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A STUDY ON UTILIZATION OF PRODUCT OF LIFE INSURANCE CORPORATION OF INDIA BY POLICYHOLDERS WITH REFERENCE TO TIRUCHIRAPPALLI DISTRICT

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ABSTRACT

An attempt has been made in this paper to deal with the utilization of the products of the Life Insurance Corporation of India by policyholders in Tiruchirappalli District. Different varieties of policies are being offered by the Corporation to suit the needs of policyholders. Many schemes are offered corporation to cover individual insurance needs. Thus there are many benefits available to policyholders. The extent to which they have derived these benefits indicates the level of utilization of the products of Life Insurance Corporation of India. An attempt has been made in this paper to measure the extent of utilization of the Products of Corporation by the sample policyholders. the countries will be highly expected.

KEYWORDS: Corporation, Insurance, Policyholder, Utilizations.

REVIEW OF LITERATURE

Meena in her thesis titled "Utilization of Life Insurance Corporation by Policyholders of Madurai City: An

Empirical Study" has studied the utilization of the LIC by policyholders and analyzed the various factors which influence the level of utilization. She concluded that unless the corporation made its schemes attractive and effective, with good returning capacity and high bonus to the policyholders, it was bound to fail in its operations. She has also suggested that every expenditure be curtailed so that the corporation can pay better returns.

OBJECTIVES OF THE STUDY

The present study has the following objectives;

- 1.To study the utilization of products offered by the Life Insurance Corporation of India.
- 2.To measure the product wise utilization by the policyholders of Life Insurance Corporation of India.

METHODOLOGY OF THE STUDY

The present study uses the primary data as well as secondary data. Data were collected in the period of June 2013 to August 2013. Depend upon the requirement of the study the data were collected from the 500 sample respondent through purposive sampling method in the area of Tiruchirappalli district. The



Area of the study pertains to Tiruchirappalli district only. The study uses the purposive sampling method for select the sample respondent.

Utilization cannot be measured directly in quantitative terms because it is an abstract concept. But it is possible to measure utilization indirectly. To measure the level of utilization, utilization scale has been devised which varies from one person to another and from time to time. A comprehensive analysis has been made in this paper to highlight the level of utilizations, the variation in the levels of utilization and the relative importance of each product to the utilization's scale. Ten components are used to measure the level of utilization of the products of the Life Insurance Corporation of India by the sample policyholders. The impact of these ten products on utilization varies since some components are more significant than others. A detailed analysis of the components is made in the succeeding pages.

ANALYSIS AND INTERPRETATION OF DATA

The following table shows the nature of policies taken by the sample policyholders.

Table 1
Nature of policies taken by the sample policyholders

S. No.	Nature of Policy	Number of respondents	Percentage to total
1.	Whole-life Policy	95	19.00
2.	Endowment Policy	212	42.40
3.	Money-back Policy	193	38.60
Total		500	100.00

Source: Primary Data.

It is that majority of 212 (42.40 per cent) respondents took endowment insurance policies followed by 193 (38.60 per cent) of them who took money-back policies and 95 (19.00 per cent) of the respondents who took whole-life policy.

Table 2
Nature of policyholders holding more than one policy

S. No.	Category	Number of respondents	Percentage to total
1.	More than one policy taken	215	43.00
2.	Not taken	285	57.00
Total		500	100.00

Source: Primary Data.

From Table 2, it has been inferred that 215 (43.00 per cent) of the respondents have taken more than one policy. This shows that they are satisfied with the services of the corporation. Taking more policies results in their deriving more benefits from the corporation. It can be seen also that 285 (57.00 per cent) of the respondents have not taken any additional policy.

Table 3
Sample policyholders possessing Group insurance policy

S. No.	Category	Number of respondents	Percentage to total
1.	Group insurance policy taken	139	27.80
2.	Not taken	361	72.20
Total		500	100.00

Source: Primary Data.

It has been revealed from the Table 3 that 139(27.80 per cent) respondents have been covered by group insurance scheme. In the early days the corporation offered insurance only on individual lives. Only later on it had started providing life insurance on group basis under its “group schemes portfolio”. Some of the respondents told the researcher that the group insurance schemes were not offered to them by the time they took their policies. Hence the number of respondents who took group insurance seems to be low. But since the introduction of the scheme the amount of premium collected and the number of policies in group schemes have recorded a steady increase every year. A large number of persons who have only a poor income have been covered under the group insurance schemes.

Table 4
Accident benefit coverage taken by the sample policyholders

S. No.	Category	Number of respondents	Percentage to total
1.	Accident benefit coverage taken	307	61.40
2.	Not taken	193	38.60
Total		500	100.00

Source: Primary Data.

