by the middle of 1938 at Simla. He continued as the Superintendent till June 1943. After partition he was appointed the first superintendent of insurance of Pakistan.

During the war years

During the post war period many new companies went into

23. Ibid. Chap. 13 P. 191.

liquidation and several others were passing through a period of crisis aggravated by unsettled conditions due to war. During this period registration of so many insurance companies working in India was cancelled in order to weed out companies deemed to be ill equipped with resources, required according to its standard. Side by side with amalgamation, reconstruction of companies also took place at great financial loss to the policy holders. The reconstruction of 'Asian Mutual' provides an example. Some of the existing policies were so altered that the sum assured was reduced to half of its amount. The premia continued at new rate.

The great war presented some problems to Indian insurance in the shape of a fall in new business, increase in expenses and depreciation in securities. Life insurance Policies were surrendered in large numbers and loans were taken to the limit.

The new business in India during the early war year fluctuated as follows: Rs. 46.6 crores in 1939, Rs. 36.1 crores in 1940, Rs. 39.5 crores in 1941 and Rs. 42.9 crores in 1942.

It was one of the main purposes of the insurance Act of 1938, to restrict the hasty formation of new business with inadequate resources. In spite of repeated warnings by the superintendent of Insurance against indiscriminate flotation of new companies, new concerns continued to be floated.

The cheap money policy was pursued with great vigour by the Government since the outbreak of the second world war. From the point of view of Life Insurance business, the yield on funds played an important part. The fall in interest rates necessitated assumption of reduced rates in calculating valuation

of reserves making a great demand on the reserves of the company. Under such circumstances either higher rates of premium had to be charged or bonuses to policy holders were to be reduced.

Another unfavourable effect of the War on insurance was the increase in administrative expenditure on account of high salaries and dearness allowances to staff, increase in cost of stationary and office equipment, travelling expenses etc.²⁴ Because of the growing competition, the companies also indulged in lavish expenditure in the shape of high commission rates, expensive advertising etc. for securing business. These factors compelled the insurers to review the entire position. Life officers felt the need for limiting bonuses.

Another course adopted was to review the premium rates. In 1944 the Superintendent of insurance had advised insurers to give serious thoughts to revision of their premium rates in consonance with the prevailing low market rate of interest.

The number of life officers was 200 in 1938 which began to decline subsequently but later recovery brought the figure to 198 in 1945.

The average new business for each office in 1945 was Rs. 62 lakhs as against Rs. 23.2 lakhs in 1938.

Another healthy sign was the increase in the average sum assured of new policies issued by Indian offices.²⁵ This was only

24. Ibid. Chap. 14.p. 209.

25. Ibid. P. 211,

Rs. 1473 in 1939 but rose to Rs. 2128 in 1945.

The rate of interest earned by the Indian Life Offices was steadily declining from 4.68% in 1939 to 3.48% in 1945. A large number of new companies were started in Bombay followed by Calcutta and Delhi.

The year of 1945 was a year of success for Indian life office. The Indian insurers alone for the first time, write a total new business exceeding a thousand million rupees.

The year 1946 proved to be the peak year for the new business for the Indian insurers, as its total touched Rs.131.4 crores. The 'Oriental' was the leading company all along and it crossed Rs. 25 crores of new business in 1945. In the same year 'Hindustan Co-operative' completed Rs. 12 crores and maintaining its second position. The 'New India' secured 3rd position by completing Rs.8 crores.

Decline in Foreign influence:

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In 1938 the foreign insurers secured new business of Rs.8.40 crores whereas their share in the boom in 1945 was Rs. 12.60 crores. Though there was an increase in the sum assured, the percentage of their business to the total business in the country fell from 16.2 to 9.3. The number of policies also came down from 36000 to 22000.

The foreign life office found it increasingly difficult to withstand the competition of Indian life officers. Besides general public opinion had developed against foreign companies. The efforts
26. Ibid.P.212.

to dislodge the non-Indian insurers by Indian life offices continued in the post war period also.

Changing pattern:

The prohibition of administration of Insurance Companies by managing agents and the limitation of commission to licenced agents imposed by the Insurance Act of 1938 were expected to reduce substantially the management expenses of insurers. Government set up a committee to enquire into undesirable features in the management of Insurance Companies in India.

A sub committee was constituted by the Insurance Advisory Committee in September 1944 to consider all the insurance problems relating to post-war India.

Fruits of freedom:

At the midnight of August 15, 1947, India emerged as an Independent nation. Despite the catastrophic events during 1947 and 1948, there was no appreciable decline in the business. They completed business of Rs. 126.5 crores and 121.7 crores respectively.

Price of freedom:

Freedom was won but it was heavily paid for by the partition of the country coupled with plunder and blood shed. The tragedy reached its climax with the assassination of the Father of the Nation, Mahatma Gandhi. There was around 150 branches of insurers in Pakistan and they found themselves in the most trying situation. Although most of the companies had moved their registered offices to Eastern Punjab or other parts of India before August 15, 1947,

none of them had made any arrangement to shift office records and equipments. The fact that a stand-still agreement had been entered into between the government of India and government of Pakistan led them to believe that it might not be necessary to move these records at all or there should be ample opportunity to remove them after making adequate arrangements. Later events however made it impossible for any member who was a non-muslim to remain in that area. The 'Bharat' tried to remove its records, with the sanction of the police, but had a very unfortunate experience. By the end of 1947 inter-dominion agreement on insurance was entered into between India and Pakistan.

In March 1948 representatives of all insurance companies in India assembled in Calcutta for finding ways and means for solving such problems and finally decided to sever connection with Pakistan. The Indian Insurance Companies had at this stage over 2 lakhs of policy holders in Pakistan with sum assured to the tune of Rs.30 crores and 90% of the policy holders in Pakistan were Hindus and 5% Muslims.

Insurance Amendment Act

A fresh bill was introduced which ultimately emerged as the Indian Insurance Amendment Act, 1950. This Act introduced drastic changes in the regulations for control of insurance companies and placed restriction on their working. The Superintendent of Insurance was redesignated as Controller of Insurance Companies and more powers were given to him. In order to discourage unsound business practices, several new measures were adopted. By the amendment Act the percentage of assets equivalent to policy liabili-

ties required to be invested in government securities and approved securities was reduced to 50%. Simultaneously restrictions were placed on the nature of investments of the balance funds. On the whole, the amendment Act has a purifying effect of life insurance enterprise in the country for a few years.

Progress:

The total business of Indian insurers showed a slight improvement in 1949, and the position remained more or less steady upto 1952. The figures for the year being round about Rs. 130 crores increased to Rs. 138 crores in 1953. In 1954 a new record in business was set which was maintained in 1955. The total of new business underwritten by the Indian offices in the year 1954 and 1955 was Rs. 255 crores and 261 crores respectively.

The main reason for the limited development of Life Insurance in India is due to low per capita income and low percentage of persons whose income would leave a margin, after meeting necessities of life, which could be saved and utilised as life insurance premium²⁷ etc.

The Employees State Insurance Scheme was enacted in 1948 and it took three years to implement it partially.

The country started its big experiment in economic growth through democratic planning and embarked upon the first five year plan on April 1, 1951.

27. Ibid, Chap.15. P.225.

Rate War:

There had been suggestions in the fifties for reduction in premium rates and the arguments were based on the prospects of higher interest earnings and improved mortality but such suggestions were not seriously considered by insurers. Then came the sudden announcement from 'New India' about revision of their premium rates. The new rate came into effect from 1st of March 1954. The timely measure according to the company was the result of their mortality experienced showing marked improvement, they having undertaken intensive rationalisation in administration and introduction of utmost economy in the expenses of management. The other insurance companies were quick to follow the 'New India' example. The reduction had a favourable reaction among the public.

The impact of all round reduction of rates created serious repercussions. The controversy that developed in its wake and the spirited opposition that rose especially from small and medium sized companies led to intervention by the Executive Committee of the Life Insurance Council, which set up a committee of four actuaries to examine the extent to which the premium rates as they existed on January 1, 1954 could be reduced on the basis of actual undertaking experience of life insurance in India. Ultimately there was an upward revision in the premium rate applicable to whole life policies.

The ILAOA (Indian Life Assurance Officers' Association) passed a resolution on April 1, 1954 that a deputation of all insurance interests in the country should immediately wait on the government

of India with the request to stop the rate war without delay. A sort of stand still agreement was reached that all companies would voluntarily desist from effecting any further reduction till the end of December 1955. Whatever be the case, the rate war came to an end though temporarily with the intervention of the Executive Council and the strong reaction of the industry. Before any final decision could be taken, the industry was nationalised.

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The rate war was followed by a bonus war. Many companies resorted to interim valuation for declaring higher bonuses. The same however could not go far because of the nationalisation that followed.

Then the war was continued through the medium of staff insurance scheme. The special staff insurance scheme offered the usual plan of insurance but at a rate lesser by over 15% than the normal rates. Here again the Executive Committee of Life Insurance Council intervened and directed that the reduction in such staff scheme rates should not exceed 10% of the normal rates. Even then unhealthy competition did not cease and the executive committee considered the question again and decided in its meeting on June 28, 1955 to prohibit the staff insurance scheme then transacted. The decision became effective from July 1, 1955.

Pillars of strength

A profession intimately connected with the growth of Life Insurance in our country in its early period was that of actuaries, particularly those who worked as consulting actuaries. Though they

28. Ibid, p. 234.

were few in number, they rendered a great service to the industry. In later years a number of persons took up actuarial studies and entered the service of one company or the other. The first Indian actuary was not a fellow of the above society but only an associate. His contribution to the cause of Indian Insurance was larger than that of any other. His name was Shri G.S. Marathe.

Medical Examiners:

Another institution which had made significant but salient contribution to the growth of life insurance was that of a Medical Examiners. Companies protected themselves against adverse mortality experience by screening the lives proposed for assurance through their authorised medical examiners. Their reports after personal examination of the proposes and ascertaining their history of personal health played an important part in the assessment of risk. The big companies appointed especially qualified medical men at their head office as chief medical referees.

Life Insurance Agent:

In the initial stages insurance was sold directly by the companies especially by those organised as mutual societies. The practice of expanding the clientele by canvassing through appointment of individuals on commission basis under the title of agents, came into vogue at the commencement of the 19th century.

As the companies began to grow, the necessity of an intermediary became apparent. Life Insurance being too unselfish an act, to be popular, needed enthusiastic, eloquent and knowledgeable

persons to broadcast its message to the community. There is no doubt that the institution of insurance agents contributed much to the growth of Life Insurance. Under the provisions of the Insurance Act of 1938, any person above the age of 18 could become an agent after obtaining a licence by paying a fee of Rs.1.50 a year. No special qualification or training was considered necessary for becoming an insurance agent.

The handicaps under which an Indian Insurance agent had to work were enormous in a country where literacy was nominal and where insurance minded men even among the literate and educated classes were rare. In spite of having to work under such discouraging circumstances, a few persons took to insurance-selling as a career and profession in all sincerity. Every company could boast of a select band of veteran full time professional agents and most well known of them in the pre-nationalised era was Shri Shamsher Ali.

Shri C.V.Raman, the world's famous physicist,²⁹ had some claim to speak on insurance as he was an insurance man early in his career having been in charge of postal insurance in Bengal. He said about insurance "There is in human life the element of chance. It was the duty of the science of insurance to analyse and experiment with the change and neutralise its harmful effects. By insurance one could cheat the God of death 'Yama' and leave wife, children and dependents, if the worst happened in a position which was not otherwise possible".

Towards a Socialist society:

The demand for nationalisation of the Life Insurance industry

29. Ibid Chap.26 P.252.

gathered momentum in 1944, when a bill to amend the insurance Act, 1938 was introduced in the Assembly. Naturally there was considerable opposition in the insurance circle. As the demand became more insistent, a campaign started opposing the same and highlighting the possible drawbacks of a state enterprise. In the year book 1945, Shri Vaidyanathan, the then Superintendent of Insurance dwelt at length marshalling all the arguments against nationalisation. But the year book for the following year had a surprising feature as regards this controversy. The controversy was summed up in the year book as under:

Arguments against
Nationalisation

1. The state managed business will not have the experience, the expert knowledge and years of training behind it.
2. The state run schemes must of necessity be rigid and bound by red tape and will lack the flexibility so necessary for an enterprise of this kind.

Arguments for Nationalisation and
answer to the arguments advanced
against Nationalisation

- (1) The state could profit by the experience of those in business now by employing them.
- (2) Whatever might have been the case in the past, to assume these defects are inherent in the system is a totally unwarranted assumption. Government has running successfully such enterprises as Railways, P and T, Telephones etc. During the war the Government took over many other activities and run them successfully.

3. Efforts made in the past in UK ended in failure. We cannot hope for anything better.
- (3) The U.K. scheme was started without agents and was never given a fair trial. Any way the world has moved very much since. In India, Mysore is running a State scheme successfully and in competition with the best private insurers.
4. Variety in scheme will be lost.
- (4) Not at all. What private insurers can do, state also can.
5. Popularisation of insurance will suffer
- (5) Just the reverse. More often than not, insurers are keen on publishing their individual merit. There can be planned publicity and all areas can be developed instead of concentrating on fertile ones alone.
6. Agents will suffer
- (6) Just the reverse, they can be trained in their profession whereas now they receive little or no training. Each agent will be given a sufficiently big area which will yield a fair income. The status of agent will improve as well as security of his employment.
7. Healthy rivalry will cease
- (7) Completion is not always necessary for efficiency on the contrary, it may be wasteful.
8. Inefficiency will be marked by state subsidy
- (8) Cost accounting can always be employed to ascertain the true position.

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| 9. There will be a setback to technical progress | (9) Just the reverse, people in government service have contributed and can contribute their quota to technical progress. Besides, pooling of technical skill will yield better results. |
| 10. Export(ie. doing insurance in other countries) will cease | (10) Not necessary, In any case India is a net importer now and from this to self sufficiency is a good step forward. |
| 11. Proposal will be exproprietary in nature. It will take away the means of living from the present employees | (11) Fair compensation can be paid. All efficient men including the agents can be absorbed. |

Other reasons for Nationalisation:

- (a) The policy holders will have cent percent security
- (b) Expenses will be very much reduced due to
 - 1. absence of duplication (managers, agency managers) actuaries, Inspectors, Head Office building etc.
 - 2. absence of wasteful competition
 - 3. Economy which is possible only in large scale enterprises.

The savings in expenses will accrue to the benefit of policy holders.
- (c) Better service due to absence of profit motive.
- (d) The dividends to shareholders will be saved.
- (e) The funds will be available for nation building activities.
- (f) at present a company can be wound up only when it is insolvent. The loss caused to many innocent policy holders by unscrupulous and inefficient management will be avoided.

(g) Insurance is a service and should therefore be in the hands of the government.

The insurance amendment bill was pending before the legislature for a number of years and it was supported by two groups for different motives. One group supported the bill on a compromise movement formula which may put off nationalisation. Due to the varying pressures of circumstances, a situation had been created in which a common formula was supported by the two conflicting groups. There was even a move to introduce a non-official resolution recommending the nationalisation of the industry, in the Budget session of the Constituent Assembly itself.

The subject figured prominently in the early ³⁰fifties. In the Nehru-Narayan correspondence in 1953, Shri Jayaprakash Narayanan, referring to this point said "you will find that we have suggested nationalisation in two spheres (1) Banking and Insurance (2) Mining."

The insurance world wrote in 1955, "any proposal to nationalise the industry at that stage can only lead to disastrous confusion which will seriously interfere with the government's programme for stepping up the rate of savings for the implementation of the Second Five Year Plan.

Shri M.C.Shah, then union minister for revenue and civil expenditure, at a meeting in Patna referred to the malpractices and cut throat competition and added "if by nationalising the industry, the government could activate the Insurance and put an end to malpractices, no patriotic man should raise his voice against it".

30. Ibid. Chap. 17, p. 258.

Amidst this atmosphere, 43 members of Parliament tabled resolutions in the Lok Sabha expressing the view that insurance should be nationalised at an early date.

A Historic Day:

The President of India promulgated an ordinance on January 19, 1956. By the Life Insurance (emergency provisions) ordinance the management and control of life assurance business in India, including the foreign business of Indian Insurers and Indian business of foreign insurers was vested in the central government. The Life Insurance business thus passed from the private sector to the public sector. This was the first step towards complete nationalisation, a step never before attempted anywhere on such a large scale.

On the same day, Shri. C.D.Deshmukh, Indian Finance Minister, explained the government's decision in a broadcast over the national network. He asserted that the nationalisation of Life Insurance was a further step in the direction of more efficient mobilisation of the peoples' savings and he expressed the government's determination to see that the gospel of Insurance was spread as far and wide as possible, so that we reached out beyond the more advanced urban areas well into the hitherto neglected rural areas.

Shri Deshmukh then proceeded to give his concept of a well known insurance company as firstly the business must be conducted with utmost economy and with the full realisation that the money belongs to the policy holders. The premium must be no higher than is warranted by strict actuarial considerations. The funds must be invested so as to secure the maximum yield for the policy holders so that it may be possible to secure consistency with the safety of the capital. It must

render a prompt and efficient service to its policy holders and by its service make insurance widely popular.

He proceeded to analyse the situation actually existing under each of these criteria to show how they were being observed more in the breach and concluded that truly well managed companies are in a minority. He said "Lakhs of policies are today insecure, affecting lakhs of families. There is no justification for allowing such a state of affairs to continue. Insurance is an essential social service which a welfare state must make available to its people and the state must assume responsibility for rendering this service." He said that he would like to emphasise that nationalisation in this field was in itself justifiable.

The nationalisation raised high hopes in the minds of the public.

The interim period:

The ordinance was the first step to nationalisation. The companies retained their separate entities and ownership continued with the shareholders on members but the management of the controlled business of all insurers viz., 154 Indian life officers. The Indian business of 16 non Indian insurers operating in India and 75 provident societies were vested in the central government.

On and from the appointed day, the person in charge of management of business continued to be so but created for and on behalf of central government and subject to such direction as the government issued. This arrangement continued till the appointment of a custodian which was done on January 20 itself in respect of all the important offices. The controlled business of all insurers was managed by the custodian on

behalf of the central government till it was vested in the Life Insurance Corporation of India on Sept. 1, 1956. A committee of custodians was formed for advising the government.

The first result of nationalisation was the announcement of uniform rates of Premium and policy conditions. The new rates were the current rates of premium quoted by the 'Oriental' less Rs.1 for every thousand sum assured for all plans of assurance. The policy conditions were also to be the same as those of the oriental. These rates and policy conditions were made applicable to all policies in respect of which the risk commenced on or after January 20, 1956.

Certain remarks of the finance minister were interpreted by some to mean that further reduction in the premium rates was likely to occur in the near future and hence he clarified in the Parliament that the Government had no intention to undertake any such review of the rates of premium of Life Insurance. This was advertised widely so that the prospective clients need not hold up their proposals. Another advertisement under the caption "National prosperity with personal security" explained how nationalisation affected the insuring public in general and the policy holders in particular and also the life insurance Agents and Field Officers.

During the interim period, the authorities were faced with the problem of integration and organisation of life business under a single set up. The task of finally integrating the controlled business of 245 different units was no easy job. These units differed, widely in age, size, pattern of organisation and practically in every respect of their working.

Their total assets on August 31, 1956, when the custodian ceased functioning were Rs.411 crores and the total number of policies in force was over 50 lakhs, assuring a sum of Rs.1250 crores³¹. The most complicated problem pertained to the grouping of the Head Offices of the insurers on the one hand and the integration of branches on the other. The process of integration had, therefore, necessarily to be spread over a period and was to be carried out in stages. Initially the government was undecided over continuance of foreign business and there were anxious enquiries whether the companies would be free to carry on such business, ultimately Life Insurance Corporation managed not only the existing business of the erstwhile insurers abroad but also extended its activities to other countries.

The payment of compensation to different bodies was another complex problem. A detailed scheme for this purpose was incorporated in the Life Insurance Corporation bill and the final Act. The companies were grouped as Proprietary, nonIndian and Mutual companies. The compensation to the proprietary companies related to the portion of sum allocated to shareholders at the last actuarial valuation at a date earlier than January 1, 1955 with adjustments for business done thereafter. For those companies which had not declared dividend or bonus out of valuation of surpluses, the compensation was determined on the difference in the value of the assets and liabilities of the insurer on the basis specified in the Act. The compensation for companies having no share capital or having share capital on which dividend or bonus was not payable, was in the form of an addition to the sum assured.

31. Ibid.P. 266.

The non-Indian companies represented that their assets in India had in many cases been built with the funds brought out from their main office and that these assets were much in excess of current policy liabilities. The Government allowed them to repatriate the excess assets.

There were about 27000 salaried employees under different categories whose terms and conditions of pay, allowances and other benefits varied considerably³². They had not only to be brought into one pattern of duties and grades but there were also the other more difficult problem of determining their rank. The pattern of organisation of the proposed corporation was different from any existing earlier.

The formation of the Life Insurance Corporation could not be delayed indefinitely and a bill for that purpose was introduced. Under the provisions of Section 12 of the Bill the Corporation was empowered to reduce, if necessary, the amount of the policies in the case of those insurers whose funds were in deficit. It was urged that no such distinction be made and all policies should be booked by the guarantee of the government in full to fulfil the ideas of nationalisation. Subsequently the corporation recommended to the central government that the benefits under these policies be paid in full. Accepting these recommendations the government agreed to meet the resulting deficit estimated at Rs. 70 lakhs from its share of the profits from the Corporation's business.

When the formation of the corporation was decided upon, there

32. Ibid. p. 267.

was also some discussion about the location of its Head office which was ultimately notified at Bombay. The initial proposal included only four zones and there was a forceful demand for the creation of the fifth zone which was finally approved.

The Government was naturally anxious to see that the Corporation came into being at an early date, but the entire programme was thrown into the melting pot due to the resignation of the Finance Minister, Shri C.D. Deshmukh, the architect of nationalisation of Life Insurance. The matter was set at rest when the government spokesman indicated that the Life Insurance Corporation would be set up on September 1, 1956. The appointment of Shri T.T.Krishnanachari to succeed Shri Deshmukh as the Finance Minister was welcomed in view of his experience of business and insight into the problems of the economic development of the nation.

The service conditions of different categories of staff as well as agents had to be determined and they were naturally anxious to safeguard their own interests. The officers also formed separate associations which were affiliated to a Federation.

The organisation of the Corporation did not have a place for Chief Agents and they were to be paid compensation or suitable appointments.

The leaders of the government were anxious that the Corporation was set up in such a way as to fulfil the ideals of nationalisation. With such great expectation and through such difficulties the Life Insurance Corporation of India came into being on September 1, 1956. The Prime Minister Pandit Jawaharlal Nehru sent a memorable message

on this occasion to the Life Insurance Corporation.

Initial Hurdles:

The motto adopted by Life Insurance Corporation "Yogakshema Vahamyaham" was translated into English. It means "Your welfare is my responsibility". These words are the last words of a sloka from Shrimad Bhagavadgita.

Coming to the context in which the word has been employed on the motto of the Life Insurance Corporation, one can interpret this word "Yogakshema" from two different stand points. If looked from an individual policy holder's view, it would appear, it is he who practises yoga by working hard day and night and earning money, while it is Life Insurance Corporation, that carried on his (Policy holder's) kshema by assuring 'Safety and Security'. Looked at from the collective point of view of the country as a whole, it is the Life Insurance Corporation which practices both yoga and kshema. It collects vast amount of wealth by way of premium and insures the welfare of the whole country including the policy holders by investing and directing the funds in activities which contribute to the economic prosperity of the country. Looked at from either angle, the ideal of yogakshema, signifies the willing, well-meaning and spontaneous joint partnership between policy holders and the Life Insurance Corporation for the general weal of the whole country.

The set up of Life Insurance Corporation:

In June 1956 the Parliament passed the bill for nationalisation of Life Insurance business in India and for setting up of the Life

Insurance Corporation of India. The Corporation started functioning from September 1, 1956. With effect from this date the Corporation became the sole agency for carrying on Life Insurance business in the country. The only exception being the Postal Life Insurance and the Compulsory Scheme of Life Insurance for State Employees carried on by some State Governments with the prior approval of the Central Government.

The Corporation is charged with the general duties to carry on Life Insurance business whether in or outside India and so exercise its powers to secure that Life Insurance business is developed to the best advantage of the community. In the discharge of the function under the Act, the corporation is guided by such direction in matters of policy involving public interest as the Central Government may give to it in writing.

It is a body corporate having perpetual succession and a common seal, with powers to acquire, hold and dispose of property and may its name sue or be sued. The Corporation consists of such number of persons not exceeding 15 as the Central Government thinks fit to appoint them to, and one of them to be appointed by the Central Government to be the Chairman there of. The following are the first members of the Corporation.

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Shri H.M. Patel ICS

Shri Mohammed Hushan Premi ji

Prof, D.G. Karue

Shri. Dhiren Mitra

33. Ibid Chap. 18 P.273.

Shri S.M.Ramakrishna Rao
Shri Chakreshwar Kumar Jain
Shri Vadilal Lallubai Mehta
Shri Lala Raghuraj Swarup
Shri L.K. Jha ICS
Shri B.K. Kaul ICS
Shri L.S. Vaidyanathan
Shri A. Rajagopal
Shri K.R. Srinivasan
Shri V.H. Vara
Shri D.P. Guzdar

Shri H.M. Patel ICS Principal Finance Secretary to the Government of India, was appointed a part-time Chairman. As Finance Secretary he had dealt with the nationalisation of Life Insurance and various issues arising out of it.

While members of the Corporation decide the policy matters the general control and direction of affairs and business of the Corporation are entrusted with an Executive Committee consisting of the Chairman. Other Committee's constituted for specific functions are the Investment Committee, the Service and Budget Committee the Public Relation Committee, and Building Committee.

The Corporation established five zonal offices. The supervision and direction of the affairs and business of each zone is entrusted to a zonal manager who performs all such functions of the corporation as may be delegated to him with respect to his zone.

The head quarters of the Eastern zone was at Calcutta and

S.D.Srinivasan was the first zonal manager. The Northern zonal office was situated at Delhi with Shri P.R. Gupta as the Zonal Manager. Shri D.S. Mehta was the first Zonal Manager of the Western Zone with head quarters at Bombay. The Central Zone headquarters was established at Kanpur and Shri D.D.Markan was placed in charge of the Zonal Manager. The South Zone had its centre at Madras and Shri Balasubramanyam was the First Zonal Manager of that zone.

Problems:

The assets and liabilities of 245 insurers, including three state insurance departments were vested in the Life Insurance Corporation. The Corporation adopted the Calendar year as its accounting period except for the first period which covered 16 months from September 1, 1956 to December 31, 1957. The first period proved to be a very crucial one. Apart from organisational matters the compilation of the first accounts was beset with complication arising out of amalgamation of 245 separate accounts into an integrated whole. The corporation was also handicapped in performing this gigantic task shortage of trained accounting staff, and by the inadequacy of calculating and other machines. In addition to this, the Corporation had also to assess the compensation, management compensation and acquisition compensation payable to the erstwhile insurers. The major portion of this work was completed during these sixteen months.

The Corporation took over 16000 employees in the clerical and supervisory cadre. The varying scale of pay and service conditions of all these employees were standardised by the Government order dated June 1, 1957. The standardised order also gave an option to

existing employees to continue in their old company pay scale.

Integration of officers drawn from different insurers into a well-kint cadre posed its own problems. It was observed that in the wake of intense and unhealthy competition amongst the Life Insurance Companies not only had the number of salaried inspectors increased substantially but the number of other intermediaries had been created between the Branch Manager and the Agent with a variety of designations. The terms and conditions of service of Field Officers and the final scheme of categorisation were incorporated in the Life Insurance Corporation Field Officers Order 1957.

There were nearly 219000 Agents on the register of insurers ³⁴ on August 31, 1956. The number of active Agents was relatively small and it was necessary to sort them out from the rest. All these Agents were given the option to continue their agencies on the uniform terms and conditions of the Corporation. Concessions regarding continuance of renewal commission after cessation of agency were offered to those who wanted to discontinue. About 90,000 Agents signified their consent for continuing their agencies. The corporation however decided that the remaining may be kept on the rolls affording them an opportunity to revive their interest in selling life insurance. In accordance with the terms and conditions of the new appointments it becomes incumbent on each Agent to a minimum amount of a new business every year.

On September 11, 1956 the Chairman of the Corporation ³⁵ Shri H.M. Patel announced that the corporation would look after the foreign

34, 35 . Ibid P. 277

business amounting to Rs. 80 crores of former Indian life Insurance companies. The Corporation also decided to write new business in Malaya, Tanzaniya, Zenzibar, Singapore, Mauritius, Fiji, Aden and Hongkong, Kenya and Uganda. Two divisional offices at Monbasa and Kauala lampur were set up abroad.

On September 10, 1956 new pay scales and conditions of service of employees of the Corporation were announced. The pay bill of the Corporation was expected to go up from Rs. 31 lakhs per month to Rs. 32.5 lakhs.

The new life business of 145.51 crores transacted upto³⁶ August 1956 and in the next four months showed poor results in as much as new business worth only Rs. 54.77 crores. This is due to the dislocation in service and men following the setting up of a single corporation and also the human problems.

Target achieved

The year 1957 drifted towards a difficult phase, The economic conditions, flood, drought, lack of confidence etc. discouraged personal savings. In spite of these adverse³⁷ features, the new business underwritten by the Corporation in 1957 showed a handsome rise touching Rs. 276.5 crores within India and 5.4 crores outside India totalling Rs. 281.9 crores.

The year 1958 may be considered to be a turning point in the history of life Insurance in India. Firstly the troubles of the Life Insurance Corporation were over. Secondly definite guidelines could be given to the organisation about the plans

36, Ibid. P. 277, 37. Chap. 19. P. 282.

to be undertaken and finally the field force had an awareness about the role it had to play in popularising the benefits of Life Insurance among large sections of the community. The new business of the Corporation during 1958 was Rs. 334.68 crores under about one million policies. About Rs. 5.5 crores of this business was transacted outside India.

Consistent with the objectives of the Corporation to spread Life Insurance widely and particularly in rural areas and to ensure more efficient service to policy holders, the corporation drew up a five year plan of development covering the period of 1959 to 1963. According to this plan the dissemination of the message of Life Insurance was proposed to be achieved by raising the output of new business from year to year with due share from the rural areas, building up full time agents and supervisory development personnel, particularly to meet the requirements of rural territories, training the existing agency force and branch officials and rationalising the organisational set up at all levels.

The targets of new business and total business in force fixed for the first plan period were as under.³⁸

<u>Year</u>	<u>New business target in crores</u>	<u>Estimated total business in force Rs. in crores</u>
1959	415	1810
1960	525	2160
1961	665	2470
1962	820	2855
1963	1000	3320

38. Ibid. P. 286.

The Corporation had embarked on a planned programme of business. A five year plan had been drawn up and target fixed. In 1959 new business completed the figure of Rs.427.16 crores. The planned target for the year was not only achieved but was also exceeded by about 13 crores. In the subsequent year 1960 and 1961 new business amounted to Rs, 495.72 and Rs. 608.82 crores respectively. The setback was due to wide spread flood and droughts in 1960 in the states of Punjab, U.P., Bihar, Orissa, Mysore and Andhra Pradesh. Despite the general increase in price level hitting the middle class and increased competition by bank and government savings scheme, the south zone continued with a figure of Rs. 151.68 crores in 1961.

Financial year

The question of change of the accounting period from the Calendar year to the financial year was being considered by the Corporation for sometime and the consensus of opinion at the third Divisional Manager's Conference held in Bombay in August 1962 was that it would be advantageous to effect such change.

One of the considerations was that the first 3 months from January to March from the point of view of business potentialities and climate were the best months during which the Field Officers could achieve maximum mobility. With the change the field staff would have six months instead of three months from October to December. During the period the farmers too would have cash available for any form of savings including life insurance. Thus with a view to enhancing the quantum as well as the quality of new business, the LIC changed its year for accounting purpose from the

Calendar year to the financial year ending in March. The changeover was to be effective from March 31, 1963 and there was initially a 15 months' accounting period from 1.1.1962 to 31.3.1963. And during this accounting period of 15 months time the new business amounted to Rs. 745.96 crores.

During the following two financial years the new business stagnated around Rs. 700 crores. ³⁹The Corporation completed the 10th year of its working with a sense of fulfilment. It completed a business of Rs.797.79 crores in the year 1965-66. The new business in the year 1966-67 was Rs.770.27 crores only. The reason for this setback was due to high cost of living, dissatisfaction of the people with Corporation's serving, agitation by Development Officers etc.

From the year 1967-68 onwards the Corporation was set on its course of steady progress. The Corporation completed a new business of Rs. 844.51 crores in 1967-68 followed by Rs. 929.35 crores in 1968-69. During the financial year 1969-70 the Corporation achieved new business amounting to Rs. 1036.08 crores.

Despite the fact that the new business target was considerably delayed in achievement, the Corporation had successfully implemented its five year plan in respect of its target for the new business in force. As against an estimated amount of Rs. 3320 crores on 31.12.1963, it stood at Rs. 3458 crores and at a creditable figure of Rs. 6425 crores as on 31-3-1970.

Highlights

The south zone had been the leading contributor to the Corpora-
39. Ibid, P.289.

tion's new business progress since its inception. Even though other zones also made certain lead in certain years of business, it is interesting to note that south zone had continued to be on top throughout in the matter of number of policies issued every year.

The endowment assurance continued to be the most popular plan in all the years. Joint Life Policies also made good progress during these years. The percentage of endowment plan came to around 70% of the total business.

Towards Perfect Service

As indicated by Pandit Jawaharlal Nehru, the main endeavour of the Corporation was to serve an ever increasing number of people and to spread life insurance rapidly all over the country. With this objective the Corporation adopted many measures to popularise insurance amongst the masses. In the urban areas it introduced sectorwise organisation to ensure that no blind spots were left over and also attempted door to door service at various centres.

Popularising the life insurance in rural areas posed a challenge to the ingenuity of the development personnel. Solutions were presented in various forms.

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In Rajasthan a Rural Life Insurance Scheme was launched in six Community Development Blocks on the occasion of Mahatma Gandhi's birth anniversary in 1958. Under this scheme the Panchayath Secretary worked as an agent and the commission he was entitled to was credited to the Village Panchayat Fund. The Rajasthan State Government gave full co-operation and encouraged its Block

40. Ibid. Chap. 20, p. 293.

Development Officers to take active interest. As a result the scheme was quite successful, in the sense that the Corporation was able to reach more people in the rural areas. The people in the Panchayath were also benefited as the Panchayath could use the Commission earned on their business for their welfare activities such as construction of Panchayath ghar, roads, wells etc.

Having carried the message of Life Insurance to the village, it was found that growing number of policy holders found it difficult to pay the premium in remote country side, lacking in banking facilities. The LIC and P and T department then jointly developed a scheme by which premium could be deposited with post offices. The scheme was introduced on a pilot scheme in the rural areas of Jaipur district. The success of the pilot scheme encouraged its extension on a wider scale and gradually the facility was introduced in other areas. Today it is operative in 14 states. In addition to wide spread publicity campaign, the Corporation has provided jeeps to every division to overcome the major problems of communication. The Corporation has aimed its efforts all these years to setup branch offices.

Such offices and development centres are in such a way that even the remotest area would be covered both for the purpose of new business as well as servicing of the existing policies. The Corporation had at the end of March 1970, 424 branch offices, 115 suboffices and 123 development centres, in more than 400 cities and towns all over the country. Besides there was 37 divisional offices comparable to the head offices of erstwhile insurers and policy holders were thus assured of complete service, including claim settlement at almost all their door steps. The percentage of rural

business to the total business has all along been about 33 in terms of number of policies.

For the policy holders:

The corporation took several measures to liberalise the terms on which life insurance was offered to the public. A comprehensive range of plans of life insurance was offered enabling the proposers to select the precise type of policy suited to their particular needs. The premium rates were low when compared to the rates offered earlier by all leading private insurers. The corporation therefore decided to relax such conditions and extend to old policy holders the benefit of such liberalisation that the new policy holders enjoyed.

An important addition to the benefits granted to policy holders was the extended disability benefit for a small premium of 50 paise per thousand sum assured paid in addition to the accident benefit premium of Rs. 1.50 per thousand sum assured. The policy holder generally secures in the event of permanent total disability an amount equal to the sum assured payable by monthly instalments spread over 10 years.

With the nationalisation the Corporation became the only insurer underwriting life insurance business in the country and if any proposal was to be declined by the Corporation, the proposers have no other alternative of securing insurance cover. The Corporation therefore gave serious thoughts to this problem and has tried to give insurance cover to as many people as possible and keep the number of cases to be declined to the barest minimum.

The utilisation of medico-actuarial statistics was a major step which made it easier for the Corporation to advance further in the field of sub-standard underwriting. As a result, proposal could be accepted under special terms even for diabetics and from those who had suffered from tuberculosis, asthma, disease of the heart etc. after the necessary waiting period.

But for minor restrictions in certain cases, the Corporation decided to treat proposals on the lives of ladies in the same manner as male lives. These minor restriction is related to pregnancy clause and ladies observing purdah.

With a couple of years experience however,⁴¹ the Corporation felt the need to revise its rules for underwriting of proposals on female lives. By this revision the educated earning women were continued to be accepted on the same terms as for men, but restrictions were introduced for other classes. Since a considerable measure of adverse selection was found to have been exercised against the corporation in respect of such business, a large portion of business on the female lives was being written under joint life policies. In most of these cases there were no need for insurance on the female lives and the reasons for taking out such policies were mostly speculative. The Corporation therefore decided in 1960 not to issue policies under joint life plan on the lives of husband and wife.

In due course however, when the experience proved more favourable, the conditions were relaxed and joint life assurance on the lives of husband and wife was reintroduced subject to the

41. Ibid. P. 297.

conditions that both should be earning members and the amount of insurance should be commensurate with their separate income.

Almost from the beginning the Corporation introduced non-medical insurance scheme which was extended in subsequent years to more and more categories with increase in limit. A non-medical special scheme was also formulated from employees of Government, semi-government and commercial institutions. The non-medical scheme was introduced as a facility for extending business in rural areas, where the Corporation faced difficulties in respect of road, communication and medical examiners. The scheme was extended to all the areas from the beginning of 1961. The latest liberalisation of non-medical scheme has enhanced the limit of maximum sum assured under non-medical (general) scheme to Rs. 5000/- and non-medical (special) scheme to Rs. 10000/- for general public and Rs. 20000 to commissioned officers in armed forces in medical category A-1. The non-medical (special) scheme was also extended, subject to certain conditions to all female lives categorised as standard lives and in permanent service with government or quasi government bodies and public sector undertaking and public limited companies. The maximum limit has been fixed at Rs. 5000/-.

The non-medical business of the corporation has been varying from 20% to 24% of the total business in terms of sums assured and has reached 46% in terms of number of policies. In 1969-70 the business secured under this scheme was to the extent of Rs. 233.65 crores under 6,45,372 policies.

Criteria of efficiency

In the matter of claim settlement it has been the constant

endeavour of the LIC to reach a high degree of efficiency. A number of ways and means have been introduced to ensure the same. The promptness with which claims are settled was considered as one of the major criteria for judging the efficiency of working of an office. The corporation has to deal with more and more claims every year.

The amount of death claim paid in 1958 was Rs.7 crores, It was Rs.10.80 crores in 1963-64 and the financial year 1969-70 death claims amounting to Rs.18.77 crores were paid. The corresponding claims for maturity claim were Rs.18.05 crores, Rs.33.68 crores and Rs.62.67 crores respectively.

Right from the beginning the Corporation was alive to complaints from the policy holders. In 1958, the Public Relations Officer addressed a letter to the editor of leading newspapers in the country inviting the public to write to him about their complaints. The LIC Act has also provided for policy holders council at every division to which three prominent policy holders are nominated and these councils have been functioning in all divisions. There was also a demand for revision of the premium rates because of more favourable interest and mortality experience. The expense ratio of the Corporation had also to be kept in view because of the overall increase in the cost and salaries. The corporation reduced the premium rates in 1970 on non-profit policies under different tables. The reduction varies from 0.75 to Rs.4.25 per thousand sum assured depending on the plan and term. The government continue to encourage the habit of thrift among people by providing several benefits and exemptions under different tax laws. These are available in respect of life insurance premium and policies so far as Income Tax, Wealth Tax and

Estate Duty are concerned.

Bonus: Receiving their share of the profits of the Insurance business has been the right of, with profit policy holders and the Corporation continues to declare attractive bonuses at its periodical valuations. It also formulated a scheme of differential bonus for the policy holders of erstwhile insurers to maintain equity so that there would be no temptation for discontinuing those policies.

Training Schemes: In the very first conference of Zonal Managers held on Sept. 30, 1956 i.e. within one month after the establishment of the Corporation, questions concerning the development of personnel and allied matters were discussed. After examining the various aspects, a training scheme was formulated. The priority was given by the Corporation to the need of imparting adequate training to its development personnel for improving the quality of sales and servicing. The western zone was the first to organise its permanent training centre in Bombay which commenced working in Sept. 1958, followed by training centres at other zonal headquarters within six months. Additional training centres were also set up in important places. The Agents' training is a continuous process because of the large new recruitment. The Corporation has also published a variety of sales literature and aids to assist the agents. These include Agents' Manual, hints to agents, Agents' training course, Field Officers' training course, Agents' Policy Register, Prospective guide, Book of data sheet, prospect file and many pamphlets on various plans in different languages.

Publicity: With the LIC the emphasis in publicity has been on the

benefits Life Insurance offers and on the effective dissemination of the message of insurance. Apart from the specific organisation of the Corporation set for the purpose in the form of the department of Public relation and Publicity at the central office, co-operation of outside agencies has also been sought to give the efforts a strong basis of expense available with them and to lend it a comprehensive character. With their help the corporation looked to other media for spreading the message to the illiterate millions. The media utilised are posters, hoardings, Cinema slides etc. The new concept in exhibition was introduced in 1960 where solo exhibitions were arranged in several towns. Another media is the use of films. All the films were produced in 12 regional languages besides in English for exhibition in public theatres. The first film "A wise policy" was produced in 1958.

New horizon: In December 1957 LIC appointed a Chief Engineer who was later designated as Executive Director (engineering) and with this the Engineering Department was set up. The comprehensive building department consisting of architectural wing, structural design, quantity supervisors and electrical installation and selection to plan and supervise construction of different kinds of LIC came into being in March 1957.

Organisation: The Corporation inherited over 27000 (class III and IV employees and over 5000 Development Officers. In March 1970, the strength of class III increased to 33560. The number of officers stood at 146949 in March 1970.

Insurance on lives of Ladies

Proposals for assurance on the lives of ladies were considered in relation to their income and employment, educational standard, socio-economic background, marital status etc. On the terms and conditions and subject to such terms and conditions and subject to such extra premiums as were laid down in the schedule of rating for female lives.

The Corporation may enhance the amount of extras mentioned in the rating schedule, offer smaller amount of insurance than the maximum amount specified in the rating schedule, or refuse insurance altogether if the merits of an individual case warrant. Such treatment of ordinary proposals will not be entertained from ladies who do not have income of their own. Where extra premium is payable on account of sex, such extra premium will continue to be paid throughout the term of the policy. Further proposals for assurance on the lives of ladies will be accepted subject to the following restrictions and conditions.

1. Proposals for assurance on the lives of ladies who have not undergone a normal full time confinement but one expected to go to qualified doctors for delivery., will be accepted without any restrictions. In other cases, proposals for assurance on the lives of ladies who have not undergone a full time confinement shall be accepted with the first pregnancy clause. This clause may be removed on payment of a single extra premium of Rs. 50%. This

45. Manual for agents, Life Insurance Corporation of India.
Chap. 3. P.13

- clause may be waived in the case of ladies who may be expected to go to qualified doctors for delivery.
2. Proposals for assurance with lives of ladies after a child birth will be considered only three months after delivery. Where menstruation has not been re-established even after three months from the date of delivery, the acceptance of proposals in such cases will be subject to the one year pregnancy clause.
 3. Proposals will not be entertained on the lives of ladies who observe purdah, whether full or partial.
 4. Proposals on the lives of ladies who are pregnant at the time of proposal is submitted within the first four months of the pregnancy provided the life to be assured is in regular employment of government or a quasi government organisation or a reputed commercial firm, which can furnish details of leave taken by her during the preceding three years or she is engaged in a profession such as chartered accountant, lawyer, doctor etc.
 5. The other three conditions on which the Corporation entertains proposals on female lives under different plans are:
 - (a) The corporation will not entertain a proposal for assurance on the lives of ladies who had had many miscarriages.
 - (b) The Corporation will also not entertain a proposal for assurance on the life of a lady who though not divorced is living separately from her husband as a matter of precaution against contracting an infectious disease from which the husband is suffering or for any other reason which raises reasonable doubts as to normal hazard.

(c) The accident benefit will be granted only to those female lives who have earned income (except illiterate lives). This benefit will be granted at the same rate namely Re. 1 per thousand sum assured as in the case of male lives.

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Insurance business in India - 1914 to 1970

Year	<u>New business</u>		<u>Total business in force</u>	
	No. of policies in '000s.	Amount in crores	No. of policies in '000s	Amount in crores
1914		3.20		
1915		2.25		
1916		1.75		
1917		2.23		
1918		2.86		
1919		4.49		
1920	28	5.16		
1921	29	5.47		
1922	29	5.64		
1923	32	5.85		
1924	36	6.89		
1925	43	8.15		
1926	53	10.35		
1927	67	12.77		

46. Saga of Security, story of Indian Life Insurance 1870-1970.

Page - 340, 341, appendix-V, Published by LIC.

Year	New business		Total business in force	
	No. of policies in '000s	Amount in crores	No. of policies in '000s	Amount in crores
1928	93	15.50	564	124
1929	143	28.75	656	142
1930	145	27.50	717	154
1931	125	26.66	714	168
1932	139	27.66	774	178
1933	183	33.00	867	193
1934	215	38.00	987	215
1935	239	43.50	1095	235
1936	273	46.75	1261	261
1937	294	48.66	1371	277
1938	322	51.70	1561	298
1939	300	46.62	1497	272
1940	209	36.11	1553	286
1941	200	39.51	1592	292
1942	178	42.83	1661	323
1943	296	72.12	1821	369
1944	451	108.90	2127	454
1945	599	136.30	2592	557
1946	617	153.80	2797	651
1947	544	139.60	2936	706
1948	486	134.60	3025	724
1949	544	142.20	3303	765
1950	498	139.50	3280	780
1951	474	147.90	3414	873

Year	<u>New business</u>		<u>Total business in force</u>	
	No. of policies in '000s	Amount in Crores	No. of policies in '000s	Amount in crores
1952	534	146.70	3925	922
1953	558	155.20	4079	966
1954	773	255.25	4782	1177
1955	831	260.84	4782	1220
1956	567	200.28	-	-
1957	795	281.90	5683	1473
1958	936	343.87	6232	1682
1959	1123	427.16	6929	1958
1960	1234	495.72	7713	2285
1961	1470	608.82	8581	2738
1962-63	1768	745.96	9493	3165
1963-64	1646	702.76	10328	3571
1964-65	1444	701.08	10822	3878
1965-66	1561	717.79	11589	4394
1966-67	1412	770.27	12141	4736
1967-68	1428	844.47	12759	5240
1968-69	1454	929.35	13453	5725
1969-70	1401	1036.08	14041	6425

GROWTH OF LIFE INSURANCE IN INDIA (INDIVIDUAL ASSURANCE)⁴⁷

Accounting Period	New business		Total business in force	
	No. of policies (in lakhs)	Sum Assured (in cro- res of Rs.)	No. of policies (in lakhs)	Sum assured and bonuses (in crores of Rs.)
1957	9.42	336.67	54.07	1369
1958	9.55	334.84	59.65	1580
1959	11.42	417.05	66.72	1852
1960	12.50	484.02	74.55	2169
1961	14.62	593.61	83.42	2611
1962-63 (15 M)	17.58	724.23	92.67	3032
1963-64	16.38	680.25	101.20	3429
1964-65	14.36	673.68	106.30	3729
1965-66	15.55	771.09	114.09	4234
1966-67	14.06	739.60	119.98	4754
1967-68	14.23	812.86	126.43	5069
1968-69	14.50	895.60	133.45	5552
1969-70	13.93	979.74	139.39	6226
1970-71	16.12	1215.64	146.93	6951
1971-72	18.96	1498.05	157.11	8082
1972-73	20.18	1726.01	167.92	9204
1973-74	20.47	1912.87	179.43	10725
1974-75	17.96	1760.89	187.45	11728

47 : Life Insurance Corporation of India
Reports and Accounts for the years from 1957 to 1987-88.
Part 1 - working results. Page 3.

Accounting Period	New business		Total business in force	
	No. of policies (in lakhs)	Sum Assured (in cro- res of Rs.)	No. of policies (in lakhs)	Sum assured and bonuses (in crores of Rs.)
1975-76	20.09	2104.00	196.06	13248
1976-77	20.53	2095.40	202.75	14372
1977-78	18.54	2004.33	207.08	15698
1978-79	17.55	2057.40	211.73	16743
1979-80	20.98	2744.33	220.39	19114
1980-81	19.58	2896.95	228.12	21057
1981-82	21.06	3492.89	236.57	24133
1982-83	22.35	3994.77	244.31	26402
1983-84	23.71	4415.28	253.24	30426
1984-85	27.05	5398.57	265.31	33951
1985-86	32.94	7088.59	280.47	40617
1986-87	38.76	9107.59	298.60	48151
1987-88	47.64	12467.55	324.81	59068

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GROWTH OF GROUP INSURANCE

Accounting period	No. of scheme in force	No. of lives covered in force	Total business in force Rs. in crores
1971-72	700	4,50,842	193.82
1972-73	1105	9,60,065	407.23
1973-74	1697	15,95,720	754.07
1974-75	2428	23,33,803	1,457.07
1975-76	4383	46,13,667	3,496.90
1976-77	5368	40,79,177	3,443.75
1977-78	6235	44,70,508	4,371.89
1978-79	7063	56,24,511	5,801.05
1979-80	8081	58,40,866	6,137.46
1980-81	9320	64,44,590	6,960.32
1981-82	10744	69,41,197	7,786.91
1982-83	12307	74,95,494,	8,972.04
1983-84	13911	76,64,192	9,251.33
1984-85	15912	79,82,999	10,218.56

48: Life Insurance Corporation of India Reports and Accounts
for the years from 1957 to 1987-88.
Part I - Working results Page 3.

Accounting period	No. of scheme in force	No. of lives covered in force	Total business in force Rs. in crores
1985-86	18147	92,65,074	11,764.72
1986-87	21182	1,03,22,000	12,644.53
1987-88	25615	1,22,03,055	17,495.62

CLAIM SETTLED

<u>Year</u>	<u>Death</u>	<u>Maturity</u>	<u>Total</u>
1975-76	37.65	128.20	165.85
1976-77	44.17	133.54	177.71
1977-78	46.68	153.58	200.26
1978-79	51.77	181.15	232.92
1979-80	60.40	210.48	270.88
1980-81	64.62	230.88	295.50
1981-82	78.95	297.63	376.58
1982-83	87.91	346.88	434.79
1983-84	95.20	413.79	508.99
1984-85	109.84	528.84	638.68
1985-86	125.71	603.09	728.80
1986-87	144.56	686.65	831.21
1987-88	165.26	829.55	994.81

The different kinds of policies issued by the Corporations are the following:

The L.I.C. offers - different policies to meet the varying requirements of customers. A list of these policies is given in Appendix No.1. The salient features of the more important policies are given below.

1. The whole life policy:⁴⁹

Under the whole life policy premiums are payable throughout the life time of the life assured and as such this is the cheapest form of policy. The minimum amount for which the policy will be issued under this plan is Rs.1,000 and the mode of payment of premium shall be yearly or half yearly only except under salary savings scheme policies.

If payment of premium ceases after at least three years' premiums have been paid, a free paid up policy for such reduced sum as can be allowed according to the rules will be automatically secured provided the reduced sum assured, exclusive of any attached bonuses is not less than Rs.250.

Such reduced paid up policy will not be entitled to participate in the profits declared thereafter, but such bonuses as has already declared on the policy will remain attached thereto.

49. Manual for agents, Life Insurance Corporation of India,
Page 60, Chapter 9.

2. The limited payment life policy:

Under this policy, premiums are payable for a selected period of years or until death if it occurs within this period. The life assured thus has the satisfaction of knowing the maximum amount he will be required to pay, no matter how long he lives. If the life assured survives the premium paying period, the policy continues in full force, provided all premiums have been paid, but no further premiums are required to be paid.

3. The convertible whole Life Assurance Policy:

This plan is designed to meet the needs of young men who are on the threshold of their career and have prospects of increase in income after a short period. The object is to provide maximum insurance protection at the minimum cost and at the same time to offer a flexible contract, which can be altered into an Endowment Assurance at the end of five years from the commencement of the policy by which time it is expected that there would be a rise in the income, so that he would be in a position to pay a larger premium after conversion.

At the outset a whole life without profits policy is issued with premiums payable till the age of 70. At the end of five years from the commencement, the policy holder has the option to convert

it into an Endowment Assurance without profits or with profits payable at the age then to be chosen without having to undergo a fresh medical examination subject, however, to payment of suitably increased premium from the date of such conversion. If the policy is converted into an Endowment Assurance with profits, policy participates in profits from the date of conversion and the bonuses will be at the rate applicable to Endowment Assurance. If the policy is converted into an Endowment Assurance without profit, the policy is not entitled to any bonus. If however, no option is exercised at the end of five years, the policy continues to be whole life without profits with the premium ceasing at the age 70.

The minimum sum assured for which a policy will be issued under this plan is Rs. 5000 and the maximum age at entry shall be 45 years.

4. The Anticipated whole life policy - with profits:

This plan combines the benefits of whole life limited payment policy and anticipated payments at five yearly intervals. It is designed to provide two distinct types of benefits in one policy. It provides complete long range insurance protection for the family and in addition helps meet various short-term needs through periodical payments. Unlike ordinary whole life assurances where full sum assured is payable in the event of death of the assured only, under this plan in addition to death benefits, benefits are payable on survival of the life assured at specified intervals according to the terms and conditions of the policy.

However, in the event of death at any time the full sum assured is payable without any deduction or adjustment for the amount that may have been paid earlier by way of survival benefit.

Premiums are payable for 20 or 25 years depending upon the premium paying term selected or till death if it occurs within the period.

Bonus will be reckoned on the full sum assured and will be payable at the life assured's death. The policy will not cease to participate in profits after completion of premium paying period but will continue to share in the periodical bonuses distribution for full sum assured until the death of the life assured.

5. The Endowment Assurance Policy:

This is the most popular form of life assurance. Since it not only makes provision for the family of the life assured in the event of his early death, but also assures a lumpsum at any desired age. The amount assured if not paid by reason of his earlier death becomes payable at the end of the endowment term when it may be invested to provide an annuity during the remainder of his life or in any other way he may think most suitable at the time. The endowment policy can also be without profits or with profits. The minimum amount for which a policy will be issued under this plan is Rs. 1000/-.

6. Joint life endowment assurance on two lives:

The sum assured under a Joint Life Assurance Policy is payable at the end of the endowment term or on the first death of either of the two lives assured, if earlier.

Proposals for policies under Joint Life plan where the parties are husband and wife will be entertained only where the lady falls in category (1) of the rating schedule applicable to female lives subject to the following conditions:-

- (a) Such policies are to be issued under Joint Life Endowment Assurance plan only for terms not exceeding 20 years.
- (b) The difference between the premium under Endowment assurance on husband's life and the premium under Joint Life Endowment Assurance plan on the life of husband and wife for the same term (inclusive of sex extra, if any) shall not be less than Rs.5% in any case, where the difference is less than Rs.5%, a minimum addition of Rs. 5% will be made to the premium on husband's life where such difference works out to more than Rs. 5% then the actual amount of such difference will be added to the premium on husband's life.
- (c) As regards educational qualification of female lives, original certificates along with the proposal forms should be submitted at the branches.

50. Ibid. Chapter 9. Page 106.

- (d) The ceiling on the sum to be assured will be determined by the earned income of the wife or the husband whichever is less and also taking into account the previous insurance held on that life.

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The Double Endowment policy (without profits):

This policy ensures the benefit of family provision in the event of early death, with the further great advantage of payment to the life assured himself on his surviving the term of years selected of double the amount of the original sum assured. Premium, which vary not according to the age at entry but only according to the term of the policy are payable for the term of years, selected at the outset or until previous death. Under this table no policy will be issued to mature at an age exceeding 65 years.

The Fixed term (marriage) Endowment policy (without profit):

This is the best form of policy to enable parents or guardians to provide for the marriage of their children.

Under this policy payment of premiums ceases absolutely on the death of the proposer but nevertheless the full intended provision is payable in terms of the policy in a lumpsum at the end of the selected term of years. The minimum amount for which policies will be issued under this plan is Rs.1000/-.

51. Ibid. Chapter 9. Page 110.

The Educational Annuity policy (without profits):

This is the best form of policy to enable parents or guardians to make an adequate provision for the education of their children.

Under this policy payments of the premium ceases absolutely on the death of the proposer but nevertheless the full intended provision is payable in the shape of an annuity which is payable definitely for a period of five years in half-yearly instalments, the first instalments being payable at the end of the selected term of years. The policy moneys are payable to the proposer or his assigns or nominees or other legal representatives.

The pure endowment policy for adults or children(without profit)

This policy is useful to the person who does not care to present himself for medical examination, or for reasons of health, would be unacceptable for life insurance under the ordinary tables, or a method of compulsory saving either for himself or for the benefit of his dependents. Under this policy the sum assured is payable on the life assured's surviving the endowment term. If the said life assured shall die before the date of maturity while the policy is in force, the following amount shall be payable to the persons entitled to them.

- (1) If death shall occur during the first three policy years, the total amounts of all premiums shall be paid.

52. Ibid, Chapter 9, page 114.

(ii) If death shall occur after the third policy year, the total amounts of all premium paid with interest thereon at the rate of 2½% per annum compounding yearly calculated from the due dates of premiums paid up to the date of death.

In the case of a policy effected on the life of a child, payment of premiums does not cease on the death of the proposer but must be continued during the whole currency of the policy. In the event of the death of the child the proposer is allowed the option of continuance of the policy by substitution of another child of the same family then preventing any loss of the intended provision.

The Children's deferred Endowment Assurance (with profits)

This plan of assurance is designed to enable a parent or a legal guardian or any near relatives of the child to provide for the child, by paying very low rate of premium, an Endowment Assurance policy, the risk under which will commence at a selected age. The policy envisages two stages, one covering the period from the date of commencement of the policy to the Deferred Date (that is the date of commencement of the risk on the child's life) called the deferment period and the other covering the period from the Deferred Date to the date on which the policy emerges as a claim by the death of the child or its survival to a stipulated date. A combined policy will be issued covering both the aforesaid periods. Ordinarily policies under this scheme are issued on the lives of children, both male and female, who have not completed 18 years of age.

No medical examination would be required where the deferment period is 10 years or more but where it is less than 10 years medical examination of child could be required. The deferment period should be calculated with reference to the date of proposal and not the date to which the policy is to be back-dated.

The chief advantage of this scheme is that an assurance for relatively large amount can be secured to a child on reaching the selected age for a premium substantially smaller than what would be required if the assurance were to be effected at that age, and this irrespective of the state of the child's health then.

The children's Anticipated policy(with profits)

The policy can be taken by the parent or legal guardian or any near relative of the child. Risk on the child's life will commence at the age of 18 or 21 years as desired by the proponent. The policy will automatically vest in the child at the end of the deferment period and half of the premiums paid during this period will be paid to him in lumpsum. Risk will commence at the deferred date and full sum assured will be payable on survival of the life assured to the date of maturity or on his death. The policy will participate in profits from the Deferred date.

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The Guaranteed Triple Benefit Policy

This is a unique and attractive plan of assurance designed to meet the needs of the average man who desires to

53. Ibid. Chapter 9, page 129.

The Money back policy

This plan is of special interest to persons who besides desiring to provide for their own old age and family, feel the need for lump sum benefits at periodical intervals. Unlike ordinary Endowment Assurance, where the full sum assured in the event of survivance is payable only at the end of this endowment period under this scheme.

1. For a policy with a term of 12 years, $\frac{1}{5}$ th of the sum assured becomes payable on the life assured's surviving 4 years, a further $\frac{1}{5}$ th of the sum assured becomes payable on his surviving 8 years and the balance $\frac{3}{5}$ th of the sum assured on his surviving to the end of the term of 12 years.
2. For a policy with a term of 15 years, $\frac{1}{4}$ th of the sum assured becomes payable on the life assured's surviving 5 years, a further $\frac{1}{4}$ th of the sum assured becomes payable on his surviving 10 years and other balance $\frac{1}{2}$ of the sum assured becomes payable on his surviving to the end of the term of 15 years.
3. For a policy with a term of 20 years, $\frac{1}{5}$ th of the sum assured becomes payable on the life assured's surviving 5 years, a further $\frac{1}{5}$ th of the sum assured becomes payable on his surviving 10 years further $\frac{1}{5}$ th of the sum payable on his surviving 15 years and other balance $\frac{2}{5}$ th of the sum assured becomes payable on his surviving to the end of the term of 20 years.

54. Ibid. Chapter 9. Page 132.

4. For a policy with a term of 25 years $1/5$ th of the sum assured becomes payable on the life assured's surviving 10 years, a further $1/5$ th of the sum assured becomes payable on his surviving 15 years, a further $1/5$ th of the sum payable on his surviving 20 years and balance $2/5$ th of the sum assured becomes payable on his surviving to the end of the term of 25 years.

However in the event of death at any time within the selected term the full sum assured is payable without any deduction or adjustment for the amount that may have been paid earlier by way of survivance benefit.

Premiums are payable for a selected term of years or till death if it occurs within that period.

The Progressive protection policy (with profits)⁵⁵

This is an ideal policy for the young man on his way up to provide additional insurance for additional responsibilities. Only first class life will be applicable under this plan. Medical examination and other requirements will be asked for double the initial sum assured. The sum assured increases automatically by half the initial sum assured at the end of five years, and again by half the initial sum assured at the end of 10 years, irrespective of the state of health of policy holder at that time. After 10 years the benefits under the policy will be double the initial sum assured, payable on survival at the end of the selected term or on death within the term. For the first five years premium will be for the initial sum assured. At the end of

55. Ibid. Chapter 9. Page 135.

secure economically a substantial provision both for his family and dependents on his death. One of the special feature of the plan is that while there is a guaranteed and steadily increasing family provision during the selected period (almost always greatly in excess of the amount paid by way of premiums) and although the old age benefit is paid at the end of the period no further premiums are payable thereafter, the provision for the family does not then terminate, as in the case of the ordinary Endowment assurance policy, but a sum equal to the original sum assured still remains to be paid on the death of the life assured thereafter.

The following benefits are guaranteed, provided the policy remains in force for the original sum assured, under this plan.

1. If death occurs within the selected period

A sum assured which increases steadily by $2\frac{1}{2}\%$ per annum. Every year's premium paid, after the first, it secures an addition of Rs. 25 to every Rs. 1000 of the original sum assured, but the policy loses all rights to such additions in the event of death subsequent to discontinuance of payment of premiums even if after such discontinuance the policy is converted into a paid up policy for a reduced sum assured, in accordance with the non-forefeiture regulations applicable to the policy.

2. On survivance to the end of the selected period

A cash payment of a sum equal to the original sum assured, and also a free paid up assurance equal to the original sum assured, is payable at death.

five years and again at the end of 10 years the premium will increase with increase in sum assured. Bonuses will be paid at the end of selected term or at the death of the life assured, whichever is earlier, and will be calculated on the initial sum assured for the first five years. After the increase in the sum assured, bonus will be calculated on the increased sum assured from the date of increase.

The multipurpose policy:

The multipurpose plan, as the name itself suggests is designed to provide, within the compass of a single policy for the several life insurance needs of an individual, whether they be provision for his own old age, or for his family or for the education or marriage or the start in life of his children.

This policy makes comprehensive provision, in the event of the early death of the life assured for (1) an immediate lumpsum payment of a part of a sum assured to meet the extra expenses - medical, religious, legal etc. Occasioned by the life assured's last illness and death (2) a regular income for the balance of any selected period for the maintenance of the family (3) a supplementary income for a short period of upto two years from the date of death to enable the family to make a smooth transition to the changed circumstances caused by the reduction in family income consequent on the life assured's death and (4) payment of the balance of the sum assured at the end of the selected period.

The policy can be effected for any term not exceeding 30 years and maturity age not exceeding 60 years, with or without participa-

tion in profits.

The Mortgage redumption Assurance policy (without profits):

This plan is designed to meet the requirement of institution and individual borrowers to ensure that the outstanding loan is automatically extinguished in the event of borrower's death.

Benefits:

The benefits under the plan at any time during the currency of the policy would be the amount of outstanding loan at the beginning of the year as envisaged at the beginning of the transaction, and would become payable in the event of the death of the borrower.

The Convertible term Assurance Policy:

This plan of assurance is designed to meet the needs of those who are initially unable to pay the larger premium required for a whole life or Endowment Assurance Policy but hope to be able to pay for such a policy in the near future. This plan would be found useful also in cases where it is desired to leave the final decision as to the plan to a later date when perhaps a better choice be made. Premiums are usually payable for a specified term of years or until death if it occurs within this period but they may be limited to a shorter term of years, if so desired.

The Janaraksha Policy (with profits)⁵⁶

This plan of assurance is designed to cater to the needs of the rural population who are faced with fluctuating agricultural income

56. Ibid. Chapter 9, Page 152.

due to floods droughts etc. which result in non-payment of premium in time. The benefits under this policy are the same as those applicable to an endowment Assurance plan with profits. A special facility whereby the policy continues to provide for full cover for three years on payment of an initial extra single premium has been incorporated under this policy which can be availed of only after payment of premiums for first two years.

In the event of non payment of premiums within the days of grace after the payment of premiums at least for first two years, the policy will be kept in force for the full sum assured for a period of three years on payment of a single extra premium alongwith the first premium at a rate of Rs. 10.50% for ages at entry 29 years and below and at a rate of Rs.15% for ages at entry from 30 to 40 years.

Marriage Endowment Educational Annuity Plan (with profits):

This plan provides for a sum assured to be kept aside to meet the Marriage/Educational expenses of children. Under this plan, the sum assured together with vested bonuses shall be payable at the end of selected term either in a lumpsum or in ten half-yearly instalments, at the option of the life assured/nominee or beneficiary. These installments will be calculated at rate declared by the corporation from time to time.

Premiums are payable for the selected term of the policy or till death of his life assured if it occurs during the selected term.

The bonus addition at Endowment Assurance rates will be reckoned

on the sum assured and will be payable along with the sum assured at the end of the selected term of years.

Accident benefit equivalent to basic sum assured would be available under this plan by payment of appropriate additional premiums in that behalf.

New Jana Raksha plan - with profits:

This plan is applicable to male lives and female lives (Category-1) only. This plan provides payment of sum assured along with accrued bonuses on maturity date to the life assured or to his nominee in the event of his premature death. Full death cover is available for a period of 3 years from the first unpaid premium due date provided premiums have been paid under the policy at least 2 years. All policies issued under this plan will be covered for accident benefit.

New Children's deferred Assurance plan (with profits):

This plan is similar to one Children's Deferred Endowment Assurance with profits plan. Under this plan, the risk shall commence from the policy anniversary on which the child attains the age 12 years nearer, his birthday. The period from the date of commencement to the date on which the risk commences is called the deferment period. Sum assured will be payable on attainment of selected maturity or on death if it occurs after the expiry of the deferment period but prior to selected maturity age.

The policy will participate in profits from the date of commencement of risk at rates applicable to Endowment Assurance.

Children's aged between 5 and 11 years nearer birthday are eligible for policies under this plan. Policies will be issued for terms such as they mature at quinquennial ages nearer birthday ranging from 25 years to 55 years.

New Money back plan:

The Money back policy takes care of the needs of a person who, besides desiring to provide for his own old age and family, feels the need for lumpsum benefits at periodical intervals. This is already available for terms of 12, 15, 20 and 25 years. Under the 25 year plan, the periodical payments are at the end of 10, 15 and 25 years.

However in the event of death at any time within the period of 25 years, the full sum assured is payable without any deduction or adjustment for the amount that may have been paid by way of survival benefit. Premiums are payable for a term of 25 years or till death if it occurs with that period. The bonus additions to the policy will be reckoned on the full sum assured and are payable at the end of the 25 years or at life assured's death, if earlier.

Bima Sandesh:⁵⁷

This is a novel plan of assurance designed to provide a large amount of risk cover on payment of a comparatively small amount of premium. Consequently while the full sum assured will become payable on death, the amount payable on survival to the end of the term will be limited to the total amount of premium paid, (excluding

57. Ibid. Chapter 9. Page 171.

accident premium) if the policy has remained in full force till death. Policies under this plan will be issued for a term from 5 years to 25 years. The maximum maturity age is 65 years.

Only standard male lives and female lives in Category I and II, excluding the persons with hazardous occupations attracting occupational extra as per revised schedule and aged not less than 18 years and not more than 50 years at entry will be eligible.

BHAVISHYA JEEVAN

This is another novel plan designed to meet the needs of persons having a very short span of high earnings whereafter the income decreases or stops. The premium paying capacity of such persons is quite high during the periods of high income. The plan accordingly envisages a high premium during the first five years. Thereafter the premium comes down significantly.

The Immediate Annuity:

This form of contract is of special interest to persons without dependents since it provides the maximum possible income on the invested capital, consistent with absolute safety. The income is assured throughout life, but ceases, of course on the death of the annuitant.

The purchase of an annuity is the best possible investment for sums withdrawn from provident funds on retirement from service and it is the most satisfactory method of providing pensions to employees or dependents.

The first annuity instalments will be paid one year, six months, three months or one month after the date of purchase according as the annuity is desired to be paid yearly, half yearly, quarterly or monthly instalments. The annuity payments ceases with the last instalments falling due prior to the date of death.

The Deferred Annuity:

The deferred annuity is useful to those who desire to provide a regular income for themselves and their dependents after the expiry of a specified period and to pay for a contract either a single premium at the outset or annual premiums during the deferment period ie, the period on the expiry of which the annuity will vest.

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Jeevan Mitra :

Jeevan Mitra is a double benefit endowment policy with profits and is different from the usual endowment policy.

The important features are:

1. For every Rs.1000/- of sum assured, in the event of a claims arising due to death of the insured within the endowment period, the amount payable would be double the sum assured plus bonuses declared and attaching to the policy till the date of claim.
2. In the event of the insured surviving the endowment period, the amount payable will be equal to the sum assured plus bonuses declared and attaching to the policy till the date of maturity.

58. Gopalakrishnan A.A. "Two policies for Young persons".

The Hindu, Thursday, June 11, 1987.P. 21.

3. The insured has the option to include accident insurance benefit in the policy, by paying a nominal extra premium of one rupee per Rs.1000/- of sum assured per annum. The amount of accident insurance cover will then be equal to the sum assured.
4. The minimum sum assured under the policy will be Rs.5000/-. The maximum amount will be rupees one lakh under one or more policies.
5. The term of policy will be 15 to 25 years only. Maturity age shall not exceed 65 years.
6. This policy will be available only for persons between 28 and 50, both men and women.
7. The bonuses will be reckoned only on the basic sum assured. The scheme is available only with profits.

The accident benefits are subject to the overall limit of Rs.1 lakh for each insured irrespective of policies taken. The accident insurance carries the usual disability benefit. In case the insured becomes totally and permanently disabled due to an accident before he reaches the age of 65, when the policy is in full force, he need not pay any further premium and the policy will continue to be in force.

Example:

An example will make the features of the policy easier to understand. The table given below shows the premium rates for the policy at entry ages of 25 to 30 years for specific terms of 15, 20 and 25 to 30 year for specific terms of 15, 20 and 25 years.

Jeevan Mitra policy:

Annual Premium per Rs.1000 of sum assured.

Age at entry	Endowment period		
	15	20	25
25	72.10	53.15	43.00
26	72.30	53.45	43.40
27	72.55	53.80	43.85
28	72.85	54.20	44.35
29	73.20	54.65	44.95
30	73.60	55.20	45.60

Note: 1. A rebate of Re. 1 will be allowed on the above amounts when the sum assured is Rs. 25000 or more.

2. The above rates are for quarterly payments of premiums. When the mode of payment is other than quarterly, the following adjustments are made.

- A For half-yearly payments, a rebate of 50 paise on the above amounts is allowed.
- B For annual payments, rebate of 75 paise is allowed.
- C For monthly payments, except salary savings scheme, an additional charge of 5% is levied.

Suppose a person takes a policy for Rs. 50,000 under the scheme at the age of 27 and also wants accident benefit covered for the same amount. The annual premium payable for every Rs. 1000/- of basic sum assured is Rs.43.85 plus one rupee for accident benefit for a 25 year policy. Thus the annual premium payable for a policy of Rs. 50,000 will be 50×43.85 - rebate of one rupee for large policy plus extra of one rupee for accident benefit or Rs. 2192.50. The benefits will be as follows:

In case of claim arising due to death before the expiry of 25 years, the insured's nominees or heirs will be paid Rs. 1 lakh plus the bonuses declared on the policy. Assuming that the present bonus rate of Rs.52 per Rs.1000 of sum assured will continue during the term of the policy and assuming that the death claim arises 15 years after commencement the amount of bonus payable would be Rs. 39,000. Thus the total amount payable on such a claim will be Rs. 1,39,000. It should be remembered that the bonus will be calculated on the basic sum assured of Rs. 50,000 only and not on double the amount.

In case death is caused by an accident in the above situation, the amount payable will be Rs. 1 lakh (claim amount) plus Rs.50000/- accident benefit plus Rs. 39000 (bonus) or Rs.1.89 lakhs.

If the insured lives till the date of maturity, he will be paid Rs.50,000 plus bonus of 25 years at Rs. 52 per Rs.1000 of sum assured. per annum, the total bonus amount per annum will work out to Rs.65,000. Thus the total amount payable on maturity will be Rs.1.15 lakhs even though the basic sum assured would be Rs.50,000.

In case of permanent total disability due to accident during the currency of the policy the insured will get the disability benefit corresponding to a sum assured of Rs.20,000. He need not pay any further premium and the policy will continue to be in full force. In this condition if he lives till the date of maturity of policy, he will get the basic sum assured plus the bonuses for the whole period of the policy that is Rs. 1.15 lakhs in total.

The major advantage of Jeevan Mitra policy is that it enables a person to obtain insurance coverage for a high amount for a comparatively lower rate of premium. If one compares the ordinary endowment policy with profits and Jeevan Mitra policy, it will be seen that for a small additional premium, the latter gives the additional benefits of double the amount in the event of a death claim and thrice the amount in the event of a death claim by accident.

Taking the specific instance of a person aged 27, the annual premium for an ordinary endowment policy of Rs.50000 for a term of 25 years will be Rs.39.40 x 50 or Rs.1970. By paying an extra premium of only Rs. 225.50 per annum he can double the amount of insurance cover and get three times the sum assured in case of claim arising due to death by accident.

This is quite useful for persons at the start of their working career when they would desire a high enough insurance cover and at the same time cannot afford to pay a high annual premium because their saving capacity will not be adequate in the initial years. Later when their earnings and ability to save increase they would have lost the benefit of lower premium due to the higher age at entry.

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Jeevan Sathi:

Jeevan Sathi is a new, double joint life plan designed to give total protection to the family, particularly working couples. It is a double insurance plan because the basic sum assured will be paid on two occasions. Once on the first death if it arises before the expiry of the period of insurance and again on the second death arising within the small period. If both husband and wife live till the date of maturity of the policy, the amount payable will be the basic sum insured plus the full bonus declared. It is a joint life plan because the lives of both husband and wife are insured in one policy. The salient features of the policy are:

1. Policies under this plan will be issued on the lives of husband and wife, and will be available only for a specified term of 15, 20 and 25 years. The age of the older partners at maturity should not be more than 65 years.
2. The basic sum assured will be payable if one of the insured couples dies within the period of the insurance. However the policy will still remains in force on the life of the survivor.
3. On the first claim arising due to death of one of the lives insured, no other premium has to be paid on the policy even though the cover will continue on the life of the surviving partners. If the survivor lives till the maturity date of the policy, the basic sum insured will again be paid to the other, together with

59. Gopalakrishnan A.A. "Two policies for young persons", The Hindu, Thursday, June 11, 1987. p.21.

all bonuses declared and attaching to the policy for the entire period of insurance.

4. In case the survivor also dies before the expiry of the period of insurance the basic sum insured together with bonuses declared and attaching to the policy till the date of second death will be paid to the nominee or heir of the insured.
5. One important feature of policy is that even after the first claim arises due to the death of one of the insured partner, bonuses declared by the Life Insurance Corporation will be paid on the basic sum insured. If both husband and wife live till the date of maturity, the amount payable will be equal to the basic sum insured plus bonuses declared and attaching to the policy for the entire period of insurance.
6. The minimum basic sum insured shall be Rs.5000 and the maximum Rs. 1 lakh. The table given below gives the annual premium payable per Rs.1000 of sum assured under the policy. For fixing the premium payable the concept of 'mean age' will be adopted for the couples. The mean age will not be the straight arithmetic averages of husband and wife at the time of taking out the policy.

Jeevan Sathi Policy:

Annual premium per Rs. 1000 of sum assured.

Mean age of couples at commencement	Period (years)		
	15	20	25
25	74.30	55.55	45.60
26	74.65	56.00	46.25
27	75.10	56.60	46.95
28	75.60	57.25	47.75
29	76.20	58.00	48.65
30	76.85	58.80	49.60

Mode of working of Mean age is given below.

If difference in ages of couples is (in years)	Years to be added to ages of younger persons to arrive at mean age
1 or 2	1
3 or 4	2
5 or 6	3
7	4
8 or 9	5
10	6

Since the policy covers two lives jointly, the premium payable for every Rs. 1000 of sum assured should naturally be higher than the premium payable for straight endowment policy on the life of the older of the two partners. Therefore after working out the premium rate based on the table, it will be compared with the premium rate of pure endowment insurance for the same term applicable to the age of entry of the older person. The premium for the Jeevan Sathi plan should be at least Rs. 3 more than the corresponding premium for every Rs.1000 of sum assured for pure endowment insurance.

Cover for whole family

This policy again is a novel scheme because of the fact that the policy will continue to be in force even after a claim arising due to the death of one of the couples insured. In the normal Joint Life Policy that LIC had offered in the past, the policy terminates on the first claim arising and the amount of the claim being paid to the survivor. There after there is no

cover for the life of the survivor. This has been found to expose the entire family to the risk of no insurance after the death of one of the partners. Apart from the fact that the family becomes grief-stricken due to the loss of a very dear one, it has to face financial problems too because insurance protection will no longer be available unless the couples had taken separate insurance policies on their individual lives. The LIC should certainly be complimented for satisfactorily meeting this particular need in its schemes.

The benefit of this plan can be illustrated with an example.

Assume that couples aged 30 and 26 went to take a policy under this scheme. The mean age of entry will be 28. For an insurance period of 25 years, the premium payable for every Rs. 1000 of sum assured will be Rs. 47.75. If the couples want to take a policy of Rs. 50,000, the annual premium payable would be Rs. 2337.50.

In case of claim by death, the survivor will be paid Rs. 50,000 on the first death. If the survivor lives till the date of maturity he/she will again be paid Rs. 50,000 plus bonuses declared. In case the survivor also dies before the expiry of the period say 20 years after the policy was taken, his nominee will get another Rs. 50,000 plus bonuses declared on the policy for 20 years. If both husband and wife live till the date of maturity of the policy they will be paid Rs. 50,000 plus bonuses on the policy amount for the entire period.

This policy is ideally suited for working couples. On conditions of these days there are many couples whose economic position will be severally affected if one of them dies because the surviving partner may not be able to support the family at the earlier standard. If a working couple takes this policy early in their working career this policy will provide a very good protection.

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MARKETING OF LIFE INSURANCE SERVICES

Marketing of Life Insurance has come a long way since 1956, when Life Insurance Companies were taken over by the Government, and the present Corporation formed. The nationalisation of Life Insurance was aimed at widening the channels of public savings and was perceived on an important step towards mobilizing the savings more effectively for financing the national plans. It was designed to bring to the door of even the humblest citizen, wherever he may be, the benefits of this social service, and to ensure complete security of the funds collected by way of premiums. However, since 1956 there has been a tremendous change in the international and national environment calling for a fresh look at the marketing of Insurance Service.

Environmental challenges

International Environment:

Globally the environment had not been a favourable one, particularly after 1980. Two digit inflation recession all around even including in the American economy and heightened competition had been the hall mark of this decade. All these had led to tremendous pressure on the otherwise scarce resources which seem to be

60. Saxena Rajan, NMIMS, Management Review, P.8."Marketing of LIS".

pulled in different directions. Banks, private companies, stock exchanges and the like have been vying with each other to get that attractive money which the customer has in his or her pockets.

The President of American Bankers Association has reported to have pointed out that while in 1949 banks held 53% of the financial services market share, in 1984 it had dropped to less than 36%.⁶¹ Likewise, it has been pointed out that in America, bankers are entering stock business offering discount operations to prospective buyers, putting it in other words, marketing of financial services all over the world has come to resemble a typical Indian bazaar where competition for customers is fierce and all organisations are offering one benefit or another to attract the customers. In addition new vendors offering new products are coming up almost daily.

Besides competition there has also been a change in the technology wherein microprocessors and robots have now replaced most of the manual activities. These changes have spawned a whole range of new marketing strategies. This, it is hoped, should yield a multitude of choices for customers who will now be able to shop for the best deals.

National environment

The environment in India has also undergone a significant change. The changes can be classified into four major categories namely, population, competition, profile of the consumers and also the legal and technological environment.

61. Talk given at the Chairmans Club convention of LIC held at April 19, 1986 Bombay. Saxena Rajan, NMIMS, Management Review P.8. "Marketing of Life Insurance Service".

(a) Population: The population in India has increased substantially since 1956. According to census statistics in 1971, it was 548, 159,652 and in 1981 it came to 685,184,692. The average density of population⁶² in 1981 per sq.km. was 216, and the literacy percentage in 1971 was 29.45 and in 1981, 36.17.

Another important aspect of change directly affecting insurance business is the saving and private consumption expenditure.

(b) Competition: The competition environment like the population environment has also undergone a significant change since 1980. More so the competitive environment has changed since 1985, when the new government under the leadership of the Prime Minister, Mr. Rajiv Gandhi took charge of the country's affairs. The environment of the day^{is} much more liberal and companies are being encouraged to go to the stock market for raising resources rather than by lobbying with the government for support from the financial institutions. This change has not only affected the private corporate sector but ~~also~~ the general companies and departments^{They} have been asked to raise their resources from the market. All these meant competition for savings for organisation like LIC and Banks competition^{is under a} threat ~~is also~~ from instruments like National Saving Certificates, units of the Unit Trust of India and indirectly from organisations like Housing Development and Finance Corporation Ltd.

(c) Profile of the Indian Consumer: The profile of the Indian Consumer has also undergone a significant change since 1956. Today on an average the customer is more aware about the various

62. Manorama year book 1987, Page 378 to 384.

savings plans and agencies which will give him better returns. These changes in the profits of an Indian Consumer in respect of financial services can be contributed to the following factors:

1. Awareness: Increasingly consumers in India and abroad find that money plays a very critical role in every aspect of their life and hence they need expert help to plan their finances regardless of their economic standard of living.
2. Concern: Consumers are interested in knowing what can be done to protect and increase their money and be able to get it at the most critical time when they need it.
3. Affluence: The average Indian Consumer's income has also increased due to the various Five Year Plans through which India has gone through.
4. Performance: Consumers are performance conscious and want best results on their investments.
5. Taxes: The Consumers are becoming more careful of tax saving programmes and that is where insurance programmes and National Saving Certificates and Cumulative Time Deposits compete with each other.
6. Confusion: Consumers are confused by the ferment in the financial services industry.

All these changes in the environment leads one to believe that if an organisation has to survive it has to have market orientation strategies.

Product Market Interface:

The Life Insurance Corporation has expanded its network and emerged as a monolith in the Indian economy. It has introduced

various types of plans meant for various categories such as individual Insurance Plans, Group Insurance Plan and various plans meant for children. And among these some are with profits and others without profits. It is worthwhile to examine whether all these Insurance schemes of LIC have been able to penetrate the target market or not. Who are the existing and potential buyers of Insurance Plans? What are their attitudes towards it? Further it is observed that of the total 2699 thousand plans of insurance commenced in 1984-85, 95% are those plans which are issued with profits and only about 5% are those which are issued without profits. With respect to policies with profit issued, it is observed that 61% are of "Endowment Assurance Plan" and 35% are "Money Back Policy".⁶³

In terms of sum assured about 51% of the total 5017.67 lakhs rupees assured, i.e. Rs.254,007 lakhs of rupees are on account of the "Endowment Assurance Plan" to be followed by the Money Back Policy where the sum assured is 43% of the total sum assured.

All other plans of insurance have on an average about 1% of the share in the policies issued on the sum assured. This leads us to another critical issue for analysis. i.e. should the product line (Plans or insurance) be pruned so as to make the entire product line more viable and profitable. Strictly from the marketing view points so many product versions are perhaps not required particularly plans like Anticipated whole Life or Multipurpose or whole Life Insurance etc. where they did not even have 0.5% share in the total number of policies issued. This also leads us to an examination of what precisely are the needs of Consumers in terms of the types of plans of Insurance most commonly sought or desired.

63. Life Insurance Corporation of India, Reports and Accounts 84-85.

A further look at the Life Insurance business also reveals something that in the year 1984-85, 6.4% of the policies were discontinued for various reasons. One of the common causes was found to be forfeiture or lapse of insurance policy followed by "Survivance or the happening of the contingencies Insured against other than death" and "surrender of policy" by policy holder. In marketing terms it implies that the LIC has lost business by 6.4% on account of several factors other than death or any other calamity. It might be worth examining those policy holders in whose case the policy was either forfeited or lapsed or was surrendered. In specific term issues which need to be examined from the point of market strategies are:

1. The profile of such policy holders in respect of their demographic and psychographic characteristics.
2. The causes that lead to such a situation and
3. Where did such a policy holder invest the money? If so, did they go to the competition?

Viewed against this product market interface let us see how the marketing concept and technique can be supplied to the Life Insurance Corporation business in India.

APPLICATION OF MARKETING CONCEPT TO LIC

In their article titled "Broadening the concept of Marketing" published in the journal of Marketing, Jan. 1969, Professor Philip Kotler and Sidney Levy⁶⁴ have argued the case for extending the

64. Saxena Rajan "Marketing of Life Insurance Service".
NMIMS, Management review Page.12.

concept of marketing to the non-profit and non-manufacturing activities. Their hypotheses have been that non-manufacturing organisations, because their range of influence affects as many livelihood and occupies as much media prominence as major business enterprise, organisations like Life Insurance Corporation do require a fresh look at their business operations.

The success of LIC is dependent not only on the success of its agents but also on the efforts and orientation which the organisation has right from the chairman down to the subordinate staff. What kind of services are these people giving to the existing and potential policy to most just to get a claim settled or for getting a loan or settling a loan? Besides the marketing concept also implies what kind of atmospherics prevail in branches and offices of the LIC and its agents. The operationalisation of the marketing concept has to start with the customer analysis. The following is the checklist for the customer analysis which the corporation and its agents can use to get potential product ideas.

Checklist for customer analysis:

1. who are the existing and potential policy holders?
2. Are their names, addresses, occupations, income, education, family size and the type of family known Joint Family or nuclear family?
3. Where does the customer spend his leisure time?
4. What does he or she read?
5. Does he or she listen to radio or view TV?
6. What are the environmental conditions in the place where the customer stays?
7. In case of complaints, what are the kinds of complaints that are coming?
8. What is the profile of people registering complaints?

9. Which are the zones where the complaints are maximum?

A look at the LIC's Annual Report for the year 1984-85 reveals that 41% complaints were on account of claims followed by premium receipts. The maximum complaints have emerged in the eastern zone followed by the Central zone.

An analysis of the causes of various kinds of complaints the customers have, would help the company to examine what kinds of market segments should it enter. Besides a strategist has to analyse the competitive situation which will help him to select between product differentiation and market segmentation strategy.

Product differentiation:

It is strategy wherein the marketer differentiates its product from its competitors and promote those differences to its existing and potential customers. The success of this strategy is dependent on the differences which can be promoted whether these relate to the product, its packing or the price or any other aspect by which it can be different from that of its competitors. In the context of LIC the product is different from all others because it covers the risk of life. Another differentiation that existed in the LIC policy was the tax advantage, which the policy holder got under the income tax rules. Now with the introduction of other schemes like National Saving Certificates this advantage does not exist for LIC alone. Today it might be worthwhile for LIC to relook at its products and see what can be done to differentiate them.

Well known Harvard Professor, Theodore Levitt⁶⁵ believes that

65. Saxena Rajan, 'Marketing of Life Insurance Service' NMIMS, Management review.

everything can be differentiated. To accomplish this, his suggestion is to view the product from three different perspectives, that is generic, expected and augmented.

The 'generic' perspective would be simply the product itself. For example, in LIC it simply would be the Insurance Policy, like Whole Life Assurance, Endowment Assurance or Money Back Policy, Janaraksha Policy, Jeevan Sathi Policy, Jeevan Mitra Policy etc.

The 'expected' Insurance Policy would be the generic plus a certain number of minimal customer expectations like quick settlement of claims, timely despatch of receipts or timely transfer of records from one place to another etc.

'The augmented' product on the other hand, would represent not only the generic and expected product but also something more than is expected by the buyer and that he or she may not have even considered. For example, in the context of LIC, it can be that the LIC policy be issued along with the attractive covers and while the agents may remind the policy holders of their premium due dates, it might also be worthwhile for them to examine the manner in which they can make their services more sought after than hitherto.

Market segmentation is the process of dividing the market into a homogeneous mass of common characteristics which may be demographic or psychographic or they may have to do with the geographic location or buyer behaviour. For example market for Life Insurance business may be segmented demographically by sex, age, family size, income, occupation, education, religion etc. In psychographic terms it may be segmented by introvert Vs. extrovert, conservative Vs. liberal

or by life style and by buyer behaviour. We may segment the marketing according to the loyalty status due, readiness to purchase LIC policy, price of benefit sought i.e. commission or tax benefit or the usage rate.

Further the choice of the strategy, i.e. either product differentiation or market segmentation in the case of LIC is dependent on factors like the size of the market, consumers' sensitivity, product life cycle, nature of the product, number of the competitors and typical competitor strategies.

Development of Marketing Strategies:

The Development of any marketing strategy for any kind of enterprise as stated earlier is first dependent on a competitive analysis. In specific terms it is important that a monolith like LIC should examine the following aspect of competitors profile.

Outline of Competitors' profile:⁶⁶

An outline of competitors' profile includes:

1. Background or history: Major event, acquisition, mergers, Industry reputation, corporate culture, past, present, continuity.
2. Business or product Mix, segment analysis, sales, profit, investments, major product, market share, market growth.
3. Major Corporate objectives or strategies.

66. Sammon William L. an analyst on the Corporate strategic planning staff of Prizer Inc. In this book authorised by Kurland Mark A. and Robert Spitanix Business Competitor intelligence recommend a complete competition profile.

4. Recent trends and business developments.
5. Financial analysis, sales growth, profit, growth, return on assets turnover, Operating margin, net margin, return on equity, debt ratio.
6. Strategic Assessment:
Strength or weakness: Functional and operational strategic direction or management assumptions, expected performance, implication to one organisation or company.

Much more of the above is more relevant for an organisation like LIC. to assess the competitors' future goals, current strategies and its strength and weaknesses. It is also important to understand that competition need not necessarily be from direct substitutes but it can even be from other indirect substitutes.

Having got the competitors' profile it is important now to see where do the various types of plans of insurance exist in this life cycle and what kind of marketing strategies can be developed.

Product strategies:

The development of product strategies has to start with a look at the product life cycle which is the history of sales volume over a period of time. In the LIC context it implies that the strategist must look at the growth rate in the number of policies issued each year for all types of plans of Insurance and the sum assured for each of them. Its exercise should start from the date the plan was introduced in the market place.

The stages in the product life cycle are introduction, growth, maturity and decline. The changes in the product life cycle occur

because of consumer needs, technological changes and availability of better and more convenient products or services.

A marketing strategist can use product life cycle as a planning tool. It is over here that he can manage his product in different stages of the Life cycle by:

- a) New product development
- b) Product line planning - additions and pruning
- c) Planning allocation of resources including Personnel among existing products and product groups according to product opportunity represented by the Life Cycle position.

The most important contribution of the product life cycle to marketing strategist is that he can develop strategies once he knows which of the product-sale are moving.

Some of the types of plans of insurance are problems of child for LIC. Except for Endowment Assurance type of policy and the money back policy, all others seem to be problem children and they don't seem to have even crossed their introduction stage. Some of them have even outlined their utility and hence there is no demand of such kind of policies like Anticipated whole life policy or joint life or Multipurpose etc.

However, the Endowment Assurance and Money back policy seem to be in the growth stage and maximum impetus in terms of allocation of resources should be given to those policies. In fact even in the marketing communication strategies should be geared so as to highlight the benefits of these policies and for the other policies communication should be geared towards creating more or awareness

after doing the consumer research.

In order to locate where these type of plans and insurance lie in this life cycle, the following analysis should be done:

1. Analyse historical trend information
2. Analyse recent trends
3. Analyse development of short term competitive tactics
4. Analyse historical information on the life cycle of similar and related products
5. Product sale of different types of plans
6. Estimate probable years remaining
7. Fix position in the product life cycle

For an insurance marketer it is important to appreciate that his product must be different from all other forms of savings. It is imperative for the marketing strategist to be able to foresee the potential product. The potential product on the future insurance plan is everything that might be done to attract and hold new customers particularly today's and tomorrow's young grown up people. This could be based on the technical aspect of the policy, market research findings, customers' attitudes towards life insurance etc. In other words, the potential product is going to be dependent on the customer analysis, competitor analysis and other environmental factor analysis.

Promotion strategies:

In promoting the Life Insurance business in India, the LIC has used by and large the same kind of promotion strategies as one witnesses in the United States. It was found that the Insurance

Companies sold comprehensive financial plans that catered not only to the big risks but also provided for retirement income, college tuition etc., just as the LIC does in India. But in making these companies the top five, training of their sales people played a major role. Training was provided not only in the technical area but also in the areas of selling stalls which involved every aspect of selling, that is right from the start to the close of a sales call and getting a business order. Advertisements on the TV were also used. But the policy of these insurance companies to expeditiously settle claims and of the agents to deliver the pay order to the beneficiary is an important aspect which took these corporations to the top.

Conclusion

To conclude it may be asserted that if the LIC is to continue its growth and is to serve the community in a much more meaningful manner, the organisation must have a re-look at its marketing strategies and here Mrs.Saxena's aim is not to look at marketing from a very narrow point of view, that is selling and advertising the Life Insurance Policies and benefits but it is a much broader view wherein the customer is kept as a focal point in the development of corporate growth strategies. This might perhaps mean re-orienting the entire organisation from the customer view point. The re-orientation does not mean the ineffectiveness or inefficiency of the present work force, right from the agent to the top management. But LIC's attempt here is how the performance can be improved. Is there a scope for such an improvement and if so, what steps must the company take? These issues are vital for any organisation today, including state monopolies and public utilities. This conviction of Mr.Saxena is based on the observations in other industrial sectors in India.

PRODUCT LIFE CYCLE SITUATION, STATE, AND STRATEGY SUMMARY

	Introduction	Growth	Maturity	Decline
Competition	Few or no competitors of importance	Many new competitors entering rapidly	Many competitors for small shares; shake-out; increasing price	Fewer competitors.
Profits	Negligible, due to high production and marketing costs	Peak levels, due to high prices and growing demand	Lower profits; lower margins	Declining volumes resulting in increased costs and lower profits
Pricing	Usually high to recover costs of introduction	High, to take advantage of heavy demand	Falling prices	Continues to fall; eventually low enough for quick liquidation
Buyer behaviour	Buyer inertia must convince customers to buy	Increasing number may accept delays and lower quality	Repeat buying	Sophisticated buyers.
Marketing	Very high marketing costs	High, but less as % of sales than during introduction	Increasing efforts to broaden lines using market segmentation and product differentiation	Minimum expenditure

Manufacturing	Overcapacity, short production runs; highly skilled labour required	Undercapacity shift towards mass production	Some overcapacity; longer runs with standard	Substantial over capacity
International trade	Some exports	Significant exports; a few imports	Declining exports; significant imports	No exports; significant imports
Distribution	Selective specialised channels	Intensive, Multichannels if possible	Some channels pared	Special channels; unprofitable channels phased out
Strategy	Establishing market share; persuading early adopters to buy; engineering and R&D important	Market penetration new segments and channels	Position defence; competitive costs new markets	Preparation for product removal, harvesting; divestment.

CHAPTER IIIANALYSIS OF DATA COLLECTED

Part I - Shows the analysis of data collected from Jeevan Saathi & Jeevan Mitra policy holders regarding the LIC and these two policies

Part II - Shows the analysis of data collected from these policy holders regarding their relationship with agents and Development Officers.

Part III - Shows the analysis of data collected from Agents and Development Officers regarding these policies.