From Table 4, it has been observed that 307 (61.40 per cent) of the respondents have taken advantage of the accident benefit coverage by remitting extra premium besides the usual premium. The level of utilization of these schemes by the respondents will be higher than those respondents who have not been covered by the accidents benefit scheme. In total, 193 (38.60 per cent) of the respondents have not opted for additional coverage.

Table 5
Number of sample policyholders holding joint life policies

S. No.	Category	Number of respondents	Percentage to total
1.	Joint Life policy taken	125	25.00
2.	Not taken	375	75.00
Total		500	100.00

Source: Primary Data.

It has been observed from the Table 5 that 125 (25.00 per cent) of the respondents have taken joint life policies. There are 375 (75.00 per cent) of the respondents who have not taken joint life policy, though they have taken other insurance policies.

Table 6
Number of respondents who have taken policies voluntarily

S. No.	Category	Number of respondents	Percentage to total
1.	Taken policies voluntarily	238	47.60
2.	Not taken voluntarily	262	52.40
Total		500	100.00

Source: Primary Data.

From the Table 6 it has been revealed that 143 (47.67 per cent) of the respondents have taken insurance policies voluntarily and 157 (52.33 per cent) of the respondents have taken policies only under the influence of other people.

Table 7
Classification of respondents based on lapses and non-lapses

S. No.	Category	Number of respondents	Percentage to total
1.	Policies lapsed and not revived	Nil	Nil
2.	Policies lapsed but revived	155	31.00
3.	Policies not lapsed	345	69.00
Total		500	100.00

Source: Primary Data.

From Table 7 it has been observed that there are 155 (31.00 per cent) of the respondents whose life insurance policies lapsed but all of them have not revived policies. There were no respondents who allowed the lapsed policy to go dead. Majority of 345 (69.00 per cent) of the respondents policies had not lapsed. It could also be inferred from the study that the revived policies were monthly premium policies.

Table 8
Keeping the policy alive by the respondents

S. No.	Category	Number of Respondents	Percentage to Total
1.	Keeping the Policy Alive	500	100
2.	Not Keeping the Policy Alive	--	--
Total		500	100.00

Source: Primary Data.

It is inferred from Table 4.8 that all the 500 sample policyholders keep their policies alive and none has surrendered his policy for any reason. This shows that all the respondents are insurance minded and interested in keeping their policies alive.

Table 9
Value assured on policies taken by the respondents

S. No.	Assured value of policy (In Rs.)	Number of respondents	Percentage to total
1.	Below 20,000	62	12.40
2.	20,000 – 40,000	105	21.00
3.	40,000 – 60,000	202	40.40
4.	60,000 – 80,000	97	19.40
5.	80,000 and above	34	6.80
Total		500	100.00

Source: Primary Data.

It has been revealed from the Table 4.8 that out of 500 sample policyholders maximum of 202 (40.40 per cent) of them have taken policies for the sum ranging between Rs.40,000 – 60,000 followed by 105 (21.00 per cent) of them who have taken policies for sum ranging between Rs.20,000 – 40,000, 97 (19.40 per cent) of them have taken policies ranging between Rs.60,000 – 80,000, 62 (12.40 per cent) of them have taken policies for the sum below Rs.20,000 and only 34 (6.80 per cent) of them have taken policies for the sum Rs.80,000 and above respectively.

Table 10
Period of policies held by respondents

S. No.	Terms of policy	Number of respondents	Percentage to total
1.	Up to 10 years	78	15.60
2.	10 – 15 years	97	19.40
3.	15 – 20 years	162	32.40
4.	20 – 25 years	128	25.60
5.	Above 25 years	35	7.00
Total		500	100.00

Source: Primary Data.

From Table 10, it has been inferred that maximum of 162 (32.40 per cent) of the respondents have taken policies for the period of 15 – 20 years followed by 128 (25.60 per cent) of them have taken policies for the period of 20 – 25 years. 97 (19.40 per cent) of them who have taken policies for the period of 10 – 15 years, 78 (15.60 per cent) of them have taken policies for up to 10 years and 35 (7.00 per cent) of them have taken policies for the period of above 25 years respectively.

Table 11
Children's policy taken by the respondents

S. No.	Category	Number of respondents	Percentage to total
1.	Children's policy taken	145	29.00
2.	Children's policy not taken	355	71.00
Total		500	100.00

Source: Primary Data.

It has been revealed from the Table 11 that only 145 (29.00 per cent) of the respondents have made savings for their children in the form of life insurance policies. There are 355 (71.00 per cent) of the respondents who have not saved money for their children.

Table 12
Savings for old age needs

S. No.	Category	Number of respondents	Percentage to total
1.	Saved through the LIC for Old age needs	352	70.40
2.	Not saved through the LIC for old age needs	148	29.60
Total		500	100.00

Source: Primary Data.