P A R T -IANALYSIS OF INTERVIEW SCHEDULES OF THE JEEVAN SAATHIAND JEEVAN MITRA POLICY HOLDERS

A simple analysis of the information obtained from the interview-Schedule of Jeevan Saathi and Jeevan Mitra policy holders is as follows:

T A B L E NO. IYEAR WISE CLASSIFICATION OF NUMBER OF POLICIES PURCHASED BY
POLICY HOLDERS

Year	Jeevan Saathi		Jeevan Mitra		T o t a l	
	No.	% of Additi- onal increase in sales.	No.	% of Additi- onal increase in sales.	No.	% of addi- tional in- crease in sales
1986	4	100	6	100	10	100
1987	9	125	13	116.67	22	120
1988	15	66.67	15	15.38	30	36.36
Total:	28		34		62	

The figures given above show the additional increase in sales year after year. Both in case of Jeevan Saathi and Jeevan Mitra policy compared with the year 1986 there is an additional increase of 125% and 116.67% respectively in the year 1987 and in the year 1988, the additional increase in Sales of both these policies were reduced to 66.67% and 15.37% respectively.

The totals in Sales of both these policies show that compared with 1986, there is an increase of 120% in the year 1987, and in the year 1988, the additional increase reduced to 36.36%. This shows that even though there is an increase in the sale of these policies in the year 1987, in the year 1988 the additional sales of both these policies were reduced greatly.

T A B L E NO: 2

AMOUNT - WISE CLASSIFICATION OF JEEVAN SAATHI AND JEEVAN MITRA POLICIES TAKEN BY POLICY HOLDERS

Sum assured Amount of policy	<u>Jeevan Saathi</u>		<u>Jeevan Mitra</u>		<u>Total</u>	
	No.	%	No.	%	No.	%
Upto 25000	9	32.14	20	58.82	29	46.77
26 to 50000	11	39.29	10	29.41	21	33.87
51 to 75000	2	7.14	..	..	2	3.23
76 to 100000	6	21.43	4	11.77	10	16.13
Above 1 lakh	..	..	.	..	..	.
TOTAL	28	100.00	34	100.00	62	100.00

From the table given above, it was found that out of 62 policies 80.64%(46.77 + 33.87) policies were for amounts below

Rs.50,000 and the balance 19.36% (3.23 + 16.13) are for amounts between Rs.51,000 to Rs.1,00,000.

With regard to Jeevan Saathi policies out of the total policy 71.43% (32.14 + 39.29) were for amounts below Rs.50,000 and 28.57% (7.14 + 21.13) policies were between 51,000 to 1 lakh rupees.

In reference to Jeevan Mitra policies also out of the total number of 34 policies included in the sample 88.23% (58.82 + 29.41) came under the category below Rs.50,000 and 11.77% were in the category between Rs.76,000 to 1 lakh sum assured class. This shows that majority of policy holders prefer to purchase policies amounting below Rs.50,000.

T A B L E NO. 3
MODE OF PAYMENT OF PREMIUM WISE CLASSIFICATION OF POLICIES
TAKEN BY JEEVAN SAATHI AND JEEVAN MITRA POLICY HOLDERS

Mode of payment of premium	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Monthly	15	53.57	11	32.35	26	41.94
Quarterly	8	28.57	17	50.00	25	40.32
Half yearly	3	10.72	5	14.71	8	12.90
Yearly	2	7.14	1	2.94	3	4.84
Total	28	100.00	34	100.00	62	100.00

Out of the total number of 62 policy holders 82.26% (41.94 + 40.32) were paying their premium monthly or quarterly and only 17.74% (12.90 + 4.84) policy holders were paying their premium half yearly and yearly.

In the case of Jeevan Saathi policy holders, 53.57% were paying premium monthly and 28.57% quarterly and only 17.86% (10.72 + 7.14) were paying premium half yearly and yearly.

In reference to Jeevan Mitra policy holders 32.35% like to pay monthly and 50% like to pay quarterly and only 17.65% (14.71 + 2.94) were paying premium half yearly or yearly.

This shows around 50% of Jeevan Saathi policy holders prefer monthly payment of premium and Jeevan Mitra policy holders prefer quarterly payments.

T A B L E NO. 4.

TABLE SHOWING THE WAYS THROUGH WHICH POLICY HOLDERS CAME TO KNOW ABOUT THE POLICY FIRST

Way in which they come to know first	<u>Jeevan Saathi</u>		<u>Jeevan Mitra</u>		<u>Total</u>	
	No.	%	No.	%	No.	%
Agents	27	96.43	31	91.18	58	93.55
Hoardings	..	..	1	2.94	1	1.61
Friends	1	3.57	2	5.88	3	4.84
Total	28	100.00	34	100.00	62	100.00

Out of the 62 policy holders to whom the question 'How you first came to know about these policies' was asked, 93.55% answered that they came to know about the policy through agents of LIC, and 4.84% came to know about the policy through friends and only 1.61% said that first they came to know about the policy through hoardings.

With reference to Jeevan Saathi policy 96.43% out of 28 and in case of Jeevan Mitra policy 91.18% out of 34, first came to know about the policy through agents. So agents are playing a very important role in the sales of life insurance policies.

T A B L E NO. 5.

KNOWLEDGE-WISE CLASSIFICATION ABOUT THE DETAILS OF THE POLICY
KNOWN TO POLICY HOLDERS ACCORDING TO THEIR BELIEF

Knowledge about details of policy	<u>Jeevan Saathi</u>		<u>Jeevan Mitra</u>		<u>Total</u>	
	No.	%	No.	%	No.	%
Something	18	64.29	11	32.35	29	46.77
Nothing	3	10.71	11	32.35	14	22.58
All details	7	25.00	12	35.30	19	30.65
Total	28	100.00	34	100.00	62	100.00

Out of 62 policy holders who were interviewed 30.65% had the belief that they knew all details of the policy. 22.58% had the opinion that they knew nothing about the policy and 46.77% had the opinion that they knew something about the details of the policy they had taken.

Out of 28 Jeevan Saathi Policy holders 25% believe that they know all details of the policy, 64.29% believe that they know something about the policy and 10.71% believe that they know nothing about the policy they have taken.

In case of Jeevan Mitra policies out of 34 policy holders 35.3% believe that they know all details of the policy, 32.35% believe that they know something about the policy and 32.35% believe that they know nothing about the policy which they have taken.

T A B L E NO. 6

TABLE SHOWING OPINION ABOUT THE USEFULNESS
OF THE PLAN WHICH THEY HAVE TAKEN

Opinion of usefulness	<u>Jeevan Saathi</u>		<u>Jeevan Mitra</u>		<u>Total</u>	
	No.	%	No.	%	No.	%
Yes	23	82.14	19	55.88	42	67.74
Not Sure	4	14.28	14	41.18	18	29.03
No	..	..	..	..	..	..
Not bad	1	3.58	1	2.94	2	3.23
Total	28	100.00	34	100.00	62	100.00

Out of the 62 policy holders 67.74% had the opinion that the plan of the policy which they have taken is useful and 29.03% said that they are not sure about the usefulness of the policy which they have taken and 3.23% respondents said that it is 'not bad'. No policy holder had the opinion that these plans are useless.

In the matter of Jeevan Saathi policy holders 82.14% out of 28 policy holders had the opinion that it is a useful plan and 14.28% are 'not sure' about the usefulness of the plan and 3.58% had the opinion that it is 'not bad'.

With regard to Jeevan Mitra policy holders 55.88% out of 34 have the opinion that it is useful. 41.18% had the opinion that they are 'not sure' about the usefulness of plan and 2.94% policy holders said that this plan is 'not bad' with regard to usefulness.

T A B L E NO. 7

TABLE SHOWING AWARENESS OF BENEFITS OF POLICIES TAKEN BY THEM.

Opinion about Awareness of benefit	Jeevan Saathi Policy holder		Jeevan Mitra Policy holder		Total	
	No.	%	No.	%	No.	%
Aware of benefits	12	42.86	11	32.35	23	37.09
Not aware of benefits	8	28.57	15	44.12	23	37.09
Wrong information	8	28.57	8	23.53	16	25.82
Total	28	100.00	34	100.00	62	100.00

According to the opinion collected from Policy holders it was found that in case of Jeevan Saathi policy holders out of the total, 42.86% are aware of all benefits of the policy taken by them. 28.57% are not aware of benefits and another 28.57% are wrongly informed about the benefits of the policy.

In reference to Jeevan Mitra Policy holders out of the total 32.35% are aware of benefits available under the plan of policy, 44.12% are not aware of benefits of the policy and 23.53% are wrongly informed about the benefits available under the policy. When compared with Jeevan Mitra Policy holders, awareness of details of and benefits available under the plan of policy taken by them was found more among Jeevan Saathi policy holders.

T A B L E NO. 8 A

AGE-WISE CLASSIFICATION OF JEEVAN MITRA POLICY HOLDERS

Age	Jeevan Mitra	
	No.	%
Less than 25	1	2.94
25 to 34	14	41.18
35 to 44	17	50.00
45 to 54	2	5.88
55 and above	..	..
Total	34	100.00

Out of the total Jeevan Mitra Policy holders 91.18% out of 34 policy holders lies in between the age of 25 to 44 years. Only 2.94% are less than 25 years old and 5.88% policy holders are between 45 to 54 years old.

T A B L E NO. 8 B

AGE-WISE CLASSIFICATION OF JEEVAN SAATHI POLICY HOLDERS

Age of both husband and wife lies between	No	%
Both come under the class 25 to 34	12	42.86
One in 35 to 44 and other in 25 to 34	9	32.14
Both come under the class of 35 to 44	5	17.86
One in 45 to 54 and other in 35 to 44	2	7.14
Both come under the class of 45 to 54	..	..
T O T A L	28	100.00

Out of 28 Jeevan Saathi policy holders 42.86% come under the

age class in which both husband and wife are 25 to 34 years old. 32.14% come in a class in which one of the couple comes under the age class of 35 to 44 and other one come under the age class of 25 to 34 years. 17.86% of them come under the age class in which both husband and wife are between 35 to 44 years old and only 7.14% come under the class in which one of the couple is between 45 and 54 and the other comes under the age class of 35 to 44 years old.

T A B L E N O . 9 A
INCOME-WISE CLASSIFICATION OF JEEVAN SAATHI POLICY HOLDERS

Annual Income class	No.	%
Both husband and wife come under the class of Rs.10,000 to 24,000	6	21.43
One comes under the class of Rs.25,000 to Rs.49,000 and other in Rs.10,000 to Rs.24,000	5	17.86
Both husband and wife come under the class of Rs.25,000 to Rs.49,000	7	25.00
One comes under the class of Rs.25,000 to Rs.49,000 and other Rs.50,000 to Rs.74,000	1	3.57
One comes under the class of Rs.50,000 to Rs.74,000 and another in Rs.10,000 to Rs.24,000	2	7.14
Both come under the class of Rs.50,000 to Rs.74,000	5	17.86
One comes under the class of Rs.75,000 to Rs.1,00,000 and other in Rs.10,000 to 24,000	1	3.57
One comes under the class of Rs.75,000 to Rs.1,00,000 and other in Rs.25,000 to Rs.49,000	1	3.57
T O T A L	28	100.00

Out of 28 Jeevan Saathi policy holders 21.43% come under the annual income in which both husband and wife separately have an income of Rs.10,000 to 24,000. 17.86% come under the class in which one of them

has an income of Rs.25,000 to 49,000 and the other has Rs.10,000 to 24,000 per annum. 25% come under the class in which both husband and wife have an annual income between Rs.25,000 to 49,000 annually. Remaining figures give the information that 3.57% come under the class in which one belongs to the income class of Rs.25,000 to Rs.49,000 and the other in the class of Rs.50,000 to 74,000. 7.14% belong to the class in which one has an income of Rs.50,000 to 74,000 and other is in the income class of Rs.10,000 to 24,000. 17.86% come under the class in which both husband and wife have an annual income of Rs.50,000 to 74,000. 3.57% belong to the class in which one comes under the class of Rs.75,000 to 1,00,000 and other in the income category of Rs.10,000 to 24,000. The last 3.57% come under the class in which one has an annual income of Rs.75,000 to 1,00,000 and other is in the income of Rs.25,000 to 49,000.

T A B L E NO. 9 B
INCOME-WISE CLASSIFICATION OF JEEVAN MITRA POLICY HOLDERS

Income class	Jeevan Mitra	
	No.	%
Less than 10,000	5	14.71
10,000 to 24,000	8	23.53
25,000 to 49,000	18	52.94
50,000 to 74,000	3	8.82
75,000 to 1,00,000	..	..
T O T A L	34	100.00

In case of Jeevan Mitra policy holders 52.94% out of 34 come under the income class of Rs 25,000 to 49,000. 23.53% come under the class of Rs 10,000 to 24,000. 14.71% come in the class of less than Rs 10,000 and 8.82% come in the income class of Rs 50,000 to 74,000 annually. There is no policy holder who has more than Rs 74,000 income annually.

T A B L E NO.10A

OCCUPATION-WISE CLASSIFICATION OF JEEVAN MITRA POLICY HOLDERS.

Occupation	Jeevan Mitra	
	No.	%
Factory worker	10	29.41
Office worker	13	38.24
Self employed	9	26.47
Executive or Manager	1	2.94
Any other	1	2.94
Total	34	100.00

Occupation wise classification of Jeevan Mitra policy holders shows that 38.24% belong to office workers category, 29.41% belong to Factory worker category, 26.47% belong to self employed category and 2.94% belong to Executive or Manager category and 2.94% belong to some other category.

T A B L E NO. 10 B

OCCUPATION-WISE CLASSIFICATION OF JEEVAN SAATHI POLICY HOLDERS.

Occupation of Husband and wife	Jeevan Saathi No.	%
Both are Office workers	15	53.58
Both are Self employed	5	17.86
Both are Executives or Managers	2	7.14
One Factory worker and another office worker	1	3.57
One Office worker and one self employed	3	10.71
One Executive or Manager and another Office worker	2	7.14
Total	28	100.00

With reference to Jeevan Saathi policy 53.58% belong to the category in which both husband and wife are office workers, 17.86% belong to the category in which both are self employed. 10.71% belong to the occupation category in which one of the couple is office worker and another is self employed.

T A B L E NO. 11

SIZE OF THE FAMILY-WISE CLASSIFICATION OF JEEVAN SAATHI AND JEEVAN MITRA POLICY HOLDERS.

Size of the family	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
1	..	..	4	11.76	4	6.45
2	2	7.14	4	11.76	6	9.68
3	12	42.86	5	14.71	17	27.42
4	9	32.24	18	52.95	27	43.51
5	5	17.86	3	8.82	8	12.90
Total	28	100.00	34	100.00	62	100.00

Out of the total 62 policy holders 43.55% belong to the family size of 4 members. 27.42% belong to family size of 3 members. 12.90% belong to the family size of 5 members. 9.68% belong to the family size of 2 members and 6.45% were persons who have no family at all.

In case of Jeevan Saathi policy holders out of the total of 28 policy holders 42.86% come from family size of 3 members 32.24% come from family size of 4 members 17.86% come from family size of 5 members and 7.14% belong to the family size of only 2 members.

If we take the case of Jeevan Mitra policy holders, out of the total of 34, 52.95% belong to the family size of 4 members 14.71% belong to the family size of 3 members, 11.76% belong to the family size of 2 members, 11.76% belong to single individual and 8.82% belong to the family size of 5 members.

T A B L E NO. 12

CLASSIFICATION OF JEEVAN SAATHI AND JEEVAN MITRA POLICY HOLDERS ON THE BASIS OF PURPOSE OF BUYING LIFE INSURANCE POLICY

Purpose	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Provide security	7	25.00	18	52.94	25	40.32
Tax benefit	1	3.57	5	14.71	6	9.68
Both security and Tax benefit	19	67.86	10	29.41	29	46.78
Persuasion of Agent only	1	3.57	..	..	1	1.61
Persuasion of Agent and provide security	..	..	1	2.94	1	1.61
Any other	..	..	..	..	..	..
T O T A L	28	100.00	34	100.00	62	100.00

It can be seen that out of 62 policy holders 46.78% bought life policy to provide security and tax benefit, 40.32% bought policy for providing security only and 9.68% bought it for tax benefit only.

Out of the total of 28 Jeevan Saathi policy holders 67.86% bought it for security and tax benefit and 25% bought it for providing security only.

With regard to Jeevan Mitra policy holders, out of the total of 34 policy holders 52.94% bought it for providing security only. 29.41% bought it both for security and tax benefit and 14.71% bought it for tax benefit only.

T A B L E NO.13 A

CLASSIFICATION OF POLICY HOLDERS ON THE BASIS OF THEIR OPINION ABOUT PROMPTNESS OF SERVICES RENDERED BY LIC IN PERFORMING VARIOUS ACTIVITIES ACCORDING TO THE OPINION OF JEEVAN SAATHI POLICY HOLDERS.

Promptness	Issue of Receipt		Change of Address		Payment of loan		Settlement of claims	
	No.	%	No.	%	No.	%	No.	%
Prompt	20	71.44	16	57.15	16	57.15	16	57.15
Not prompt	2	7.14	2	7.14	..	..	1	3.57
Within 1 month	3	10.71	2	7.14	2	7.14	2	7.14
Within 2 months	..	..	..	..	..	..	..	..
Within 3 months	..	..	1	3.57	..	..	..	..
Within 6 months	1	3.57	1	3.57	1	3.57	..	..
Within 1 year	1	3.57	1	3.57	1	3.57	1	3.57
No experience	1	3.57	5	17.86	8	28.57	8	28.57
T o t a l	28	100.00	28	100.00	28	100.00	28	100.00

From the table given above, it is found that according to the opinion given by Jeevan Saathi Policy holders, LIC is prompt in rendering various services.

In case of issue of receipts 71.44% out of 28 had the opinion that LIC is prompt. In case of change of address, payment of loans and settlement of claims, 57.15% out of 28 policy holder had the opinion that LIC is prompt.

Another fact to be noted is that in the matter of payment of loans, settlement of claims 28.58% out of 28 Jeevan Saathi policy holders and 17.86% in change of address said that they had no experience with LIC.

T A B L E . 13 B

CLASSIFICATION OF POLICY HOLDERS ON THE BASIS OF PROMPTNESS OF SERVICE RENDERED BY LIC. ACCORDING TO THE OPINION OF JEEVAN MITRA POLICY HOLDERS

Promptness	Issue of Receipt		Change of address		Payment of loans		Settlement of claims	
	No.	%	No.	%	No.	%	No.	%
Prompt	25	73.53	19	55.88	17	50.00	17	50.00
Not prompt	1	2.94	2	5.88	1	2.94	1	2.94
Within 1 month	..	..	.	..	.	..	.	..
Within 2 months	..	..	.	..	.	..	.	..
Within 3 months	..	..	.	..	.	..	.	..
Within 6 months	..	..	.	..	.	..	.	..
Within 1 year	..	..	.	..	.	..	.	..
No Experience	8	23.53	13	38.24	16	47.06	16	47.06
Total	34	100.00	34	100.00	34	100.00	34	100.00

According to the opinion given by Jeevan Mitra policy holders about their experience with LIC with regard to issue of various receipts, 73.53% policy holders said that dealings with LIC were prompt. 23.53% said that they had no experience and only 2.94% said that LIC was not prompt. With regard to change of address of policy holders 55.88% said that LIC was prompt, 38.24% said that they had no experience and 5.88% said that LIC was not prompt.

In case of payment of loans and settlement of claims 50% policy holders said that LIC was prompt in dealing. In both cases 47.06% said that they had no experience and 2.94% each in both cases said that LIC was not prompt.

T A B L E NO. 14

CLASSIFICATION OF POLICY HOLDERS ON THE BASIS OF THEIR OPINION
WHETHER LIC WILL TRY TO AVOID CLAIMS WHEN THEY ARISE IN FUTURE

Opinion	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Yes	6	21.43	7	20.59	13	20.97
No	18	64.29	21	61.76	39	62.90
Not Sure	4	14.28	6	17.65	10	16.13
T O T A L	28	100.00	34	100.00	62	100.00

Out of the total of 62 policy holders 62.90% had the opinion that LIC would not try to avoid claims while 20.97% said that LIC would try to avoid claims and 16.13% said that they were not sure whether LIC would try to avoid claims in future when they arise.

In the case of Jeevan Saathi Policy holders 64.29% out of 28 had the opinion that LIC would not try to avoid claims,

21.45% had the opinion that LIC would try to avoid claims and 14.28% said that they were not sure about it.

In reference to Jeevan Mitra policy holders, out of the total 34,61.76% had the opinion that LIC would not try to avoid claims 20.59 said that LIC would try to avoid claims and 17.65% said that they **are not** sure whether LIC would try to avoid claims.

T A B L E NO. 15 A

CLASSIFICATION OF JEEVAN SAATHI POLICY HOLDERS ON THE BASIS OF
THEIR OPINION IN THE FOLLOWING CASES

Opinion	In payment of claims promptly		In rendering service by LIC		In rendering services by staff of LIC		Compared with service rendered by banks	
	No.	%	No.	%	No.	%	No.	%
Good	22	78.57	22	78.57	23	82.14	21	75.00
Improving	4	14.29	5	17.86	4	14.29	5	17.86
Very Good	.	..	.	..	.	..	.	..
B a d	2	7.14	1	3.57	1	3.57	2	7.14
Becoming worse	.	..	.	..	.	..	.	..
Total	28	100.00	28	100.00	28	100.00	28	100.00

From the table given above it can be found that out of 28 Jeevan Saathi policy holders, 78.57% had good opinion in payment of claims and in rendering services by LIC.

In rendering services by staff of LIC 82.14% out of 28 policy holders have good opinion. 75% said that when compared with services rendered by Banks LIC is good.

So in total we can find that more than 75% of the policy holders have good opinion about LIC's services and services rendered by the staff of LIC.

T A B L E NO. 15 B

CLASSIFICATION OF JEEVAN MITRA POLICY HOLDERS ON THE BASIS OF THEIR OPINION IN THE FOLLOWING CASES.

Opinion	Payment of claims promptly		Rendering Services by L I C		Rendering Services by staff of L I C		Compared with Services rendered by Banks	
	No.	%	No.	%	No.	%	No.	%
Good	32	94.12	31	91.18	30	88.24	30	88.24
Improving	1	2.94	1	2.94	1	2.94	1	2.94
Very Good	..	..	..	..	..	..	..	..
B a d	1	2.94	1	2.94	1	2.94	1	2.94
Becoming worse	..	..	..	..	1	2.94	1	2.94
No experience	..	..	1	2.94	1	2.94	1	2.94
T o t a l	34	100.00	34	100.00	34	100.00	34	100.00

Out of 34 Jeevan Mitra Policy holders 94.12% had good opinion about LIC with regard to payment of claims promptly. In case of services rendered by LIC, 91.18% policy holders had good opinion. About services rendered by staff of LIC, 88.24% had good opinion. They also agree that when compared with services rendered by banks, LIC's services are found to be good.

T A B L E NO. 16 A

CLASSIFICATION OF POLICY HOLDERS ON THE BASIS OF RANKS GIVEN TO
VARIOUS TYPES OF INVESTMENTS ACCORDING TO THE OPINION OF JEEVAN SAATHI
POLICY HOLDERS

Opinion	Types of investments								Total No.
	L. P. No. %	B. D. No. %	N.S.C. No. %	Co. D. No. %	Sh. No. %	B.R.D. No. %	ULI No. %		
Preference to buy	12 42.86	7 25.00	4 14.29	1 3.57	3 10.71	...	1 3.57	28	10
Utility in time of need	10 35.71	13 46.43	2 7.14	...	1 3.57	2 7.14	...	28	10
Total	22	20	6	1	4	2	1	56	

Codes used :

Life Policy : L.P. Company Deposit : Co.D.
 Bank Deposit : B.D. Shares : Sh.
 National Savings Certificate : N.S.C. Bank Recurring Deposit : B.R.D.
 Unit Link Insurance : U.L.I.

According to the table given above it can be found that in the case of preference to buy various types of investment made by Jeevan Saathi Policy holders 42.86% give preference to LIC policies, 25% prefer to buy Bank Deposit, 14.29% prefer to buy National Savings Certificate, 10.71% prefer to buy Shares etc.

From the point of view of utility in time of need 46.43% prefer Bank Deposits, 35.71% prefer LIC Policy, 7.14% prefer National Savings Certificate, another 7.14% prefer Bank Recurring Deposit and only 3.57% prefer Company Shares.

T A B L E NO. 16 B

CLASSIFICATION OF JEEVAN MITRA POLICY HOLDERS ON THE BASIS OF RANKS
GIVEN TO VARIOUS TYPES OF INVESTMENTS ACCORDING TO THEIR OPINION

Opinion	Types of Investments													
	L. P.		B. D.		N.S.C.		Sh.		U.L.I.		N.C.		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Preference to buy	19	55.88	9	26.47	2	5.88	1	2.94	1	2.94	2	5.88	34	100.00
Utility in time of need	14	41.18	15	44.12	3	8.82	..	..	..	..	2	5.88	34	100.00
Total	33	....	24	....	5	....	1	..	1	...	4	...	68	...

Codes used :

L.F.	:	Life Policy	Sh.	:	Shares
B.D.	:	Bank Deposit	U.L.I.	:	Unit Link Insurance
N.S.C.	:	National Savings Certificate	N.C.	:	Not Comparable.

In the case of Jeevan Mitra Policy holders with regard to preference to buy various types of investments, out of the total of 34 policy holders 55.88% gave preference to LIC policies. 26.47% preferred to buy Bank Deposit, 5.88% preferred to buy NSC, 2.94% preferred shares and another one preferred unit linked insurance, 5.88% said that LIC policies could not be compared with other types of investments.

From the point of view of utility in time of need out of 34 policy holders 44.12% preferred Bank Deposit, 41.18% preferred LIC policy and 8.82% preferred National Savings Certificate, 5.88% had given the opinion that LIC policies should not be compared with other type of

investments.

T A B L E N O . 17

CLASSIFICATION OF POLICY HOLDERS ON THE BASIS OF RECOMMENDATIONS
MADE BY THEM FOR CHANGES IN THE PLAN OF THE POLICY

Changes	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
No changes needed	23	82.14	32	94.12	55	88.71
Reduce premium	..	..	1	2.94	1	1.61
Include children	4	14.29	..	..	4	6.45
Make it more attractive	1	3.57	1	2.94	2	3.23
T o t a l	28	100.00	34	100.00	62	100.00

Out of 62 policy holders 88.71% made no suggestion for changes in the plan of policies taken by them. Only 1.61% Jeevan Mitra policy holders made the suggestion of reducing the amount of premium of the policy. 6.45% policy holders of Jeevan Saathi had the opinion to include children also in the plan and 3.23% out of 62 policy holders had the opinion to make it more attractive.

In the case of Jeevan Saathi Policy holders 82.14% out of 28 made no recommendation for change in the plan and in case of Jeevan Mitra Policy holder 94.12% out of 34 made no suggestion with regard to changes in the plan of the policy.

T A B L E N O . 18

BENEFIT-WISE CLASSIFICATION OF POLICIES WHICH ARE CONSIDERED BY
POLICY HOLDERS

Benefits	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Cover the risk of both) husband and wife under) single policy)	11	39.29	..	..	11	17.74
Double benefit in nor-) mal death and triple) benefit in accidental) death during the term) of the policy )	..	..	11	32.35	11	17.74
Not aware of benefits	8	28.57	12	35.29	20	32.27
Tax benefit	1	3.57	3	8.82	4	6.45
Wrong information about benefit	7	25.00	8	23.54	15	24.19
To avail of housing loan	1	3.57	..	..	1	1.61
T o t a l	28	100.00	34	100.00	62	100.00

Out of the 62 policy holders 35.48% (17.74 + 17.74) had knowledge about the benefits of the policies which they had taken by them and 32.27% policy holders were not aware of the benefits of the policy taken by them. 6.46% policy holders considered only the tax benefit available to them and 24.19% policy holders had taken these policies through wrong information and 1.61% policy holderstaken it for getting Housing loan. On analysing two types of policy holders separately it can be seen that in case of Jeevan Saathi policy holders, 39.29% out of 28 had knowledge about the benefits available to them under the policy and 25.00% out of 28 policy holders were influenced by

wrong information about the benefits. 3.57% policy holders had taken it for tax benefit and 3.57% for getting housing loan.

With regard to Jeevan Mitra policy holders, 32.35% of them were aware of benefits available under the policy. 35.29% of them were not aware of benefits available under the scheme, 8.82% policy holders considered only tax benefit and 23.54% policy holders were influenced by wrong information about the benefits available under the plan.

T A B L E NO. 19

ANY OTHER POLICY TAKEN BY THE JEEVAN SAATHI AND JEEVAN MITRA POLICY HOLDERS EITHER IN OWN LIFE, OR SPOUSE'S LIFE, CHILDREN'S LIFE OR IN OWN AND SPOUSE'S LIFE

Other policies taken	Jeevan Saathi Policy holder		Jeevan Mitra Policy holder		Total	
	No.	%	No.	%	No.	%
Own life only	14	50.00	16	47.06	30	48.39
Spouse's life only	..	..	2	5.88	2	3.23
Children's life only	..	..	..	..	..	..
Own and Spouse's life	6	21.43	1	2.94	7	11.29
No other policies	8	28.57	15	44.12	23	37.09
T O T A L	28	100.00	34	100.00	62	100.00

Out of the total 62 policy holders 48.39% had taken some other Life Insurance Policies in their own life. 11.29% had taken other policies in their own and spouse's life together, 3.23% policy holders had taken life policies in their spouse's life only and 37.09% had not taken any other Life Insurance Policies.

With regard to Jeevan Saathi Policy holders 50% had taken other Life Insurance Policies in their own name. 21.43% had other Life

Insurance Policies in their own and spouse's life together and the rest 28.57% out of the total 28 policy holders had not taken any other life policies.

In case of Jeevan Mitra policy holders out of the total 34 policy holders 47.06% had other life policies in their own name. 5.88% had other policies in their spouse's name only and 44.12% had no other life policies.

From the table it can be seen one important fact that no policy holder had taken any life policy in their children's name.

T A B L E NO. 20

TYPE OF POLICY-WISE CLASSIFICATION OF OTHER TYPE OF POLICIES TAKEN
BY JEEVAN SAATHI AND JEEVAN MITRA POLICY HOLDERS

Type of policy	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
One Endowment policy	6	30.00	9	47.39	15	38.46
Two Endowment policies	2	10.00	1	5.26	3	7.69
One Money back policy	3	15.00	6	31.57	9	23.08
Two Money back policies	1	5.00	-	..	1	2.56
One Group Insurance Policy	2	10.00	1	5.26	3	7.69
Two Group Insurance Policies	1	5.00	-	-	1	2.56
Jeevan Dhara policy	1	5.00	-	-	1	2.56
Endowment and Money back policy	3	15.00	1	5.26	4	10.14
Endowment, Money back & Jeevan Dhara policy	1	5.00	-	-	1	2.56
Jeevan Mitra policy	-	-	1	5.26	1	2.56
Total	20	100.00	19	100.00	39	100.00

On analysing, the other types of life policies taken by Jeevan Saathi and Jeevan Mitra policy holders, it is found that out of the total of 28 Jeevan Saathi policy holders 71.43% had other policies. Of these majority had taken endowment and money back policies.

On going into details of Jeevan Mitra policy holders who had other life policies it is seen that out of total 34 policy holders 55.88% had taken other policies. Among them also majority had taken endowment and money back policies.

T A B L E NO.21

WHETHER OTHER POLICIES ARE TAKEN EITHER FROM SAME AGENT OR FROM DIFFERENT AGENTS BY THE JEEVAN SAATHI AND JEEVAN MITRA POLICY HOLDERS

Method of taking other policy	Jeevan Saathi		Jeevan Mitra	
	No.	%	No.	%
Same agent	5	25.00	12	63.16
Different Agent	15	75.00	7	36.84
Any other	..	..	..	..
Total	20	100.00	19	100.00

Out of 20 Jeevan Saathi policy holders who had taken other life policies, 25% taken it from same agent and 75% taken it from different agents.

In regard to Jeevan Mitra policy holders who had taken other life policies, 63.16% had taken policies from same agent and 36.84% had taken it from different agents.

T A B L E NO.22

TABLE SHOWING PAYMENT OF PREMIUM FOR THE POLICY TAKEN BY THEM MADE
EITHER DIRECTLY OR THROUGH SALARY DEDUCTION OR THROUGH
AGENT OR ANY OTHER WAYS

Payment of premium	Jeevan Saathi		Jeevan Mitra	
	No.	%	No.	%
Direct	6	21.43	12	35.29
Salary deduction	14	50.00	9	26.47
Any other, or agent	8	28.57	13	38.24
Total	28	100.00	34	100.00

Referring to Jeevan Saathi policy holders, 50% paid the premium through salary deduction and 21.43 % paid the premium directly in the LIC office and balance 28.57 % made the payment of premium through agent or some other ways.

With regard to Jeevan Mitra policy holders 26.47% paid the premium through salary deduction, 35.29% paid the premium directly and balance 38.24 % paid the premium of **policies** through agents or some other ways.

T A B L E NO. 23 ATYPES OF INVESTMENTS MADE BY JEEVAN MITRA POLICY HOLDERS IN THEIR OWNNAME AND IN THEIR FAMILY MEMBERS ' NAME

Whose name investments are made	B.D	NSC	CO. sh.	B.D. & Sh.	Sh. & De.	B.D NSC	NSC Sh BD De.	NI	Total	
	No.	No.	No.	No.	No.	No.	No.	No.	No. %	
Own name only	7	3	1	1	1	-	-	-	13 38.24	
Spouse's name only	-	-	-	-	-	-	-	-	-	
Children's name only	1	-	-	-	-	-	-	-	1 2.94	
Your own & Spouse's name only	1	-	-	-	-	2	1	-	4 11.76	
Own Spouse's & Children's name	-	-	-	-	-	-	1	-	1 2.94	
No investment	-	-	-	-	-	-	-	15	15 44.12	
Total	No.	9	3	1	1	1	2	2	15	34 100.0
	%	43.17	15.79	5.26	5.26	5.26	10.53	10.53		

Codes used:

B.D	:Bank Deposit
N.S.C	:National Saving Certificate
Co.Sh	:Company Shares
B.D.& Sh	:Bank Deposit and Shares
Sh. De	:Shares and Debentures
Sh. NSC	:Shares and National Savings Certificate
BD, NSC	:Bank Deposit, National Savings Certifica
N.I.	:No Investment.

Out of the total 34 Jeevan Mitra policy holders 55.88% (100 - 44.12%) had certain types of investments. Of these 47.37% ($\frac{9}{19}$) had invested money in bank deposits, 15.79% ($\frac{3}{19}$) made their investment in National Savings Certificates, 5.26% ($\frac{1}{19}$) invested in company shares, 10.53% ($\frac{2}{19}$) invested money in Bank deposit and National Savings Certificates another 10.53% ($\frac{2}{19}$) deposited money in NSC, Shares, debentures and bank deposits and 10.53% ($\frac{2}{19}$) invested money in company shares and debentures.

Analysing it on the basis of members of family on whose name the investments are made shows that out of the total investments 68.42% ($\frac{13}{19}$) made it in their own name 21.06% ($\frac{4}{19}$) invested in own name and spouse's name, 5.26% ($\frac{1}{19}$) invested in children's name and 5.26% ($\frac{1}{19}$) invested in own name, spouse's name and children's name.

T A B L E NO. 23 B

TYPES OF INVESTMENTS MADE BY JEEVAN SAATHI POLICY HOLDERS IN THEIR OWN NAME
AND IN THEIR FAMILY MEMBERS' NAME

Whose name Investments made	<u>Types of Investments</u>														Total No.	%
	BD. No.	NSC No.	UTI No.	BD Sh. No.	BD Sh. No.	BD De. No.	BD NSC No.	SH NSC No.	BD NSC No.	BD NSC No.	Sh. NSC No.	BD NSC NSS No.	NSC NSS No.	NI No.		
Own Name only	-	4	1	1	-	-	-	-	-	-	1	-	1	-	8	28.57
Spouse's name only	1	1	-	-	-	1	-	-	-	-	-	-	-	-	3	10.71
Children's name only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Own and spou- se's name only	3	1	-	-	2	-	-	1	1	1	-	1	-	-	10	35.71
Own, Spouse & Children's Name	1	-	-	-	-	-	1	-	-	-	-	-	-	-	2	7.14
No invest- ment	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5	17.86
T o t a l No.	5	6	1	1	2	1	1	1	1	1	1	1	1	5	28	100.00
%	21.74	26.09	4.35	4.35	8.70	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35

NSS - National Savings Scheme.

An analysis of the same on the basis of members of family of policy holders in whose name investment was made shows that out of the total of 23 policy holders 35.71% invested both in own name and spouse's name only, 28.57% invested money in their own name, 10.71% made investments in spouse's name only and the rest 7.14% policy holders invested in own name, spouse's name and also in their children's name.

Conclusion

A simple analysis of the interview schedules of the Jeevan Saathi and Jeevan Mitra Policy holders helps to reach the following conclusions. There is an increase in the number of policies sold in the year 1987 compared with 1986, but in the year 1988 the sale of policies is reduced greatly.

Sum assured wise classification of policies shows that in case of Jeevan Saathi policy majority of the policy holders prefer to take policies upto the value of Rs.50,000. Out of the total number of Jeevan Saathi policies sold 32.14% are upto the value of Rs.25,000 and 39.29% policies sold are between Rs.26,000 and Rs.50,000

In case of Jeevan Mitra policies out of the total 58.82% are upto the value of Rs.25,000 and 29.41% policies sold are between Rs.26,000 and Rs.50,000.

Mode of payment wise classification shows that in case of Jeevan Saathi policy holders 53.57% preferred monthly payment of premium and 28.57% gave preference to Quarterly payment of premium. Among Jeevan Mitra policy holders 50% preferred quarterly payment

of premium and 32.35 % preferred monthly payment of premium .

An analysis of the ways through which policy holders came to know about the policy taken by them firstly, shows that 96.43% Jeevan Saathi policy holders and 91.18% Jeevan Mitra policy holders know about the policy through agents.

The classification of answers given by policy holders against the question " Do you know details of the policy ? " is as follows. In case of Jeevan Saathi policy holders 64.29% said that they knew something about the policy details, 25% said that they know all details of the policy taken by them. Among Jeevan Mitra policy holders 35.30% said that they knew all details of the policy 32.35% said that they knew something about the policy and the balance 32.35% said that they knew nothing about the policy taken by them.

A classification of opinions with regard to usefulness of the plan of policy taken by them shows that 82.14% Jeevan Saathi policy holders and 55.88% Jeevan Mitra policy holders found their plan of policy very useful to them.

The actual awareness of the policy taken by them shows that with regard to Jeevan Saathi policy holders 42.86% are aware of benefits, 28.57% are not aware of benefits and balance 28.57% are wrongly informed about the benefits of the policy. In the matter of Jeevan Mitra policy 32.35% are aware of benefits, 44.12% are not aware of benefits and balance 23.53% are wrongly informed about the benefits of the policy taken by them.

Age wise classification of policy holders shows that in case of Jeevan Saathi policy 42.86% belong to the age class in which both husband and wife come under the class of 25 to 34 years old and 32.14% come under the age class in which one of them belongs to the age class of 25 to 34 and another 35 to 44 years old. In case of Jeevan Mitra Policy holders 50% belong to the age class between 35 to 44 years old and 41.18% belong to the age class 25 to 34 years old.

Income-wise classification of policy holders shows that in case of Jeevan Saathi policy holders the highest group is 25% who belong to the income class in which both husband and wife are between Rs.25,000 and 49,000 annually and another 21.43% come under the income class in which both husband and wife are between Rs,10,000 and Rs.24,000 per annum. In case of Jeevan Mitra Policy holders 52.94% belong to the income class of Rs.25,000 to Rs.49,000 annually.

Occupation-wise classification shows that in case of Jeevan Saathi Policy holders 53.58% belong to the class in which both husband and wife are office workers and among Jeevan Mitra Policy holders the highest group is 38.24% who belong to the occupation of office workers.

Size of family-wise classification shows that in case of Jeevan Saathi Policy holders 42.86% belong to the family size of 3 members and 32.24% belong to family size of 4 members. In the matter of Jeevan Mitra Policy holders 52.95% belong to the family size of 4 members.

Classification of policy holders on the basis of the main purpose

of buying Life Insurance policy shows that in case of Jeevan Saathi policy holders 67.86% said that the main purpose was to provide security to their dependents in case of death and for tax benefit whereas with regard to Jeevan Mitra Policy holders 52.94% said that the main purpose was only for providing security to their family.

With regard to the issue of receipts 71.44% and with regard to change of address, payment of loans and settlement of claims 57.15% of Jeevan Saathi policy holders said that LIC was prompt in rendering various services to them.

According to the opinion of Jeevan Mitra Policy holders 73.53% in case of issue of receipts and with regard to change of address, payment of loan and settlement of claims 55.88%, 50% and 50% respectively said that LIC was prompt in rendering various services.

An analysis of opinion given by policy holders against the question "whether LIC will try to avoid claims when they arise" shows that among Jeevan Saathi policy holders 64.29% and among Jeevan Mitra policy holders 61.76% had the opinion that LIC would not try to avoid claims.

An analysis of answers given by Jeevan Saathi policy holders relating to the payment of claims promptly and various services rendered by LIC 78.57% have good opinion, in rendering services by staff of LIC and compared with services rendered by banks 82.14% and 75.00% respectively had good opinion about LIC.

In case of Jeevan Mitra policy holders payment of claims promptly, rendering services by LIC, rendering services by staff of LIC and compared with services rendered by banks 94.12%, 91.18%, 88.24% and

88.24% respectively had good opinion. So compared with Jeevan Saathi policy holders opinion was found better among Jeevan Mitra policy holders.

Ranking of various types of investments according to the opinion of Jeevan Saathi policy holders shows that with regard to preference to buy, 42.86% give first preference to Life Insurance Policy and with regard to utility in time of need 46.43% give first preference to Bank deposit.

Ranking of various types of investments according to Jeevan Mitra policy holders shows that with regard to preference to buy, 55.88% give first preference to Life Insurance Policy and with regard to utility in time of need, 44.12% give preference to Bank deposit.

Classification of recommendations made by policy holders with regard to any change needed in the plan of policy shows that 82.14% Jeevan Saathi policy holders and 94.12% Jeevan Mitra policy holders said that no change is needed in the plan of policy to make it more attractive.

An analysis of the benefits considered by policy holders regarding these policies shows that in case of Jeevan Saathi Policy holders 39.29% said that it covered the risk of both husband and wife under single policy and in case of Jeevan Mitra policy holders 32.35% said that double benefit in case of normal death and triple benefit in case of accidental death were the main factors considered by them.

Any other life policies taken by these policy holders show that in case of Jeevan Saathi policy holders 71.43% and among Jeevan Mitra policy holders 55.88% policy holders had taken other life policies

and another fact is that among Jeevan Saathi policy holders who have taken other policies 80% had taken at least one endowment policy or one money back policy and among Jeevan Mitra policy holders who had taken other policies 86% had taken at least one Endowment policy or one Money Back policy.

Another enquiry regarding whether other policies are taken either from same agent or from different agents shows that in case of Jeevan Saathi policy holders 75% had taken other policies from different agents but to the contrary if varified in case of Jeevan Mitra policy holders, 63.16% had taken other policies from same agent.

An analysis of answer given by policy holders relating to the question of payment of premium made directly, through salary deduction, through agents or any other ways, shows that in case of Jeevan Saathi policy holders 50% paid the premium through salary deduction 21.43% paid it directly in the LIC office whereas with regard to Jeevan Mitra policy holders 35.29% paid directly in the LIC office and 26.47% paid it through salary deduction.

An enquiry regarding other types of investments made by policy holders and in whose name shows that in case of Jeevan Saathi policy holders out of the total, 82.14% had other types of investments of which 35.71% made investments in own and spouse's name only. Among Jeevan Mitra policy holders 55.88% had other types of investments of which 38.24% made investment in own name. This shows that Jeevan Saathi policy holders prefer to make investments in the name of both husband and wife whereas Jeevan Mitra policy holders prefer to make investments in their own name.

A cross analysis of the various information obtained from the interview schedule of Jeevan Saathi and Jeevan Mitra Policy holders is as follows:

T A B L E NO. 24

RELATION BETWEEN AGE OF POLICY HOLDERS AND AWARENESS OF BENEFITS BY JEEVAN SAATHI POLICY HOLDERS.

Age	A		Benefit considered				Total	
	No.	%	No.	%	No.	%	No.	%
2, 2	6	50	3	25	3	25	12	42.86
3, 2	3	33.33	1	11.11	5	55.56	9	32.14
3, 3	2	40	3	60	-	-	5	17.86
4, 3	1	50	1	50	-	-	2	7.14
4, 4	-	-	-	-	-	-	-	-
T o t a l	12	42.86	8	28.57	8	28.57	28	100.00

Code

A - Aware of benefits

NB - Not aware of benefits

WI - Wrong information

Code

Less than 25 1

25-34 2

35-44 3

45-54 4

55 and above 5

It can be seen from the above table that in Jeevan Saathi policy holders 42.86% belong to the age class in which both husband and wife are 25-34 years old. Of these 50% policy holders are fully aware of the benefits of the plan, 25% are not aware of benefits and 25% are

wrongly informed about benefits.

32.14% Jeevan Saathi policy holders belong to the age class in which one of the couples belongs to the age class of 35-44 and other 25-34. Of these 33.33% are fully aware of benefits 11.11% are not aware of benefits and 55.56% are wrongly informed about benefits of the plan.

17.86% belong to the age group in which both husband and wife are between 35 and 44 years old, of which 40% are aware of benefits, 60% are not aware of benefits.

From the above it can be found that awareness of benefits of the policy was found more among the age group 25 to 34 years old.

T A B L E NO. 24B
JEEVAN MITRA POLICY HOLDERS

Age	A		NB		WI		Total	
	No.	%	No.	%	No.	%	No.	%
Less than 25	-	-	1	100.00	-	-	1	2.94
25 - 34	7	50.00	5	35.71	2	14.29	14	41.18
35 - 44	4	23.53	8	47.06	5	29.41	17	50.00
45 - 54	-	-	1	50.00	1	50.00	2	5.88
Above 55	-	-	-	-	-	-	-	-
T o t a l	11	32.35	15	44.12	8	23.53	34	100.00

Referring to Jeevan Mitra Policy holders out of the total 41.18%

belong to age class of 25-34 years. Of these, 50% are fully aware of benefits, 35.71% are not aware of benefits and 14.29% are wrongly informed about benefits under the plan.

50% of Jeevan Mitra Policy holders belong to the age class of 35-44 years. Of these, 23.53% are aware of benefits under the plan, 47.06% are not aware of benefits, 29.41% have wrong information about its benefits. Here also awareness of benefits of the policy was found more among the age group of 25 to 34 years old.

T A B L E NO. 25 A

RELATION BETWEEN AGE OF THE POLICY HOLDER AND USEFULNESS OF THE PLAN OF POLICY ACCORDING TO HIS OPINION.

JEEVAN SAATHI										
Opinion of policy holders										
A g e	Y e s		N o t S u r e		D o n ' t k n o w		N o t b a d		T o t a l	
	No.	%	No.	%	No.	%	No.	%	No.	%
2, 2	11	91.67	..	..	..	..	1	8.23	12	42.86
3, 2	7	77.78	2	22.28	..	..	..	..	9	32.14
3, 3	4	80.00	1	20.00	..	..	..	..	5	17.86
4, 3	1	50.00	1	50.00	..	..	..	..	2	7.14
4, 4	..	..	..	..	..	..	..	..	..	..
T o t a l	23	82.14	4	14.29	..	..	1	3.57	28	100.00

Codes used : - 1 Less than 25 years old
 2 25 - 34 years old
 3 35 - 44 " "
 4 45 - 54 " "
 5 55 and above.

Out of the total Jeevan Saathi Policy holders 42.86% come under

the age class in which both husband and wife are between 25-34 years old. Of them, 91.67% think that this is a useful plan and 8.23% think that this is not a bad plan.

32.14% belong to the age class in which one of the couples come under the age class of 35 to 44 years old and another belongs to the age class of 25 to 34 years old and among them 77.78% found this plan a useful one and 22.22% are not sure of its usefulness.

17.86% of Jeevan Saathi Policy holders belong to the age class in which both husband and wife are 35 to 44 years old and of them 80% feel it a useful plan.

T A B L E NO. 25 B
JEEVAN MITRA POLICY HOLDER

A g e	Opinion of Policy holders									
	Yes		Not Sure		Don't know		Not bad		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than 25	1	100.00	..	..	..	..	..	..	1	2.94
25 to 34	10	71.43	4	28.57	..	..	..	..	14	41.18
35 to 44	7	41.18	10	58.82	..	..	..	..	17	50.00
45 to 54	1	50.00	..	..	..	..	1	50.00	2	5.88
55 and above	..	..	..	..	..	..	..	..	..	..
T o t a l	19	55.88	14	41.18	..	..	1	2.94	34	100.00

In the two way table given above it is seen that in the case of Jeevan Mitra Policy holders 41.18% belong to the age class of 25 to 34 years old. Among them 71.43% agree that this is a useful plan and 28.57% are not sure of its usefulness.

50% of Jeevan Mitra Policy holders belong to the age class of

35 to 44 years old. Of them 41.18% think this plan as a useful one and 58.82% are not sure about its usefulness.

T A B L E NO: 26A

RELATION BETWEEN AGE CLASSES OF POLICY AND OPINION ABOUT LIC
WITH REGARD TO VARIOUS SERVICES RENDERED BY THEM IN GENERAL
JEEVAN SAATHI POLICY HOLDERS

Age Class	Opinion of policy holders						Becom- ing worse		Total	
	Good No.	%	Improving No.	%	Very good No.	%	Bad No.	%	No.	%
2, 2	9	75.00	2	16.67	.	.	1	8.33	.	12 42.86
3, 2	8	68.89	1	11.11	.	.	.	.	.	9 32.14
3, 3	4	80.00	.	..	.	.	1	20.00	.	5 17.86
4, 3	1	50.00	1	50.00	.	.	.	.	.	2 7.14
4, 4	.	..	.	..	.	.	.	.	.	..
Total:	22	78.57	4	14.29	.	.	2	7.14	.	28 100.00

- Codes used for age :
1. Less than 25 years old
 2. 25 - 34 years old
 3. 35 - 44 " "
 4. 45 - 54 " "
 5. 55 and above

The table given above shows that out of the total Jeevan Saathi policy holders 42.86% belong to the age class in which husband and wife come under the age class of 25 to 34 years old, Among them 75% have good opinion about LIC with regard to various services rendered by them.

32.14% come under the age class in which one of the couples had an age of 25 to 34 years old and other is between 35 to 44 years old. Among them 88.89 have good opinion about LIC with regard to various services rendered by them.

T A B L E NO: 26 B

JEEVAN MITRA POLICY HOLDERS

Age Class	Opinion of policy holders											
	Good		Improving		Very good		B a d		Becoming worse		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1	1	100.00	.	.	.	.	.	.	.	.	1	2.94
2	14	100.00	.	.	.	.	.	.	.	.	14	41.18
3	15	88.24	1	5.88	.	.	1	5.88	.	.	17	50.00
4	2	100.00	.	.	.	.	.	.	.	.	2	5.88
Total	32	94.12	1	2.94	.	.	1	2.94	.	.	34	100.00

In the case of Jeevan Mitra Policy holders 50% belong to the age class between 35 and 44 years old. Of them 88.24% have good opinion about various activities of LIC

Another 41.18 % belong to the age class between 25 and 34 years old, all of them have good opinion about the various activities of LIC.

T A B L E NO: 27 A

TABLE SHOWING RELATION BETWEEN ANNUAL INCOME OF POLICY HOLDERS AND
AWARENESS OF BENEFITS BY POLICY HOLDERS
JEEVAN SAATHI POLICY HOLDERS

Annual Income	A		Benefit considered				Total	
	No.	%	N B No.	%	W I No.	%	No.	%
2, 2	3	50.00	1	16.67	2	33.33	6	21.43
3, 2	4	30.00	1	20.00	.	..	5	17.85
3, 3	3	42.86	4	57.14	.	..	7	25.00
3, 4	.	..	1	100.00	.	..	1	3.57
4, 2	.	..	.	..	2	100.00	2	6.16
4, 4	1	20.00	2	40.00	2	40.00	5	17.85
5, 2	1	100.00	.	..	.	..	1	3.57
5, 3	.	..	.	..	1	100.00	1	3.57
Total	12	42.86	9	32.14	7	25.00	28	100.00

Income	Code	Benefits	Code
Less than Rs.10000	1	Aware of benefits	A
10000 to 24000	2	Not aware of benefits	NB
25000 to 49000	3	Wrong information	WI
50000 to 74000	4		
75000 to 100000	5		

From the table given above we can find that 21.43% policy holders belong to the income class in which both husband and wife have an annual income of Rs. 10,000 to 24,000. Of them, 50% are aware of benefits under Jeevan Saathi policy. 16.67% are not aware

of benefits and 33.33% are wrongly informed about the benefits of the plan.

25% of Jeevan Saathi policy holders belong to the age class in which both husband and wife have an annual income of Rs.25,000 to Rs.49,000. Among them 42.86% are aware of benefits available under this plan and 57.14% of policy holders are not aware of benefits.

17.85% of the total Jeevan Saathi policy holders belong to the annual income class in which one of the couples belong to income class of Rs.25,000 to Rs.49,000 and the other belongs to the income class of Rs.10,000 to Rs.24,000 per annum. Among them 80% are aware of benefits available under the plan and 20% are not aware of benefits.

Another 17.85% belong to the annual income class in which both husband and wife have an annual income of Rs.50,000 to Rs.74,000. Of them 20% are aware of benefits available under the plan. 40% are not aware of benefits and another 40% have wrong information about the benefits of this policy. Awareness of benefits of the policy was found more among lower income class.

T A B L E NO.27 B
JEEVAN MITRA POLICY HOLDERS

Income Class	A		Benefit considered				Total	
	No.	%	NB No.	%	WI No.	%	No.	%
1	2	40.00	3	60.00	..	..	5	14.71
2	3	37.50	5	62.50	..	..	8	23.53
3	5	27.78	5	27.78	8	44.44	18	52.94
4	1	33.37	2	66.67	..	..	3	8.82
T o t a l	11	32.35	15	44.12	8	23.53	34	100.00

<u>Codes used :</u>		<u>Codes and for income class</u>	
Aware of benefits	: A	1	Less than Rs. 10,000
Not aware of benefits:	NB	2	10,000 to Rs. 24,000
Wrong information	: WI	3	25,000 to Rs. 49,000
		4	50,000 to Rs. 74,000
		5	75,000 to Rs.1,00,000

From the above table it can be seen that out of the total Jeevan Mitra Policy holders 14.71% belong to the income class of less than Rs.10,000 annually. Of them 40% are aware of benefits and 60% are not aware of benefits available under the policy.

23.53% Jeevan Mitra policy holders belong to income class between Rs.10,000 and Rs.24,000 annually. Of them 37.50% are aware of benefits under the plan and 62.50% not aware of benefits available under the plan.

52.94% belong to income class of Rs.25,000 to Rs.49,000 annually. Of them 27.78% are aware of benefits of this policy. 27.78% not aware of benefits, 44.44% are wrongly informed about the benefits of the plan.

So the general trend is that the income of Jeevan Mitra policy holders increased while their awareness about availability of benefits decreases.

T A B L E NO. 28 A

RELATIONSHIP BETWEEN INCOME OF THE FAMILY AND FAMILY SIZE
JEEVAN SAATHI POLICY HOLDERS

Family size	Income class										Total					
	2,2	2,3	3,3	3,4	4,2	4,4	5,2	5,3	No.	%	No.	%				
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%				
Two	1	50.00	1	50.00	2	7.14			
Three	5	41.67	2	16.67	3	25.00	1	3.33	12	42.86		
Four	1	11.11	2	22.22	1	11.11	.	2	22.22	3	33.33	.	.	9	32.14	
Five					2	40.00	1	20.00	2	40.00			5	17.86		
Total	16	21.43	5	17.86	7	25.00	1	3.57	2	7.14	5	17.86	1	3.57	28	100

The table given above shows that 42.86% of Jeevan Saathi policy holders belong to the family size of three members. Of these 41.67% belong to family income group in which both husband and wife have an annual income of Rs. 10,000 to 24,000 and 25% belong to the family income group of both husband and wife who have an annual income of Rs. 25,000 to Rs. 49,000. 32.14% belong to the family size of 4 members among them 33.33% came under the family income group in which both husband and wife have an annual income of Rs. 50,000 to 74,000.

T A B L E NO. 28 B

JEEVAN MITRA POLICY HOLDERS

Size of Income Family	No.	Income class								Total		
		1 %	2 No.	2 %	3 No.	3 %	4 No.	4 %	5 No.	5 %	No.	%
One	2	50.00	2	50.00	..	..	..	..	..	..	4	11.76
Two	..	..	..	..	4	100.00	..	..	..	..	4	11.76
Three	..	..	1	20.00	4	80.00	..	..	..	..	5	14.71
Four	1	5.56	5	27.78	9	50.00	3	16.67	..	..	18	52.94
Five	2	66.67	..	..	1	33.33	..	..	..	..	3	8.82
Total	5	14.71	8	23.53	18	52.94	3	8.82	..	..	34	100.00

From the above table it is seen that 52.94% of Jeevan Mitra policy holders come from the family size of four members, of them 50% belong to family income group of Rs. 25,000 to 49,000 annually.

Majority of Jeevan Saathi policy holders belong to family size of 3 members and majority of Jeevan Mitra policy holders belong to family size of 4 members. Among both of them the highest annual

for the purpose of providing security to their family and 25% belong to the income category in which both husband and wife have an annual income between Rs.25,000 and Rs.49,000. Of them 85.71% have taken life policy for providing security and tax benefit.

Here we can find that the lower income group takes life policy for the purpose of providing security only whereas the higher income group takes policy both for providing security and tax benefits.

T A B L E NO. 29 B
JEEVAN MITRA POLICY HOLDERS

Income Category	<u>Main purpose of taking policy by policy holders</u>									
	PS		TB		PS & TB		PA & PS		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
1	5	100.00	-	-	-	-	-	-	5	14.71
2	8	100.00	-	-	-	-	-	-	8	23.53
3	5	27.78	4	22.22	8	44.44	1	5.56	18	52.94
4	-	-	1	33.33	2	66.67	-	-	3	8.82
5	-	-	-	-	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	-	-	-	-
Total	18	52.94	5	14.71	10	29.41	1	2.94	34	100.00

Codes used:

P.S. - Provide Security ; T.B. - Tax Benefit ; PA * Persuasion of Agent

In case of Jeevan Mitra Policy holders 23.53% belong the annual income group of Rs.10,000 to 24,000 and their main purpose was only to provide security to their family and 52.94% have an annual income of Rs.25,000 to 49,000 of them 44.44% have taken policy for providing

security and tax benefit.

Here also we can find that lower income groups take life insurance policy for providing security to dependents whereas higher income group takes policy both for providing security and for tax benefits.

T A B L E NO. 30 A
RELATION BETWEEN OCCUPATION OF POLICY HOLDERS AND PURPOSE OF TAKING
LIFE INSURANCE POLICY

Jeevan Saathi policy holders

Occupation	PA		PS		TB		PS & TB		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
FW & OW	-	-	1	100.00	-	-	-	-	1	3.57
EM & OW	-	-	-	-	-	-	2	100.00	2	7.14
SE & OW	-	-	-	-	-	-	3	100.00	3	10.71
OW & OW	1	6.67	5	33.33	1	6.67	8	53.33	15	53.58
EM & EM	-	-	-	-	-	-	2	100.00	2	7.14
SE & SE	-	-	1	20.00	-	-	4	80.00	5	17.86
Total	1	3.57	7	25.00	1	3.57	19	67.56	28	100.00

Codes used:

FW : Factory worker; OW : Office worker; EM : Executive or Manager;

SE : Self employed

Out of the total Jeevan Saathi policy holders 53.58% belong to the category of which both husband and wife are office workers, of them 53.33% have taken policy to provide security and tax benefits, 33.33% taken life policy for providing security only. With regard to other occupational groups also majority of them have taken policy both for providing security and tax benefits.

T A B L E NO. 30 B

Jeevan Mitra Policy Holders

Occupation	Main purpose of policy making									
	PS		TB		PS & TB		PA & PS		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
FW	7	70.00	1	10.00	1	10.00	1	10.00	10	29.41
OW	6	46.15	2	15.38	5	38.46	-	-	13	38.24
EM	-	-	1	100.00	-	-	-	-	1	2.94
SE	4	44.44	1	11.11	4	44.44	-	-	9	26.47
Any other	1	100.00	-	-	-	-	-	-	1	2.94
Total	18	52.94	5	14.71	10	29.41	1	2.94	34	100.00

Codes used:

FW : Factory worker; OW : Office worker; EM : Executive / Manager;
SE : Self employed.

In the case of Jeevan Mitra policy holders 38.24% are office workers of them 46.15% have taken life policy for providing security and 38.46% taken policy not only for providing security but also for tax benefit.

29.41% of Jeevan Mitra policy holders are factory workers of them 70% have taken life policy for providing security to his family members. With regard to other occupational groups majority of them have taken life insurance policy only for providing security to family.

So among both types of policy holders who belong to the category of office workers need both security to dependents and tax benefits but among those who belong to the category of factory workers need only security to dependents.

T A B L E N O . 3 1 A

COMPARISON OF POLICY HOLDERS OPINION WHETHER LIC WILL TRY TO AVOID CLAIMS AND RANKING
OF PREFERENCE OF VARIOUS TYRES OF INVESTMENTS IN TIME OF NEED
JEEVAN SAATHI POLICY HOLDERS

Opinion of avoiding claims.	LP		BD		NSC		BRD		Sh. & Deb.		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	4	60.00	1	20.00	-	--	1	20.00	--	--	6	21.42
No	5	27.78	10	55.56	2	11.11	1	5.55	--	--	18	64.29
Not Sure	1	25.00	2	60.00	-	--	-	-	1	25.00	4	14.29
Total	10	35.71	13	46.43	2	7.14	2	7.14	1	3.57	28	100.00

T A B L E N O . 3 1 B

JEEVAN MITRA POLICY HOLDERS

Opinion of avoiding Claims.	LP		BD		NSC		NC		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	3	42.86	4	57.14	--	--	--	--	7	20.59
No	9	42.86	8	38.10	2	9.52	2	9.52	21	61.76
Not Sure	2	33.33	3	50.00	1	16.67	-	-	6	17.65
Total	14	41.18	15	44.12	3	8.82	2	5.88	34	100.00

Codes used :

L.P. : Life Policy; BD : Bank Deposit;
NSC : National Savings Certificate; CoD : Company Deposit;
Sh. : Shares; Deb. : Debenture; BRD : Bank Recurring Deposit;
ULI : Unit Link Insurance; PPF : Public Provident Fund;
CTD : Cumulative Time Deposit; UTI : Unit Trust of India;
Sh.deb. : Shares and Debentures. N.C. : Not comparable.

With reference to Jeevan Saathi Policy holders 64.29% have the opinion that LIC will not try to avoid claims and among them 55.56% give first rank to Bank Deposit with regard to utility in time of need and 27.78% give first preference to Life Insurance Policy for utility in time of need.

In the case of Jeevan Mitra Policy holders 61.76% have the opinion that LIC will not try to avoid claims and among them 42.86% give first preference to Life Insurance Policy for utility in time of need and 38.1% give first preference to bank deposit for utility in time of need.

T A B L E NO. 32 A

RELATION BETWEEN PURPOSE OF BUYING LIFE INSURANCE POLICY AND THEIR PREFERENCE

TO BUY VARIOUS TYPES OF INVESTMENTS

JEEVAN SAATHI POLICY HOLDERS

Purpose of buying Insurance	Types of Investments												Total			
	L.P.		BD		NSC		CD		Sh		BRD				ULI	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
PA	-	--	--	--	1	100.00	-	--	-	--	--	--	-	--	1	3.57
PS	3	42.86	2	28.57	--	--	1	14.29	-	--	--	--	1	14.29	7	25.00
TB	1100.00		-	--	--	--	-	--	-	--	--	--	-	--	1	3.57
PS & TB	8	42.11	5	26.32	3	15.79	-	--	3	15.79	--	--	-	--	19	67.86
PA & PS	--	--	-	--	--	--	-	--	-	--	--	--	-	--	--	--
Total	12	42.86	7	25.00	4	14.29	1	3.57	3	10.71			1	3.57	28	100.00

T A B L E NO.32 B

JEEVAN MITRA POLICY HOLDERS

Purpose of buying Insurance	Types of Investment												Total				
	Life Policy	Bank Deposit	NSC	CD	Share	Deben-ture	BRD	ULI	PPF	NC							
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%			
PA	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
PS	13	72.22	3	16.67	-	-	-	-	-	-	-	-	-	2	11.11	18	52.94
TB	2	40.00	2	40.00	-	-	-	-	-	-	-	1	20.00	-	-	5	14.71
PS & TB	3	30.00	4	40.00	2	20.00	-	-	1	10.00	-	-	-	-	-	10	29.41
PA & PS	1100.00		-	-	-	-	-	-	-	-	-	-	-	-	-	1	2.94
Total	19	55.88	9	26.47	2	5.88	-	1	2.94			1	2.94	2	5.88	34	100.00

P.S. : Provide Security; T.B. : Tax Benefit; P.A. : Persuasion of Agent; N.C. : Not comparable

With regard to Jeevan Saathi Policy holders out of the total 67.86% bought insurance for the purpose of providing security and tax benefit, of them 42.11% give first preference to buy life policy compared with other types of investment and 26.32% give first preference to bank deposits.

In the case of Jeevan Mitra Policy holders 52.94% bought insurance for providing security, of them 72.22% give first preference to buy life policy to other types of investments.

The above information shows that as regards Jeevan Saathi Policy holders, majority of them need both security and tax benefit, for that purpose they prefer to buy Life Insurance Policy. In the matter of Jeevan Mitra Policy holders, majority of them want only security to their family for that purpose they prefer to buy Life Insurance Policy.

T A B L E N O . 33 A

RELATION BETWEEN SIZE OF FAMILY AND PURPOSE OF BUYING INSURANCE POLICY
JEEVAN SAATHI POLICY HOLDERS

Family Size	PA		PS		TB		PS & TB		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
1	-	-	-	-	-	-	-	-	-	-
2	-	-	1	50.00	1	50.00	-	-	2	7.14
3	-	-	5	41.67	-	-	7	58.63	12	42.86
4	-	-	1	11.11	-	-	8	88.89	9	32.14
5	1	20.00	-	-	-	-	4	80.00	5	17.86
above 5	-	-	-	-	-	-	-	-	-	-
Total	1	7.57	7	25.00	1	7.57	10	67.86	28	100.00

The table shows that in case of Jeevan Saathi Policy holders 42.86% come under the category of family size three, of them 58.33% take life policy for the purpose of providing security and tax benefit and 41.67% taken it only for providing security.

32.14% belong to the category of family size four, of them 88.89% have taken it for providing security to their family and tax benefit. It can be seen that when family size is increasing the need for security and tax benefit also increases.

T A B L E NO. 33 B

JEEVAN MITRA POLICY

Family Size	Main purpose of taking policy									
	No.	PS %	TB No.	TB %	PS & TB No,	PS & TB %	PA & PS No.	PA & PS %	Total No.	Total %
1	4	100.00	-	-	-	-	-	-	4	11.76
2	1	25.00	2	50.00	-	-	1	25.00	4	11.76
3	1	20.00	-	-	4	80.00	-	-	5	14.72
4	10	55.56	2	11.10	6	33.34	-	-	18	52.94
5	2	66.67	1	33.33	-	-	-	-	3	8.82
Total	18	52.94	5	14.70	10	29.42	1	2.94	34	100.00

In reference to Jeevan Mitra Policy holders 52.94% belong to the family size of four, of them 55.56% have taken it for providing security to family and 33.34% taken it for providing security and tax benefit.

TABLE NO. 34 A

RELATION BETWEEN OCCUPATION OF POLICY HOLDERS AND THEIR OPINION
ABOUT VARIOUS SERVICES OF LIC

Jeevan Saathi policy Holders

Occupation	Good		Opinion of policy holders				Bad		Becoming worse		Total	
	No.	%	Improving	very good	No.	%	No.	%	No.	%	No.	%
FW OW	1	100.00	-	--	-	--	-	--	-	--	1	3.57
OW,EM	-	---	1	50.00	-	--	1	50.00	-	--	2	7.14
OW,SE	3	100.00	-	--	-	--	-	--	-	--	3	10.71
OW,OW	12	80.00	3	20.00	-	--	-	--	-	--	15	53.57
EM,EM	2	100.00	-	--	-	--	-	--	-	--	2	7.14
SE,SE	4	80.00	-	--	-	--	1	20.00	-	--	5	17.87
Total	22	82.14	4	14.29			2	3.57			28	100.00

FW * Factory worker; OW - Office worker; EM - Executive/Manager; SE - Self employed.

The table given above shows that 53.57% Jeevan saathi policy holders belong to the occupation category in which both husband and wife are office workers among them 80% had good impression about various activities of LIC and balance 20% said that LIC was improving in rendering various activities.

SCHOOL OF MANAGEMENT STUDIES

T A B L E NO. 34 BJeevan Mitra policy holders

Occupation	Opinion of policy holders											
	Good		Improving		very Good		Bad		Becoming worse		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
FW	10	100.00	--	--	--	--	--	--	--	--	10	29.41
OW	12	92.31	--	--	--	--	1	7.69	--	--	13	38.24
EM	1	100.00	--	--	--	--	--	--	--	--	1	2.94
SE	8	88.89	1	11.11	--	--	--	--	--	--	9	26.47
AO	1	100.00	--	--	--	--	--	--	--	--	1	2.94
Total	32	94.12	1	2.94			1	2.94			34	100.00

FW - Factory Worker ; OW - Office Worker;

EM - Executive Manager; SE - Self Employed. AO - Any Other

In the case of Jeevan Mitra Policy holders 38.24% are office workers among them 92.31% had good opinion about various activities rendered by LIC. So in both types of policy holders good opinion was found more among office workers.

T A B L E NO. 35 ARELATION BETWEEN VARIOUS INCOME CLASSES OF POLICY HOLDERS AND THEIR OPINION ABOUT VARIOUS SERVICES OF LICJeevan Saathi Policy holders

Income class	Opinion of policy holders													
	Good		Improving		Very Good		Bad		Becoming worse		NO Exp.		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
2,2	6	100.00	-	-	-	-	-	-	-	-	-	-	6	21.43
3,2	2	40.00	3	60.00	-	-	-	-	-	-	-	-	5	17.86
3,3	7	100.00	-	-	-	-	-	-	-	-	-	-	7	25.00
3,4	-	-	1	100.00	-	-	-	-	-	-	-	-	1	3.57
4,2	2	100.00	-	-	-	-	-	-	-	-	-	-	2	7.14
4,4	3	60.00	-	-	-	-	2	40.00	-	-	-	-	5	17.86
5,2	1	100.00	-	-	-	-	-	-	-	-	-	-	1	3.57
5,3	1	100.00	-	-	-	-	-	-	-	-	-	-	1	3.57
Total	22	78.57	4	14.29			2	7.14					28	100.00

No Exp. : No Experience.

Codes of Income :

- | | |
|------------------------|--------------------------|
| 1. Less than 10,000 | 4. Rs.50,000 to 74,000 |
| 2. Rs.10,000 to 24,000 | 5. Rs.75,000 to 1,00,000 |
| 3. Rs.25,000 to 49,000 | |

From the above table we can find that 25% Jeevan Saathi Policy holders belong to the income class in which both husband and wife have annual income between 25,000 and 49,000 and all of them have good opinion about the activities of LIC.

21.43% belong to income class in which both husband and wife have an income between 10,000 and 24,000 annually, all of them have also good opinion about LIC.

T A B L E NO. 35 B

Jeevan Mitra Policy holders

Income class	Opinion of policy holders													
	Good		Improving		Very Good		Bad		Becoming worse		No Exp.		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1	5	100.00	-	-	-	-	-	-	-	-	-	-	5	14.71
2	8	100.00	-	-	-	-	-	-	-	-	-	-	8	23.53
3	17	94.44	1	5.56	-	-	-	-	-	-	-	-	18	52.94
4	2	66.67	-	-	1	33.33	-	-	-	-	-	-	3	8.82
5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	32	94.12	1	2.94	1	2.94	-	-	-	-	-	-	34	100.00

In the case of Jeevan Mitra Policy holders 52.94% belong to the income class of Rs.25,000 to 49,000 annually, among them 94.44% have good opinion about various activities of LIC.

23.53% come under the annual income class of Rs.10,000 to 24,000 all of them have good opinion about LIC.

Codes of Income used :

1. Less than Rs. 10,000
- 2, Rs. 10,000 to 24,000
3. Rs. 25,000 to 49,000
4. Rs. 50,000 to 74,000
5. Rs. 75,000 to 1,00,000

T A B L E NO. 36 A

RELATION BETWEEN OPINION ABOUT VARIOUS SERVICES OF LIC IN GENERAL AND RANKING OF
PREFERENCE TO BUY VARIOUS TYPES OF INVESTMENT

JEEVAN MITRA POLICY HOLDERS

Opinion about LIC	Type of Investment														Total			
	L.P.		BD		NSC		CD		Sh		BRD		ULI		NC		No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Good	18	56.25	9	28.13	1	3.23	-	-	1	3.23	-	-	1	3.23	2	6.46	32	94.42
Improving	1	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	2.94
Very good	-	-	-	-	1	100.00	-	-	-	-	-	-	-	-	-	-	1	2.94
Bad	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Becoming worse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No Exp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	19	55.58	9	26.47	2	5.88			1	2.94			1	2.94	2	5.88	34	100.00

No experience - No.exp.

Codes used:

L.P. : Life Policy; BD : Bank Deposit; NSC : National Savings Certificate; CoD : Company Deposit; Sh. : Share; Deb. : Debenture; BRD : Bank Recurring Deposit; ULI : Unit Link Insurance; PPF : Public Provident Fund; CTD : Cumulative Time Deposit; UTI : Unit Trust of India; Sh.deb. : Shares and debentures; N.C. : Not comparable.

In the case of Jeevan Mitra Policy holders according to the figures given above 94.42% have good opinion about LIC. Of these 56.25% prefer to buy Life Policy compared with other types of investments and 28.13% prefer bank deposits.

T A B L E NO. 36B

Jeevan Saathi Policy Holders

Opinion about LIC	LP		BD		NSC		CD		SH		BRD		ULI		TOTAL	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Good	11	50.00	5	22.72	3	10.71	1	3.57	1	3.57	-	-	1	3.57	22	78.58
Improving	1	25.00	2	50.00	1	25.00	-	-	-	-	-	-	-	-	4	14.29
Very Good	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad	-	-	-	-	-	-	-	-	2	100.00	-	-	-	-	2	7.13
Becoming worse	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No experience	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	12	42.86	7	20.00	4	14.29	1	3.57	3	7.14	-	-	1	3.57	28	100.00

In the case of Jeevan Saathi Policy holder out of the total 78.58% have good opinion about activities of LIC in general of these 50% prefer to buy Life Policy and 22.72% prefer bank deposits, compared to other types of investments.

T A B L E NO. 37 A

COMPARISON OF POLICY HOLDERS' OPINION OF WHETHER LIC WILL TRY TO AVOID CLAIMS AND
PREFERENCE TO BUY VARIOUS TYPES OF INVESTMENTS
JEEVAN SAATHI POLICY HOLDERS

Opinion of policy holders	Type of Investment															
	LP		BD		NSC		CD		SH		BRD		UTI		TOTAL	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	3	50.00	1	16.67	1	16.67	-	-	1	16.67	-	-	-	-	6	21.42
No	8	44.44	5	27.78	3	16.67	1	5.56	1	5.56	-	-	-	-	18	64.29
Not Sure	1	25.00	1	25.00	-	-	-	-	1	25.00	-	-	1	25.00	4	14.29
Total	12	42.86	7	25.00	4	14.29	1	3.57	3	10.71	-	-	1	3.57	28	100.00

T A B L E NO. 37 B

JEEVAN MITRA POLICY HOLDERS

Opinion of policy holders	Types of Investments																	
	LP		BD		NSC		CD		SH		BRD		ULI		NC		TOTAL	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	5	71.43	2	28.57	-	-	-	-	-	-	-	-	-	-	-	-	7	20.59
No	12	57.14	6	28.57	1	4.76	-	-	-	-	-	-	-	2	9.52	-	21	61.76
Not sure	2	33.33	1	16.67	1	16.67	-	-	1	16.67	-	-	1	16.67	-	-	6	17.65
Total	19	55.88	9	26.47	2	5.88	-	-	1	2.94	-	-	1	2.94	2	5.88	34	100.00

Codes used :

L.P. : Life Policy; BD : Bank Deposit;
NSC : National Savings Certificate; CoD : Company Deposit
Sh. : Share; deb. : debenture; BRD ; Bank Recurring Deposit;
ULI : Unit Link Insurance; PPF : Public Provident Fund;
CTD : Cumulative Time Deposit; UTI : Unit Trust of India;
Sh.deb. : Shares and debentures; NC : Not comparable.

With reference to Jeevan Saathi Policy holders 64.29% had the opinion that LIC would not try to avoid claims, among them 44.44% gave first preference to Life Policy among the various types of investments and 27.78% preferred to buy bank deposits.

In the case of Jeevan Mitra Policy holders 61.76% had the opinion that LIC would not try to avoid claims, among them 57.14% preferred to buy Life Policy among the various types of investments.

T A B L E NO. 38A

RELATIONSHIP BETWEEN INCOME OF POLICY HOLDERS AND OCCUPATION OF THE POLICY HOLDERS

Jeevan Saathi Policy Holders

Income	Occupation of Policy holders												Total No.	%
	FW, No.	OW %	OW No.	EM %	OW, No.	SE, %	OW, No.	OW, %	EM, No.	EM %	SE, No.	SE %		
2,2	-	-	-	-	-	-	5	83.33	-	-	1	16.67	6	21.43
3, 2	1	20.00	1	20.00	-	-	3	60.00	-	-	-	-	5	17.86
3,3	-	-	1	14.29	1	14.29	4	57.14	-	-	1	14.29	7	25.00
3,4	-	-	-	-	-	-	1	100.00	-	-	-	-	1	3.57
4,2	-	-	-	-	1	50.00	1	50.00	-	-	-	-	2	7.14
4,4	-	-	-	-	-	-	1	20.00	2	40.00	2	40.00	5	17.85
5,2	-	-	-	-	1	100.00	-	-	-	-	-	-	1	3.57
5,3	-	-	-	-	-	-	-	-	-	-	1	100.00	1	3.57
Total	1	3.57	2	7.14	3	10.71	15	53.57	2	7.14	5	17.86	28	100.00

In the case of Jeevan Saathi Policy holders 25% belong to the income class in which both husband and wife have an income of Rs. 25000 to 49000, of these 57.14 belong to occupation of both husband and wife who are office workers.

Code Used:- FW - Factory Worker; OW - Office Worker; EM - Executive or Manager; SE - Self employed.

Codes of Income used:

- | | |
|-----------------------------|-------------------------------|
| 1. Less than Rs. 10,000 | 4. Rs. 50,000 to Rs. 74,000 |
| 2. Rs. 10,000 to Rs. 24,000 | 5. Rs. 75,000 to Rs. 1,00,000 |
| 3. Rs. 25,000 to Rs. 49,000 | |

T A B L E NO. 38 B

Jeevan Mitra Policy Holders

Income class	FW		OW		EM		SE		AO		TOTAL	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1	3	60.00	2	40.00	-	-	-	-	-	-	5	14.71
2	3	37.50	2	25.00	-	-	2	25.00	1	12.50	8	23.53
3	4	22.22	8	44.44	1	5.55	5	27.78	-	-	18	52.94
4	-	-	1	33.33	-	-	2	67.67	-	-	3	8.82
5	-	-	-	-	-	-	-	-	-	-	-	-
Total	10	29.41	13	38.24	1	2.94	9	26.47	1	2.94	34	100.00

Out of the total Jeevan Mitra Policy holders 52.94% belong to the income class of Rs.25,000 - 49,000 per annum. Of this 44.44% are office workers. So among both types of policy holders the highest group belong to the income class of Rs.25,000 to 49,000 annually of which majority of the policy holders belong to the occupational group of office workers.

T A B L E NO. 39 A

TABLE SHOWING THE RELATION BETWEEN THE DEGREE OF AWARENESS ABOUT THE POLICY TAKEN BY THE POLICY HOLDER AND THE BENEFIT CONSIDERED OR PERCEIVED

Jeevan Saathi Policy Holders

Details of Policy	A		NB		WI		Total	
	No.	%	No.	%	No.	%	No.	%
Something	8	44.44	5	27.78	5	27.78	18	64.29
Nothing	1	33.33	2	66.67	-	-	3	10.71
All Details	3	42.86	1	14.29	3	42.86	7	25.00
Total	12	42.85	8	32.14	8	25.00	28	100.00

A : Aware of benefit; NB : Not aware of benefit; WI : Wrong Information.

Out of the total policy holders 64.29% believe that they are aware only of something about the policy. Of them 44.44% are fully aware of the benefits given under the policy, 27.78% are not aware of benefits and 27.78% are perceived by some wrong information about it.

25% of the policy holders who believe that they are aware of all details about the benefits under the policy but only 42.86% are aware of the benefits fully. 14.29% are not aware of benefits and 42.86% are wrongly informed about it.

In reference to 10.71% Jeevan Saathi Policy holders, who believe that they are not aware of the details of benefits of the policy, 33.33% are well informed about its benefits and 66.67% are not aware of benefits.

T A B L E NO. 39 B.

Jeevan Mitra Policy Holders

Awareness of details	A		NB		WI		Total	
	No.	%	No.	%	No.	%	No.	%
Something	4	36.36	3	27.27	4	36.36	11	32.35
Nothing	-	-	9	81.81	2	18.18	11	32.35
All details	7	58.33	3	25.00	2	16.67	12	35.30
Total	11	32.35	15	44.12	8	23.53	34	100.00

Codes used :

A : Aware of benefits; N.B. : Not aware of benefit
WI : Wrong information.

In the case of Jeevan Mitra policy holders out of the total 35.30% believe that they are fully aware of all details about the benefits of the policy but only 58.33% of them are well informed about it correctly, 25% are not aware of benefits of the policy and 16.67% are wrongly informed about its benefits.

32.35% Jeevan Mitra policy holders who believe that they know something about the benefits of the policy, of which 36.36% are fully aware of all benefits, 27.27% are not aware of benefits and 36.36% are wrongly informed about its benefits.

With regard to another 32.35% policy holders who believe that they are not aware of anything about the benefits 81.81% are not aware of benefits and 18.18% are wrongly informed about the benefits of the policy taken by them.

T A B L E N O. 40 A

COMPARISON OF USEFULNESS OF PLAN OF POLICY TAKEN BY POLICY HOLDERS

AND BENEFITS CONSIDERED BY THEM

Jeevan Saathi policy

Usefulness	A		Benefits considered				Total	
	No.	%	No.	%	No.	%	No.	%
Yes	11	47.83	5	21.74	7	30.43	23	82.14
Not Sure	1	25.00	2	50.00	1	25.00	4	14.29
Not bad	-	-	1	100.00	-	-	1	3.57
No	-	-	-	-	-	-	-	-
Total	12	42.86	8	28.57	8	28.57	28	100.00

A - Aware of benefit; NB - Not aware of benefit; WI - Wrong information.

From the above table it can be found that 82.14% Jeevan Saathi policy holders found this plan useful. Of them 47.83% are fully aware of the benefits offered under this policy, 21.74% are not aware of benefits and 30.43% are wrongly informed about its benefits. Out of the total 14.29% policy holders who are not sure about its usefulness 25% are fully aware of the benefits. 50% are not aware of benefits and 25% are wrongly informed about the benefits.

T A B L E NO. 40 B

Jeevan Mitra policy

Usefulness	Benefits considered							
	A		NB		WI		Total	
	No.	%	No.	%	No.	%	No.	%
Yes	11	57.89	4	21.05	4	21.05	19	55.88
Not sure	-	-	11	78.57	3	21.43	14	41.18
Not bad	-	-	-	-	1	100.00	1	2.94
No	-	-	-	-	-	-	-	-
	11	52.35	15	44.12	8	23.53	34	100.00

Out of total Jeevan Mitra policy holders 55.88% found it useful, if we go in detail about awareness of benefits 57.89% are well informed about benefits of the plan, 21.05% are not aware of benefits and 21.05% are wrongly informed about it.

Out of the total the balance 41.18% are not sure of its usefulness. If we analyse them we can find that 78.57% are not aware of benefits of the plan and 21.43% are wrongly informed about its benefits.

A cross analysis of the information obtained from the interview schedule of Jeevan Saathi and Jeevan Mitra policy holders helps us to reach the following information.

Comparison between age of the policy holders and awareness of benefits under the policy taken by them shows that among Jeevan Saathi policy holders 42.86% belong to the age class in which both husband and wife are 25-34 year old, among them 50% are fully aware of benefits available under the plan. 32.14% Jeevan Saathi policy holders belong to the age class in which one of the couples belongs to the age class 35 to 44 and the other 25 to 34 years old, of these 33.33% are fully aware of benefits available under the plan.

In the case of Jeevan Mitra policy holders 41.18% belong to the age class 25 to 34 years old, of these 50.00% are fully aware of benefits available under the plan and 50% of Jeevan Saathi policy holders belong to the age class 35 to 44 years old and among them only 23.53% are aware of benefits available under the plan.

In general among both types of policy holders awareness was found more among those, who are in the age class of 25 to 34 and 35 to 44 years old.

Comparison between age of the policy holders and usefulness of the plan taken by them according to their own opinion shows that among Jeevan Saathi policy holders 42.85% belong to the age class in which both husband and wife are between 25 and 34 years old among them 91.67% found it useful to them. 32.14% belong to the age class in which one of the couples comes under the age class of 35 to 44 years old and another belongs to 25 to 34 years old, of these 77.78% found this plan useful.

Among Jeevan Mitra policy holders 41.18% belong to the age group of 25 to 34 years old, of these 71.43% found it useful. 50% policy holders belong to the age class of 35 to 44 years old, of these 41.18% found it a useful plan to them.

So among both types of policy holders usefulness of this plan was found more among those who belong to the age group of 25 to 34 and 35-44 years old.

The relation between age of policy holders and opinion about LIC in general shows that among Jeevan Saathi policy holders 42.86% belong to the age class in which both husband and wife were between 25 to 34 years old, among them 75% had a good opinion about LIC. 32.14% came under the age class in which one of the couples had an age of 25 to 34 years old and the other was between 35 to 44 years old. Of these 88.89% had a good opinion about various activities of LIC. The opinion was found good among those who belong to the age class between 25 and 44 years old.

With regard to Jeevan Mitra policy holders 41.18% come under the age class of 25 to 34 years old. All of them have good opinion about LIC. 50% belong to the age class of 35 to 44 years old, of these 88.24% have good opinion about various activities of LIC. Here opinion was found better among the age class of 25 to 34 years old.

The relation between income of policy holders and awareness of benefits of the policy taken by them shows that, in the case of Jeevan Saathi policy holders 21% belong to the income class in which both husband and wife have an annual income of Rs.10,000 to 24,000 of these 50% are aware of the benefit of the policy taken by them. 25% policy

holders belong to the income class in which both husband and wife have Rs.25,000 to 49,000 annually. Of these 42.86% are aware of benefits available under the policy taken by them. Here the awareness was found more among those who come under the annual income group of Rs.10,000 to 24,000 and 25,000 to 49,000.

In the case of Jeevan Mitra policy holders 23.53% belong to the income class of 10,000 to 25,000 of them 37.50% are aware of benefits of the policy taken by them. 52.94% belong to the income class of 25,000 to 49,000 annually among this only 27.79% are aware of benefits of the policy. Here when the income of the family is increasing, awareness about the benefits of the policy is reducing.

The relation between income of the family and their family size shows that among Jeevan Saathi policy holders 42.86% have a family size of 3 members, of them 41.67% belong to the annual income group in which both husband and wife are between Rs.10,000 and 24,000 and 25% belong to the income group in which both husband and wife are between Rs.25,000 and 49,000 annually.

As regards Jeevan Mitra policy holders 52.94% of them belong to family size of 4 members, among them 50% have the income of Rs.25,000 to 49,000 annually. 27.78% belong to the income class of Rs.10,000 to 24,000 annually.

The relation between income of the policy holders and the main purpose for which they bought life insurance policy, shows that with regard to Jeevan Saathi policy holders 21.43% belong to the annual income group in which both husband and wife have an income of Rs.10,000 to 24,000 among them 83.33% have taken life policy for the purpose of

providing security to their family. 25% belong to the income category in which both husband and wife have an income of Rs.25,000 to 49,000 annually of these 85.71% have taken life policy for providing security and tax benefits.

In the matter of Jeevan Mitra policy holders 23.53% belong to the annual income group of Rs.10,000 to 24,000 and their main purpose was only to provide security to their family and 52.94% have an annual income of Rs.25,000 to 49,000 of them 44.44% have taken policy for providing security and tax benefits. Here we can find that lower income groups take life insurance policy for providing security to dependents whereas higher income groups take life insurance policy both for providing security and tax benefits.

Occupation wise classification of policy holders and its relation with regard to the purpose of taking insurance policy shows that in the case of Jeevan Saathi policy holders 53.58% belong to the group in which both husband and wife are office workers among them 53.33% bought the policy for providing security to family and for tax benefit. In the case of Jeevan Mitra policy holders out of the total 38.24% are office workers, among them 46.15% have taken policy for providing security to their family and another 38.46% bought policy both for providing security and tax benefits.

So with reference to Jeevan Saathi policy holders, majority of them needed both security to dependents and tax benefits whereas among Jeevan Mitra policy holders majority of them need only security to dependents.

A comparison between opinion given by policy holders towards the question whether LIC will to avoid claims and ranking of

preference to various types of investments in time of need, shows that in the case of Jeevan Saathi Policy holders 64.29% said that LIC would not try to avoid claim when it arises among them 55.56% gave first preference to bank deposit in time of need.

Among Jeevan Mitra Policy holders 61.76% said that LIC would not try to avoid claims when it arises of which 42.86% gave first rank to Life Policy in time of need and 38.10% give preference to bank deposits. So in time of need Jeevan Saathi Policy holders give highest preference to bank deposits but Jeevan Mitra Policy holders give highest preference to Life Policy and second preference to bank deposits.

A Comparison between purpose of buying Life Insurance Policy and their preference to buy various types of investments shows that in case of Jeevan Saathi Policy holders 67.86% take policy for providing security and tax benefit among them 42.11% give first preference to buy Life Policy compared with other types of investments.

Among Jeevan Mitra Policy holders 52.94% have taken Life Policy for providing security to their family among this 72.22% give first preference to buy Life Policy compared with other types of investments. So with reference to Jeevan Saathi Policy holders who needed both providing security to dependents and tax benefit and among Jeevan Mitra Policy holders who need only to provide security to dependents give first preference to buy Life Insurance Policy compared with other types of investments.

The relation between family size of policy holders and purpose of taking insurance policy shows that with reference to Jeevan Saathi Policy holders 42.86% belong to the family size of 3, among them

58.33% have taken policy for providing security and tax benefits. 32.14% belong to family size of 4 members among them 88.89% have taken it for security and tax benefit. 17.86% belong to family size of 5 members among them 80% have taken it for security and tax benefits. So it can be seen that when family size is increasing the need for security and tax benefit is also increasing. In case of Jeevan Mitra Policy holders 52.94% belong to the family size of four members among them 55.56% have taken policy for providing security only. 8.82% belong to family size of 5 members of them 66.67% want to provide security to family. Here also when the family size is increasing they have more security feeling towards family.

The comparison between various occupations of policy holders and their opinion about LIC's activities shows that with regard to Jeevan Saathi Policy holders 53.57% belong to the category in which both husband and wife are office workers among them 80% have good opinion about LIC's activities.

Among Jeevan Mitra Policy holders 38.24% belong to the group of office workers among them 92.31% have good opinion about various activities of LIC. 29.41% are factory workers and all of them have good opinion about LIC's activities.

The relation between various income classes of policy holders and their opinion about LIC's activities shows that in the case of Jeevan Saathi Policy holders 25% belong to the income class in which both husband and wife have an annual income between Rs.25,000 and 49,000 and all of them have good opinion about LIC. 21.43% belong to income class in which both husband and wife have annual income of Rs.10,000 to 24,000 and all of them have good opinion about LIC.

In the matter of Jeevan Mitra Policy holders 52.94% belong to the income class of Rs. 25,000 to 49,000 annually of which 94.44% have good opinion about LIC's activities. 23.53% belong to annual income group of Rs. 10,000 to 24,000 and all of them have good opinion about LIC's activities.

The relation between opinion of policy holder about various activities of LIC and their ranking of preference to buy various types of investments. shows that 78.58% Jeevan Saathi Policy holders have good opinion about LIC's activities, among them 50% ranking their first preference to Life Policy and another 22.72% give first preference to Bank Deposit.

Among Jeevan Mitra Policy holders 94.42% have good opinion about LIC's activities of which 56.25% give first preference to buy Life Policy and 28.13% give first preference to bank deposits.

A comparison between opinions of policy holders towards the questions whether LIC will try to avoid claims and their preference to buy various types of investments, shows that 64.29% Jeevan Saathi Policy holders have the opinion that LIC will not try to avoid claims among them 44.44% give first preference to buy Life Policy among the various types of investments. In the case of Jeevan Mitra Policy holders 61.76% gave the opinion that LIC will not try to avoid claims among them 57.14% give first rank to buy Life Policy among the various types of investments. So those who have confidence in LIC will always give first preference to Life Insurance Policy among various types of investments.

The relation between income of the policy holders and occupation of policy holders shows that in the case of Jeevan Saathi Policy

holders 25% belong to the income class in which both husband and wife have an income of Rs.25,000 to 49,000, among them 57.14% belong to the occupation group in which both husband and wife are office workers. 21.43% Jeevan Saathi policy holders belong to the income group in which both husband and wife have an income of Rs.10,000 to 24,000 of them 83.33% belong to the occupation in which both are office workers.

Among Jeevan Mitra policy holders 52.94% belong to the annual income group of Rs.25,000 to 49,000 of which 44.44% belong to the occupation of office workers. These show that the highest income group among these policy holders come under Rs.25,000 to 49,000 and highest occupation category to which they belong to is office workers.

A comparison between the degree of awareness about the policy taken by the policy holder and the benefits considered by them, shows that in the case of Jeevan Saathi policy holders 64.29% believe that they are aware only of something about the plan of policy, of which 44.44% are fully aware of the benefits available under the policy. 25% said that they know all details of the policy, but actually 42.86% among them are aware of all details of the policy taken by them

Among Jeevan Mitra policy holders out of the total 35.3% believe that they are fully aware of all details of benefits of the policy but only 58.33% policy holders are aware of all benefits available to them correctly. This shows that majority of policy holders are not aware of the benefits and other details of the policy taken by them. Moreover some policy holders are also influenced by misleading information.

Comparison between usefulness of plan of policy considered by them and awareness of benefits of the policy taken by them, shows that 82.14% Jeevan Saathi Policy holders found this to be a useful one of which only 47.83% are aware of the benefits offered under this policy, Among Jeevan Mitra Policy holders 55.88% have found it useful but only 57.89% are aware of benefits offered under the policy. This shows that a large number of policy holders who bought these policies are not aware of the benefits and usefulness available to them under the plan of policy.

PART II

The following table shows the relationship between agents and policy holders, according to the information obtained from the interview schedule of Jeevan Saathi and Jeevan Mitra Policy holders.

T A B L E NO. 41

WHETHER POLICY HOLDERS LIKE TO DEAL WITH AGENTS

Likeness to deal with agents	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Yes	22	78.57	27	79.41	49	79.03
No	6	21.43	7	20.59	13	20.97
Total	28	100.00	34	100.00	62	100.00

It can be found that out of the total 62 policy holders 79.03% policy holders have attachment towards agents and 20.97% policy holders have no attachment towards agents.

And in case of Jeevan Saathi Policy holders out of the total 78.57% have attachment towards agents and in case of Jeevan Mitra Policy holders out of the total 79.41% have some attachment towards agent.

From these we can say that nearly 80% of policy holders have some attachment towards agents from whom they bought policy.

T A B L E NO. 42
NUMBER OF VISITS MADE BY AGENTS TO POLICY HOLDERS IN A YEAR

No. of visits made by agent	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
1 to 3	6	21.43	2	5.88	8	12.90
4 to 6	6	21.43	2	5.88	8	12.90
7 to 12	3	10.71	3	8.82	6	9.68
WC	10	35.72	23	67.66	33	53.23
No visits	3	10.71	4	11.75	7	11.29
Total	28	100.00	34	100.00	62	100.00

W C : Whenever called.

The above table shows that out of the total, 53.23% policy holders are visited by agents whenever called by policy holders. With reference to Jeevan Saathi Policy holders, 35.72% and in case of Jeevan Mitra Policy holders 67.66% are visited by agents whenever called by policy holders. So the number of visits made by agents to policy holders was found more among Jeevan Mitra Policy holders.

T A B L E NO. 43
WHETHER POLICY HOLDERS TRUST AGENTS WITH MONEY

Trust in Agents	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Fully	12	42.86	27	79.41	39	62.90
Partly	13	46.43	4	11.76	17	27.42
No	3	10.71	3	8.83	6	9.68
Total	28	100.00	34	100.00	62	100.00

From the table given above it can be found that 62.90% out of the total policy holders, believe in agents fully and 27.42% believe in agents partly.