From Table 12, it has been observed that 352 (70.40 per cent) of the respondents have taken life insurance policies with the corporation with a view to meet their old age needs. There are 148 (29.60 per cent) of the respondents who save through other forms for their old age needs.

Table 13
Tax planning through LIC by policy holders

S. No.	Category	Number of respondents	Percentage to total
1.	Tax Planning through LIC	357	71.40
2.	No Tax Planning through LIC	143	28.60
Total		500	100.00

Source: Primary Data.

The Table 13 shows that 143 (28.60 per cent) of the respondents have no taxable income. But remaining 357 (71.40 per cent) of the respondents pay income tax according to their taxable income. It is observed during the survey that out of 357 respondents, who are income tax assesses, 132 (36.97 per cent) reduce their tax only through life insurance premium. The remaining 225 (63.03 per cent) of the respondents reduce their income tax through life insurance and other savings schemes of the government.

Table 14
Total investment of the sample policyholders

S. No.	Category	Number of respondents	Percentage to total
1.	Investments made in the LIC only	187	37.40
2.	Investments made in the LIC and other forms	313	62.60
Total		500	100.00

Source: Primary Data.

It has been revealed from Table 4.14 that majority of 313 (62.60 per cent) of the respondents have invested their money in the Life Insurance Corporation of India and other forms whereas 187 (37.40 per cent) of the respondents have made their investments only in LIC.

Table 15
Ordinary loan taken on policy by policyholders

S. No.	Category	Number of Respondents	Percentage to Total
1.	Respondents who have taken Ordinary Loan	303	60.60
2.	Respondents who have not taken any Ordinary Loan	197	39.40
Total		500	100.00

Source: Primary Data.

This Table 15 reveals that 197 (39.40 per cent) of the respondents have not taken any loan on policies. The remaining 303 (60.60 per cent) of the respondents have taken temporary loan. It is observed during the survey that out of 303 respondents, 130 (42.90 per cent) have taken loan against the security of their life insurance policies. Cash loan is given to those policyholders whose policies are at least three years old on the date of the loan application. There are 173 (57.10 per cent) of the respondents who have borrowed not only from the corporation but also from other sources.

Table 16
Housing loan from LIC by sample respondents

S. No.	Category	Number of respondents	Percentage to total
1.	Taking Housing Loan from LIC	287	57.40
2.	Not taking Housing Loan from LIC	213	42.60
Total		500	100.00

Source: Primary Data.

According to Table 16 out of 500 policyholders, 287 (57.40 per cent) of them have availed of housing loan from LIC against their policies and remaining 213 (42.60 per cent) of them have not availed of housing loan.

Table 17
Utilization scale and the scores allotted to each products

S. No.	Component	Utilization Score
1.	Nature of Policy taken by policyholders	5
2.	Additional Insurance Coverage taken by Policyholders	5
3.	Amount Assured on Policy	5
4.	Period of Policy taken	5
5.	Savings in the corporation for children	5
6.	Savings in the corporation in for old age needs	5
7.	Tax planning through the LIC	5
8.	Total Investment of policyholders in the LIC	5
9.	Ordinary Loan taken on Policies	5
10.	Housing Loan taken from the LIC	5
Total Score		50

Source: Calculated Based on Primary Data

As shown in Table 17, the total scores allotted for utilization scale is 50. All the ten components are given 5 scores each. The distribution of scores for each component is presented below.

a. Nature of Policy taken by Policyholders

S. No.	Nature of Schemes	Utilization Scores
1.	Whole Life Policy taken	1
2.	Endowment Policy taken	1
3.	Money – back Policy taken	1
4.	More than one Policy taken	1
5.	Group Insurance Policy taken	1
	Total	5

Source: Calculated Based on Primary Data

b. Additional Insurance Coverage taken by Policyholders

S. No.	Additional Insurance Benefit	Utilization Scores
1.	Accident Benefit Coverage made	1
2.	Joint Life Policy taken	1
3.	Insurance coverage made voluntarily	1
4.	No lapse of policy	1
5.	Policy kept alive	1
Total		5

Source: Calculated Based on Primary Data

c. Amount Assured on Policy

S. No.	Amount Policy	Utilization Scores
1.	Up to Rs.20000	1
2.	Rs.20000 – Rs.40000	2
3.	Rs.40000 – Rs.60000	3
4.	Rs.60000 – Rs.80000	4
5.	Rs.80000 and above	5

Source: Calculated Based on Primary Data

d. Period of Policies taken

S. No.	Period of Policy	Utilization Scores
1.	Up to 10 years	1
2.	10 – 15 years	2
3.	15 – 20 years	3
4.	20 – 25 years	4
5.	Above 25 years	5

Source: Calculated Based on Primary Data

e. Policies for the Welfare of the Children

The total scores allotted to this component are five. Here the amount of savings for children made with the Life Insurance Corporation has to be compared with the total savings for children and expressed in percentage. The percentage is calculated as follows:

$$\frac{\text{Savings for children made with the corporation}}{\text{Total Savings for children in all Avenues}} \times 100$$