In reference to Jeevan Saathi Policy holders 42.86% fully trust in agents and 46.43% trust in agents partly and only 10.71% policy holders do not believe in agents.

As regards Jeevan Mitra Policy holders 79.41% fully trust in agents and 11.76% partly trust in agents and only 8.83% do not believe in agents. Trust in agents was also found more among Jeevan Mitra Policy holders.

T A B L E NO. 44
WHETHER POLICY HOLDERS RELY ON AGENTS' ADVICE

Reliability	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Fully	11	39.29	25	73.53	36	58.05
Partly	14	50.00	6	17.65	20	32.26
No	3	10.71	3	8.82	6	9.68
Total	28	100.00	34	100.00	62	100.00

Out of total policy holders 58.06% policy holders fully rely on agents' advice and 32.36% partly rely on agents' advice and only 9.68% do not believe in agents' advice.

In the case of Jeevan Saathi Policy holders 39.29% fully and 50% partly believe in agents' advice and only 10.71% do not believe in agents' advice.

Whereas in the case of Jeevan Mitra Policy holders 73.53% fully and 17.65% partly rely on agents' advice and only 8.82% do not rely

on agents' advice. Here also relying on agents' advice was found more among Jeevan Mitra Policy holders.

T A B L E NO. 45

WHETHER POLICY HOLDERS ARE HELPED BY AGENTS, IN REMINDING
WHEN PREMIUM ON POLICY TAKEN BY THEM FALLS DUE

Reminding	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Yes	7	25.00	13	38.24	20	32.26
Not always	4	14.29	3	8.82	7	11.29
No	17	60.71	18	52.94	35	56.45
T o t a l	28	100.00	34	100.00	62	100.00

Out of the total policy holders 32.26% are reminded by agents when premium on their policy falls due. 11.29% are of the opinion that they are not always reminded by agents and 56.45% are of the opinion that they are not reminded by agents when premium falls due.

With regard to Jeevan Saathi Policy holders only 25% policy holders are reminded by agents when premium falls due, and 14.29% said that they are not always reminded by agents and 60.71% are of the opinion that they are not at all reminded by agents.

In reference to Jeevan Mitra Policy 38.24% policy holders are reminded by agents when premium falls due. 8.82% are of the opinion that they are not always reminded by agents and 52.94% are no at all reminded by agents. So the practice of reminding of premium when it falls due was not common among agents.

T A B L E N O . 46
WHETHER AGENTS COLLECT PREMIUM FROM POLICY HOLDERS AND
BRING BACK RECEIPTS TO THEM

Collect Premium	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Yes	8	28.57	13	38.24	21	33.87
Not always	2	7.14	2	5.88	4	6.43
No	18	64.29	19	55.88	37	59.70
T o t a l	28	100.00	34	100.00	62	100.00

Out of the total policy holders 33.87% have the opinion that agents will collect premium from them and bring back receipts and 59.70% have the opinion that agents do not collect premium of the policy taken by them.

In the matter of Jeevan Saathi Policy holders, 28.57% have the opinion that agents always collect premium and bring back receipts and 64.29% have the opinion that agents do not collect premium from them.

As regards Jeevan Mitra Policy holders 38.24% said that agents always collect premium from them and bring back receipts and 55.88% said that agents did not collected premium from them. Here also we can find that the practice of collection of premium and receipts brought back was not common among agents.

T A B L E NO. 47
TABLE SHOWING WHETHER POLICY HOLDERS TAKEN POLICY FOR THEIR
BENEFIT OR AGENTS' ADVANTAGE

Benefit	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Mine	26	92.86	29	85.29	55	88.71
His	1	3.57	1	2.94	2	3.23
Not sure	1	3.57	4	11.77	5	8.06
Total	28	100.00	34	100.00	62	100.00

In the matter of Jeevan Saathi Policy holders 92.86% had the opinion that the policy was taken for their own benefit, and 3.57% said that it was for agents' advantage.

In the case of Jeevan Mitra Policy holders 85.29% had the opinion that the policy was taken for their own benefit 2.94% said that it was for agents' advantage.

Out of the total policy holders 88.71% have the opinion that the policy is taken for their own benefit and 3.23% said that policy was taken for the benefit of the agent. This shows that majority of policy holders are aware of the benefit of taking Life Insurance Policy.

T A B L E NO. 48
WHOM POLICY HOLDERS APPROACH FIRST IF THEY WANT TO DO ANYTHING REGA-
RDING THE POLICY TAKEN BY THEM

	Jeevan Saathi		Jeevan Mitra		Total	
	No.	%	No.	%	No.	%
Agent	13	46.43	21	61.76	34	54.84
Office	15	53.57	10	29.41	25	40.32
Any other	-	-	3	8.83	3	4.84
Total	28	100.00	34	100.00	62	100.00

Out of the total policy holders 54.84% had the opinion that if they wanted anything to be done regarding the policy they approached agent first and 40.32% had the opinion that they directly went to LIC office.

In reference to Jeevan Saathi Policy holders 53.57% will go to LIC office and 46.43% will approach agents.

As regards Jeevan Mitra Policy holders 61.76% will approach agents and 29.41% will approach LIC office. This shows the attachment of agents towards Jeevan Mitra Policy holders.

T A B L E NO. 49

NUMBER OF AGENTS AND DEVELOPMENT OFFICERS WHO VISITED EACH
POLICY HOLDER DURING THE YEAR 1988

No. of visiting a year	<u>Jeevan Saathi</u>				<u>Jeevan Mitra</u>				<u>Total</u>			
	Agents		Dev.Offr.		Agents		Dev.Offr.		Agents		Dev.Offr.	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
No	7	25.00	19	67.86	14	41.18	28	82.35	21	33.87	47	75.81
1	3	10.72	7	25.00	4	11.76	5	14.71	7	11.29	12	19.35
2	8	28.57	1	3.57	6	17.65	1	2.94	14	22.58	2	3.23
3	8	28.57	1	3.57	4	11.76	-	-	12	19.35	1	1.61
4	1	3.57	-	-	1	2.95	-	-	2	3.23	-	-
5	1	3.57	-	-	3	8.82	-	-	4	6.45	-	-
Above 5	-	-	-	-	2	5.88	-	-	2	3.23	-	-
Total	28	100.00	28	100.00	34	100.00	34	100.00	62	100.00	62	100.00

Out of the total Jeevan Saathi and Jeevan Mitra Policy holders 33.87% had the opinion that no agents visited them during the year 1988. 11.29% had the opinion that one agent visited them during the year. Other figures give the information that 22.58% were visited

by two agents , 19.35% visited by three agents, 3.23% visited by four agents, 6.45% visited by five agents and 3.23% visited by more than five agents during the year.

Referring to the visits made by Development Officers out of total 75.81% had the opinion that no Development Officers visited them during the year 1988. 19.35% said that one Development Officer visited them during the year. 3.23% policy holder; said that 2 Development Officers visited them during the year and 1.61% policy holders said that 3 Development Officers visited them during the year 1988.

In the matter of Jeevan Saathi Policy holders 25% out of 28 policy holders said that no agents visited them during the year 1988. Other figures show that 10.72% policy holder were visited by one agent, 28.57% were visited by 2 agents another 28.57% were visited by 3 agents, 3.57% visited by 4 agents and 3.57% visited by 5 agents during the year 1988.

If we take the case of visits made by Development Officers 67.86% Jeevan Saathi Policy holders said that no Development Officers visited them during the year 1988. Other figures show that 25% were visited by one Development Officer, 3.57% was visited by 2 Development Officers and 3.57% was visited by 3 Development Officers in the year 1988.

In the case of Jeevan Mitra Policy Holders, 41.18% said that no agents visited them during the year 1988. Other figures give the information that 11.76% were visited by one agent 17.65% were visited by two agents, 11.76% were visited by 3 agents, 2.95% visited by 4 agents, 8.82% were visited by 5 agents, 5.88% were visited by more

than 5 agents during the year 1988.

In reference to number of visits made by Development Officers, 82.35% policy holders said that no Development Officers visited them during the year 1988. 14.71% said that one Development Officer visited them during the year, 2.95% policy holders said that two Development Officers visited them during the year 1988. This shows that eventhough policy holders like to deal with agents the response from agents and Development Officers was very poor.

An analysis of opinion given by policy holders with regard to various services rendered by LIC agents, helps to reach the following conclusions.

Nearly 80% policy holders have some attachment towards agents who they like to deal with and from whom they bought their policy,

The number of visits made by agents in a year shows that 35.72% in case of Jeevan Saathi Policy holders and 67.66% in the case of Jeevan Mitra Policy holders are visited by the agents whenever called by policy holders. So the number of visits made by agents to policy holders is found more among Jeevan Mitra Policy holders.

With regard to trust in agents even with money 42.86% Jeevan Saathi Policy holders and 79.41% Jeevan Mitra Policy holders trust them fully and 46.43% Jeevan Saathi Policy holders and 11.76% Jeevan Mitra Policy holders trust agents partly. So trust in agents was found more among Jeevan Mitra Policy holders.

Whether policy holders rely on agents' advice shows that 39.29% Jeevan Saathi Policy holders and 73.53% Jeevan Mitra Policy holders rely on agents' advice fully and 50% Jeevan Saathi Policy holders and

17.65% Jeevan Mitra Policy holders rely on agents' advice partly. Here also we can find that Jeevan Mitra Policy holders rely on agents' advice more, compared with Jeevan Saathi policy holders.

Whether policy holders are helped by agents in reminding of premium when it falls due shows that 25% of Jeevan Saathi Policy holders and 38.24% Jeevan Mitra Policy holders are always reminded by agents when premium falls due and 60.71% Jeevan Saathi Policy holder and 52.94% Jeevan Mitra Policy holder are not at all reminded by agents when it becomes due. So the practice of reminding premium when premium on policy falls due was not common among agents.

28.5% Jeevan Saathi Policy holders and 38.24% Jeevan Mitra Policy holders said that agents collect premium from them and brought back receipts, Whereas 64.29% Jeevan Saathi Policy holders and 55.88% Jeevan Mitra Policy holders said that agents do not collect premium from them and brought back receipts. So this practice is also not common among agents.

Out of the total policy holders including Jeevan Saathi and Jeevan Mitra 88.71% said that the policy was taken for their own benefit and not for agents' advantage. Among Jeevan Saathi Policy holders 92.86% and among Jeevan Mitra Policy holders, 85.29% said that policy is taken for their own benefit. This shows that majority of policy holders are aware of benefits of taking Life Insurance Policy.

If policy holders want to do anything with regard to the policy 46.43% Jeevan Saathi Policy holders and 61.76% Jeevan Mitra Policy holders said that they like to approach agent first and 53.57% Jeevan Saathi Policy holders and 29.41% Jeevan Mitra Policy holders

said that they like to go to LIC office first. . This shows that Jeevan Mitra Policy holders have more attachment towards agents.

The number of agents and Development Officers visited them in a year shows that in the case of Jeevan Saathi Policy holders 25% said that no agents visited them during the year and 41.18% Jeevan Mitra Policy holders said that no agents visited them during the year.

With regard to visits made by Development Officers 67.86% Jeevan Saathi Policy holders and 82.35% Jeevan Mitra Policy holders said that no Development Officers visited during the year 1988.

This shows that even though the policy holders like to deal with agents and trust them the response from agents and Development Officers was very poor.

A cross analysis of the above information give the following results.

T A B L E NO. 50 A
RELATIONSHIP BETWEEN INCOME OF THE POLICY HOLDER AND
ATTACHMENT TOWARDS AGENTS

Jeevan Saathi Policy Holders

Atta- chment	Annual income of Policy Holder												Total	
	2,2 No. %	3,2 No. %	3,3 No. %	3,4 No. %	4,2 No. %	4,4 No. %	5,2 No. %	5,3 No. %	No.	%	No.	%	No.	%
Yes	3 13.64	5 22.73	6 27.27	1 4.55	2 9.09	3 13.64	1 4.55	1 4.55	22	78.57				
No	3 50.00	- -	1 16.57	- -	- -	2 33.33	- -	- -	6	21.43				
Total	6 21.43	5 17.86	7 25.00	1 3.57	2 7.14	5 17.86	1 3.57	1 3.57	28	100				

It can be seen from the above table that 78.57% of Jeevan Saathi Policy holders have attachment towards agent, of them 27.27% belong to the income class in which both husband and wife have an annual income

of Rs. 25,000 to 49,000. 22.73% belong to the income class in which one of the couples has an annual income of Rs. 25,000/- to 49,000/- and the other belong to the annual income class of Rs.10,000 to 24,000/-.

T A B L E NO. 50 B

Jeevan Mitra Policy Holders

Attach- ment	Income of policy holders											
	1		2		3		4		5		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	5	18.52	8	29.63	13	48.48	1	3.70	-	-	27	79.41
No	-	-	-	-	5	71.43	2	28.57	-	-	7	20.59
Total	5	14.71	8	23.53	18	52.94	3	8.82	-	-	34	100.00

In the case of Jeevan Mitra Policy holders 79.41% have attachment towards agents, of them, 48.48% have an annual income between Rs.25,000 and 49,000, 29.63% have an income of Rs.10,000 to 24,000 annually, so the attachment towards agents was found among these income groups who have an income of Rs.10,000 to 24,000 and Rs.25,000 to 49,000 annually.

T A B L E NO. 51 A

RELATION BETWEEN OCCUPATION OF POLICY HOLDERS AND ATTACHMENT TOWARDS AGENTS

JEEVAN SAATHI POLICY HOLDERS

Atta- chment	Occupation of Policy holders										Total			
	FW,OW		OW,EM		OW,SE		OW,OW		EM,EM		SE,SE		No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	1	4.55	2	9.09	3	13.64	12	42.86	2	9.09	2	9.09	22	78.57
No	-	-	-	-	-	-	3	50.00	-	-	3	50.00	6	21.43
Total	1	3.57	2	7.14	3	10.71	15	53.57	2	7.14	5	17.86	28	100.00

The table shows that with regard to Jeevan Saathi Policy holders, 78.57% have some attachment towards agents, of them 42.86% belong to the category in which both husband and wife are office workers.

T A B L E NO. 51 B

JEEVAN MITRA POLICY HOLDERS

Atta- chment	FW		OW		EM		SE		AO		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	10	35.71	10	35.71	-	-	6	22.22	1	3.56	27	79.41
No	-	-	3	42.85	1	14.28	3	42.85	-	-	7	20.59
Total	10	29.41	13	38.24	1	2.94	9	26.47	1	2.94	34	100.00

As regards Jeevan Mitra Policy holders 79.41% have attachment towards agents it includes 35.71% office workers and 35.71% factory workers. In case of Jeevan Saathi Policy holders more attachment towards agents was found among those who belong to the occupation of office workers. But in case of Jeevan Mitra Policy holders more attachment was found equally among factory workers and officer workers

T A B L E NO. 52 A

RELATION BETWEEN INCOME LEVEL OF POLICY HOLDER AND THEIR
TRUST IN AGENTS WITH RUPEES
JEEVAN SAATHI POLICY HOLDER

Trust in agents	Annual Income of Policy holder										Total							
	2,2	3,2	3,3	3,4	4,2	4,4	5,2	5,3	No.	%	No.	%						
Fully	2	16.67	2	16.67	4	33.33	-	-	1	8.33	2	16.67	1	8.33	--	--	12	42.8
Partly	3	23.08	3	23.08	2	15.38	1	7.69	1	7.69	2	15.38	-	-	1	7.69	13	46.4
No	1	33.33	-	-	1	33.33	-	-	-	-	1	33.33	-	-	-	-	3	10.7
Total	6	21.43	5	17.86	7	21.43	1	3.57	2	7.14	5	17.86	1	3.57	1	7.14	28	10

The table given above shows that 42.86% believe in agents fully. Of them 33.33% belong to the category in which both husband and wife have an income of Rs.25,000 to 49,000 annually.

46.43% Jeevan Saathi Policy holders believe in agents partly. Of them 23.08% belong to the income class of both husband and wife who have an income of Rs.10,000 to 24,000 annually. Another 23.08% belong to the income class where one of the couples has an annual income of Rs.25,000 to 49,000 and the other has an annual income of Rs.10,000 to 24,000.

T A B L E NO. 52 B
JEEVAN MITRA POLICY HOLDERS

Trust	<u>Annual income of Policy holders</u>											
	1		2		3		4		5		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully	5	18.52	7	25.93	14	51.85	1	3.70	-	-	27	79.41
Partly	-	-	1	25.00	2	50.00	1	25.00	-	-	4	11.76
No	-	-	-	-	2	66.67	1	33.33	-	-	3	8.83
Total	5	14.71	8	23.53	18	52.94	3	8.82	-	-	34	100.00

In the case of Jeevan Mitra Policy holders 79.41% believe in agents fully. Of them 51.85% belong to the income class of Rs.25,000 to Rs.49,000 annually. 25.93% have an income of Rs.10,000 to 24,000 annually.

11.76% Jeevan Mitra Policy holders trust in agents partly. Of them 50% come under the income class of Rs.25,000 to 49,000 annually. Both Jeevan Saathi and Jeevan Mitra Policy holders fully trust in agents, they were found more among the annual income group of Rs.25,000 to 49,000.

T A B L E NO. 53 A
RELATION BETWEEN NUMBER OF TIMES AGENTS VISITS POLICY HOLDERS AND
TRUST IN AGENTS WITH RUPEES
Jeevan Saathi Policy Holders

Trust in agents	Number of visits											
	No Visits		1 to 3 times		4 to 6 times		7 to 12 times		Whenever Called		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully	-	--	2	16.67	4	33.33	2	16.67	4	33.33	12	42.86
Partly	2	15.38	4	30.77	1	7.69	1	7.69	5	38.46	13	46.43
No	1	33.33	-	-	1	33.33	-	-	1	33.33	3	10.71
Total	3	10.71	6	21.43	6	21.43	3	10.71	10	35.72	28	100.00

Out of the total Jeevan Saathi Policy holders, 42.86% believe in agents fully. Of them 33.33% were visited by agents 4 to 6 times in a year and another 33.33% visit whenever called by policy holder.

Out of the total, 46.43% policy holders believe in agents only partly. Among them 38.46% were visited by agents whenever called by them.

T A B L E NO. 53 B
JEEVAN MITRA POLICY HOLDERS

Trust in agents	Number of visits											
	No visits		1 to 3 times		4 to 6 times		7 to 12 times		Whenever called		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully	-	-	1	3.70	2	7.41	2	7.41	22	81.48	27	79.42
Partly	1	25.00	1	25.00	-	-	1	25.00	1	25.00	4	11.76
No	3	100.00	-	-	-	-	-	-	-	-	3	8.82
Total	4	11.76	2	5.88	2	5.88	3	8.82	23	67.65	34	100.00

The table shows that 79.41% policy holders of Jeevan Mitra trust agents fully. Of them 81.48% policy holders were visited by agents whenever called by them.

Among both types of policy holders those who fully trust in agents were found more among those who are visited by agents whenever called by them.

T A B L E NO. 54 A

RELATION BETWEEN THOSE WHO LIKE TO DEAL WITH AGENTS AND THOSE POLICY HOLDERS WHO ARE HELPED BY AGENTS IN REMINDING PREMIUM WHEN IT FALLS DUE

Jeevan Saathi Policy holders

Reminding Premium	<u>Opinion of policy holders who like to deal with agents</u>					
	Yes		No		Total	
	No.	%	No.	%	No.	%
Yes	6	85.71	1	14.29	7	25.00
Not always	4	100.00	-	-	4	14.29
No	12	70.58	5	29.42	17	60.71
T o t a l	22	78.57	6	21.43	28	100.00

T A B L E NO. 54 B

JEEVAN MITRA POLICY HOLDERS

Reminding Premium	<u>Opinion of policy holders who like to deal with agents</u>					
	Yes		No		Total	
	No.	%	No.	%	No.	%
Yes	12	92.31	1	7.69	13	38.24
Not always	3	100.00	-	-	3	8.82
No	12	66.67	6	35.33	18	52.94
T o t a l	27	79.41	7	20.59	34	100.00

In case of Jeevan Saathi policy holders 25% are reminded by agents when premium on policy falls due, of them 85.71% like to deal with agents. 60.71% policy holders are not reminded by agents when premium on policy falls due, of them 70.58% like to deal with agents.

In case of Jeevan Mitra Policy holders, 38.24% policy holders are reminded by agents when premium on policy falls due, of them 92.31% policy holders like to deal with agents. 52.94% are not reminded by agents when premium on policy falls due, of them 66.67% like to deal with agents. This shows that among both types of policy holders whether they are reminded by agents when premium on policy falls due or not, they like to deal with agents. So the practice of reminding of premium when it falls due was not common among the policy holders. But compared with Jeevan Saathi policy holders this practice was found more among Jeevan Mitra Policy holders.

T A B L E NO. 55 A

RELATION BETWEEN LIKING TO DEAL WITH AGENTS AND TRUST IN THEM

Jeevan Saathi Policy Holders

Trust in agents	<u>Opinion of policy holders who like to deal with agents</u>					
	Yes		No		Total	
	No.	%	No.	%	No.	%
Fully	12	100.00	-	-	12	42.86
Partly	10	76.92	3	23.08	13	46.43
No	-	-	3	100.00	3	10.71
Total	22	78.57	6	21.43	28	100.00

Among Jeevan Saathi Policy holders 42.86% fully trust in agents

and all of them like to deal with agents. 46.43% partly trust in agents among them 76.92% like to deal with agents.

T A B L E NO. 55 B

JEEVAN MITRA POLICY HOLDERS

Trust in agents	Opinion of policy holders who like to deal with agents					
	Yes		No		Total	
	No.	%	No.	%	No.	%
Full	25	92.59	2	7.41	27	79.41
Partly	2	50.00	2	28.57	4	11.76
No	-	-	3	42.86	3	8.82
T o t a l	27	79.41	7	20.59	34	100.00

In the case of Jeevan Mitra Policy holders 79.41% fully trust in agents, among them 92.59% like to deal with agents.

This shows that among Jeevan Saathi and Jeevan Mitra Policy holders, those who fully trust in agents more than 90% like to deal with agents.

T A B L E NO. 56 A

COMPARISON BETWEEN NUMBER OF VISITS MADE BY AGENTS IN A YEAR AND RELY ON AGENTS' ADVICE

Jeevan Saathi Policy Holders

Rely on agents' advice	Number of visits by agents											
	No visits		1 to 3 times		4 to 6 times		7 to 12 times		Whenever called		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully	-	-	2	18.18	4	36.36	1	9.09	4	36.36	11	39.29
Partly	2	14.26	4	28.58	1	7.13	2	14.26	5	35.71	14	50.00
No	1	33.33	-	-	1	33.33	-	-	1	33.33	3	10.71
Total	3	10.71	6	21.43	6	21.43	3	10.71	10	35.71	28	100.00

In the case of Jeevan Saathi Policy holders 39.29% fully rely on agents' advice, among them 36.36% are visited by agents 4 to 6 times and another 36.36% are visited by agents whenever called by them.

50% Policy holders rely on agents' advice partly, of them 35.71% are visited by agents whenever called by them.

T A B L E NO. 56 B
JEEVAN MITRA POLICY HOLDERS

Rely on advice	Number of visits by agents											
	No visits		1 to 3 times		4 to 6 times		7 to 12 times		Whenever called		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Fully	-	-	1	4.00	2	8.00	2	8.00	20	80.00	25	73.53
Partly	1	16.67	1	16.67	-	-	1	16.67	3	50.00	6	17.65
No	3	100.00	-	-	-	-	-	-	-	-	3	8.82
Total	4	11.76	2	2.94	2	5.88	3	8.82	23	67.65	34	100.00

The above table shows that 73.53% policy holders rely on agents' advice fully of which 80% are visited by agents whenever called by them.

The above table shows that both types of policy holders rely on agents' advice, they were found more among those policy holders who are visited by agents whenever called by them.

T A B L E NO. 57 A
RELATION BETWEEN TRUST IN AGENTS BY POLICY HOLDER AND HELP GIVEN BY AGENTS IN REMINDING PREMIUM WHEN IT FALLS DUE
Jeevan Saathi Policy Holders

Reminding Premium	Trust in agents by Policy holder						Total	
	Fully		Partly		No		No.	%
	No.	%	No.	%	No.	%	No.	%
Yes	3	42.85	4	57.15	-	-	7	25.00
Not always	2	50.00	2	50.00	-	-	4	14.29
No	7	41.17	7	41.17	3	17.66	17	60.71
Total	12	42.86	13	46.43	3	10.71	28	100.00

T A B L E NO. 57 B
JEEVAN MITRA POLICY HOLDERS

Reminding Premium	<u>Trust in agents by Policy holder</u>							
	Fully		Partly		No		Total	
	No.	%	No.	%	No.	%	No.	%
Yes	13	100.00	-	-	-	-	13	38.24
Not always	2	66.67	1	33.33	-	-	3	8.82
No	12	66.67	3	16.66	3	16.66	18	52.94
Total	27	79.41	4	11.76	3	8.83	34	100.00

In case of Jeevan Saathi Policy holders, 25% are always reminded by agents when premium on policy falls due. Among them 42.85% fully trust in agents and 57.15% partly trust in agents.

In the matter of Jeevan Mitra Policy holders 38.24% are always reminded by agents when premium on policy falls due. All of them fully trust in agents .

When we compare Jeevan Saathi policy holders with Jeevan Mitra Policy holders, who are reminded by agents when premium on policy falls due, those who fully trust in agents were found more among Jeevan Mitra Policy holders.

T A B L E NO. 58 A

COMPARISON BETWEEN TRUST IN AGENTS WITH RUPEES AND RELY ON AGENTS'

ADVICE BY POLICY HOLDERS

Jeevan Saathi Policy holders

Rely on Advice	<u>Trust in agents with money</u>							
	Fully		Partly		No		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	11	100.00	-	-	-	-	11	39.29
Partly	1	7.15	13	92.85	-	-	14	50.00
No	-	-	-	-	3	100.00	3	10.71
Total	12	42.86	13	46.43	3	10.71	28	100.00

T A B L E NO. 58 B
JEEVAN MITRA POLICY HOLDERS

Rely on advice	<u>Trust in Agents</u>							
	Fully		Partly		No		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	25	100.00	-	--	-	--	25	73.53
Partly	2	33.33	4	66.67	-	--	6	17.65
No	-	--	-	--	3	100.00	3	8.82
T o t a l	27	79.41	4	11.76	3	8.82	34	100.00

Among Jeevan Saathi Policy holders 39.29% fully rely on agents' advice and all of them trust in agents fully.

Among Jeevan Mitra Policy holders 73.53% rely on agents' advice fully and all of them trust in agents fully.

It was found that among both types of policy holders there are certain policy holders who fully trust and rely on agents' advice.

T A B L E NO. 59 A

COMPARISON BETWEEN RELIANCE ON AGENTS' ADVICE AND POLICY IS TAKEN FOR
POLICY HOLDERS' BENEFIT OR AGENTS' ADVICE

Jeevan Saathi Policy Holders

Rely on agents' advice	<u>For whose benefit the policy is taken</u>							
	Mine		His		Not Sure		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	10	90.90	-	--	1	9.10	11	39.29
Partly	13	92.85	1	7.15	-	-	14	50.00
No	3	100.00	-	-	-	-	3	10.71
Total	26	92.86	1	3.57	1	3.57	28	100.00

Out of the total Jeevan Saathi Policy holders 39.29% fully rely

on agents' advice among them 90.9% said that Life Policy is taken for their own benefit. 50% policy holders rely on agents' advice partly, of which 92.85% have taken policy for their own benefit.

T A B L E NO. 59 B
JEEVAN MITRA POLICY HOLDERS

Rely on agents' advice	<u>For whose benefit is the policy taken?</u>							
	Mine		His		Not Sure		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	22	88.00	-	-	3	12.00	25	73.53
Partly	5	83.33	1	6.67	-	-	6	17.65
No	2	66.67	-	-	1	33.33	3	8.82

Out of the total Jeevan Mitra Policy holders 73.53% rely on agents' advice fully, among them 88% said that policy is taken for their own benefit.

It was found that among Jeevan Saathi and Jeevan Mitra policy holders who fully rely on agents' advice around 90% said that policy is taken for their own benefit. This shows that eventhough they rely on agents' advice they are aware of benefits of the Life Policy.

T A B L E NO. 60 A
RELATION BETWEEN POLICY HOLDERS' RELIANCE ON AGENTS' ADVICE AND AGENTS
COLLECTING PREMIUM AND BRINGING BACK RECEIPTS
Jeevan Saathi Policy Holders

Rely on agents' advice	<u>Does agent collect premium and bring back receipts</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	2	18.18	1	9.09	8	72.73	11	39.29
Partly	6	42.85	1	7.15	7	50.00	14	50.00
No	-	-	-	-	3	100.00	3	10.71
Total	8	28.57	2	7.14	18	64.29	28	100.00

T A B L E NO. 60 B
JEEVAN MITRA POLICY HOLDERS

Rely on agents' advice	<u>Does agent collect premium and bring back receipts</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	11	44.00	2	8.00	12	48.00	25	73.53
Partly	2	33.33	-	-	4	66.67	6	17.65
No	-	-	-	-	3	100.00	3	8.82
Total	13	38.24	2	5.88	19	55.88	34	100.00

In the case of Jeevan Saathi Policy holders out of the total, 39.29% fully rely on agents' advice. Of them 72.73% policy holders' premium is not collected by agents. 50% policy holders partly rely on agents' advice, among them 50% policy holders' premiums are not collected by agents.

In the case of Jeevan Mitra Policy holders, 73.53% fully rely on agents' advice, of these 48% policy holders' premiums are not collected by agents, 17.65% policy holders rely on agents' advice partly of which 33.33% policy holders' premiums are collected by agents and bring back receipts and 66.67% policy holders' premiums are not collected by agents. This shows that eventhough policy holders rely on agents' advice either fully of partly, the practice of collecting premium by agents and receipts brought back was not much developed.

T A B L E NO. 61 A

RELATION BETWEEN NUMBER OF TIMES AGENTS VISITED POLICY HOLDERS IN
A YEAR AND COLLECTION OF PREMIUM BY THEM AND BROUGHT BACK RECEIPTS

Jeevan Saathi Policy holders

No. of times	<u>Does the agent collect premium and bring back receipts</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
1 to 3 times	1	16.67	-	--	5	83.33	6	21.43
4 to 6 times	1	16.67	2	33.33	3	50.00	6	21.43
7 to 12 times	1	33.33	-	--	2	66.67	3	10.71
W C	4	40.00	-	--	6	60.00	10	35.72
N O	1	33.33	-	--	2	66.67	3	10.71
Total	8	20.57	2	7.14	18	64.29	28	100.00

W C : Whenever called.

T A B L E NO. 61 B

JEEVAN MITRA POLICY HOLDERS

No. of times	<u>Does agent collect premium and bring back receipts</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
1 to 3 times	-	--	--	--	2	100.00	2	5.89
4 to 6 "	1	50.00	--	--	1	50.00	2	5.89
7 to 12 "	3	100.00	--	--	-	--	3	8.82
W C	9	39.13	2	8.70	12	52.17	23	67.65
N O	-	--	-	--	4	100.00	4	11.75
Total	13	38.24	2	5.88	19	55.88	34	100.00

W C : Whenever called.

The table given above shows that out of the total Jeevan Saathi policy holders 35.72% are visited by agents whenever called by them,

which include 40% policy holders whose premiums are collected by agents and receipts brought back and 60% policy holders' premium are not collected by agents.

In the case of Jeevan Mitra Policy holders 67.65% belong to the category in which they are visited by agents whenever called which include 39.13% policy holders whose premiums are collected by agents and receipts brought back and 52.17% policy holders' premiums are not collected by agents.

Among the policy holders who are visited by agents whenever called around 40% policy holders in both types of policy, premiums are collected by agents and receipts brought back.

So among both types of policy holders eventhough they are visited by agents whenever called, the practice of collecting premiums by agents and receipts brought back was not much developed.

T A B L E NO. 62 A

RELATION BETWEEN 'IS THERE ANY AGENT YOU WOULD LIKE TO DEAL WITH' AND IF THEY NEED ANYTHING TO BE DONE REGARDING THEIR POLICY TO WHOM DO THEY APPROACH FIRST?

Jeevan Saathi Policy holders

Like to deal with agent	Whom policy holders like to approach first when a need arises							
	Agent		Office		Any other		Total	
	No.	%	No.	%	No.	%	No.	%
Yes	11	50.00	11	50.00	-	-	22	78.57
No	2	33.33	4	66.67	-	-	6	21.43
Total	13	46.43	15	53.57	-	-	28	100.00

T A B L E NO. 62 B

Jeevan Mitra Policy holders

Like to deal with agent	Whom policy holders like to approach first when a need arises							
	Agent		Office		Any other		Total	
	No.	%	No.	%	No.	%	No.	%
Yes	19	70.37	7	25.93	1	3.70	27	79.41
No	2	28.57	3	42.86	2	28.57	7	20.59
Total	21	61.76	10	29.41	3	8.83	34	100.00

In the case of Jeevan Saathi Policy holders 78.57% are interested to deal with agents, of them 50% like to approach agents and 50% like to approach LIC office, firstly, for anything to be done regarding their policy.

In the case of Jeevan Mitra Policy holders 79.41% are interested to deal with agents, of them 70.37% like to approach agents and 25.93% like to approach LIC office first for anything to be done regarding their policy.

The policy holders who like to deal with agents, and who like to approach agents first were found more among Jeevan Mitra policy holders.

T A B L E NO. 63 A

RELATION BETWEEN 'IS THERE ANY AGENT POLICY HOLDERS LIKE TO DEAL WITH' AND 'THE POLICY IS TAKEN FOR THEIR BENEFIT OR FOR AGENTS' ADVANTAGE'

Jeevan Saathi Policy Holders

Like to deal with agents	<u>For whose benefit the the policy is taken</u>							
	Mine		His		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Yes	20	90.90	1	4.55	1	4.55	22	78.57
No	6	100.00	-	-	-	-	6	31.43
Total	26	92.86	1	3.57	1	3.57	28	100.00

T A B L E NO. 63 B

Jeevan Mitra Policy Holders

Like to deal with agents	<u>For whose benefit the policy is taken</u>							
	Mine		His		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Yes	23	85.19	1	3.70	3	11.11	27	79.41
No	6	85.71	-	-	1	4.29	7	20.59
Total	29	85.29	1	2.94	4	11.77	34	100.00

Regarding Jeevan Saathi Policies 78.57% policy holders are interested to deal with agents, of them 90.90% policy holders have taken Life Insurance Policy for their own benefit.

In reference to Jeevan Mitra Policies 79.41% policy holders are interested to deal with agents, of them 85.19% policy holders have taken Life Insurance Policy for their own benefit.

This shows that even among those policy holders who like to deal with agents, around 90% of them said that Life Insurance Policy was taken for their own benefit, so majority of the policy holders are

aware of the benefits available under Life Insurance Policy.

T A B L E NO. 64 A
RELATION BETWEEN NUMBER OF VISITS MADE BY AGENTS IN A YEAR AND
POLICY HOLDERS HELPED BY AGENTS IN REMINDING PREMIUM WHEN IT
FALLS DUE

Jeevan Saathi Policy Holders

No. of visits	<u>Reminding Premium by agents</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
1 to 3	-	-	1	16.67	5	83.33	6	21.43
4 to 6	1	16.67	2	33.33	3	50.00	6	21.43
7 to 12	1	33.33	-	--	2	66.67	3	10.71
W C	4	40.00	1	10.00	5	50.00	10	35.72
No	1	33.33	-	--	2	66.67	3	10.71
Total	7	25.00	4	14.29	17	60.71	28	100.00

T A B L E NO. 64 B

Jeevan Mitra Policy Holders

No. of visits	<u>Reminding premium by agents</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
1 to 3	-	-	-	--	2	100.00	2	5.89
4 to 6	-	-	1	50.00	1	50.00	2	5.89
7 to 12	2	66.67	1	33.33	-	-	3	8.82
W C	11	47.83	1	4.35	11	47.83	23	67.65
N O	-	-	-	-	4	100.00	4	11.76
Total	13	28.24	3	8.82	18	52.94	34	100.00

In the case of Jeevan Saathi Policy holders 35.72% are visited by agents whenever they are called by them, of these 40% are helped

by agents in reminding when premium falls due.

Out of Jeevan Mitra Policy holders 67.65% policy holders are visited by agents whenever called by them. Of them 47.83% are helped by agents in reminding of premium when it falls due.

Among both types of policy holders who are visited by agents whenever called by them, around 40% are reminded by agents when premium on policy falls due. This shows that the practice of reminding premium when it falls due was not common among the policy holders.

T A B L E NO. 65 A

RELATION BETWEEN COLLECTION OF PREMIUM BY AGENTS AND BROUGHT BACK RECEIPTS AND TRUST IN AGENTS WITH MONEY

Jeevan Saathi Policy Holders

Trusts in agents	<u>Collection of premium by agent and brought back receipts</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	3	25.00	1	8.33	8	66.67	12	42.86
Partly	5	38.46	1	7.69	7	53.85	13	46.43
No	-	-	-	-	3	100.00	3	10.71
Total	8	28.57	2	7.14	18	64.29	28	100.00

T A B L E NO. 65 B

Jeevan Mitra Policy Holders

Trust in agents	<u>Collection of premium by agent and brought back receipts</u>							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	12	44.44	2	7.41	13	48.15	27	79.41
Partly	1	25.00	-	-	3	75.00	4	11.76
No	-	-	-	-	3	100.00	3	8.82
Total	13	38.24	2	5.88	19	55.88	34	100.00

Regarding Jeevan Saathi policy holders, 42.86% believe in agents fully. Of them 25% policy holders' premium are collected by agents and brought back receipts. 66.67% policy holders' premium are not collected by agents.

Another 46.43% Jeevan Saathi policy holders trust in agents partly. Of them 38.46% policy holders' premium are collected by agents and brought back receipts. 53.85% policy holders' premium are not collected by agents.

In the case of Jeevan Mitra policy holders 79.41% trust in agents fully. Of them 44.44% policy holders' premium are collected by agents and receipts brought back and another 48.15% policy holders' premium are not collected by agents. This also shows that even among those policy holders who trust in agent fully the practice of collecting premium by agents and receipts brought back was not common among the policy holders.

T A B L E NO. 66 A

RELATION BETWEEN NUMBER OF VISITS MADE BY AGENTS AND WHETHER
THE POLICY IS TAKEN BY POLICY HOLDERS FOR THEIR OWN BENEFIT
OR AGENTS' ADVANTAGE

Jeevan Saathi Policy holders

No. of visit	For whose benefit the policy is taken						Total	
	Mine		His		Not sure		No.	%
	No.	%	No.	%	No.	%		
1 to 3 times	6	100.00	-	-	-	-	6	21.43
4 to 6 "	6	100.00	-	-	-	-	6	21.43
7 to 12 "	2	66.67	-	-	1	33.33	3	10.71
W C	9	90.00	1	10.00	-	-	10	35.72
No	3	100.00	-	-	-	-	3	10.71
Total	26	92.86	1	3.57	1	3.57	28	100.00

T A B L E NO. 66 B

Jeevan Mitra Policy Holders

No. Of visits	<u>For whose benefit the policy is taken</u>							
	Mine		His		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
1 to 3 times	1	50.00	-	-	1	50.00	2	5.88
4 to 6 "	2	100.00	-	-	-	-	2	5.88
7 to 12 "	3	100.00	-	-	-	-	3	8.82
W C	20	86.96	1	4.35	2	8.70	23	67.65
NO	3	75.00	-	-	1	25.00	4	11.77
Total	29	85.29	1	2.94	4	11.77	34	100.00

From the above table, it was found that out of the total Jeevan Saathi policy holders 35.72% are visited by agents whenever called. Of them 90% policy holders have taken policy for their own benefit.

With regard to Jeevan Mitra Policy holders 67.65% are visited by agents whenever called by them. Of these 86.96% policy holders have taken policy for their own benefit.

Among both types of policy holders who were visited by agents whenever called, around 90% of them said that the policy was taken for their own benefit. This shows their awareness about the benefits available under the Life Insurance Policies.

T A B L E NO. 67 A

RELATION BETWEEN WHOM THEY FIRST APPROACH IF ANY NEED ARISE REGARD-
ING THE POLICY AND NUMBER OF VISITS MADE BY AGENT IN A YEAR

Jeevan Saathi policy holders

No. of visits	whom policy holders like to approach first?						Total	
	Agent		Office		Any other		No.	%
	No.	%	No.	%	No.	%	No.	%
1 to 3 times	-	-	6	100.00	-	-	6	21.43
4 to 6 "	4	66.67	2	33.33	-	-	6	21.43
7 to 12 "	1	33.33	2	66.67	-	-	3	10.71
W C	6	60.00	4	40.00	-	-	10	35.72
No	2	66.67	1	33.33	-	-	3	10.71
Total	13	46.43	15	53.57	-	-	28	100.00

T A B L E NO. 67 B

Jeevan Mitra policy holders

No. of visits	whom policy holders like to approach first?						Total	
	Agent		Office		Any other		No.	%
	No.	%	No.	%	No.	%	No.	%
1 to 3 times	1	50.00	-	-	1	50.00	2	5.88
4 to 6 times	1	50.00	1	50.00	-	-	2	5.88
7 to 12 "	2	66.67	1	33.33	-	-	3	8.83
W C	17	73.71	5	21.74	1	4.35	23	67.65
N O	-	-	3	75.00	1	25.00	4	11.76
Total	21	61.76	10	29.41	3	8.82	34	100.00

From the table given above it can be found that 35.72% of Jeevan Saathi policy holders are visited by agents whenever called by policy holders. Of them 60% like to approach agents if any need arise with regard to the policy they have taken.

Out of Jeevan Mitra policy holders 67.65% have the privilege of being visited by agents whenever they called. Of these 73.71% like to approach agents when a need arise in connection with

their policy.

Among them both type of policy holders who are visited by agents whenever called by them, more than 60% had the tendency to approach agent first when a need arises. It was found more among Jeevan Mitra policy holders. This shows the attachment existed between policy holders and agents.

T A B L E NO. 68 A

RELATION BETWEEN TRUST IN AGENTS AND 'IF POLICY HOLDER NEED ANYTHING TO BE DONE REGARDING THEIR POLICY WHOM DO THEY APPROACH

Jeevan Saathi policy holders

Trust in Agents	whom policy holders like to approach first?							
	Agent		Office		Any other		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	8	66.67	4	33.33	-	-	12	42.86
Partly	4	30.77	9	69.23	-	-	13	46.43
No	1	33.33	2	66.67	-	-	3	10.71
Total	13	46.43	15	53.57	-	-	28	100.00

T A B L E NO. 68 B

Jeevan Mitra policy holders

Trust in Agents	whom policy holders like to approach first							
	Agent		Office		Any other		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	18	66.67	7	25.93	2	7.41	27	79.42
Partly	3	75.00	1	25.00	-	-	4	11.76
No	-	-	2	66.67	1	33.33	3	8.82
Total	21	61.76	10	29.41	3	8.83	34	100.00

Referring to Jeevan Saathi policy holders 42.86% of them trust in agents fully. Of them 66.67% like to approach agents and 33.33% like to approach LIC office first if they needed anything regarding the policy they have taken.

Out of the total Jeevan Saathi policy holders 46.43% trust in agents partly. Of them 30.77% like to approach agents and 69.23% like to approach LIC office if they wanted anything to be done regarding the policy which they have taken.

Regarding Jeevan Mitra policy holders, 79.42% trust in agents fully. Of them 66.67% like to approach agents and 25.93% like to approach LIC office first if they needed anything to be done regarding the policy they have taken.

Among both types of policy holders who trust in agents fully around 70% of them like to approach agents if a need arises regarding their policy. This shows that attachment existed between agents and policy holders.

T A B L E N O . 6 9 A

RELATION BETWEEN RELIANCE ON AGENTS' ADVICE AND 'IF POLICY HOLDERS WANT ANYTHING TO BE DONE REGARDING POLICY WHOM THEY SHOULD

APPROACH

Jeevan Saathi policy holders

Rely on agents' advice	whom policy holders like to approach first?							
	Agent		Office		Any other		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	7	63.64	4	36.36	-	-	11	39.29
Partly	5	35.71	9	64.29	-	-	14	50.00
No	1	33.33	2	66.67	-	-	3	10.71
Total	13	46.43	15	53.57	-	-	28	100.00

T A B L E NO. 69 B

Jeevan Mitra policy holders

Rely on agents' advice	Whom policy holders like to approach first							
	Agent		Office		Any other		Total	
	No.	%	No.	%	No.	%	No.	%
Fully	17	68.00	7	28.00	1	4.00	25	73.53
Partly	4	66.67	1	16.67	1	16.67	6	17.65
No	-	-	2	66.67	1	33.33	3	8.82
Total	21	61.76	10	29.41	3	8.83	34	100.00

The table given above shows that 39.29% Jeevan Saathi policy holders rely on agents' advice fully, out of them 63.64% like to approach agents and 36.36% like to approach LIC office if they need anything to be done regarding their policy and 50% Jeevan Saathi policy holders rely on agents partly, of them 35.71% like to approach agents and 64.29% like to approach LIC office if they want anything to be done regarding the policy.

In the case of Jeevan Mitra policy holders 73.53% rely on agents' advice fully. Of those 68% like to approach agents and 28% like to approach LIC office first if they want anything to be done regarding the policy.

Among both types of policy holders who rely on agents' advice fully, more than 60% like to approach agents first when the need arises and this tendency was found more among Jeevan Mitra policy holders.

T A B L E NO. 70 A
RELATION BETWEEN THE QUESTION "WOULD YOU LIKE TO DEAL WITH
AGENT" AND "NUMBER OF VISITS MADE BY AGENTS IN A YEAR"

Jeevan Saathi Policy Holders

Liking to deal with agents	Number of visits by agents											
	1 to 3 times		4 to 6 times		7 to 12 times		WC		No		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	5	22.73	5	22.73	3	13.64	9	40.91	-	-	22	78.57
No	1	16.67	1	16.67	-	-	1	16.67	3	50.00	6	21.43
Total	6	21.43	6	21.43	3	10.71	10	35.71	3	10.71	28	100.00

T A B L E NO. 70 B

Jeevan Mitra Policy Holders

Liking to deal with agents	Number of visits by agents											
	1 to 3 times		4 to 6 times		7 to 12 times		WC		No		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	1	3.70	2	7.41	2	7.41	22	81.48	-	-	27	79.41
No	1	14.29	-	-	1	14.29	1	14.29	4	57.14	7	20.59
Total	2	5.88	2	5.88	3	8.82	23	67.65	4	11.77	34	100.00

In reference to Jeevan Saathi Policy holders 78.57% like to deal with agents, among them 40.91% policy holders are visited by agents whenever called. In the case of Jeevan Mitra Policy holders 79.41% have attachment towards agents of them 81.48% are visited by agents whenever called.

So among both types of policy holders around 80% prefer to deal with agents of which the highest class is 40.91% among Jeevan Saathi Policy holder and 81.48% among Jeevan Mitra Policy holders

belong to the category to which they are visited by agents whenever called.

T A B L E NO. 71 A
RELATION BETWEEN "WOULD YOU LIKE TO DEAL WITH AGENT"
AND "RELY ON AGENTS' ADVICE".

Jeevan Saathi Policy Holders

Like to deal with agents	Rely on agents' advice by Policy holders						Total	
	No.	Fully %	Partly No.	Partly %	No No.	No %	No.	%
Yes	11	50.00	11	50.00	-	-	22	78.57
No	-	-	3	50.00	3	50.00	6	21.43
Total	11	39.29	14	50.00	3	10.71	28	100.00

T A B L E NO. 71 B

Jeevan Mitra Policy Holders

Like to deal with agents	Rely on Agents' advice by Policy holders						Total	
	No.	Fully %	Partly No.	Partly %	No No.	No %	No.	%
Yes	24	88.89	3	11.11	-	-	27	79.41
No	1	14.29	3	42.86	3	42.86	7	20.59
Total	25	73.53	6	17.65	3	8.82	34	100.00

In the case of Jeevan Saathi Policy holders 78.57% have attachment towards agents among them 50.00% rely on agents' advice fully and 50% rely on agents' advice partly.

In the case of Jeevan Mitra Policy holders 79.41% have attachment towards agents, of them 88.89% rely on agents' advice fully and 11.11% rely on their advice partly.

Among those policy holders who like to deal with agents rely on

agents' advice was found more among Jeevan Mitra Policy holders.

T A B L E No. 72 A

RELATION BETWEEN WOULD YOU LIKE TO DEAL WITH AGENT AND DOES AGENT COLLECT PREMIUM AND BROUGHT BACK RECEIPTS TO POLICY HOLDERS
Jeevan Saathi Policy Holders

Like to deal with agents.	Collect premium and brought back receipts							
	Yes		Not always		No		Total	
	No.	%	No.	%	No.	%	No.	%
Yes	7	31.82	2	9.09	13	59.09	22	78.57
No	1	16.67	.	.	5	83.33	6	21.43
Total	8	28.57	2	7.14	18	64.29	28	100.00

T A B L E No. 72 B

Jeevan Mitra Policy Holders

Like to deal with agents	Collect premium and brought back receipts							
	Yes		Not always		No		Total	
	No	%	No	%	No	%	No	%
Yes	12	44.44	2	7.41	13	48.15	27	79.41
No	1	14.29	.	.	6	85.71	7	20.59
Total	13	38.24	2	5.88	19	55.88	34	100.00

The above table shows that 78.57% policy holders have attachment towards agents, of them 31.82% policy holders' premium are collected by agents and receipts brought back.

In the case of Jeevan Mitra policy holders 79.41% policy holders have attachment towards agents of which 44.44% policy holders' premium are collected and receipts brought back.

This shows that among the policy holders who like to deal with agents the habit of collecting premium and receipts brought back was not common and it was found more among Jeevan Mitra policy holders.

The above tables help us to reach the following conclusions.

A comparison between income class of policy holders and their attachment towards agents shows that among the total policy holders who were interviewed nearly 80% have some attachment towards agents. Among them with reference to Jeevan Saathi policy holders the highest group is 27.27% who belong to the income class in which both husband and wife have an annual income between Rs.25,000 and 49,000 and in the case of Jeevan Mitra policy holders the highest group is 48.48% who belong to the income group of Rs.25,000 to 49,000 annually. So among both types of policy holders attachment towards agents was found among those income group who have an income of Rs.25,000 to 49,000 annually or middle income group.

Comparison between occupation of policy holder and attachment towards agents shows that out of the total, 80% have attachment towards agents among them with regard to Jeevan Saathi policy holders 42.86% belong to the occupation group in which both husband and wife are office workers. Among Jeevan Mitra policy holders 35.71% belong to the occupation of factory workers and another 35.71% belong to the occupation of office workers. So among Jeevan Saathi policy holders more attachment towards agent was found, among those who belong to the occupation of office workers and in case of Jeevan Mitra policy holders more attachment was found equally among factory workers and office workers.

The comparison between income category of policy holders and their trust in agents even with money shows that in the matter of Jeevan Saathi policy holders 42.86% believe in agents fully. 33.33% belong to the income class in which both husband and wife have an income between Rs.25,000 to 49,000 annually. Among Jeevan Mitra policy holders, 79.41% believe in agents fully, of them 51.85% belong to the income class of Rs.25,000 to 49,000 annually. This shows that among both types of policy holders those who fully trust in agents, were found more among the annual income group of Rs.25,000 to 49,000.

A comparison between number of visits made by agents annually and trust in agents even with money by policy holders shows that among the 42.86% Jeevan Saathi policy holders who believe in agents fully, 33.33% are visited by agents whenever called by them and another 33.33% are visited by agents 4 to 6 times in a year and in Jeevan Mitra policy holders 79.42% trust in agents fully of which 81.48% are visited by agents whenever called by policy holders. So trust in agent was found more among those agents who visit policy holders whenever called by them.

The relation between those who like to deal with agents and who are helped by agents in reminding of premium when it falls due, shows that among Jeevan Saathi policy holders 25% are reminded by agents when premium on policy falls due, 60.71% policy holders are not reminded by agents when premium on policy falls due, Among them 70.58% like to deal with agents. In Jeevan Mitra policy holders 38.24% are reminded by agents when it falls due, of them 92.31% like to deal with agents. 52.94% policy holders are not reminded by agents when premium on policy taken by them falls due, among them

66.67% like to deal with agents. This shows that the practice of reminding premium when it falls due was not common among the policy holders. But compared with Jeevan Saathi policy holders this practice was found more among Jeevan Mitra policy holders.

The relation between liking to deal with agents and trust in them shows that among Jeevan Saathi policy holders 42.86% trust in agents fully and all of them like to deal with agents. Among Jeevan Mitra policy holders 79.41% fully trust in agents of which 92.54% like to deal with agents. This shows that among both types of policy holders those who fully trust in agents, more than 90% of them like to deal with agents.

The relation between number of visits made by agents to policy holders in a year and rely on agents' advice shows that among Jeevan Saathi policy holders 39.29% rely on agents' advice fully of them 36.36% are visited by agents 4 to 6 times a year and another 36.36% are visited by agents whenever called. Among Jeevan Mitra policy holders 73.53% rely on agents' advice fully of them 80% are visited by agents whenever called. So both types of policy holders rely on agents' advice. It was found more among those policy holders who are visited by agents whenever called by them. So Jeevan Mitra policy holders have more reliance towards agents compared with Jeevan Saathi policy holders.

The comparison between trust in agents by policy holders and help given by agents in reminding of premium when it falls due shows that 25% Jeevan Saathi policy holders are reminded by agents when premium on policy falls due, of which 42.85% fully trust in agents. Among Jeevan Mitra policy holders 38.24% are reminded by agents when

premium falls due, and all of them trust in agents fully. This shows that whether policy holders are reminded by agents or not when premium on policy falls due they trust in agents either fully or partly.

Comparison between trust in agents with money and rely on agents' advice by policy holders shows that among Jeevan Saathi policy holders 39.29% rely on agents' advice fully and all of them fully trust in agents with money also. Among Jeevan Mitra policy holders 73.53% rely on agents' advice fully and all of them believe in agents fully even with money. This shows that among both types of policy holders some of them fully trust and rely on agents' advice.

A comparison between reliance on agents' advice and answer given to the question, "For whose benefit is the policy taken" shows that in case of Jeevan Saathi policy holders 39.29% rely on agents' advice fully of which 90.9% said that the policy is taken for their own benefit. In case of Jeevan Mitra policy holders 73.53% rely on agents' advice fully of which 88% said that policy is taken for their own benefit. This shows that eventhough they rely on agents' advice, they are aware of the benefit of the Life Insurance Policy.

The relation between reliance on agents' advice and those agents who collect premium from policy holders and brought back receipts showB that in case of Jeevan Saathi policy holders only 39.29% rely on agents' advice fully and among them only 18.18% policy holders' premium is collected by agents and bring back receipt. In the case of Jeevan Mitra Policy holders only 73.53% rely on agents' advice fully of which only 44% policy holders' premiums are collected by agents

and brought back receipts. This shows that eventhough policy holders rely on agents' advice either fully a partly the practice of collecting premium by agents and receipts brought back was not common.

A comparison between the number of visits made by agents to policy holders in a year and collection of premium from policy holders and bringing back receipts by them shows that 35.72% Jeevan Saathi policy holders are visited by agents whenever called by them, of which only 40% policy holders' premium is collected by agents and brought back receipts. And 67.65% Jeevan Mitra policy holders are visited by agents whenever called and among them only 39.13% policy holders' premium are collected by agents and brought back receipts. In other words among both types of policy holders who are visited by agents whenever called by policy holders, 60% Jeevan Saathi policy holders and 52.17% Jeevan Mitra policy holders' premiums are not collected by agents and receipts brought back. So among both types of policy holders the collection of premium by agents and receipts brought back was not common.

The comparison between answers given by policy holders against the question "is there any agent would you like to deal with" and if policy holders need anything to be done regarding their policy to whom they approach first shows that in case of Jeevan Saathi policy holders 78.57% like to deal with agents, among them 50% like to approach agent first and the balance 50% like to approach LIC office first. Among Jeevan Mitra policy holders 79.41% like to deal with agents among them 70.37% like to approach agent first and 25.93% like to approach LIC office. Those policy holders who like to deal with agents and who like to approach agent first were found more

among Jeevan Mitra policy holders.

The relation between answer given by policy holders against the question "is there any agent would you like to deal with" and whether the policy is taken for policy holders' own benefit or for agents' advantage shows that 78.57% Jeevan Saathi policy holders like to deal with agents among them 90.9% have taken policy for their own benefit and 79.41% of Jeevan Mitra policy holders like to deal with agents among them 85.19% policy holders have taken policy for their own benefit. This shows that among those policy holders who like to deal with agents, around 90% of them said that Life Insurance Policy was taken for their own benefit. So majority of the policy holders are aware of the benefits available under the policy.

The relation between the number of visits made by agents in a year and policy holders who are helped by agents in reminding of premium when it falls due, shows that, among Jeevan Saathi policy holders 35.72% are visited by agents whenever called, of which 40% are always reminded by agents when premium on policy falls due. In the case of Jeevan Mitra policy holders 67.65% are visited by agents whenever called by them, of which only 47.83% are always reminded by agents when premium on policy falls due. This shows that the practice of reminding premium by agents when it falls due was not common among the policy holders.

A comparison between collection of premium by agents and bringing back receipts and trust in agents with money shows that 42.86% Jeevan Saathi Policy holders have full trust in agents of which 25%

policy holders' premiums are collected by agents and receipts brought back. In case of Jeevan Mitra Policy holders 79.41% fully trust in agents of them 44.44% policy holders premiums are collected by agents and receipts brought back. This shows that even among those policy holders who trust in agents fully, the practice of collecting premiums by agents and receipts brought back was not common.

A comparison between the questions "whether the policy is taken for whose benefit" and "Number of visits made by agents" shows that 35.72% Jeevan Saathi Policy holders are visited by agents whenever called, of which 90% said that policy is taken for their own benefit. Among Jeevan Mitra Policy holders 67.65% are visited by agents whenever called of which 86.96% said that policy is taken for their own benefit. So among the both types of policy holders who are visited by agents whenever called, around 90% of them said that policy was taken for their own benefit. This shows their awareness about the benefits available under the Life Insurance Policy.

A comparison between the question of whom they like to approach firstly if any need arise regarding the policy and the number of visits made by agents in a year shows that, in the case of Jeevan Saathi Policy holders 35.72% are visited by agents whenever called, among them 60% like to approach agents first when a need arises. In case of Jeevan Mitra Policy holders 67.65% are visited by agents whenever called among them 73.71% like to approach agents first when a need arise with regard to the policy. Among the both types of policy holders, who are visited by agents whenever called by them, more than 60% had the tendency to approach agents first when a need arises. Compared with Jeevan Saathi Policy holders it was found

more among Jeevan Mitra Policy holders. This shows that attachment existed between policy holders and agents.

Comparison between trust in agents with money by policy holders and if a need arises whom should they approach first shows that 42.86% of Jeevan Saathi policy holders trust in agents fully, among them 66.67% like to approach agents first if a need arises and among Jeevan Mitra Policy holders 79.41% trust in agents fully of which only 66.67% like to approach agents first. Among both types of policy holders who trust in agents fully around 70% of them like to approach agents if a need arises regarding their policy. This also shows the attachment existing between agents and policy holders.

Relation between reliance on agents' advice by policy holders and if a need arises whom should they would approach first shows that 39.29% Jeevan Saathi Policy holders rely on agents' advice fully among them 63.64% like to approach agents first and in the case of Jeevan Mitra Policy holders 73.53% fully rely on agents' advice and among them only 68% like to approach agents first when a need arises. Among both types of policy holders who rely on agents' advice fully more than 60% like to approach agents first when a need arises. This tendency was found more among Jeevan Mitra Policy holders.

Comparison between would you like to deal with agents and the number of visits made by agents shows that 78.57% Jeevan Saathi Policy holders like to deal with agents among them 40.91% are visited by agents whenever called. 79.41% Jeevan Mitra Policy holders like to deal with agents of which 81.48% are visited by agents whenever called. Around 80% of both types of policy holders like to deal with agents of which among Jeevan Saathi Policy holders around 41% and Jeevan Mitra

Policy holders 81% are visited by agents whenever called.

A comparison between the question "would you like to deal with agents" and rely on agents' advice shows that 78.57% Jeevan Saathi Policy holders like to deal with agents among them 50% fully rely on agents' advice, in case of Jeevan Mitra Policy holders 79.41% like to deal with agents of which 88.89% fully rely on agents' advice. Around 80% of both types of policy holders like to deal with agents, among them relying on agents' advice was found more among Jeevan Mitra Policy holders.

Relation between, "would you like to deal with agents" and "does agent collect premium and brought back receipts" shows that, 78.57% Jeevan Saathi Policy holders like to deal with agents of which only 31.82% policy holders' premiums are collected by agents and receipt brought back. In case of Jeevan Mitra Policy 79.41% policy holders like to deal with agents of which 44.44% policy holders' premiums are collected by agents and receipts brought back. This shows that even though policy holders like to deal with agents, majority of the policy holders are not expecting from agents's services like collection of premium and receipts brought back to them.

PART III

There are 440 agents in Ernakulam City according to the list of agents kept in the branch offices of LIC as on 31.12.1988. The sample included 44 agents(i.e. 10% of 440 agents). Moreover this study also included 16 Development Officers who are also working under these officers.

The following are the simple analysis of information obtained

from the interview schedule for Development Officers and agents.

T A B L E NO. 73

CLASSIFICATION OF AGENTS AND DEVELOPMENT OFFICERS ON THE BASIS OF THE ANSWER GIVEN BY THEM AGAINST THE QUESTION DIFFERENCE BETWEEN JEEVAN SAATHI AND JEEVAN MITRA POLICIES

Answers	Agents		Development Officers		Total	
	No.	%	No.	%	No.	%
Correct answer	16	36.36	12	75.00	28	46.67
Wrong answer	8	18.19	2	12.50	10	16.66
Not sure	20	45.45	2	12.50	22	36.67
Total	44	100.00	16	100.00	60	100.00

From the table given above it is seen that out of 60 respondents including both agents and Development Officers who were asked the question of the difference between Jeevan Saathi and Jeevan Mitra Policies, 46.67% give correct answer. 36.67% were not sure about the difference between these two policies and 16.66% gave wrong answer.

With regard to agents, out of the total agents 36.36% answered correctly, 18.19% had given wrong answer and 45.45% agents were not sure about the difference.

As regards Development Officers who were included in the Survey 75% answered correctly 12.5% were not sure about the difference and 12.5% answered wrongly.

This shows that out of the total agents and Development Officers around 50% are ignorant about the difference between Jeevan Saathi and Jeevan Mitra Policies.

In the case of agents 63.64% and among Development Officers 25%

are not aware of the difference between Jeevan Saathi and Jeevan Mitra Policies.

T A B L E NO. 74

CLASSIFICATION OF AGENTS AND DEVELOPMENT OFFICERS ON THE BASIS OF OPINION GIVEN BY THEM ABOUT THE VOLUME OF SALES OF JEEVAN SAATHI AND JEEVAN MITRA POLICIES COMPARED WITH OTHER POLICIES

Opinion about Sale	Jeevan Saathi		Jeevan Mitra				Grand Total			
	Agents		Dev.Officers		Agents		Dev.Officers			
	No.	%	No.	%	No.	%	No.	%		
Less than 40%	28	63.64	15	93.75	33	75.00	16	100.00	92	76.67
40% to 60%	14	31.82	1	6.25	9	20.45	-	-	24	20.00
60% to 80%	2	4.54	-	-	2	4.55	-	-	4	3.33
Above 80%	-	-	-	-	-	-	-	-	-	-
Total	44	100.00	16	100.00	44	100.00	16	100.00	120	100.00

With reference to Jeevan Saathi Policy, 63.64% agents and 93.75% Development Officers had the impression that its sale was less than 40% compared with other types of policies issued by LIC. 31.82% agents and 6.25% Development Officers were of the impression that its sale was between 40% to 60% when compared with other policies of LIC and only 4.54% agents had the impression that its sale was between 60% to 80% when compared with other policies.

In the matter of Jeevan Mitra Policy 75% agents and 100% Development Officers have the impression that its sale is less than 40% compared with other policies issued by LIC, 20.45% agents have the impression that its sale is between 40% and 60% and 4.55% agents said that its volume of sale was between 60% and 80%.

An analysis of opinion of agents and Development Officers about both types of policies shows that out of the total, 76.67% said that the sale of these policies is less than 40% compared with the sale of other policies. 20% said that its sales were between 40% and 60% when compared with other policies and 3.33% said that its sale was between 60% and 80% when compared with other policies.

The above details help to reach the conclusion that the sales of both these policies are low compared with the sales of other policies of LIC.

T A B L E N O . 7 5

CLASSIFICATION OF OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS REGARDING PUBLICITY GIVEN FOR INCREASING THE SALE OF JEEVAN SAATHI AND JEEVAN MITRA WHEN COMPARED WITH THE PUBLICITY GIVEN TO OTHER POLICIES

Opinion about publicity	Jeevan Saathi		Jeevan Mitra		Grand Total					
	Agents No.	%	Dev.Off. No.	%	Agents No.	Dev.Off. No.	%	No.	%	
Less than 40%	18	40.91	4	25.00	23	52.26	7	43.75	52	43.33
40% to 60%	19	43.18	9	56.25	17	38.64	6	37.50	51	42.51
60% to 80%	4	9.09	2	12.50	2	4.55	2	12.50	10	8.33
Above 80%	3	6.82	1	6.25	2	4.55	1	6.25	7	5.83
Total	44	100.00	16	100.00	44	100.00	16	100.00	120	100.00

Referring to Jeevan Saathi policy 40.91% agents and 25% Development Officers said that publicity given to these policies is less than 40% compared with publicity given to other types of policies. 43.18% agents and 56.25% Development Officers said that publicity given to this policy is between 40% and 60% compared with publicity given to other types of policies.

As regards Jeevan Mitra policy 52.26% agents and 43.75% of

Development Officers said that publicity given to this policy is less than 40% compared with other and 38.64% agents and 37.50% Development Officers said that publicity given to this policy is between 40% and 60% when compared with publicity given to other policies.

If we analyse the total opinions of both Jeevan Saathi and Jeevan Mitra policies according to the opinion of agents and Development Officers it can be found that out of the total, 43.33% said that publicity given to these policies is less than 40% compared with publicity given to other types of policies. And 42.51% said that publicity given to these policies is between 40% and 60% compared with others.

This shows that according to the opinion of majority of agents and Development Officers publicity given to these policies are either less than 40% or between 40 to 60% compared with publicity given to other policies of LIC.

T A B L E NO. 76

CLASSIFICATION OF AGENTS AND DEVELOPMENT OFFICERS ON THE BASIS OF THEIR OPINION WITH REGARD TO COMMISSION GIVEN TO JEEVAN SAATHI AND JEEVAN MITRA POLICIES

Opinion about commission	Jeevan Saathi		Jeevan Mitra		Grand Total	
	Agents No.	Dev.Off. %	Agents No.	Dev.Off. %	No.	%
Less than	4	9.09	1	6.25	5	9.17
Equal to	36	81.82	14	87.50	50	83.33
More than	4	9.09	1	6.25	5	7.50
Total	44	100.00	16	100.00	60	100.00

In the case of Jeevan Saathi policy 81.82% agents and 87.50% Development Officers had the opinion that commission given to this policy is almost equal to other policies' commission.

With reference to Jeevan Mitra policy also 81.82% agents and 87.50%

Development Officers had the impression that commission given to this policy is equal to other policies.

If we analyse the total opinion of both types of policies it can be found that out of the total 83.33% said that commission given to these policies is equal to other types of policies. According to the table given above it can be found that commission given to these policies is almost equal to other policies of LIC.

T A B L E NO. 77

CLASSIFICATION OF OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS ABOUT THE SALES OF SUBSEQUENT PLANS INTRODUCED BY LIC AFTER JEEVAN SAATHI AND JEEVAN MITRA POLICIES.

Opinions of sub-sequent plans	Agents		Dev. Officer		Total	
	No.	%	No.	%	No.	%
Good opinion	37	84.09	16	100.00	53	88.33
Bad opinion	3	6.82	-	-	3	5.00
Not sure	1	2.27	-	-	1	1.67
Wrong and misleading answer	3	6.82	-	-	3	5.00
Total	44	100.00	16	100.00	60	100.00

From the above table it is seen that out of total 60 respondents including agents and Development Officers 88.33% have good impression about the sales of subsequent plans introduced by LIC after Jeevan, Saathi and Jeevan Mitra policies.

As regards agents' opinion, out of the total 44 agents 84.09% have good opinion about the sale of subsequent plans and all Development Officers have good opinion about the sale of subsequent plan of LIC after the Jeevan Saathi and Jeevan Mitra policies. This shows that according to the opinion of majority of agents and Development Officers, the sale of subsequent plans introduced after Jeevan Saathi and Jeevan

Mitra is very good.

T A B L E NO. 78

CLASSIFICATION OF OPINION OF AGENTS AND DEVELOPMENT OFFICERS ABOUT
THE PUBLICITY GIVEN TO NEW PLANS INTRODUCED BY LIC AFTER JEEVAN SAATHI
AND JEEVAN MITRA POLICIES.

Publicity of subsequent plans	Agents		Dev.Officers		Total	
	No.	%	No.	%	No.	%
Good publicity	35	79.55	16	100.00	51	85.00
Satisfactory	7	15.91	-	-	7	11.67
Bad publicity	2	4.54	-	-	2	3.33
Not sure	-	-	-	-	-	-
Total	44	100.00	16	100.00	60	100.00

On analysis the opinion received from Agents and Development Officers, 85% had good opinion about the publicity given for the new plans of LIC.

In the case of Agents according to the opinion obtained from them 79.55% said good opinion regarding publicity of new plans and all Development Officers also had the opinion that LIC is giving good publicity for increasing the sales of new plans. This shows that according to the opinion given by majority of Agents and all Development Officers, LIC had given very good publicity for increasing the sale of subsequent plans introduced after Jeevan Saathi and Jeevan Mitra policies.

T A B L E NO. 79

CLASSIFICATION OF OPINION RECEIVED FROM AGENTS AND DEVELOPMENT OFFICERS ABOUT THEIR PROFESSION OF SELLING POLICIES OF LIC

Opinion	Agents		Dev. Officers		Total	
	No.	%	No.	%	No.	%
Good and Remunerative	32	72.73	15	93.75	47	78.34
More difficult and remunerative	10	22.73	1	6.25	11	18.33
Bad opinion	2	4.54	—	—	2	3.33
Total	44	100.00	16	100.00	60	100.00

Out of the Agents and Development Officers 78.34% had good opinion about the profession of selling policies of LIC. 18.33% said it is difficult and at the same time remunerative profession and only 3.33% respondents had the opinion that it is a bad profession.

On analysing the opinions received from Agents it is seen 72.73% said that it is a good profession and remunerative 22.73% had the opinion that it is a difficult job and at the same time remunerative. Only 4.54% Agents said that it is a bad profession.

The opinion given by Development Officers shows that 93.75% said it is a good and remunerative profession, 6.25% said that it is tough and at the same time more remunerative. So according to the opinion of majority of Agents and Development Officers their profession was good and remunerative.

T A B L E NO. 80

CLASSIFICATION OF OPINIONS ON THE BASIS OF REACTIONS OF AGENTS AND
DEVELOPMENT OFFICERS IF PEOPLE CRITICISE LIC IN THEIR PRESENCE.

Reactions	Agents		D.Officers		Total	
	No.	%	No.	%	No.	%
Convince	32	72.73	13	81.25	45	75.00
Agree & Convince	8	18.18	2	12.50	10	16.67
Disagree & Convince	1	2.27	1	6.25	2	3.33
Feel sympathy and convince	3	6.82	-	-	3	5.00

Out of the total of respondents 75% had the opinion that if people criticise LIC in their presence they will try to convince them about the benefits and other services rendered by LIC. 16.67% said that they agree with the criticisms made by the people and they try to make them convinced about the benefits and services rendered by LIC.

Analysing the reactions made by agents show that 72.73% try to convince those who criticise LIC about the various benefits rendered by it. 18.18% said that first they will agree with the criticism made by the people and then convince the people about the services rendered by LIC. 6.82% said that when people criticise LIC, they feel sympathy about the ignorance of the people and they make an attempt to convince them about LIC's benefit and service. 2.27% said that first they will disagree with the people who criticise LIC and then convince them about the benefits given by it.

In the case of Development Officers 81.25% will work for convincing the people who criticise LIC, 12.50% first agree with the criticism made by people and then convince them about the benefits and

services rendered by LIC and 6.25% first disagree with the criticism made by the people and then convince them about the services and benefits rendered by the LIC. So according to the opinion of agents and Development Officers majority of them said that they will try to convince the people about the various benefits and services rendered by LIC.

T A B L E NO. 81

TABLE SHOWING THE OPINION OF AGENTS AND DEVELOPMENT OFFICERS WITH REGARD TO SERVICES RENDERED BY LIC TO THE POLICY HOLDERS

Opinion about services of LIC	Agents		Development Officers		Total	
	No.	%	No.	%	No.	%
Improving	38	86.36	16	100.00	54	90.00
Not improving	5	11.36	..	..	5	8.33
Deteriorating	..	..	..	..	..	..
Not sure	1	2.28	..	..	1	1.67
Total	44	100.00	16	100.00	60	100.00

From the table given above it can be seen that 86.36% agents and 100% of Development Officers had the opinion that services rendered by LIC to policy holders are improving, and only 11.36% agents said that services rendered by LIC to policy holders are not improving.

T A B L E NO. 82

OPINION OF AGENTS AND DEVELOPMENT OFFICERS WITH REGARD TO BEHAVIOUR OF LIC'S STAFF WHILE DEALING WITH POLICY HOLDERS

Opinion about behaviour of LIC staff	Agents		Dev. Officers		Total	
	No.	%	No.	%	No.,	%
Helpful	31	70.45	14	87.50	45	75.00
Not helpful	4	9.09	..	..	4	6.67
Indifferent	7	15.91	2	12.50	9	15.00
Not Sure	2	4.55	..	..	2	3.33
Total	44	100.00	16	100.00	60	100.00

On studying the table given above it is seen that 70.45% agents and 87.50% Development Officers had the opinion that the behaviour of LIC's staff is helpful while dealing with policy holders. Only 15.91% agents, and 12.50% Development Officers said that the behaviour of LIC's staff towards policy holders is indifferent.

T A B L E NO. 83

CLASSIFICATION OF ANSWERS GIVEN BY AGENTS AND DEVELOPMENT OFFICERS
TO THE QUESTION ' DO THE OFFICE PROCEEDURES MEET THE CUSTOMERS'
DEMAND OF SERVICE IN THE OFFICE'

Answers	Agents		Dev.Officers		Total	
	No.	%	No.	%	No.	%
Yes	26	59.09	14	87.50	40	66.67
No	12	27.27	1	6.25	13	21.67
Not sure	3	6.82	-	-	3	5.00
No opinion	3	6.82	1	6.25	4	6.66
Total	44	100.00	16	100.00	60	100.00

From the above table it can be seen that 59.09% agents and 87.5% Development Officers agreed that office proceedings meet the customers' demand of service in the office.

T A B L E NO. 84

CLASSIFICATION OF THE RECOMMENDATIONS MADE BY THOSE WHO DO NOT
ANSWER ' YES ' IN THE ABOVE TABLE NO.81

Recommendation	Agents		D. Officers		Total	
	No.	%	No.	%	No.	%
Increase number of staff	9	50.00	2	100.00	11	55.00
Avoid complicated procedure	4	22.22	..	..	4	20.00
No opinion	5	27.28	..	..	5	100.00
Total	18	100.00	2	100.00	20	100.00

On analysing the above table it is seen that 50% of agents and 100% of Development Officers **who do not agree that office** procedures meet the customers' demand of service, recommended that it can be achieved by increasing the number of staff in the LIC office, 22.22% had the opinion that the complicated procedures existing in the LIC office should be avoided and balance 27.28% have no opinion about it.

T A B L E NO. 85
NUMBER OF YEARS OF EXPERIENCE WITH LIC AS AGENT AND DEVELOPMENT
OFFICER AMONG THE RESPONDENTS WHO WERE INTERVIEWED

No. of years	Experience as Agent only		Experience as Agent and Development officer		Experience as Development Officer only	
	No.	%	No.	%	No.	%
0 - 2	17	38.64	2	25.00	6	75.00
2 - 5	13	29.55	4	50.00	1	12.50
5 - 10	5	11.36	-	-	-	-
10- 15	1	2.27	1	12.50	-	-
15- 20	2	4.55	-	-	-	-
Above 20	6	13.63	1	12.50	1	12.50
Total	44	100.00	8	100.00	8	100.00

The above table shows that out of the total agents, 38.64% have experience as agents upto 2 years, 29.55% have experience of 2 to 5 years, 11.36% have experience of 5 to 10 years and 13.63% have more than 20 years of experience as agents. Among the total Development Officers 50% have experience as agents and Development Officer and 50% have experience as Development Officers only.

T A B L E NO. 86

STEPS TAKEN BY LIC FOR INCREASING THE SALE OF JEEVAN SAATHI AND JEEVAN MITRA POLICIES IN THE OPINION OF AGENTS AND DEVELOPMENT OFFICERS

Opi- nion	Jeevan Saathi				Jeevan Mitra				Total			
	No	Agents %	D.Officer No	D.Officer %	Agents No	Agents %	D.Officer No	D.Officer %	No	JS %	No	JM %
A	37	84.09	16	100.00	38	86.36	16	100.00	53	88.33	54	90.00
B	1	2.27	-	-	1	2.27	-	-	1	1.67	1	1.67
C	3	6.82	-	-	3	6.82	-	-	3	5.00	3	5.00
D	2	4.55	-	-	2	4.55	-	-	2	3.33	2	3.33
E	1	2.27	-	-	-	-	-	-	1	1.67	-	-
Total	44	100.00	16	100.00	44	100.00	16	100.00	60	100.00	60	100.00

Codes used in the above table are the following :

A - Publicity only

B - Publicity and training to agent

C - No special steps taken by LIC

D - Not sure about steps taken by LIC

E - Publicity and increased commission.

J.S : Jeevan Saathi

J.M : Jeevan Mitra

From the table it can be found that out of the total opinion of agents & Development Officers with regard to steps taken for increasing sales of Jeevan Saathi and Jeevan Mitra policies 88.33% and 90% Agents and Development Officers said that publicity is the only sales promotion steps taken by LIC. In case of Jeevan Saathi policy 84.09% agents and all Development Officers said that publicity is the only step done by LIC for increasing the sales of this policy.

Regarding Jeevan Mitra policy also 86.36% agents and all Development Officers said that publicity is the only sales promotion activity done by LIC for increasing the sales.

T A B L E NO. 87

CLASSIFICATION OF OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS
REGARDING PUBLIC OPINION ABOUT JEEVAN SAATHI & JEEVAN MITRAPOLICIES

	<u>Jeevan Saathi</u>				<u>Jeevan Mitra</u>				<u>Grand Total</u>			
	Agents		Dev.Offr,		Agents		Dev.Offr.		Jeevan Mitra		Jeevan Saathi	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Good Opinion	23	52.27	11	68.75	17	38.64	8	50.00	25	41.67	34	56.67
Satisfactory	4	9.09	1	6.25	4	9.09	2	12.50	6	10.00	5	8.33
High Premium	-	-	-	-	3	6.82	2	12.50	5	8.33	-	-
Difficulty in fulfilling conditions	-	-	1	6.25	-	-	-	-	-	-	1	6.67
Not aware	17	38.64	3	18.75	20	45.45	4	25.00	24	40.00	20	33.33
Total	44	100.00	16	100.00	44	100.00	16	100.00	60	100.00	60	100.00

In reference to Jeevan Saathi Policy 52.27% agents and 68.75% Development Officers said that the public have good opinion regarding these policies and 38.64% agents and 18.75% Development Officers said that public are not aware of the benefits of these policies. 6.25% Development Officers said that the public find it difficult to fulfil conditions necessary for taking Jeevan Saathi Policy.

On analysis of the opinion under Jeevan Mitra Policy, 38.64% agents and 50% Development Officers said that the public have good opinion regarding this policy. Another point is that 45.45% agents and 25% Development Officers had the opinion that the public are not aware of the benefits of these policies. 6.82% agents and 12.50% Development Officers said that premium charged for Jeevan Mitra Policy is high when compared to other policies according to the opinion of the public.

The total of opinion given by agents and Development Officers

regarding Jeevan Saathi Policy and Jeevan Mitra Policy, 56.67% and 41.67% respectively said that the public have good opinion regarding these policies.

T A B L E NO. 88

CLASSIFICATION OF OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS
FOR INCREASING SALE OF JEEVAN SAATHI AND JEEVAN MITRA POLICY

Opinion	Agents				Development Officers			
	JS		JM		JS		JM	
	No.	%	No.	%	No.	%	No.	%
A	7	15.91	6	13.64	1	6.25	4	25.00
B	3	6.82	4	9.09	1	6.25	1	6.25
C	3	6.82	4	9.09	5	31.25	5	31.25
D	2	4.50	3	6.82	-	-	1	6.25
E	7	15.94	6	13.64	-	-	-	-
F	2	4.55	7	15.90	1	6.25	2	12.50
G	6	13.64	-	-	4	25.00	-	-
H	14	31.82	14	31.82	4	25.00	3	18.75
Total	44	100.00	44	100.00	16	100.00	16	100.00

Codes used in the above table :

- A - Reduce premium
 B - Increase commission
 C - Increase Advertising
 D - Increase Advertising & Training to agents
 E - No change needed
 F - Increase advertising, Avoid Medical Examination
 G - Increase advertising, Reduce Premium & liberalize conditions applicable to all employed couples.
 H - Increase advertising. Increase commission, Reduce Premium.
- J.S : Jeevan Saathi
 J.M : Jeevan Mitra

According to the opinion given by agents for increasing the sale of Jeevan Saathi Policy, 31.82% said that LIC should increase advertising, increase commission and reduce premium. 15.91% agents wanted to reduce the amount of premium only. 6.82% wanted increase in the commission. Another 6.82% said to increase advertising. 13.64% had the opinion that over and above increasing advertisement, reducing premium and they should also liberalise the conditions of Jeevan Saathi Policy in order to make it applicable to all categories of employed couples. At the same time 15.94% said that no special steps are needed for increasing sale of this policy,

According to the opinion of agents for increasing the sale of Jeevan Mitra Policy, 31.82% had the opinion that LIC should increase advertisement, increase commission and reduce premium. 13.64% asked to reduce premium. 9.09% would like increase in commission. Another 9.09% wanted increase in advertising. 6.82% wanted not only increase in advertisement but also wanted to give some training to agents. 15.90% said that increase in advertising and avoidance of medical examination are needed for this policy. Here also 13.64% said that no special steps are needed for increasing sales of Jeevan Mitra Policy.

On analysis of the recommendations made by Development Officers for increasing sale of Jeevan Saathi, 31.25% said to increase advertisement regarding these policies done by LIC, 25% had the opinion to increase advertisement, reduce amount of premium and conditions of the policy should be liberalised so as to make it applicable to all working couples. Another 25% gave the opinion that increase in advertising, increase in commission and reduction of the amount of premium were needed.

In the case of Jeevan Mitra Policy 31.25% Development Officers wanted increase in advertisement by LIC regarding these policies, 25% said to reduce the premium, 18.75% have the opinion to increase advertisement, increase in commission given to agents and reducing premium. 12.50% wanted increase in advertisement and avoidance of medical examination.

To sum up the important recommendations made by agents and Development Officers for increasing sale of Jeevan Saathi and Jeevan Mitra Policies are, reducing the premium, increasing advertisement, Training agents and liberalizing conditions necessary for the policies.

T A B L E NO. 89

CLASSIFICATION OF OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS
WHETHER JEEVAN SAATHI AND JEEVAN MITRA POLICIES ARE SELLING JUST
LIKE OTHER POLICIES

(This question is asked again in the interview schedule for checking again whether there is any change in their opinion)

	Jeevan Saathi		Jeevan Mitra				Total					
	Agents No.	D.Officer %	Agents No.	D.Officer %	Jeevan Saathi No.	Jeevan Mitra %	Jeevan Saathi No.	Jeevan Mitra %				
Yes	17	38.64	3	18.75	8	18.18	3	18.75	20	33.33	11	18.33
No	27	61.36	13	81.25	36	81.82	13	81.25	40	66.67	49	81.67
Total	44	100.00	16	100.00	44	100.00	16	100.00	60	100.00	60	100.00

In the case of Jeevan Saathi Policy 61.36% agents and 81.25% Development Officers gave the opinion that this policy is not selling like other policies.

In the case of Jeevan Mitra Policy also 81.82% agents and 81.25% Development Officers had the opinion that this policy is not selling like other policies.

The total of opinion given by agents and Development Officers regarding Jeevan Saathi and Jeevan Mitra Policies is that 66.67% and 81.67% respectively said that these policies are not selling just like other policies of LIC.

From the above answers we can make it sure that the Jeevan Saathi and Jeevan Mitra Policies are not selling like other policies issued by LIC.

T A B L E NO. 90

REASONS GIVEN BY AGENTS AND DEVELOPMENT OFFICERS FOR NOT SELLING JEEVAN SAATHI AND JEEVAN MITRA POLICY. LIKE OTHER POLICIES OF LIC

Reasons	Jeevan Saathi				Jeevan Mitra				Total			
	Agents		Dev.Offr.		Agents		Dev.Offr.		Jeevan Saathi		Jeevan Mitra	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
A	16	36.36	7	43.75	2	4.75	-	-	23	38.33	2	3.33
B	3	6.82	1	6.25	8	18.18	5	31.25	4	6.67	13	21.67
C	3	6.82	-	-	4	9.09	-	-	3	5.00	4	6.67
D	1	2.27	-	-	-	-	-	-	1	1.67	-	-
E	3	6.82	2	12.50	17	38.64	2	12.50	5	8.33	19	31.67
F	1	2.27	-	-	-	-	-	-	1	1.67	-	-
G	1	2.27	-	-	1	2.27	-	-	1	1.67	1	1.67
H	1	2.27	-	-	-	-	-	-	1	1.67	-	-
I	1	2.27	1	6.25	4	9.09	1	6.25	2	3.33	5	8.33
J	-	-	2	12.50	4	9.09	5	31.25	2	3.33	9	15.00
K	14	31.83	3	18.75	4	9.09	3	18.75	17	28.33	7	11.66
Total	44	100.00	16	100.00	44	100.00	16	100.00	60	100.00	60	100.00

Codes used in the above table are given below:

A - Difficulty in fulfilling conditions

B - High premium charged under these policies.

- C - Not aware of benefits available under these policies
- D - High premium and difficulty in fulfilling conditions
- E - Medical examination and not aware of benefits
- F - Medical examination and High Premium charged
- G - Low percentage of agents' commission
- H - Medical examination and difficulty in fulfilling conditions
- I - Poor advertisement
- J - Not beneficial to the policy holders
- K - No opinion

According to the opinion given by agents and Development Officers in the case of Jeevan Saathi Policy, 36.36% agents and 43.75% Development Officers said that the main reason for not increasing the sale of this policy is difficulty to fulfil the terms and conditions prescribed by LIC for taking this policy. Other reasons given by them are high premium of this policy, non-awareness about it, compulsory medical examination, low advertisement etc.

According to the opinion of agents and Development Officers the main reason for not selling Jeevan Mitra Policy 38.64% agents and 12.50% Development Officers said that, it is due to compulsory medical examination and not aware of benefits of the policy, 18.18% agents and 31.25% Development Officers had the opinion that it is due to high premium charged for this policy. 31.25% Development Officers and 9.09% agents gave the opinion that this policy is not beneficial compared with other policies. Other reasons raised by them are non-awareness of public regarding benefits of this policy and low advertisement given by LIC.

From the simple analysis of the table prepared from answers

obtained from interview schedule for Development Officers and agents we can reach the following conclusions.

Out of the total 44 agents and 16 Development Officers included in the sample, only 36.36% agents and 75% of Development Officers answered correctly regarding the question of difference between Jeevan Saathi and Jeevan Mitra Policies. 45.45% agents and 12.5% Development Officers are not sure about the difference between these two policies and 18.19% agents and 12.5% Development Officers are ignorant about the difference between Jeevan Saathi and Jeevan Mitra Policies.

According to the opinion collected from agents and Development Officers with regard to volume of sales, 63.64% agents, 93.15% Development Officers in the case of Jeevan Saathi and 75% agents and all Development Officers in the case of Jeevan Mitra Policies said that sale of these policies is less compared with other policies.

With regard to publicity given for increasing sales of these policies, the analysis of opinion collected from agents and Development Officers shows that, 43.18% agents and 56.25% Development Officers said that compared with publicity given to other policies of LIC, publicity given to Jeevan Saathi Policies comes between 40 and 60% and as regards Jeevan Mitra policy 52.26% agents and 43.75% Development Officers said that it was less than 40%. According to the opinion of majority of agents and Development Officers, publicity given to Jeevan Saathi and Jeevan Mitra policies is either less than 40% or between 40 and 60% compared with publicity given to other policies of LIC.

With regard to commission given to Jeevan Saathi and Jeevan Mitra Policies, 81.82% agents and 87.5% Development Officers in both cases

said that it was equal to the commission given to other policies of LIC. This means commission given to these policies is almost equal to other policies of LIC.

All Development Officers and 84.09% agents have good opinion about the sales of subsequent plans introduced by LIC after the introduction of Jeevan Saathi and Jeevan Mitra Policies. 79.55% agents and 100% Development Officers said that LIC is giving good publicity to the new plans introduced after Jeevan Saathi and Jeevan Mitra Policies of LIC.

Around 72.73% agents and 93.75% Development Officers have good opinion about the profession of selling policies of LIC. They also found it more remunerative.

About 90.91% agents and 93.75% Development Officers said that if people criticise LIC in their presence they will try to convince them about the benefits and advantages given by LIC even though some of them agree with these criticisms. This means that in most cases people are criticising LIC without knowing the benefits or advantages given by LIC under different plans of policies.

86.36% agents and all Development Officers had the impression that various services rendered by LIC to the policy holders are improving. This means various services provided by LIC to policy holders are improving day by day.

70.45% agents and 87.5% Development Officers said that the behaviour of LIC's staff while dealing with policy holders is helpful to them. This shows that the dealings of LIC's staff are helpful to agents and Development Officers to do their work smoothly.

59.09% agents and 87.5% Development Officers agree that office procedures meet the customer demand of service in the LIC office and out of those who do not agree to the above statement, majority of agents and Development Officers said that it can be achieved though increasing the staff in the LIC office and few of them said that complicated procedure should be avoided.

For the purpose of increasing sale of Jeevan Saathi and Jeevan Mitra Policies nearly 85% agents and all Development Officers said that publicity is the only sales promotion activity done by LIC.

According to the opinion collected from agents and Development Officers regarding Jeevan Saathi policy 52.27% agents and 68.75% Development Officers said that the public have good opinion about it and 38.64% agents and 18.75% Development Officers said that the public are not aware of the benefits available under this policy. In the case of Jeevan Mitra Policy 38.64% agents and 50% Development Officers said that the public have good opinion about it and 45.45% agents and 25% Development Officers said that public are not aware of benefits available under this policy. This shows that those who are aware of the benefits available under Jeevan Saathi and Jeevan Mitra policies have good opinion about it.

The number of years of experience as agents and Development Office shows that in case of agents 38.64% have upto 2 years of experience and 29.55% have 2 to 5 years of experience. As regards Development Officers 50% have experience as Agent and Development Officer and balance 50% have experience as Development Officer only.

For the purpose of increasing the sale of Jeevan Saathi Policy according to the opinion of agents, 15.91% would like to reduce the

a. amount of premium. 31.82% would like to increase advertising, increase agents' commission and reduce premium. Another 13.64% said besides the above factors, the conditions prescribed under this policy should be liberalised in order to make it available to all categories of employed couples. 25% Development Officers also supported the above mentioned recommendations given by agents and 31.25% Development Officers said that the sale of this policy can be increased by increasing advertisement.

In the case of Jeevan Mitra policy the major recommendation given by majority of agents is increase in advertising, increase in agents' commission, reduction in premium, avoidance of medical examination etc. These recommendations are also supported by almost all Development Officers. For the purpose of counter checking, once again it was asked in the interview schedule the question "whether Jeevan Saathi and Jeevan Mitra policies are selling like other policies of LIC". The answer shows that 61.36% agents and 81.85% Development Officers in case of Jeevan Saathi policy and in case of Jeevan Mitra policy 81.82% agents and Development Officers said that they are not selling like other policies of LIC.

According to the opinion of agents and Development Officers the major reasons for not selling Jeevan Saathi policy like other policies of LIC are firstly difficulty to fulfil the conditions prescribed for these policies. Secondly high rate of premium charged for these policies and thirdly not aware of details of benefits available under this policy.

With regard to Jeevan Mitra policy the main reasons are high rate of premium charged, not aware of details of benefits available under

this policy, compulsory medical examination, poor advertisements given and some of them had the opinion that it is not beneficial from policy holders' point of view.

The cross analysis of answers obtained from interview schedule for agents and Development Officers is given below.

T A B L E NO. 91 A

RELATION BETWEEN OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS ABOUT DIFFERENCE BETWEEN JEEVAN SAATHI AND JEEVAN MITRA POLICIES AND THEIR IMPRESSION ABOUT SALE OF JEEVAN SAATHI AND JEEVAN MITRA POLICIES

AGENTS' OPINION

JEEVAN SAATHI

Impression about sale	Correct answer		Wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Less than 40%	11	39.29	4	14.29	13	46.43	28	63.64
40 to 60%	3	21.43	4	28.57	7	50.00	14	31.82
60 to 80%	2	12.50	-	-	-	-	2	4.54
Above 80%	-	-	-	-	-	-	-	-
Total	16	36.36	8	18.18	20	45.45	44	100.00

T A B L E NO. 91 B

JEEVAN MITRA

Impression	Correct answer		Wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Less than 40%	13	39.39	4	12.13	16	48.48	33	75.00
40 to 60%	3	33.33	3	33.33	3	33.34	9	20.45
60 to 80%	-	-	1	50.00	1	50.00	2	4.55
Above 80%	-	-	-	-	-	-	-	-
Total	16	36.36	8	18.18	20	45.45	44	100.00

The analysis of the opinion given by agents shows that 63.64% agents said that sale of Jeevan Saathi policy is less than 40% compared

with other types of policies issued by LIC. Among them only 39.29% had given correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies of LIC. 14.29% gave wrong answer and 46.43% are not sure about the difference between them policies. 31.82% said that sale of these policies is between 40 and 60% of which 21% had given correct answer and 28.57% given wrong answer and 50% were not sure about the difference between Jeevan Saathi and Jeevan Mitra policies of LIC.

With regard to Jeevan Mitra policy 75% said that sale of this policy is less than 40% compared with other types of policies of LIC, of which 39.39% gave correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies of LIC. Out of the rest, 12.13 had given wrong answer and balance 48.48% are not sure about the difference between Jeevan Saathi and Jeevan Mitra policies of LIC.

The above information shows that more than 95% agents had the opinion that sale of these policies is either 40% or between 40 to 60% compared with others. Among them majority of agents were not sure about the difference between Jeevan Saathi and Jeevan Mitra policies of LIC.

T A B L E NO. 91 C
DEVELOPMENT OFFICERS
JEEVAN SAATHI

Impression about sale	correct answer		Wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Less than 40%	12	80.00	1	6.67	2	13.33	15	93.75
40 to 60%	-	-	1	100.00	-	-	1	6.25
60 to 80%	-	-	-	-	-	-	-	-
Above 80%	-	-	-	-	-	-	-	-
Total	12	75.00	2	12.50	2	12.50	16	100.00

T A B L E NO. 91 D

JEEVAN MITRA

Impression about sale	Correct answer		Wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Less than 40%	12	75.00	2	12.50	2	12.50	16	100.00
40 to 60%	-	-	-	-	-	-	-	-
60 to 80%	-	-	-	-	-	-	-	-
Above 80%	-	-	-	-	-	-	-	-
Total	12	75.00	2	12.50	2	12.50	16	100.00

The analysis of opinion given by Development Officers shows that out of the total 93.75% said that sale of Jeevan Saathi policy is less than 40% compared with other types of policies of which 80% had given correct answer regarding the difference between these two policies.

As regards Jeevan Mitra policies all Development Officers said that sale of these policies is less than 40% compared with other types of policies of LIC among them 75% had given correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies of LIC.

From the above it can be found that more than 90% Development Officers had the opinion that sale of Jeevan Saathi and Jeevan Mitra policies is less than 40% compared with other policies of LIC, of which more than 75% gave correct answer regarding the difference between these two policies.

T A B L E NO. 92 A

RELATION BETWEEN IMPRESSION OF AGENTS AND DEVELOPMENT OFFICERS ABOUT
SALE OF JEEVAN SAATHI AND JEEVAN MITRA AND PUBLICITY REGARDING THESE
TWO POLICIES
JEEVAN SAATHI
AGENTS

Publicity	Impression about sale								Total	
	Less than 40%	40 to 60%	60 to 80%	above 80%	Less than 40%	40 to 60%	60 to 80%	above 80%	No.	%
Less than 40%	14	77.78	4	22.22	..	..	..	..	18	40.91
40 to 60%	11	57.89	8	42.11	..	..	..	..	19	43.18
60 to 80%	2	50.00	-	-	2	50.00	..	..	4	9.09
above 80%	1	33.33	2	66.67	-	-	..	..	3	6.82
Total	28	63.64	14	31.82	2	4.54	..	..	44	100.00

T A B L E NO. 92 BJEEVAN MITRA

Publicity	Impression about sale								Total	
	Less than 40%	40 to 60%	60 to 80%	above 80%	Less than 40%	40 to 60%	60 to 80%	above 80%	No.	%
Less than 40%	20	86.96	2	8.69	1	4.35	..	..	23	53.27
40 to 60%	10	58.82	7	41.18	-	-	..	..	17	38.64
60 to 80%	1	50.00	-	-	1	50.00	..	..	2	4.54
above 80%	2	100.00	-	-	-	-	..	..	2	4.55
Total	33	75.00	9	20.45	2	4.54	..	..	44	100.00

The analysis of opinion given by Agents regarding Jeevan Saathi policy shows that, 40.91% said that publicity given to these policies is less than 40% compared with other policies of LIC, of which 77.78% said that sale of the policies is less than 40%. 43.18% said that publicity given to these policies is between 40 and 60% compared with others of which 57.89% said that sale of these policies is less than 40% compared with others. In the matter of Jeevan Mitra policy 53.27% said that publicity given to these policies is less than 40% compared with

others, of which 86.96% said that sale of this policy is less than 40% compared with other policies of LIC.

The above details show that around 80% agents in case of Jeevan Saathi policy and 90% in case of Jeevan Mitra policies said that publicity given to these policies is less than 40% or between 40 and 60% compared with others, of which 90% agents among both types of policies said that sale of these policies is either less than 40% or between 40 and 60% compared with other policies of LIC.

T A B L E NO. 92 C
DEVELOPMENT OFFICERS
JEEVAN SAATHI

Publicity	Impression on sale									
	Less than 40		40 to 60		60 to 80		Above 80		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than 40%	4	100.00	-	-	-	-	-	-	4	25.00
40 to 60%	8	88.89	1	11.11	..	..	..	..	9	56.25
60 to 80%	2	100.00	-	-	..	..	..	..	2	12.50
Above 80%	1	100.00	-	-	-	-	-	-	1	6.25
Total	15	93.75	1	6.25	-	-	-	-	16	100.00

T A B L E NO. 92 D
JEEVAN MITRA

Publicity	Impression on sale									
	Less than 40		40 to 60		60 to 80		above 80		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than 40%	7	100.00	--	--	--	--	--	--	7	43.75
40 to 60%	6	100.00	--	--	--	--	--	--	6	37.50
60 to 80%	2	--	--	--	--	--	--	--	2	12.50
Anove 80%	1	--	--	--	--	--	--	--	1	6.25
Total	16	100.00	--	--	--	--	--	--	16	100.00

With reference to Development Officers, in the case of Jeevan Saathi policy 25% said that publicity given to these policies is less than 40% and 56.25% said that publicity given to these policies is

between 40 and 60%. Compared with other policies of LIC, and 92% of them had the opinion that sale of these policies is less than 40% compared with other policies.

In the matter of Jeevan Mitra policies 43.75% said that publicity given to these policies is less than 40% and 37.50% said that publicity given to these policies is between 40 and 60% compared with others. All the Development Officers said that sale of these policies is less than 40% compared with other policies of LIC.

All these mean that sales as well as publicity given to Jeevan Saathi and Jeevan Mitra policies are low compared with other policies of LIC.

T A B L E NO. 93 A

RELATION BETWEEN OPINION OF AGENTS AND DEVELOPMENT OFFICERS REGARDING SALE AND COMMISSION GIVEN TO THESE POLICIES COMPARED WITH OTHER POLICIES

AGENTS

JEEVAN SAATHI

Commission	Impression about sales								Total	
	Less than 40%		40 to 60		60 to 80		Above 80			
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than	3	75.00	1	25.00	-	-	-	-	4	9.09
Equal to	23	63.88	11	30.56	2	5.56	-	-	36	81.82
Greater than	2	50.00	2	50.00	-	-	-	-	4	9.09
Total	28	63.64	14	31.82	2	5.55	-	-	44	100.00

T A B L E NO. 93 BJEEVAN MITRA

Commission	Impression about sale								Total	
	Less than 40%	40 to 60%	60 to 80%	above 80%					No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than	4	80.00	1	20.00	-	-	-	-	5	11.36
Equal to	28	77.78	7	19.44	1	2.78	-	-	36	81.82
Greater than	1	50.00	1	25.00	1	25.00	-	-	3	6.82
Total	33	75.00	9	20.45	2	4.54	-	-	44	100.00

With regard to agents in the case of Jeevan Saathi policy 81.82% said that commission given to these policies is equal to other policies among them 63.88% said that sale of these policies is less than 40% compared with others.

In the matter of Jeevan Mitra policy 81.82% said that commission given to these policies is equal to other policies of which 77.78% said that sale of these policies is less than 40% compared with other policies of LIC.

T A B L E NO. 93 CDEVELOPMENT OFFICERSJeevan Saathi

Commission	Impression about sale								Total	
	Less than 40%	40 to 60%	60% to 80%	above 80%					No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%
Less than	1	100.00	-	-	-	-	-	-	1	6.25
Equal to	13	92.86	1	7.14	-	-	-	-	14	87.50
Greater than	1	100.00	-	-	-	-	-	-	1	6.25
Total	15	93.75	1	6.25	-	-	-	-	16	100.00

SCHOOL OF MANAGEMENT STUDIES

T A B L E NO. 93 DDEVELOPMENT OFFICERSJEEVAN MITRA

Commission	Impression about sale											
	Less than 40%		40 to 60%		60 to 80%		above 80%		Total			
	No.	%	No.	%	No.	%	No.	%	No.	%		
Less than	1	100.00	-	-	-	-	-	-	-	-	1	6.25
Equal to	14	100.00	-	-	-	-	-	-	-	-	14	87.50
Greater than	1	100.00	-	-	-	-	-	-	-	-	1	6.25
Total	16	100.00	-	-	-	-	-	-	-	-	16	100.00

According to the opinion of Development Officers 87.5% said that Commission given to Jeevan Saathi policies is equal to other policies among them 92.86% said that sale of these policies is less than 40% compared with others.

In the case of Jeevan Mitra policy 87.5% said that commission given to these policies is equal to other policies and all of them said that sale of this policy is less than 40% compared with other policies of LIC.

T A B L E NO. 94 ACOMPARISON BETWEEN OPINIONS GIVEN BY AGENTS AND DEVELOPMENT OFFICERSREGARDING PUBLICITY OF JEEVAN SAATHI AND JEEVAN MITRA POLICIES ANDPUBLICITY GIVEN TO LATER PLANS INTRODUCED BY L.I.C.A G E N T SJEEVAN SAATHI

Publicity on later plan	Publicity given to Jeevan Saathi policy									
	Less than 40%		40 to 60%		60 to 80%		above 80%		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good publicity	14	40.00	16	45.71	4	11.43	1	2.86	35	77.27
Bad publicity	3	42.86	2	28.57	-	-	2	28.57	7	18.18
Satisfactory	1	50.00	1	50.00	-	-	-	-	2	4.55
Total	18	40.91	19	43.18	4	9.09	3	6.82	44	100.00

T A B L E NO. 94 B

JEEVAN MITRA

Publicity of later plan	<u>Publicity given to Jeevan Mitra Policy</u>								Total	
	Less than 40%		40 to 60%		60 to 80%		above 80%			
	No.	%	No.	%	No.	%	No.	%	No.	%
Good Publicity	18	51.42	15	42.86	1	2.86	1	2.86	35	79.55
Bad publicity	4	57.13	1	14.29	1	14.29	1	14.29	7	15.92
Satisfactory	1	50.00	1	50.00	-	-	-	-	2	4.55
Total	23	52.27	17	38.64	2	4.55	2	5.54	44	100.00

Comparison between opinion given by agents regarding the publicity given to Jeevan Saathi policy and publicity given to later plans introduced by LIC shows that 77.27% had the opinion that LIC had given good publicity to those policies which are introduced after Jeevan Saathi and Jeevan Mitra policy, among them 85.71% said that publicity given to Jeevan Saathi policy is either less than 40% or between 40 and 60% respectively compared with other policies of LIC.

As regards Jeevan Mitra policy 79.55% said that LIC had given good publicity to those policies which are introduced after Jeevan Saathi and Jeevan Mitra policy of which 94.28% said that publicity given to Jeevan Mitra policy is either less than 40% or between 40 and 60% respectively compared with other policies of LIC.

SCHOOL OF MANAGEMENT STUDIES

T A B L E NO. 94 C
DEVELOPMENT OFFICERS
JEEVAN SAATHI

Publicity of later plan	Less than 40%		Publicity 40 to 60%		60 to 80%		above 80%		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good publicity	4	25.00	9	56.25	2	12.50	1	6.25	16	100.00
Bad publicity	-	-	-	-	-	-	-	-	-	-
Satisfactory	-	-	-	-	-	-	-	-	-	-
Total	4	25.00	9	56.25	2	12.50	1	6.25	16	100.00

T A B L E NO. 94 D
JEEVAN MITRA

Publicity of later plan	Less than 40%		Publicity 40 to 60%		60 to 80%		above 80%		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good publicity	7	43.75	6	37.50	2	12.50	1	6.25	16	100.00
Bad publicity	-	-	-	-	-	-	-	-	-	-
Satisfactory	-	-	-	-	-	-	-	-	-	-
Total	7	43.75	6	37.50	2	12.50	1	6.25	16	100.00

With regard to Development Officers' opinion, all of them said that LIC had given good publicity to those policies which are introduced after Jeevan Saathi and Jeevan Mitra policies of which 81.25% said that publicity given to Jeevan Saathi policy is either less than 40% or between 40 and 60% respectively, compared with other policies of LIC.

In the matter of Jeevan Mitra policy 81.25% said that publicity given to Jeevan Mitra policy is either less than 40% or between 40 and 60% compared with other policies introduced by LIC.

TABLE NO. 95 A

COMPARISON BETWEEN OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS
REGARDING THE PROFESSION OF SELLING POLICIES OF LIC AND HOW THEY
REACT IF PEOPLE CRITICIZE LIC IN THEIR PRESENCE.

A G E N T S

Opinion about Profession	Reaction of agents									
	Convince		Agree and convince		Disagree and convince		Feel Sym- pathy and convince		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good opinion and Remunera- tive	24	75.00	4	12.80	1	3.13	3	9.37	32	72.73
Bad opinion	1	50.00	1	50.00	..	..	..	..	2	4.55
More diffi- cult and Re- munerative	7	70.00	3	30.00	..	..	..	..	10	22.72
T o t a l	32	72.73	8	18.18	1	2.27	3	6.82	44	100.00

From the agents' opinion given above it can be seen that 72.73% have good opinion about their profession and also found it more remunerative of which 75% said that they will try to convince them if people criticise LIC in their presence, about the various benefits or advantage given by LIC.

T A B L E NO. 95 BDEVELOPMENT OFFICERS

Opinion about Profession	<u>Reaction of Development Officers</u>									
	Convince		Agree and convince		Disagree and convince		Feel Sympathy and convince		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good opinion and Remunerative	12	80.00	2	13.33	1	6.67	..	..	15	93.75
Bad opinion	..	..	.	..	.	.	.	..	..	..
More difficult and remunerative	1	100.00	.	..	.	.	.	..	.1	6.25
T o t a l	13	81.25	2	12.50	1	6.25	.	..	16	100.00

The analysis of the opinion of Development Officers shows that 93.75% have the opinion that their profession was good and remunerative of which 80% said that they would try to convince the public about the various services and benefits provided by LIC.

T A B L E NO. 96 ACOMPARISON BETWEEN OPINIONS ABOUT PROFESSION OF SELLING POLICIES OF LIC AND LIC'S SERVICES TO POLICY HOLDERS ACCORDING TO THE OPINION OF AGENTS

Opinion about profession	<u>Opinion about service of LIC</u>									
	Improving		Not improving		Deterio-rating		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good and remunerative	28	87.50	3	9.38	..	..	.1	3.12	32	72.73
Bad opinion	1	50.00	1	50.00	..	..	..	..	2	4.55
More difficult and remunerative	9	90.00	1	10.00	..	..	..	..	10	22.72
T o t a l	38	86.36	5	11.36	-	-	1	2.27	44	100.00

The table given above shows that 72.73% agents have good opinion about the profession of selling policies of LIC of which 87.5% said that LIC's services to policy holders are improving. This shows that among those agents who have good opinion about their profession, majority have good opinion about the services of LIC to policy holders.

T A B L E NO. 96 B

DEVELOPMENT OFFICERS

Opinion about profession	Opinion about Service of LIC									
	Improving		Not improving		Detero-rating		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good and remunerative	15	100.00	-	-	-	-	-	-	15	93.75
Bad opinion	-	-	-	-	-	-	-	-	-	-
More difficult and remunerative	1	100.00	-	-	-	-	-	-	1	6.25
T o t a l	16	100.00	-	-	-	-	-	-	16	100.00

Analysis of Development Officers' opinion shows that, 93.75% said that their profession is good and remunerative and balance 6.25% said that it is more difficult and remunerative and all of them said that LIC's services to policy holders are improving. This shows that LIC has made a lot of progress with regard to after-sale services required by policy holders.

T A B L E NO. 97 A

COMPARISON OF OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS REGARDING LIC'S SERVICE TO POLICY HOLDERS AND HOW THEY REACT IF PEOPLE CRITICISE LIC IN THEIR PRESENCE

AGENTS

LIC's Service	How react when people criticize LIC									
	Convince		Feel Sympathy for Ignorance and convince		Agree and convince		Disagree and convince		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Improving	26	68.42	3	7.89	8	21.05	1	2.64	38	86.36
Not improving	5	100.00	-	--	-	--	-	--	5	11.36
Deteriorating	-	--	-	-	-	-	-	-	-	-
Not sure	1	100.00	-	--	-	-	-	-	1	2.28
T o t a l	32	72.72	3	6.82	8	18.18	1	2.27	44	100.00

T A B L E NO. 97 B

DEVELOPMENT OFFICERS

LIC's Service	How react when people criticize LIC							
	Convince		Agree and convince		Disagree and convince		Total	
	No.	%	No.	%	No.	%	No.	%
Improving	13	81.25	2	12.50	1	5.25	16	100.00
Not improving	..	..	..	..	..	..	..	..
Deteriorating	..	..	..	..	..	..	..	..
T o t a l	13	81.25	2	12.50	1	6.25	16	100.00

Comparison between opinion about LIC's service to policy holders and "How they react if people criticize LIC" shows that according to agents' opinion 86.36% said that LIC's services to policy holders are improving, among them 68.42% said that if people criticize LIC they will try to convince the benefits and services provided by LIC.

According to the opinion of Development Officers all of them said that LIC's services to policy holders are improving of which 81.25% said that if people criticize LIC in their presence, they will convince them about the various benefits and services given by LIC.

T A B L E NO. 98 A
RELATION BETWEEN OPINIONS OF AGENTS AND DEVELOPMENT OFFICERS ABOUT
THE PROFESSION OF SELLING POLICIES OF LIC AND DEALING OF LIC'S
STAFF TOWARDS POLICY HOLDERS

A G E N T S

Dealings of LIC's staff towards po- licy holders	Opinion about profession							
	Good and remunerative		Bad Opinion		More diffi- cult and remunerative		Total	
	No.	%	No.	%	No.	%	No.	%
Helpful	26	81.25	1	50.00	4	40.00	31	70.45
Not helpful	3	9.37	-	--	1	10.00	4	9.09
Indifferent	3	9.38	1	50.00	3	30.00	7	15.91
Not sure	-	--	-	--	2	20.00	2	4.55
T o t a l	32	72.73	2	4.55	10	22.73	44	100.00

T A B L E NO. 98 B
DEVELOPMENT OFFICERS

Dealings of LIC's staff towards policy holders	Opinion about profession					
	Good and Remunerative		More diffi- cult and Remunerative		Total	
	No.	%	No.	%	No.	%
Helpful	13	86.67	1	100.00	14	87.50
Not helpful	..	..	..	..	..	..
Indifferent	2	13.33	..	..	2	12.50
Not sure	..	..	..	..	..	..
T o t a l	15	93.75	1	6.25	16	100.00

Out of the total agents 72.75% have the impression that their profession of selling policies of LIC is good and remunerative. Of them 81.25% give the opinion that LIC's staff are helpful to them while dealing with policy holders.

In the case of Development Officers, 93.75% said it is a good profession and remunerative, out of these 86.67% said that the dealing of LIC's staff towards policy holders is helpful.

SCHOOL OF MANAGEMENT STUDIES

T A B L E NO. 99 A

COMPARISON OF OPINION OBTAINED FROM AGENTS AND DEVELOPMENT OFFICERS
REGARDING LIC'S SERVICE TO THE POLICY HOLDERS AND THE OFFICE PROCE-
DURE MEET THE CUSTOMERS' DEMAND OF SERVICE

A G E N T S

Do Office proceedure meet the customers' demand	LIC Service to policy holders										Total	
	Improving		Not improving		Not sure		Not much		Deterio- rating		No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	23	88.46	2	7.69	..	..	1	3.85	..	..	26	59.09
No	10	83.33	2	16.67	..	..	.	..	..	..	12	27.27
Not sure	2	66.67	1	33.33	..	..	.	..	..	..	3	6.82
No opinion	3	100.00	.	..	..	..	.	..	..	..	3	6.82
T o t a l	38	86.36	5	11.36	..	..	1	2.28	..	..	44	100.00

The Analysis of the above table shows that out of the total 59.09% agents said that office proceeedures meet the customers'demand of Service in the office, of which 88.46% said that LIC's Service to poli- cy holders is improving. 27.27% agents said that office proceeedures do not meet the customers'demand of service in the office, among them also 83.33% said that LIC's Service. to policy holders is impro- ving.

T A B L E NO. 99 B

DEVELOPMENT OFFICERS

Do Office pro- ceedure meet the customer's demand	LIC's Service										Total	
	Improving		Not improving		Not sure		Not much		Deter- iora- ting		No.	%
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	14	87.50	-	-	-	-	-	-	-	-	14	87.50
No	1	6.25	-	-	-	-	-	-	-	-	1	6.25
No opinion	1	6.25	-	-	-	-	-	-	-	-	1	6.25
Total	16	100.00	-	-	-	-	-	-	-	-	16	100.00

According to the opinion given by Development Officers all had given the opinion that LIC's service to the policy holders is improving. Of them 87.5% agreed that LIC's office procedure meets the customers' demand of service.

T A B L E NO. 100 A
RELATION BETWEEN OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS RE-
GARDING DEALINGS OF LIC'S STAFF TOWARDS POLICY HOLDERS AND WHETHER
OFFICE PROCEDURES MEET THE CUSTOMER DEMAND

A G E N T S

Office pro- cedure meet customer's demand	Dealings of LIC's Staff									
	Helpful		Not helpful		Indiffe- rent		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	23	74.19	3	75.00	..	..	..	..	26	59.09
No	6	19.35	.	..	5	57.14	1	50.00	12	27.27
No opinion	1	3.23	1	25.00	.	..	1	50.00	3	6.82
Not sure	1	3.23	..	..	2	28.57	..	..	3	6.82
T o t a l	31	70.45	4	9.09	7	15.91	2	4.55	44	100.00

T A B L E NO. 100 B

DEVELOPMENT OFFICERS

Office pro- cedure meet customer's demand	Dealings of LIC's Staff									
	Helpful		Not helpful		Indiffe- rent		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Yes	12	85.71	-	--	2	100.00	-	--	14	87.50
No	1	7.14	14	--	-	--	-	--	1	6.25
No opinion	1	7.14	-	--	-	--	-	--	1	6.25
T o t a l	14	87.50	-	--	2	12.50	-	--	16	100.00

In case of agents 70.45% said that dealings of LIC's Staff towards policy holders are helpful to them, among them 74.19% said that Office procedures meet the customers' demand of Service.

Among Development Officers 87.50% said that dealings of LIC's staff towards policy holders are helpful to them, of which 85.71% said that Office procedures meet the customers' demand of service.

T A B L E NO. 101 A

RELATION BETWEEN AGENTS AND DEVELOPMENT OFFICERS' IMPRESSION ABOUT SALE OF JEEVAN SAATHI AND JEEVAN MITRA POLICY AND STEPS TAKEN BY LIC FOR SALE OF THESE POLICIES.

JEEVAN SAATHI

Steps taken by LIC	Impression about sale									
	Less than 40		40 to 60		60 to 80		Above 80		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Publicity	24	85.71	11	78.57	2	100.00	-	-	37	84.09
No special steps	2	7.15	1	7.14	-	-	-	-	3	6.82
Not sure	1	3.57	1	-	-	-	-	-	2	4.55
Publicity & Increase Commission	-	-	1	7.14	-	-	-	-	1	2.27
Publicity & Training to agent	1	3.57	-	-	-	-	-	-	1	2.27
T o t a l	28	63.64	14	31.82	2	4.54	-	-	44	100.00

TABLE NO. 101 B

JEEVAN MITRA

Steps taken by LIC	Impression about sale									
	Less than 40		40 to 60		60 to 80		Above 80		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Publicity	29	87.88	8	88.89	1	50.00	..	..	38	86.36
No special steps	2	6.06	..	..	1	50.00	..	..	3	6.82
Not sure	1	3.03	1	11.11	..	..	..	..	2	4.55
Publicity & increase commission	..	..	..	..	..	..	..	..	..	..
Publicity & Training to agent	1	3.03	..	..	..	..	..	..	1	2.27
T o t a l	33	75.00	9	20.00	2	4.55	..	..	44	100.00

According to the opinion given by agents in the case of Jeevan Saathi policy 63.64% had the opinion that sale of this policy is less than 40% compared with other policies, of these 85.71% said that publicity is the only sale promotion step done by the LIC.

In the case of Jeevan Mitra policy also 75% agents said that the sale of which is less than 40%, compared with others and among them 87.88% had the view that publicity is the only sale promotion step taken by LIC.

T A B L E NO. 101 C
DEVELOPMENT OFFICERS

Jeevan Saathi

Steps taken by LIC	Impression about sale									
	Less than 40		40 to 60		60 to 80		Above 80		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Publicity	15	100.00	1	100.00	-	-	-	-	16	100.00
No Special steps	-	-	-	-	-	-	-	-	-	-
Not sure	-	-	-	-	-	-	-	-	-	-
Publicity & increase commission	-	-	-	-	-	-	-	-	-	-
Publicity & training to agents	-	-	-	-	-	-	-	-	-	-
T o t a l	15	93.75	1	6.25	-	-	-	-	16	100.00

T A B L E NO. 101 D

Jeevan Mitra

Steps taken by LIC	Impression about sale									
	Less than 40		40 to 60		60 to 80		Above 80		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Publicity	16	100.00	-	-	-	-	-	-	16	100.00
No special steps	-	-	-	-	-	-	-	-	-	-
Not sure	-	-	-	-	-	-	-	-	-	-
Publicity & increase commission	-	-	-	-	-	-	-	-	-	-
Publicity & training to agents	-	-	-	-	-	-	-	-	-	-
T o t a l	16	100.00	-	-	-	-	-	-	16	100.00

On an analysis of the opinions obtained from Development Officers, in the case of Jeevan Saathi policy 93.75% said that the sale of it is less than 40% compared with others and all of them had the opinion that publicity is the only sale promotion step taken by LIC.

In the case of Jeevan Mitra all Development Officers had the impression that the sale of this policy is less than 40% and publicity is the only step taken by LIC for increasing its sale.

T A B L E NO. 102 A
COMPARISON OF OPINION GIVEN BY AGENTS & DEVELOPMENT OFFICERS REGARDING DIFFERENCE BETWEEN JEEVAN SAATHI AND JEEVAN MITRA POLICY AND PUBLIC OPINION REGARDING THESE TWO POLICIES

JEEVAN SAATHI

Public opinion regarding this policy	<u>Opinion about difference between these policies</u>							
	Correct answer		wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Good opinion	8	50.00	4	50.00	11	55.00	23	52.27
High premium	-	-	-	-	-	-	-	-
Not aware	5	31.25	4	50.00	8	40.00	17	38.64
Satisfactory	3	18.75	-	-	1	5.00	4	9.09
T o t a l	16	36.36	8	18.18	20	45.45	44	100.00

T A B L E NO. 102 B

JEEVAN MITRA

Public opinion regarding this policy	<u>Opinion about difference between these policies</u>							
	Correct answer		Wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Good opinion	6	37.50	4	50.00	7	35.00	17	38.64
High Premium	2	12.50	-	-	1	5.00	3	6.82
Not aware	5	31.25	4	50.00	11	55.00	20	45.45
Satisfactory	3	18.75	-	-	1	5.00	4	9.09
T o t a l	16	36.36	8	18.18	20	45.45	44	100.00

T A B L E NO. 102 C

JEEVAN SAATHI

Public opinion regarding this policy	<u>Opinion about difference between these policies</u>							
	Correct answer		wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Good opinion	8	66.67	2	100.00	1	50.00	11	68.75
High Premium	-	-	-	-	-	-	-	-
Difficulty in fulfilling conditions	1	8.33	-	-	-	-	1	6.25
Not aware	3	25.00	-	-	-	-	3	18.75
Satisfactory	-	-	-	-	1	50.00	1	6.25
T o t a l	12	75.00	2	12.50	2	12.50	16	100.00

T A B L E NO. 102 D

JEEVAN MITRA

Public opinion regarding this policy	Opinion about difference between these policies							
	Correct answer		Wrong answer		Not sure		Total	
	No.	%	No.	%	No.	%	No.	%
Good opinion	6	45.46	1	50.00	1	50.00	8	50.00
High Premium	-	-	-	-	-	-	-	-
Difficulty in fulfilling conditions	2	18.18	-	-	-	-	2	112.50
Not aware	4	36.36	-	-	-	-	4	25.00
Satisfactory	-	-	1	50.00	1	50.00	2	12.50
T o t a l	12	68.75	2	12.50	2	18.75	16	100.00

Out of the total agents 36.36% gave correct answer about the difference between Jeevan Saathi and Jeevan Mitra policies, among them 50% said that the public have good opinion regarding this policy, 31.25% said that the public are not aware of benefits available under this policy. In the case of Development Officers 75% gave correct answer regarding difference between Jeevan Saathi and Jeevan Mitra policies of LIC, among them 66.67% said that the public have good opinion regarding this policy.

In the case of Jeevan Mitra policy out of the total, 36.36% who gave correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies, 37.5% said that public have good opinion regarding this policy and 31.29% said that public are not aware of benefits. In the case of Development Officers 68.75% gave correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra

policies of LIC, among these 45.46% said that the public have good opinion regarding this policy.

This shows that according to the opinion of agents and Development Officers who gave the correct answer regarding difference between Jeevan Saathi and Jeevan Mitra policies 50% agents and 66.67% Development Officers in case of Jeevan Saathi policy, 37.5% agents 45.46% in case of Jeevan Mitra policy said that public have good opinion regarding these policies.

T A B L E NO. 103 A

RELATION BETWEEN OPINION GIVEN BY AGENTS AND DEVELOPMENT OFFICERS ABOUT THE PROFESSION OF SELLING POLICIES OF LIC AND NUMBER OF YEARS OF EXPERIENCE WITH LIC AS AGENTS AND DEVELOPMENT OFFICERS

A G E N T S

No. of years of experience with LIC	Opinion about profession							
	Good and remunerative		Bad opinion		More difficult and remunerative		Total	
	No.	%	No.	%	No.	%	No.	%
0 - 2	12	70.59	1	5.88	4	23.53	17	38.64
2 - 5	12	92.31	1	7.69	-	-	13	29.55
5 - 10	3	60.00	-	-	2	40.00	5	11.36
10 - 15	-	-	-	-	1	100.00	1	2.27
15 - 20	-	-	-	-	2	100.00	2	4.54
above 20	5	83.33	-	-	1	16.67	6	13.64
T o t a l	32	72.73	2	4.55	10	22.72	44	100.00

T A B L E NO. 103 B

DEVELOPMENT OFFICERS

No. of years of experience with LIC	Opinion about profession							
	Good and remunerative		Bad opinion		More difficult and remunerative		Total	
	No.	%	No.	%	No.	%	No.	%
0 - 2	8	100.00	-	-	-	-	8	50.00
2 - 5	5	100.00	-	-	-	-	5	31.25
5 - 10	-	-	-	-	-	-	-	-
10 - 15	1	100.00	-	-	-	-	1	6.25
15 - 20	-	-	-	-	-	-	-	-
above 20	1	50.00	-	-	1	50.00	2	13.50
T o t a l	15	93.75	-	-	1	6.25	16	100.00

The relation between opinion given by agents and Development Officers about their profession and number of years of experience with LIC shows that with reference to agents 38.64% have up to 2 years of experience of which 70.59% said that it is good and remunerative, 23.53% said that it is a difficult one and at the same time remunerative. Another 29.55% have 2 to 5 years of experience, among them 92.31% said that it is a good profession and remunerative.

As regards Development Officers 50% have up to 2 years of experience, all of them had the opinion that it is a good profession and remunerative. 31.25% have 2 to 5 years of experience all of them also had the opinion that it is good and remunerative.

A cross analysis of the various opinions obtained from agents and Development Officers help to reach the following conclusions:-

Comparison between opinion given by agents and Development Officers regarding their opinion about sale of Jeevan Saathi and Jeevan Mitra policies and the difference between Jeevan Saathi policy, 63.64% said that sale of this policy is less than 40% of which 39.29% said correct answer, 46.43% are not sure about the difference and 14.29% have given wrong answer regarding the difference between the two policies.

With reference to Jeevan Mitra policy 75% said that sale of this policy is less than 40% of which 39.39% have given correct answer, 48.48% are not sure about the difference and 12.13% have wrong answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies of LIC.

With regard to Development Officers 93.75% in case of Jeevan Saathi policy and all of them in case of Jeevan Mitra policy said that sale of this policy is less than 40% compared with other policies, of which 80% in case of Jeevan Saathi policy and 75% in case of Jeevan Mitra policy gave correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies of LIC. The above details lead to the conclusion that a good number of agents and Development Officers have the opinion that sale of the policies is low compared with other policies of LIC and they are also ignorant about the details of these two policies.

A cross analysis of the answer given by agents regarding the sale of Jeevan Saathi and Jeevan Mitra policies and publicity given to these policies shows that, in case of Jeevan Saathi policy 40.91% said that publicity given to this policy is less than 40% compared

with other policies of which 77.78% have the opinion that sale of this policy is also less than 40% compared with others. 43.18% said that publicity given to this policy is between 40% and 60% of which 57.89% had the impression that sale of these policies is less than 40% compared with others.

In the case of Jeevan Mitra policy 53.27% agents said that publicity given to this policy is less than 40% compared with others of which 86.96% said that sale of this policy is less than 40% compared with others. 38.64% agents said that publicity given to this policy is between 40 and 60% of which 52.83% said that sale of these policies is less than 40%.

The opinion given by Development Officers regarding the above question shows that in the case of Jeevan Saathi policy 25% said that the publicity given to this is less than 40% and 56.25% said that publicity given to this policy is between 40 and 60% compared with others, of which more than 90% had the opinion that sale of this policy is less than 40% compared with other policies.

In reference to Jeevan Mitra policy 43.75% said that publicity given to this policy is less than 40% compared with others and 37.50% said that publicity given to this policy is between 40 and 60% compared with others and all of them had the impression that sale of this policy is less than 40% compared with others. This means that sale as well as publicity given to these policies is low compared with other policies of LIC.

The relation between opinion of agents and Development Officers regarding the sale and commission given to these policies compared

with other policies shows that:-

In the matter of Jeevan Saathi policy according to the opinion of agents with regard to commission 81.82% said that, it is equal to the commission given to other types of policies of which 63.88% and 30.56% respectively said that sale of this policy is less than 40% and between 40 and 60% compared with other policies.

According to Development Officers' opinion regarding this policy 87.5% said that the commission given to this policy is equal to other types of policies, among them 92.86% said that sale of this policy is less than 40% compared with others.

In the case of Jeevan Mitra policy with regard to commission 81.82% agents said that it is equal to other types of policies of which 77.78% said that sale of this policy is less than 40% compared with others. According to the opinion of Development Officers 87.50% said that the commission given to this policy is equal to other types of policies, all of them said that sale of this policy is less than 40% compared with others.

All the above means that even though commission given to these policies is equal to other policies of LIC, sale of these policies is low compared with other policies of LIC.

A comparison between opinion given by agents and Development Officers regarding publicity given to these two policies compared with the publicity given for later plans introduced by LIC shows that:-

In the case of Jeevan Saathi policy 77.27% agents said that LIC has given good publicity for the latest plans, of which 40% said that publicity given to Jeevan Saathi policy is less than 40% and 45.71%

said that it was between 40 and 60% compared with others. According to Development Officers' opinion regarding this policy and all of them said that LIC has given good publicity for the latest plans introduced by it, among them 25% and 56.25% respectively said that publicity given to Jeevan Saathi policy is less than 40% and 40 to 60% respectively compared with other policies of LIC.

In the case of Jeevan Mitra policy 79.55% said that LIC has given good publicity to the latest plans, among them 51.42% said that publicity given to Jeevan Mitra policy is less than 40% and 42.86% said that it was between 40 and 60% compared with other policies. According to Development Officers' opinion all of them gave the opinion that LIC, has given good publicity for the latest plan introduced by LIC, of which 43.75% and 37.5% respectively said that publicity given to Jeevan Mitra policy was less than 40% and between 40 and 60% compared with others.

Comparison of opinion given by Agents and Development Officers regarding the profession of selling policies of LIC and their reaction if people criticize LIC in their presence shows that in case of Agents 72.73% have good opinion about their profession of which 75% said that they will try to convince those who criticize LIC about the benefits and services given by LIC.

In the case of Development Officers 93.75% have good opinion about their profession, of which 80% of them said that if people criticize LIC they will try to convince them about various benefits or advantages given by LIC. This shows that majority of the Agents and Development Officers who have good opinion about their profession know that criticism is made by those people who are ignorant about the various

benefits or services provided by LIC, and it can be overcome through convincing them about it.

The comparison of opinion given by agents and Development Officers regarding their profession and their opinion about LIC's services to policy holders shows that, in the case of agents 72.53% have good opinion about their profession among them 87.5% said that LIC's services to policy holders are improving. In the case of Development Officers 93.75% have good opinion about their profession and all of them said that LIC's services to policy holders are improving. This shows that LIC had made a lot of progress regarding the services to policy holders.

A cross analysis of the opinion by agents and Development Officers regarding LIC's service to policy holders and how they react towards people if they criticize LIC in their presence shows that, in the case of agents 86.36% said that LIC's service to policy holders are improving, among them 68.42% said that they will convince people about the various benefits and services given by LIC if people criticize LIC in their presence.

Among Development Officers all of them said that LIC's services to policy holders are improving, among them 81.25% said that they will convince the people about the various benefits and services given by LIC if people criticize LIC in their presence.

The relation between opinion of agents and Development Officers about their profession of selling policies of LIC and dealings of LIC's staff towards policy holders shows that, in the case of agents 72.53% said that their profession is good and remunerative of which 81.25% give the opinion that LIC's staff are helpful while

dealing with policy holders.

Regarding development Officers 93.75% said that their profession is good and remunerative of which 86.67% give the opinion that LIC's staff are helpful while dealing with policy holders. This shows that staff in the LIC office are also helpful to Agents and Development Officers in performing their job effectively.

Comparison of opinion obtained from Agents and Development Officers regarding LIC's service to policy holders and the office procedures meet the customers demand shows that 86.36% Agents gave the opinion that LIC's service to policy holders are improving, among them 60.53% said that office procedures meet the customer demand of service and all the Development Officers agree that LIC's service to policy holders is improving, among them 87.5% agree that LIC's office procedures meet the customers' demand of service. This means those who have the opinion that LIC's service to policy holders are improving majority of them said that office procedures meet the customers' demand of service.

The relation between opinion given by Agents and Development Officers regarding dealings of LIC's staff towards policy holders and whether office procedures meet the customers' demand shows that 70.45% Agents agreed that dealings of LIC's staff towards policy holders are helpful, of them 74.19% gave the opinion that office procedures meet the customer demand. In the case of Development Officers 87.5% said that dealings of LIC's staff towards policy holders are helpful, among them 85.72% agree that office procedures meet the customers' demand. This shows that from agents' and Development Officers' point of view office procedures and dealings of staff in the LIC office are

efficient.

Cross analysis of the opinion obtained from Agents and Development Officers regarding their impression of the sale of these policies and their opinion about steps taken by LIC for increasing sale of these policies, shows that in the case of Jeevan Saathi policies 63.64% agents said that the sale of this policy is less than 40% compared with other policies, of these 85.71% said that publicity is the only sale promotion step taken by LIC.

According to the opinion of Development Officers 93.75% said that the sale of it is less than 40% compared with other policies and all of them had the opinion that publicity is the only sale promotion step done by LIC.

In the case of Jeevan Mitra policy 75% Agents said that the sale of the policy is less than 40% compared with others of which 87.88% had the view that publicity is the only sale promotion step taken by LIC. According to the opinion of Development Officers all of them said that the sale of their policy is less than 40% compared with others and publicity is the only step taken by LIC for increasing the sale of this policy. This shows that one of the reasons for decreasing sale of Jeevan Saathi and Jeevan Mitra policy is lack of sales promotion activities. Publicity is the only step done by LIC for increasing sale of these policies.

A comparison of opinion given by Agents and Development Officers regarding difference of Jeevan Saathi and Jeevan Mitra policies and public opinion regarding these two policies shows that, with regard to Jeevan Saathi policy according to the opinion given by Agents,

36.36% gave correct answers about the difference between Jeevan Saathi and Jeevan Mitra policies of LIC, among them 50% said that public have good opinion regarding this policy. In the case of Development Officers 75% gave correct answer regarding difference between Jeevan Saathi and Jeevan Mitra policies of LIC, among them 66.67% said that public have good opinion regarding this policy.

in regard to Jeevan Mitra policy out of the total 36.36% gave correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies, of which 37.5% said that the public have good opinion regarding this policy.

Out of Development Officers 68.75% gave correct answer regarding the difference between Jeevan Saathi and Jeevan Mitra policies of LIC, among them 45.45% said that public have good opinion regarding this policy, This shows that only 40% Agents and 70% Development Officers are aware of the details of the policy of which around 50% Agents and 55% Development Officers said that public have good opinion regarding these two policies.

Comparison between opinion of Agents and Development Officers about the profession of selling policies of LIC and the number of years of experience with LIC shows that 38.64% Agents have upto 2 years of experience and 29.55% have 2 to 5 years of experience, among them 70.59% and 92.31% respectively said that their profession is good and remunerative.

In the matter of Development Officers 50% have upto 2 years of experience, 31.25% have 2 to 5 years of experience and all of them said that their profession is good and remunerative.

CHAPTER IVCONCLUSIONS

The conclusions drawn from the analysis of the interview schedule for Jeevan Saathi and Jeevan Mitra policy holders and agents and development officers are given below :-

A simple analysis of the interview schedule for Jeevan Saathi and Jeevan Mitra policy holders helpsto reach the following conclusions:-

The analysis of the percentage of additional increase in the sales of both Jeevan Saathi and Jeevan Mitra policies shows that, compared with 1986, in the year 1987 there is an increase of 125% and 116.67% respectively. And in the year 1988 the additional increase in sales of both these policies is only 66.67% and 15.37% respectively. This shows that the sales of both these policies were reduced greatly in the year 1988, when compared with the proportionate increase in the year 1987.

The sum assured (amount) wise classification of both types of policies shows that, majority of the policy holders prefer to buy policies upto the value of Rs. 50,000 and only less than 20% policy holders prefer to purchase policies above Rs. 50,000 as sum assured.

Mode of payment of premium of the policies by policy holders shows that, more than 50% Jeevan Saathi policy holders prefer monthly payment of premium whereas in case of Jeevan Mitra policy holders more than 50% prefer quarterly payment of premium.

More than 90% of both Jeevan Saathi and Jeevan Mitra policy holders

first came to know about the policy purchased by them from agents. Analysis of the knowledge about the details of the policy taken by them shows that in the case of Jeevan Saathi 25% policy holders and in the case of Jeevan Mitra 36% are aware of all details of benefits of the policy according to their own belief.

With regard to usefulness of these policies 82% in the case of Jeevan Saathi and 56% in the case of Jeevan Mitra policy holders found it a very useful plan to them according to their opinion.

Analysis about what actually they know about the various benefits of these policies taken by them shows that 42.86% Jeevan Saathi policy holders and 32.35% Jeevan Mitra policy holders are aware of benefits available under the policy taken by them. Awareness of the policy was found more among Jeevan Saathi policy holders compared with Jeevan Mitra policy holders.

Age-wise classification of these policy holders shows that in the case of Jeevan Saathi policy the highest group is 43% who belong to the age group in which both husband and wife come under the age class between 25 and 34 years old. In case of Jeevan Mitra policy holders the highest class is 50% who belong to the age group between 35 and 44 years old.

An income-wise classification shows that among Jeevan Saathi policy holders 25% belong to the class in which both husband and wife have an annual income of Rs.25,000 to 49,000 and 21.43% belong to the income class in which both husband and wife have an income of Rs.10,000 to 25,000 annually. Among Jeevan Mitra policy holders

more than 50% belong to the annual income group of Rs. 25,000 to 49,000 annually. This shows that the majority of the policy holders are from middle income groups.

Occupation-wise classification shows that the highest group of policy holders of both types of policies belong to the occupation group of 'office worker'.

Size of family-wise classification shows that in the case of Jeevan Saathi policy holders, the highest group belongs to the family size of 3 members, and in case of Jeevan Mitra policy holders the highest group belongs to the family size of 4 members.

With regard to the main purpose of buying Life policy, it was found that in the case of Jeevan Saathi policy holders, their main purpose is both for providing security to their dependents and for availing of tax benefits. In the case of Jeevan Mitra policy holders, their main purpose was only for providing security to their dependents.

An analysis of policy holders' opinion with regard to promptness of LIC in rendering various services shows that with regard to issue of various receipts more than 70% and ^{in case of} change of address, payment of loans and settlement of claims more than 50% policy holders among Jeevan Saathi and Jeevan Mitra policy holders agree that LIC is prompt

The answers given by policy holders against the question "whether LIC will try to avoid claims when they arise in future" shows that 64.29% in Jeevan Saathi and 61.76% in Jeevan Mitra policy holders agree that LIC will not try to avoid claims when they arise in future.

The classification of Jeevan Saathi policy holders with regard to

payment of claims promptly and in rendering services by LIC 78.57%, in rendering services by staff of LIC 82.14% and compared with services rendered by banks 75% said that they have good opinion about LIC. Among Jeevan Mitra policy holders in payment of claims promptly 94.12%, rendering services by LIC 91.18%, rendering services by staff of LIC and compared with services rendered by banks 88.24% said that they have good opinion about LIC.

The ranks given by policy holders to various types of investments show that, with regard to preference to buy, 43% Jeevan Saathi policy holders and 56% Jeevan Mitra policy holders gave first preference to Life Insurance Policy, whereas with regard to utility in time of need 46% Jeevan Saathi Policy holders and 44% Jeevan Mitra Policy holders give first preference to Bank deposits.

An analysis of opinions of policy holders with regard to any change required in the plans of these policies 82% Jeevan Saathi policy holders and 94% Jeevan Mitra policy holders said that no changes are needed in the plans of these policies.

With regard to the question of "Main benefit considered by policy holders" to both these types of policies, we see that in the case of Jeevan Saathi policy, nearly 40% said that this policy covers the risk of both husband and wife under a single policy. In the case of Jeevan Mitra policy holders 32% said that double benefits available in case of normal death and triple benefits in case of accidental death during the period of policy were the main benefits.

An analysis of other information contained in the interview schedule shows that 71.43% Jeevan Saathi policy holders and 55.88% Jeevan Mitra

policy holders have taken other life policies. Majority of policy holders among Jeevan Saathi and Jeevan Mitra policy holders prefer to take other policies in their own name.

And among other types of policies taken by them, 80% Jeevan Saathi policy holders and 86% Jeevan Mitra policy holders have taken at least one Endowment policy or one Money back policy.

With regard to the question whether other policies are taken from the same agent or from different agents shows that among Jeevan Saathi policy holders 75% have taken it from different agents where as among Jeevan Mitra policy holders 63.16% had taken it from same agent. This also shows that attachment towards a particular agent was found more among Jeevan Mitra policy holders.

An analysis of the answer to the question whether payment of premium is made directly or through salary deduction or by any other way shows that, in the case of Jeevan Saathi policy holders 50% paid their premium through salary deduction 21.43% paid directly in the LIC office and among Jeevan Mitra policy holders 35.29% paid their premium directly in the LIC office and 26.47% paid it through salary deduction.

Analysis of other types of investment made by policy holders shows that among Jeevan Saathi policy holders 82.14% ⁽²³⁾₍₂₈₎ have other types of investments of which 35.71% investments are made in own and spouse's name. In case of Jeevan Mitra policy holders 55.88% ⁽¹⁹⁾₍₃₄₎ have other types of investments of which 38.24% of investments are made in own name.

This shows that Jeevan Saathi policy holders also prefer to make investments in the name of both husband and wife. Whereas Jeevan Mitra policy holders prefer to make investments in their own name.

A cross analysis of the above mentioned factors gave the following conclusions.

Comparison between age of policy holders and awareness of benefits of the policy, shows that among Jeevan Saathi policy holders highest group is 43%, who belong to the age group in which both husband and wife are between 25 and 34 years old, of whom 50% are fully aware of benefits. 32.14% Jeevan Saathi policy holders belong to the age class in which one of the couples belongs to the age class of 35 to 44 years and the others 25 to 34 years old, of these 33.33% are fully aware of benefits.

In the case of Jeevan Mitra policy holders 50% belong to the age group of 35 to 44 years, of which only 24% are fully aware of benefits available under the policy taken by them. 41.18% belong to the age group of 25 to 34 years old, among them 50% are fully aware of benefits. The above information shows that awareness of benefits of the policy was found more among the age group of 25 to 34 among both types of policy holders.

The relation between age of the policy holders and usefulness of policy considered by them shows that in the case of Jeevan Saathi policy holders 43% belong to the age group in which both husband and wife are between 25 and 34 years, of which 92% considered their policy useful. 32.14% came under the age class in which one of the couples had an age of 25 to 34 years old and the other was

between 35 to 44 years old of them 77.78% found this plan useful. Among Jeevan Mitra policy holders 50% belong to the age group of 35 to 44 years old of which only 41.18% considered their policy useful to them.

Another group of 41.18% belong to the age of 25 to 34 years old of which 71.43% have found it useful policy to them. Majority of the policy holders who found both plans useful belong to the age of 25 to 34 years old.

The relation between age of the policy holders and opinion about LIC in general shows that 43% Jeevan Saathi policy holders who belong to the age class in which both husband and wife have an age of 25 to 34 years old of which 75% had good opinion about LIC. 32.14% came under the age class in which one of the couples had an age of 25 to 34 years old and the other was between 35 to 44 years old of which 88.89% had a good opinion about various activities of LIC.

With regard to Jeevan Mitra policy holders 41.18% come under the age class of 25 to 34 years old, all of them have good opinion about LIC. 50% belong to the age class of 35 to 44 years old of these 88.24% have good opinion about various activities of LIC. From the above it can be found that good opinion about LIC was found more among the age class of both types of policy holders who are between the ages of 25 and 34 and 35 and 44 years old.

The annual income class of the policy holders and its relation to awareness of benefits of the policy shows that, in the case of Jeevan Saathi policy holders the major groups are 25% belonging to annual

income group in which both husband and wife have an income of Rs 25,000 to 49,000 and 21.43% belonging to annual income group in which both husband and wife have income of Rs 10,000 to 24,000. Out of the total of both these groups 46.15% are aware of the benefits available under this policy.

Among Jeevan Mitra policy holders 52.94% belong to the annual income group of Rs 25,000 to 49,000 and 23.53% belong to annual income group of Rs 10,000 to 24,000 annually. Out of the total of both these groups 50.76% are aware of benefits available under the policy. This shows that awareness of benefits of the policy was found **more** among ~~those income groups~~ who belong to the income group of Rs 10,000 to 24,000 and Rs. 25,000 to 49,000.

The relation between size of the family and their family income shows that in case of Jeevan Saathi policy holders 42.86% belong to family size of three, of which 41.67% belong to family income group in which both husband and wife have an income of Rs. 10,000 to 24,000 annually and 25% belong to income group in which both husband and wife are between Rs. 25,000 to 49,000. Among Jeevan Mitra policy holders 52.94% belong to the family size of four members of which 50% have an income of Rs. 25,000 to 49,000 annually, 27.76% belong to the income class of Rs. 10,000 to 24,000 annually.

The relation between income of the policy holders and main purpose of taking policy shows that among Jeevan Saathi policy holders the highest family income group is 25% who belong **to** the class in which both husband and wife have an income of Rs. 25,000 to 49,000 annually among them 85.71% take policy for providing security and tax benefits. Among Jeevan Mitra policy holders the highest family income group is

52.94% was belong to the income group of Rs.25,000 to 49,000 annually among them 44.44% take policy for providing security and tax benefits. So the main object of taking life policy by policy holders is providing security to dependents and tax benefits.

The relation between occupation of policy holders and purpose of taking life insurance policy shows that in case of Jeevan Saathi policy holders the highest group is 54% who belong to the occupation group in which both husband and wife are office workers of which 53.33% have taken policy either for providing security to their dependents or for getting tax benefits and another 33.33% take policy for providing security only. Among Jeevan Mitra policy holders, 38% belong to the occupation of office workers of which 46.15% take policy both for security and tax benefits.

Comparison of policy holders' opinion whether LIC will try to avoid claims and their ranking, preference to various types of investments in time of need shows that in case of Jeevan Saathi policy holders 64.29% said that LIC will not try to avoid claims, of which 55.56% prefer bank deposits in time of need. Among Jeevan Mitra policy holders 61.76% have the opinion that LIC will not try to avoid claims of which 42.86% prefer life policy and 38.10% prefer bank deposit in time of need. So in time of need even though LIC will not try to avoid claims, Jeevan Saathi policy holders prefer bank deposits and Jeevan Mitra policy holders give highest preference to life policy and second preference to bank deposits.

Comparison between purpose of buying life insurance policy and their preference to buy various types of investments shows that among Jeevan Saathi policy holders 67.86% bought life policy for providing

security and tax benefits of which 42.11% prefer to buy life policy compared with other forms of investments. Among Jeevan Mitra policy holders 52.94% have taken it for providing security only. Among them 72.22% prefer to buy life policy compared with other types of investments. This shows that those who want more security to dependents prefer life policy compared with other forms of investments.

The relation between the size of family and the purpose of buying insurance policy shows that in the case of Jeevan Saathi policy holders 43% belong to the family size of 3 members, of which 58.33% had taken the policies either for providing security to dependents or for getting tax benefits, 32.14% belong to the family size of 4 members, among them 88.89% have taken it for providing security and tax benefit.

Among Jeevan Mitra policy holders 52.94% belong to the family size of 4 members, of which 55.56% had taken life policy only for providing security. So among both types of policy holders who have different family sizes the purpose of buying life insurance policy in case of Jeevan Saathi policy holders for providing security to family and tax benefits, with regard to Jeevan Mitra policy holders it was for providing security only.

Relation between various income class of policy holders and their opinion about various services rendered by LIC shows that in case of Jeevan Saathi policy holders 25% belong to the class in which both husband and wife have an income of Rs.25,000 to 49,000 annually, of which all of them have good opinion about LIC. Among Jeevan Mitra policy holders 52.94% belong to the income class of Rs.25,000 to 49,000 annually of which 94.44% have good opinion about various activities of LIC.

Comparison between opinion about various services of LIC and preferences to buy various types of investments shows that among Jeevan Mitra policy holders 94.42% have good opinion about various services of LIC of which 56.25% prefer to buy Life Insurance policy. In the case of Jeevan Saathi policy holders 78.58% have good opinion about various services of LIC of which 50% give preference to buy life policy. Among both types of policy holders who have good opinion about various activities of LIC, preference to buy life policy was found more among Jeevan Mitra policy holders.

Comparison of policy holders' opinion whether LIC will try to avoid claims and their preference to buy various types of investments shows that 64.29% Jeevan Saathi policy holders have the opinion that LIC will not try to avoid claims, of which 44.44% give preference to buy life policy. Among Jeevan Mitra policy holders 61.76% have the opinion that LIC will not try to avoid claims, of which 57.14% prefer to buy Life policy compared with other types of investments. So among both types of policy holders who have the opinion that LIC will not try to avoid claims preference to buy life policy was found more among Jeevan Mitra policy holders.

Relation between income and occupation of policy holders shows that among Jeevan Saathi policy holders 25% belong to the class in which both husband and wife have an income of Rs.25,000 to 49,000 annually, of which 57.14% belong to the occupation in which both husband and wife are office workers.

In case of Jeevan Mitra policy holders 52.94% belong to the income group of Rs. 24,000 to 49,000 annually of which 44.44% belong to the occupation of office workers. The highest income group of policy

holders among both types of policy holders belong to the income class of Rs. 25,000 to 49000 annually among them majority of policy holders belong to the occupation of office workers.

The relation between policy holders' "belief about the degree of awareness of details of policy", shows that, in the case of Jeevan Saathi policy holders, 25% said that they know all details of the policy but actually 42.86% of them are aware of benefits available. In Jeevan Mitra policy holders, 35.30% said that they know all details of the policy taken by them but of which only 58.33% are aware of benefits available under the policy. This shows even among those who believe that they know all details of the policy taken by them, 64.7% in Jeevan Saathi policy holders and 41.67% in Jeevan Mitra policy holders are ignorant about the details of the policy taken by them.

The relation between opinion about usefulness of policy taken by them and awareness of benefits considered by policy holders shows that in the case of Jeevan Saathi policy holders 82.14% found it useful to them, of which only 47.83% are aware of benefits available under the policy. Among Jeevan Mitra policy holders 55.88% found it useful to them, of which only 57.89% are aware of benefits available under the plan. This shows knowledge about benefits available under the policies was not fully understood by policy holders who found it useful to them.

An analysis of the information obtained from Jeevan Saathi and Jeevan Mitra policy holders relating to agents and Development Officers, helps to reach the following conclusions:-

Nearly 80% of both Jeevan Saathi and Jeevan Mitra policy holders like to deal with agents, or they have attachment towards agents.

Around 36% Jeevan Saathi policy holders and 68% Jeevan Mitra policy holders are visited by agents whenever called by policy holders. So the number of visits made by agents to policy holders was found more among Jeevan Mitra policy holders.

Among Jeevan Saathi policy holders only 42.86% fully trust in agents and 46.43% partly trust in agents whereas among Jeevan Mitra policy holders around 80% fully trust in agents. So Jeevan Mitra policy holders have more confidence in agents compared with the Jeevan Saathi policy holders.

Reliance on agents' advice by policy holders shows that among Jeevan Saathi policy holders 39.29% fully and 50% partly rely on agents' advice. Among Jeevan Mitra policy holders around 75% fully rely on agents' advice. So the latter have more reliance on agents' advice than the former.

In the case of Jeevan Saathi policy holders 25% and among Jeevan Mitra policy holders 38.24% are reminded by agents when premium on policy falls due, and 60.71% Jeevan Saathi policy holders and 52.94% Jeevan Mitra policy holders are not at all reminded by agents when it becomes due.

So the practice of reminding premium when premium on policy falls due was not common among agents.

28.5% in the case of Jeevan Saathi policy holders and 38.24% Jeevan Mitra policy holders' premium are collected by agents and receipts brought back, whereas 64.29% Jeevan Saathi policy holders and 55.88% Jeevan Mitra policy holders said that agents do not collect premium

and receipts brought back. So this practice is also not common among agents.

With regard to the question "whether policy is taken for their own benefit or for agents' advantage," 92.86% Jeevan Saathi policy holders and 85.25% Jeevan Mitra policy holders agree that it is for their own advantage. This shows that around 90% policy holders are aware of the benefits available under Life Insurance Policy.

If policy holders want anything to be done regarding their policy among Jeevan Saathi policy holders 53.57% like to approach LIC office first whereas among Jeevan Mitra policy holders 61.86% like to approach agents first. This shows that there is a difference in relationship between agents and policy holders among the two types of policy holders.

With regard to the question how many agents and Development Officers called on the policy holders during last year, in the case of Jeevan Saathi policy holders 25% said that no agents visited them during the year, 67.86% said that no Development Officers visited them during the year. In case of Jeevan Mitra policy holders 41.18% and 82.35% respectively said that no agents and no Development Officers visited them during the year. This shows that even though policy holders like to deal with agents, the response from agents was very poor.

A cross analysis of the above information helps reach the following conclusions.

The relation between income of policy holders and attachment towards agent shows that nearly 80% of both Jeevan Saathi and Jeevan Mitra policy holders have attachment or liking to deal with agents of which among Jeevan Saathi policy holders the highest group is

27.27% who belong to the income class in which both husband and wife have an annual income of Rs.25,000 to 49,000 and in case of Jeevan Mitra policy holders the highest group is 44.44% who belong to the income group of Rs.25,000 to 49,000 annually. This shows that attachment was found more among those policy holders who belong to the middle income group of Rs.25,000 to 49,000 annually among both types of policy holders.

Comparison between occupation and attachment towards agents by policy holders shows that nearly 80% of both types of policy holders have an attachment towards agents of which in the case of Jeevan Saathi policy holders 42.86% belong to the occupation group in which both husband and wife office workers. Among Jeevan Mitra policy holders 35.71% belong to the occupation of factory workers and another 35.71% belong to the occupation of office workers. So we can conclude that among Jeevan Saathi policy holders more attachment was found among this category who belongs to the occupation of office workers whereas among Jeevan Mitra policy holders more attachment was found equally among factory workers and office workers.

Comparison between income and trust in agents by policy holders shows that, in the case of Jeevan Saathi policy holders 42.86% who believe in agents fully. Among them 33.33% belong to the income class in which both husband and wife are between Rs.25,000 and 49,000 annually. Among Jeevan Mitra policy holders 79.41% believe in agents fully of which 51.85% belong to the income class of Rs.25,000 to 49,000. So this gives the conclusion that among both types of policy holders, those who fully trust in agents were found more among the middle income group of Rs.25,000 to 49,000 annually.

Comparison between number of visits made by agents annually and trust in agents even with money by policy holders shows that 42.86% Jeevan Saathi policy holders believe in agents fully of which 33.33% are visited by agents whenever called by them and another 33.33% are visited by agents 4 to 6 times in a year. And in Jeevan Mitra policy holders 79.42% trust in agents fully of which 81.48% are visited by agents whenever called by policy holders. This shows that even though agents visited Jeevan Saathi policy holders whenever called, they do not fully trust in agents with money. But nearly 80% of Jeevan Mitra Policy holders fully trust in agents who are visited by agents whenever called.

Relation between policy holders liking to deal with agents and who are helped by agents in reminding premium when it falls due shows that among Jeevan Saathi policy holders 25% are reminded by agents when premium on policy falls due. 60.71% policy holders are not reminded by agents when premium on policy falls due, among them 70.58% like to deal with agents. With regard to Jeevan Mitra policy holders 38.24% are reminded by agents when it falls due, of them 92.31% like to deal with agents. 52.94% policy holders are not reminded by agents when premium on policy taken by them falls due, among them 66.67% like to deal with agents. This shows that the practice of reminding premium when it falls due was not common among agents. But compared with Jeevan Saathi policy holders, this practice was found more among Jeevan Mitra policy holders.

Relation between liking to deal with agents and trust in them shows that among Jeevan Saathi policy holders 78.57% like to deal with agents of them 54.55% trust in them fully, among Jeevan Mitra policy

holders 79.41% like to deal with agents, among them 88.89% believe in agents fully. This shows that agents' capacity to influence different types of policy holders is different. Here agents have more influence among Jeevan Mitra policy holders compared with Jeevan Saathi policy holders.

Comparison between trust in agents by policy holders and help given by agents in reminding premium when it falls due shows that 25% Jeevan Saathi policy holders are reminded by agents when premium on policy falls due of which 42.86% fully trust in agents. Whereas in case of Jeevan Mitra policy holders 38.24% are reminded by agents when premium on policy falls due, all of them trust in agents fully. This shows that among Jeevan Saathi policy holders, there is no correlation between trust in agents by policy holders and reminding premium by agents when it falls due but among Jeevan Mitra policy holders there is some relation between these two factors.

Relation between number of visits made by agents to policy holders in a year and reliance on agents' advice, among Jeevan Mitra policy holders, 73.53% rely on agents' advice fully of which 80% are visited by agents whenever called by them. In case of Jeevan Saathi policy holders, 39.29% rely on agents' advice fully of them 36.36% are visited by agents whenever called by policy holders, another 36.36% are visited by agents 4 to 6 times in a year. This means Jeevan Mitra policy holders have more reliance towards agents compared with Jeevan Saathi policy holders.

Comparison between trust in agents with money and reliance on agents' advice by policy holders shows that among Jeevan Saathi policy

holders 39.29% rely on agents' advice fully and all of them trust in agents with money also. Among Jeevan Mitra policy holders 73.53% rely on agents' advice fully and all of them believe in agents even with money. So in both these policy holders reliance on agents' advice and trust in them were found more among Jeevan Mitra policy holders,

Comparison between reliance on agents' advice and answer given to the question, "^{For} whose benefit is the policy taken" shows that in case of Jeevan Saathi policy holders 39.29% rely on agents' advice fully of which 90.9% said that policy is taken for their own benefit. Among Jeevan Mitra policy holders 73.53% rely on agents' advice fully of which 88% said that policy is taken for their own benefit. This means that even though they rely on agents' advice fully, they are aware of the benefit of Life Insurance Policy.

Relation between reliance on agents' advice and those agents who collect premium from policy holders and bring back receipts, shows that in case of Jeevan Saathi policy holders 39.29% rely on agents' advice fully and among them only 18.18% policy holders' premiums are collected by agents and receipts brought back. In case of Jeevan Mitra policy holders 73.53% rely on agents' advice fully of which 44% policy holders' premiums are collected by agents and receipts brought back. This means reliance on agents' advice as well as the habit of collecting premium and bringing back receipts was found more among Jeevan Mitra policy holders compared with Jeevan Saathi. Moreover the practice of collecting premium by agents and receipts brought back were not common among policy holders.

A comparison between number of visits by agents to policy holders in a year and collection of premium by policy holders and bringing back receipts by them shows that, 35.72% Jeevan Saathi policy holders are visited by agents whenever called by them of which only 40% policy holders' premium is collected by agents and brought back receipts and 67.65% Jeevan Mitra policy holders are visited by agents whenever called and among them 39.23% policy holders' premiums are collected by agents and receipts brought back. The above details also show that even though policy holders are visited by agents whenever called by them, the practice of collecting premium and receipts brought back was not common.

Comparison between answers given by policy holders against the question "is there any agent you would like to deal with" and if policy holders need anything to be done regarding their policy to whom they approach first shows that in case of Jeevan Saathi policy holders 78.57% like to deal with agents . Among them 50% like to approach agents first and balance 50% like to approach LIC office first. Among Jeevan Mitra policy holders 79.41% have attachment towards agents among them 70.37% like to approach agents first and 25.93% like to approach LIC office first. This shows that majority of Jeevan Mitra policy holders have attachment towards agents and like to approach them when a need arises but among Jeevan Mitra policy holders very few have this practice. This shows that among those policy holders who like to deal with agents, those who like to approach agents first for anything to be done regarding their policy was found more among Jeevan Mitra policy holders.

Relation between answer given by policy holders against the question "is there any agent you would like to deal with and whether

the policy is taken for policy holders' own benefit or for agents' advantage" shows that 78.57% Jeevan Saathi policy holders like to deal with agents among them 90.9% have taken policy for their own benefit and 79.41% of Jeevan Mitra policy holders like to deal with agents among them 85.71% policy holders have taken policy for their own benefit. This shows that among those policy holders who like to deal with agents, around 90% of them said that Life Insurance Policy was taken for their own benefit. So majority of the policy holders are aware of the benefit available under the policy.

Regarding relation between number of visits made by agents in a year and policy holders who are helped by agents in reminding premium when it falls due, shows that among Jeevan Saathi policy holders 35.72% are visited by agents whenever called, of which 40% are always reminded by agents when premium on policy falls due. In case of Jeevan Mitra policy holders 67.65% are visited by agents whenever called by them of which only 47.83% are always reminded by agents when premium on policy falls due, This shows Jeevan Mitra policy holders have more dependence on agents compared with Jeevan Saathi policy holders, and the practice of reminding premium by agents when it falls due was not common among the policy holders.

Comparison between collection of premium by agents and bringing back receipts and trust in agents with money shows that, 42.86% Jeevan Saathi policy holders fully trust in agents of which 25% policy holders' premiums are collected by agents and receipts brought back, In case of Jeevan Mitra policy holders 79.41% fully trust in agents of them, 44.44% policy holders' premium are collected by agents and receipts brought back. This means even among those policy holders

who trust in agents fully, the practice of collecting premium by agents and receipts brought back was not common.

Comparison between the question whether the policy is taken for whose benefit and "number of visits made by agents" shows that 35.72% Jeevan Saathi policy holders are visited by agents whenever called, of which 90% said that policy is taken for their own benefit. Among Jeevan Mitra policy holders 67.65% are visited by agents whenever called of which 86.96% said that policy is taken for their own benefit. So among both types of policy holders who are visited by agents whenever called around 90% of them said that policy was taken for their own benefit. This shows their awareness about the benefit available under the Life Insurance Policy.

Comparison between the question of whom they like to approach if any need arises regarding the policy and number of visits made by agents in a year shows that, in case of Jeevan Saathi Policy holders 35.72% are visited by agents whenever called among them only 60% like to approach agents first when a need arises. In case of Jeevan Mitra policy holders 67.65% are visited by agents whenever called among them 73.71% like to approach agents when a need arises with regard to the policy. So among both types of policy holders, who are visited by agents whenever called by them, more than 60% had the tendency to approach agents first when a need arises regarding their policy. Compared with Jeevan Saathi policy holders it was found more among Jeevan Mitra policy holders. This also shows the degree of attachment existing between agents and Jeevan Mitra policy holders.

Comparison between trust in agents with money by policy holders and if a need arises whom they should approach first shows that 42.86%

of Jeevan Saathi Policy holders trust in agents fully among them 66.67% like to approach agents first if a need arises and among Jeevan Mitra policy holders 79.41% believe in agents fully of which only 66.67% like to approach agents first. Among both types of policy holders who trust in agents fully around 70% of them like to approach agents if a need arises regarding their policy. This also shows the relationship between the two types of policy holders towards agents.

Relation between reliance on agents' advice by policy holders and if a need arises whom they should approach first shows that 39.29% Jeevan Saathi policy holders rely on agents' advice, among them 63.64% like to approach agents first and in case of Jeevan Mitra policy holders 73.53% fully rely on agents' advice and among them only 68% like to approach agents first when a need arises. So among both types of policy holders who rely on agents' advice fully, more than 60% like to approach agents first when a need arises. This tendency was found more among Jeevan Mitra policy holders. This also shows the difference in attachment between the two types of policy holders and agents.

Comparison between liking to deal with agents and number of visits made by agents shows that 78.57% Jeevan Saathi policy holders like to deal with agents among them 40.91% are visited by agents whenever called. 79.41% Jeevan Mitra policy holders like to deal with agents of which 81.48% are visited by agents whenever called. This shows that around 80% among both types of policy holders like to deal with agents of which among Jeevan Saathi policy holders 41% and among Jeevan Mitra policy holders 81% are visited by agents whenever called. So the number of visits made by agents towards Jeevan Saathi policy holders are low compared with Jeevan Mitra policy holders even though

they like to deal with agents.

Relation between "would you like to deal with agents" and "Does the agent collect premium and receipts brought back" shows that, 78.57% Jeevan Saathi policy holders like to deal with agents, of which only 31.82% policy holders' premium are collected by agents and receipts brought back. With regard to Jeevan Mitra policy holders 79.41% policy holders like to deal with agents of which 44.44% policy holders' premium are collected by agents and receipts brought back. This shows that even though policy holders like to deal with agents, majority of them do not expect from agents' services like collection of premium and bringing back receipts.

An analysis of the interview schedule for Development Officers and agents' helps to reach the following conclusions:

Simple analysis of the answers helped to reach the following results.

Out of the total 44 agents and 16 Development Officers included in the sample, 36.36% agents and 75% Development Officers answered correctly regarding the question of difference between Jeevan Saathi and Jeevan Mitra policies of LIC. 45.45% agents and 12.5% Development Officers are not sure about the difference between these two policies and 18.19% agents and 12.5% Development Officers wrongly answered, which means that around 50% agents and 25% Development Officers are not fully aware of the details of these policies.

According to the opinion collected from agents and Development Officers 63.64% and 93.75% in case of Jeevan Saathi and 75% and 100% in case of Jeevan Mitra policy said that sale of these policies is

less than 40% compared with other policies issued by LIC. This shows majority of agents and Development Officers have the opinion that sale of these policies is low compared with other policies.

With regard to publicity given to Jeevan Saathi policy 43.18% Agents and 56.25% Development Officers said that it is between 40% and 60% compared with publicity given to other policies of LIC. In case of Jeevan Mitra policy 52.26% agents and 43.75% Development Officers said that publicity given to this policy is less than 40% compared with publicity given to other policies of LIC. According to the opinion of majority of Agents and Development Officers, publicity given to Jeevan Saathi and Jeevan Mitra Policies is either less than 40% or between 40 and 60% compared with publicity given to other policies of LIC.

With regard to commission given to both these policies 81.82% of agents and 87.5% Development Officers said that it is equal to other policies of LIC which means that commission given to these policies is almost equal to other policies issued by LIC.

84.09% Agents and all Development Officers have good opinion about the subsequent plans introduced by LIC after Jeevan Saathi and Jeevan Mitra policies of LIC in relation to its sales. This shows that later plans of policies introduced by LIC have a good sale compared with Jeevan Saathi and Jeevan Mitra policies. 79.55% Agents and all Development Officers said that LIC is giving good publicity to these policies. This means LIC gives good publicity regarding the later plan introduced by LIC.

With regard to the profession of selling policies of LIC 72.73%

Agents and 93.75% Development Officers have very good opinion, They also found it more remunerative.

90.91% Agents and 93.75% Development Officers said that if people criticized LIC in their presence they will try to convince them about the benefits or advantages given by LIC. This shows that in most cases people are criticizing LIC without knowing the benefit or advantages given by LIC under different plans of policies,

86.36% of Agents and all Development Officers have the opinion that services rendered by LIC to policy holders are improving. This means that various services rendered by LIC are improving.

Opinion given by Agents and Development Officers regarding the behaviour of LIC's staff while dealing with policy holders, 70.45% Agents and 87.5% Development Officers said that it is helpful to them. This shows that dealings of LIC's staff are helpful to Agents and Development Officers to do their work smoothly.

59.09% Agents and 87.5% Development Officers agreed that office procedure meets the customers' demand of service in the office. Among those who did not agree to the above statement 50% Agents and all Development Officers said that increase in the number staff in the LIC office was necessary. This means that majority of Agents and policy holders have good opinion about office procedure and those who are not satisfied said that it can be improved by increasing staff and few of them said that complicated procedure in the LIC office should be avoided.

The number of years of experience as agents shows that out of the total 38.64% agents have upto 2 years of experience and 29.55% agents have 2 to 5 years of experience. In case of Development Officers 50%

have only upto 2 years of experience and 31.25% have 2 to 5 years of experience.

Regarding steps taken by LIC for increasing the sale of both these policies, 84.09% Agents and all Development Officers in case of Jeevan Saathi policy and 86.36% Agents and all Development Officers in case of Jeevan Mitra policy said that publicity is the only sales promotion activity done by LIC. This shows publicity is the only sales promotion activity done by LIC for increasing sale of these policies.

With regard to public opinion regarding these policies 52.27% Agents and 68.75% Development Officers in case of Jeevan Saathi policy and 38.64% Agents and 50% Development Officers in case of Jeevan Mitra policies said that the public have good opinion regarding these policies. 38.64% Agents and 18.75% Development Officers in case of Jeevan Saathi policy, 45.45% Agents and 25% Development Officers said that the public are not aware of the benefits available under these policies. This shows that those who are aware of the benefits available under Jeevan Saathi and Jeevan Mitra policies have good opinion about it.

The major recommendations made by Agents and Development Officers for increasing sales of Jeevan Saathi policy are to increase advertisement and commission given on these policies and to reduce the amount of premium charged under these policies. This shows that even though risk covered or security provided under this policy is high compared with other policies issued by LIC, premium charged are also high. Besides the above factors the condition prescribed under this policy should be liberalised in order to make it available to all categories of employed couples. With regard to Jeevan Mitra policy the major

recommendation given by majority of agents is increase in advertising, increase agents' commission reduce premium, avoid medical examination etc. These recommendations are also supported by almost all Development Officers.

For the purpose of counter checking we once again asked in the interview schedule the question "whether Jeevan Saathi and Jeevan Mitra policies are selling like other policies of LIC". The answer shows that 61.36% agents and 81.85% agents and Development Officers in case of Jeevan Saathi policy and 81.82% Agents and Development Officers among Jeevan Mitra policy holders said that these policies are not selling like other policies of LIC.

According to the opinion of Agents and Development Officers with regard to the reasons for not selling these two policies like other policies of LIC are, as regards Jeevan Saathi policy, (a) difficulty in fulfilling the conditions prescribed for taking this policy (b) high rate of premium charged and (c) not being aware of details of benefits available under this policy. In the matter of Jeevan Mitra policy the main reasons are (a) high rate of premium charged, (b) being not aware of benefits available under this policy, (c) compulsory medical examination and (d) poor advertisements and some of them had the opinion that it is not beneficial from policy holders' point of view.

Cross analysis of the various information obtained from the interview schedule of agents and Development Officers helps to reach the following conclusions:-

Comparison between ~~opinions~~ differences ^{in opinion} between Jeevan Saathi and Jeevan Mitra policies of LIC and their impression about sale of these two policies shows that, in case of Jeevan Saathi policy 63.64% Agents said that sale of which is less than 40% compared with others of which 39.29% said correct answer and 46.43% are not sure about the difference between these two policies and 14.29% wrongly answered. In the matter of Jeevan Mitra policy 75% agents said that sale of which is less than 40% compared with other policies of LIC, of which 39.39% gave correct answer, 48.48% were not sure about the difference between Jeevan Saathi and Jeevan Mitra policies of LIC and 12.13% have wrongly answered. Opinion given by Development Officers shows that in case of Jeevan Saathi policy about 93.75% said that sale of which is less than 40% compared with others, among them 80% gave correct answers regarding the difference between Jeevan Saathi and Jeevan Mitra policies of LIC. With regard to jeevan Mitra policy holders all Development Officers said that sales of which are less than 40% compared with others of which 75% have given correct answer about the difference between Jeevan Saathi and Jeevan Mitra policies of LIC. Majority of both Agents and Development Officers said that sale of these policies is less than 40%. But majority of them are ignorant about differences between these two policies.

Relation between impression about sales and publicity given to these policies shows that, out of the total Agents in the case of Jeevan Saathi policy 40.91% said that publicity given to this policy

is less than 40%, and 43.18% said that publicity given to this policy is between 40 and 60%. Among these two groups 67.57% had the impressions that sale of this policy is less than 40% compared with others. With regard to Jeevan Mitra policy 52.27% and 38.64% respectively said that publicity given to this policy is less than 40% and between 40 and 60% compared with other policies of LIC. Out of the total of these two groups 75% said that sale of this policy is less than 40% compared with others.

The opinion obtained from Development Officers shows that in the case of Jeevan Saathi policy 25% and 56.25% respectively said that publicity given to this policy is less than 40% and between 40 and 60%. Among these two groups 92.31% said that sale of these policies is less than 40% compared with other policies issued by LIC. With regard to Jeevan Mitra policy 43.75% and 37.5% respectively said that publicity given to this policy is less than 40% and between 40 and 60% compared with other policies. Among these two groups all of them said that sale of this policy is less than 40%. The above information shows that both sale and publicity given to the policies are low compared with other policies of LIC.

Comparison between sales and commission given to the policies shows that, with regard to Jeevan Saathi policy according to the opinion of Agents 81.82% said that commission given to this policy is equal to other policies of LIC of which 63.88% and 30.56% respectively said that sale of this policy is less than 40% and between 40 and 60% compared with other policies of LIC. According to the opinion of Development Officers regarding this policy 87.5% said that the commission given to this policy is equal to other types of

policies, among them 92.86% said that sale of policy is less than 40% compared with others. In the matter of Jeevan Mitra policy with regard to commission 81.82% Agents said that, it is equal to other policies of LIC, of which 77.78% said that sale of this policy is less than 40% compared with others. According to the opinion of Development Officers, 87.5% said that commission given to this policy is equal to other policies of LIC and all of them said that sale of this policy is less than 40% compared with others. This means that even though commission given to these policies is equal to other policies of LIC, sale of the policies is low.

Comparison between publicity given to these two policies of LIC and other plans introduced later shows that in case of Jeevan Saathi, 77.27% said that LIC has given good publicity for the later plans, of which 40% and 45.71% respectively said that publicity given to Jeevan Saathi policy is less than 40% or between 40 and 60% compared with others. According to the opinion of Development Officers all of them said that LIC has given good publicity for the latest plans introduced by LIC, among them, 25% and 56.25% respectively said that publicity given to Jeevan Saathi policy is less than 40% and between 40 and 60% compared with other policies of LIC.

As regards Jeevan Mitra policy 79.55% said that LIC has given good publicity to the latest plans, of which 51.42% and 42.86% respectively said that publicity given to Jeevan Mitra policy is less than 40% or between 40 and 60% compared with others. According to the opinion of Development Officers all of them gave the opinion that LIC has given good publicity for the latest plans of which 43.75 and 37.5% respectively said that publicity given to Jeevan Mitra policy

was less than 40% or between 40 and 60% compared with others.

Comparison between the opinion about the profession of Agents and Development Officers of LIC and their opinion about LIC's service to policy holders shows that in case of Agents 72.53% have good opinion about profession of which 87.5% said that service rendered by LIC to policy holders is improving. According to Development Officers opinion 93.75% have good opinion about their profession and all of them said that LIC's service to policy holders is improving. This means that those who have good opinion about this profession, majority of them said that LIC's service to policy holders is also improving.

Cross analysis of opinion given by Agents and Development Officers regarding LIC's service to policy holders and how they react towards people if they criticize LIC in their presence shows that among Agents 86.36% said that LIC's service to policy holders is improving of which 68.42% said that they will convince people about the various benefits given by LIC. With regard to Development Officers all of them said that LIC's service to policy holders is improving of which 81.25% said that they will convince the people about the various benefits given by LIC if they criticize LIC in their presence.

Comparison between opinion about their profession and dealings of LIC's staff towards policy holders shows that out of 72.53% agents who have good opinion about their profession of which 81.25% said that LIC's staff are helpful while dealing with policy holders. According to the opinion of Development Officer 93.75% have good opinion about their profession of which 86.67% said that LIC's staff are helpful while dealing with policy holders. This means that those who have

good opinion about the profession, majority of them said that LIC's staff are helpful while dealing with policy holders.

Comparison of opinions regarding LIC's service to policy holders and whether office procedures meet customer demand of service shows that among Agents 86.36% had given their opinion that LIC's service to policy holders is improving of which 60.53% said that office procedures meet the customer demand of service, and opinion given by Development Officers shows that all of them said that LIC's service to policy holders is improving among them 87.5% said that LIC's office procedures meet the customers' demand of service. This shows that of those who have the opinion that LIC's service to policy holders is improving majority of them said that office procedures meet customer demand of service.

Comparison between opinion regarding dealings of LIC's staff towards policy holders and whether office procedures meet customers' demand of service shows that 70.45% Agents agreed that dealings of LIC's staff towards policy holders are helpful of which 74.19% gave the opinion that office procedure meet the customer demand of service. Among Development Officers 87.5% said that dealings of LIC's staff towards policy holders are helpful of which 85.72% agree that office procedures meet the customers' demand of service. This shows that according to the opinion of Agents and Development Officers office procedures and dealings of staff in the LIC office are efficient.

Cross analysis of their opinion regarding profession and number of years of experience with LIC shows that 63.64% Agents have good opinion about their profession of which 35.71% have 2 to 5 years of

experience as LIC Agents. Among Development Officers 75% have good opinion about their profession of which 33.33% have 2 to 5 years of experience with LIC as Development Officers among those who have good opinion about the profession of selling policies of LIC, the highest group of Agents and Development Officers has 2 to 5 years of experience

Comparison between opinion obtained from Agents and Development Officers regarding their impression about sale of Jeevan Saathi and Jeevan Mitra policies and their opinion about steps taken by LIC for sales promotion shows that in case of Jeevan Saathi policy 63.64% Agents have the opinion that sales of these policies is less than 40% compared with others of which 85.71% said that publicity is the only step taken by LIC for increasing sales. According to Development Officers' opinion 93.75% said that sale of which is less than 40% compared with sale of other policies and all of them said that publicity is the only step taken by LIC. This shows that among the Agents and Development Officers who said that sale of these policies is less than 40%, majority of them said that publicity is the only step taken by LIC to increase the sale of these policies.

In case of Jeevan Mitra policy 75% Agents have the opinion that sale of which is less than 40% compared with others^{out} of these 87.88% said that publicity is the only sales promotion step taken by LIC. According to the opinion of Development Officers all of them said that sale of this policy is less than 40% compared with others and publicity is the only step taken by LIC for increasing sale of this policy. The above information shows that publicity is the only step taken by LIC and no other sales promotion activities are done by LIC.

Comparison of opinion regarding difference between Jeevan Saathi and Jeevan Mitra policies of LIC and Public Opinion regarding these policies shows that in case of Jeevan Saathi policy 36.36% Agents have given correct answer about the difference between these policies of which 50% said that public have good opinion regarding these policies. Among Development Officers 75% have given correct answers regarding difference between these two policies of which 66.67% said that public have good opinion regarding these policies.

In case of Jeevan Mitra policy among the 36.36% of Agents who have given correct answers regarding the difference between these policies, of which 37.50% said that public have good opinion regarding these policies. According to Development Officers 68.75% gave correct answer about the difference between these policies of which 45.45% said that public have good opinion regarding this policy. This shows that around 40% Agents and 70% Development Officers are aware of the details of these policies. Among them around 50% Agents and 55% Development Officers said that public have good opinion regarding these policies.

Comparison between opinion of Agents and Development Officers about their profession and number of years of experience shows that 38.64% Agents have up to 2 years of experience, 29.55% Agents have 2 to 5 years of experience. Among them 70.59% and 92.31% respectively said that their profession is good and remunerative. In the matter of Development Officers 50% have upto 2 years of experience, 31.25% have 2 to 5 years of experience and all of them said that their profession is good and remunerative.

CHAPTER V
RECOMMENDATIONS

The following recommendations are made from the conclusion drawn from the analysis of the interview schedule for Jeevan Saathi & Jeevan Mitra policy holders and Agents and Development Officers.

The first and most important recommendation is that the Life Insurance Corporation should do every effort for increasing sales of these policies. Even though there is a decreasing trend in the sales of both these policies, the analysis of the information collected from policy holders shows that the public have a very good opinion regarding the plans of these policies. They also found it very useful.

In the case of Jeevan Saathi Policy holders the main purpose of buying Life Insurance Policy was to provide security to their dependents and for availing of tax benefit, and another question regarding main benefit considered by them shows that this covers the risk of both husband and wife under a single policy. So from the point of view of policy holders it is really an attractive plan to them.

In the case of Jeevan Mitra Policy holders the main purpose of buying Life Insurance Policy was for providing security to their dependents and another point regarding the main benefit considered by them was double benefit in case of normal death and triple benefits in case of accidental death during the term of policy. So from policy holders' point of view it is also attractive to them.

The above information shows that the main reason for decreasing sale of these policies was poor sale promotion activities done by

the LIC.

Conclusions drawn from the interview schedule for Agents and Development Officers also shows that nearly 60% Agents and 25% Development Officers have not properly studied the details of this policy. They also agreed that sales of these policies are less than 40%, and publicity given to these policies was in case of Jeevan Saathi between 40% and 60% and in case of Jeevan Mitra policy less than 40%, compared with other policies issued by LIC. This information also helps to give more stress to the point that the decreasing sales of Jeevan Saathi and Jeevan Mitra policies were due to poor sale promotion activities compared with other policies of LIC.

According to the opinion of Agents and Development Officers the major difficulty found by them for selling Jeevan Saathi policy was difficulty to fulfil the primary conditions fixed by LIC for taking these policies, and high premiums charges for Jeevan Mitra policy. So, while considering sales promotion step, the conditions to be fulfilled for Jeevan Saathi policy should be liberalised, if possible premium rate of Jeevan Mitra policy should be reduced to some extent. The major recommendations made by Agents and Development Officers for increasing sale of these policies are increase the advertisement and other publicity given to these policies, and increase commission given to these policies or by fixing some quota for the number of these policies to be sold each year by each Agent in order to get a higher percentage of commission, then they will take more strain to sell the policies.

The other findings and recommendations of this survey are:
Various conclusions drawn from the analysis show that most of the

policy holders prefer to take policies upto Rs. 50,000 as sum assured and also prefer monthly or quarterly payments. So policies issued in such a way that those who take policies upto or around this value should have more benefits available than policies issued at higher values of sum assured and some other kinds of benefits just like discount etc should also be given to those who paid premium either monthly or quarterly. All these will also indirectly result in increasing the sale of policies.

More Agents should be appointed, giving them proper training. They should be well informed of the details of the policy and also provide them various kinds of benefits over and above the usual commission for encouragement to work hard to sell more policies because Agents act as an important media in the sale of Life Insurance policies of LIC.

Well trained and educated agents only can inform the public about the details or benefits available under each policy issued by LIC.

The various plans introduced by LIC should also be in order to satisfy the needs of different income classes, different age classes, to those who belong to different occupation and also to those who belong to different family sizes.

In the case of Jeevan Saathi and Jeevan Mitra Policy holders, they have different features, Important among them are:- The majority of Jeevan Saathi Policy holders belong to the family size of 3 members, the main purpose of taking policy is to provide security to dependants and getting tax benefit, Most of them belong to higher income class and belong to the occupation of "office worker". Majority of them also belong to lower age group of 25 to 34 years old, whereas,

in Jeevan Mitra Policy holders the main features are, majority of them belong to family size of 4 members, their main purpose of taking policy is to provide security to dependents. They do not belong to the higher income group just like Jeevan Saathi Policy holders. Majority of them belong to the age group 35 to 44 years old. So, for the purpose of increasing sales of these policies, the condition necessary for taking these policies as well as benefits available under each of these policies should be revised, taking into consideration all these factors.

LIC should take all necessary steps to ensure promptness in rendering various service to policy holders. It should also help to increase confidence in the policy holders that LIC will not try to avoid claims when they arise.

Another opinion given by the policy holders about their preference to various types of investments shows that, among various types of investments available, more than 50% have given first preference to Life Policy with regard to their preference to buy. But with regard to utility in time of need they give first preference to bank deposit. This shows the delay involved in getting money from LIC office. So LIC should take all necessary steps to reduce the delay involved in performing various services.

With regard to the main benefit considered by Jeevan Saathi Policy holders is 'cover the risk of both husband and wife under a single policy'. This shows that policy holders like to cover the risk of their whole family with a single policy. So LIC should introduce plans of policies to cover the risk of husband wife and children under a single policy.

Among Jeevan Mitra Policy holders the main benefit considered by them was double benefit in case of normal death and triple benefits in case of accidental death during the term of policy. This shows that policy holders are also concerned with the benefits available under each policy. So LIC should introduce plans of policies to satisfy the needs of those who want more benefits, to their dependents in case of their death.

LIC should take all steps required for increasing attachment between Agents and policy holders, increase confidence among policy holders and increase reliance on Agents' advice by policy holders. Agents can achieve it to a great extent by increasing their involvement with policy holders when a need arises, or helping them in reminding of premium when it falls due or collecting premium and bringing back receipts. All these will indirectly help Agents to increase their ability to sell more policies. So LIC should encourage them by all means to perform various services which policy holders need be done through Agents. This will indirectly make policy holders to approach Agents first if they wanted anything to be done regarding their policy. This will also help to increase the awareness of Agents with regard to procedures required for various services needed by policy holders.

The LIC should take necessary steps to increase the visits made by Development Officers to policy holders or to increase the connection between policy holders and Development Officers, which help the Development Officers to know the various problems faced by various categories of policy holders and giving necessary direction to Agents and managers of LIC to solve the problems which also help to know the problems faced by Agents in order to sell the Life Insurance Policies.

LIC should also give necessary training to Development officers for increasing their knowledge about the new plans introduced by LIC. If they are not properly informed about the policies of LIC, they cannot give direction to Agents in their work.

LIC should try to increase the services given by it to policy holders. They should take necessary procedures in the office to satisfy the need of policy holders within the shortest possible time either by reducing complicated procedures or by increasing staff in the LIC office or by using machines like computers.

LIC should take all necessary steps to perform the function of selling policies of LIC in an easier manner. To some extent this can be achieved by using different media of advertisement.

Agents as well as Development Officers should be given special training to convince those who criticize LIC in their presence.

Over and above the usual commission given to Agents some additional benefits should be given to those who complete certain number of years of experience as Agents with high record performance.

Even though the public have good opinion regarding these plans of their policies, they are not selling like other policies of LIC because of lack of continuous encouragement given by LIC to these policies. So LIC should continue their sales promotion activity year after year, after the policy is introduced.

By bringing into effect the above mentioned recommendations it will be possible to boost the sale of these policies so that the objective expressed in the motto of the LIC YOGASKHEMAM VAHAMYAHOM can be achieved to a greater extent.

Scope for further research

To make a study into the financial aspects of these two policies from the point of view of LIC, it will also be useful to study the performance of each policy, so that any drawbacks or weaknesses in the plan of each policy and the administrative procedures causing poor sales can be located and remedied, and the performance of all policies can be improved resulting in an over-all increase in the efficiency and effectiveness of the working of the LIC.

Appendix - IPLANS OF POLICIES AT PRESENT IN FORCE

<u>No.</u>	<u>Name of the policies</u>
1.	Whole life policy without profit.
2.	Whole life policy with profits.
3.	Whole life (limited payment) without profit.
4.	Whole life (limited payment) with profits.
5.	Limited payment life policy without profit.
6.	Limited payment life policy with profits.
7.	Endowment Assurance policy without profit.
8.	Endowment Assurance policy with profits.
9.	Joint life endowment assurance on two lives with profits.
10.	Double endowment policy without profits.
11.	Pure endowment policy for adults for children without profits.
12.	Convertible whole life assurance policy without profit.
13.	Children's deferred endowment assurance vesting age 21 with profit.
14.	Children's deferred endowment assurance vesting age 18 with profits.
15.	Immediate annuity.
16.	Two year temporary assurance policy without profit.
17.	Deferred annuity.
18.	Endowment assurance policy by single premium without profits. Endowment assurance policy by limited payment without profits.
19.	Endowment assurance policy by single premium with profits. Endowment assurance policy by limited payments with profits.
20.	Capital redemption.
21.	Mortgage redemption assurance policy without profits.
22.	Convertible term assurance policy without profits.
23.	Immediate annuity certain.

24. Deferred annuity certain.
25. 12 year money back policy with profits.
26. 15 year money back policy with profits.
27. 20 year money back policy with profits.
28. 25 year money ~~back~~ policy with profits.
29. Progressive protection policy with profits.
30. Children's anticipated policy with profits vesting age 18.
31. Children's anticipated policy vesting age 21 with profits.
32. Multi purpose policy - The basic assurance with profits.
33. 20 year Anticipated whole life policy with profits.
34. 25 year anticipated whole life policy with profits.
35. Janaraksha Policy.
36. Jeevan Mitra double cover endowment plan with profits.
37. Jeevan Saathi double cover joint life plan with profits.
38. Marriage endowment/education annuity policy without profit.
39. New Janaraksha policy with profits.
40. New children's deferred assurance policy with profits.
41. New money back policy with profits.
42. Bima Sandesh without profits.
43. Bhavishya Jeevan with profits.
44. Jeevan dhara without profits plan.
45. Jeevan Akshay without profits.
46. Jeevan Balya with profits plan.

Appendix - II

INTERVIEW SCHEDULE FOR THE HOLDERS OF JEEVAN SAATHI AND JEEVAN MITRA
POLICIES

1. Name of the policy you have taken : Jeevan Saathi Jeevan Mitra

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2. When did you take this policy Sum assured

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3. How did you first come to know of this policy ?

From

Bank	Agents	Friends	Colleges	Press	Hoard	Radio	Sports	T.V.

Any other:

4. Do you know details of the policy you have taken ?

Something Nothing all details

--	--	--

5. Do you think this plan useful ?

Yes Not sure Don't know not bad No

--	--	--	--	--

6. What are the important benefits you consider under this policy ?

7. Can you suggest any change in this policy ?

8.

Age up to 25	25 - 34	35 - 44	45 - 54	55 and above
Yours				
Spouse's				

9. Annual income Rs. in ('000)	Unto Rs.10000	Rs.10000 - 24000	Rs.25000 - 49000	Rs.50000 - 74000	Rs.75000 - 100000	Rs.100000 - 149000
Yours						
Spouse's						

10. Your family size :

Two	Three	Four	Five	above five

11. Occupation

	F.W.	O.W.	Exe/man	S.E.	Any other
Yours					
Spouse's					

(F.W. - Factory Worker, O.W. - Office Worker, Exe/man - Executive or Manager, S.E. - Self employed)

12. How the premium is paid ?

Direct	<input type="checkbox"/>	Salary deduction	<input type="checkbox"/>
Any other specify	<input type="checkbox"/>		

13. Do you have any other life insurance policy ?

	on your life	on spouse's life	on children's	any other
Yes				
No				

Specify type of policy :

a) How it has been taken ?

Same agent	<input type="checkbox"/>	Diff. agent	<input type="checkbox"/>
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14. Do you or any other member of your family have any of the following investments ?

	B.D.	N.S.C.	N.S.S.	Co.D.	Sh.	De.	Any other
You have							
Spouse's							
Children							
Any other							

(B.D :Bank Deposit; Co.D:Company deposit;Sh.-Shares;De. -Debentures)

15. Is there any agent you would like to deal with ?

Yes No

(a) No. of times he visits you : 3 6 12 Whenever called
in a year

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(b) Will you trust in him with your Rs. : Fully Partly No

(c) Do you rely on his advice : Fully Partly No

(d) Does he help you in reminding when premium falls due : Yes Not Always No

(e) Does he collect premium from you and bring you back receipts. : Yes Not Always No

(f) Do you take the policy for your benefit or his advantage. : Mine his not sure

(g) If you need anything to be done regarding a policy would you go to : Agent Office Any other

16. How many agents called on you last year :

no	1	2	3	4	5
<input type="checkbox"/>					

17. How many Devt. Officers called on you last year.

18. Why have you bought insurance ?

under persuasion of agent	Provide security	to avail of tax benefit	Any other
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

19. How prompt is the service of L.I.C. in the following cases?

	Prompt	Not Prompt	within 1 month	within 2 months	within 3 months	with- in 6 months	1 year or more
Issue of receipt							
Change of address							
Payment of loans							
Settlement of claims							

20. What is your opinion in the following cases ?

	good	impro-ving	very good	bad	becoming worse
In payment of claims promptly					
In rendering services by LIC					
In rendering services by staff of LIC					
Compared with service rendered by banks					

21. Do you think LIC will try to avoid claims : Yes No Not sure

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22. Give your ranking in the following cases:

	LIC Policy	B.D.	N.S.C	Co.D	Sh	De	BRD	ULI	PPF	CTD	Any other
Preference to buy											
Utility in time of need											

Appendix - IIIINTERVIEW SCHEDULE FOR DEVELOPMENT OFFICERS AND AGENTS

1. You are working as : Development Officers
Agents
2. In your opinion what is the difference between Jeevan Saathi & Jeevan Mitra in Sales :
3. What is your impression about the sale of :

	40	40 - 60	61 - 80	80-100
Jeevan Saathi				
Jeevan Mitra				

 Compared with other policies
4. What do you think about the publicity regarding :

	40	40 - 60	61 - 80	80-100
Jeevan Saathi				
Jeevan Mitra				

 Compared with other policies
5. What do you think of the commission of these two policies compared with others :

	less than	equal to	More than
Jeevan Saathi			
Jeevan Mitra			
6. (a) What do you think about the sales of subsequent plans?
(b) What is your opinion of publicity of these New Plans ?
7. What you think about profession of selling policies of LIC ?
8. If people criticize the LIC in your presence, how do you react ?
9. Do you think that LIC's service to the Policy holders is
 Improving Not improving
 deterioration Not sure
 Not much

10. Do you think LIC's staff, while dealing with policy holders are

Helpful Not helpful
 Indifferent Not sure

11. Do the office procedures meet the customers' demand ?

If no, how to meet the demand

12. Your No. of years of experience in/with LIC :

as agent
 as Development Officer

13. What are the steps taken by LIC for sale of these policies ?

Jeevan Saathi

Jeevan Mitra

14. How do you feel about the public opinion regarding these two policies ?

Jeevan Saathi

Jeevan Mitra

15. Can you make any recommendations for increasing the sale of these policies regarding

Jeevan Saathi

Jeevan Mitra

16. Do you think these policies are selling just like other policies ?

	Yes	No
Jeevan Saathi	<input type="text"/>	<input type="text"/>
Jeevan Mitra	<input type="text"/>	<input type="text"/>

17. If No, what are the main reasons :

Jeevan Saathi

Jeevan Mitra

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