After calculating the percentage as explained above, the scores have been allotted to the respondents as detailed below:

S. No.	Calculated percentage as noted above	Utilization Scores
1.	1 – 20	1
2.	21 – 40	2
3.	41 – 60	3
4.	61 – 80	4
5.	81 – 100	5

Source: Calculated Based on Primary Data

The higher the percentage the higher the scores and lower the percentage the lower the scores.

f. Savings in the Corporation of Old Age needs

This component has five scores. In order to allot the scores, the amount of savings for old age needs made with LIC is considered here. The percentage of this amount on total savings for old age needs is found out as given below:

$$\frac{\text{Savings for old age needs with the corporation}}{\text{Total Savings for old age needs in all Avenues}} \times 100$$

The percentage thus calculated determines the scores of the respondents. The details of the scoring scheme are given below:

S. No.	Calculated percentage as noted above	Utilization Scores
1.	1 – 20	1
2.	21 – 40	2
3.	41 – 60	3
4.	61 – 80	4
5.	81 – 100	5

Source: Calculated Based on Primary Data

Increase in this percentage means increase in the scores and vice-versa.

g. Tax Planning through LIC

The tax rebate availed on the basis of Life Insurance Premium remitted to the corporation is one of the components. There are indeed other ways of reducing the tax liability of an individual. Here, the relationship between the former and the later is worked out and expressed in percentage as given below:

$$\frac{\text{Tax reduction through Life Insurance Premium}}{\text{Total tax reduction}} \times 100$$

After finding out the percentage as stated above scores have been allotted to the respondents. The details of the scoring scheme are given below:

S. No.	Calculated percentage as noted above	Utilization Scores
1.	1 – 20	1
2.	21 – 40	2
3.	41 – 60	3
4.	61 – 80	4
5.	81 – 100	5

Source: Calculated Based on Primary Data

The higher the percentage the higher the scores and vice-versa.

h.Total Investment made by Policyholders in the LIC

The total scores assigned for this component are five. Investments made in the form of Life Insurance Policies are compared with the total investments and calculated as a percentage as given below:

$$\frac{\text{Investment made in the corporation}}{\text{Total investment in all Avenues}} \times 100$$

Having this determined the percentage; every respondent is assigned scores as noted below:

S. No.	Calculated percentage as noted above	Utilization Score
1.	1 – 20	1
2.	21 – 40	2
3.	41 – 60	3
4.	61 – 80	4
5.	81 – 100	5

Source: Calculated Based on Primary Data

The higher the percentage the higher the scores and lower the percentage lower the scores.

I. Ordinary Loan taken on Policies

The next component is ordinary loan taken against the security of the Life Insurance policy. An ordinary loan is a short-term loan repayable within six months. This component is given five scores. Ordinary loan against the policy and the total loans raised by the policyholders are considered here. For the purpose of allotting scores, the percentage has been calculated as noted below:

$$\frac{\text{Ordinary loan taken on Life Insurance Policy}}{\text{Total ordinary loan}} \times 100$$

For the percentage calculated thus merit scores are given as below:

S. No.	Calculated percentage as noted above	Utilization Scores
1.	1 – 20	1
2.	21 – 40	2
3.	41 – 60	3
4.	61 – 80	4
5.	81 – 100	5

Source: Calculated Based on Primary Data

The higher the percentage the higher the scores and vice-versa.

j. Housing Loan from the LIC

This component is also allotted five scores for housing loan is raised from the LIC by policyholders. In addition to the above, private loans or institutional loans are also arranged for the purpose of constructing houses. In order to determine the score for a respondent, housing loan taken from the corporation and total housing loans are compared and expressed in percentage as calculated below:

$$\frac{\text{Housing loan from the LIC}}{\text{Total Housing loan taken}} \times 100$$

After determining the percentage noted above, scores have been allotted to the respondents on the following basis.

S. No.	Calculated percentage as noted above	Utilization Scores
1.	1 – 20	1
2.	21 – 40	2
3.	41 – 60	3
4.	61 – 80	4
5.	81 – 100	5

Source: Calculated Based on Primary Data

As seen earlier, scores have been allotted to each of the ten components on the basis of the utilization of services. The application of the utilization scale is illustrated by taking the case of one of the sample policyholders. The information obtained from this policyholder and the scores obtained by him are given below.

This respondent is a male policyholder. His first life insurance policy is an endowment policy for a sum of Rs.25,000 for 15 years. He has taken one money-back policy in his name for Rs.25,000 for a period of 25 years. He has also taken an endowment policy in the name of his wife for a sum of Rs.10000 for a period of 20 years. No loan is availed of on the second and third policies. He has also made accident benefit coverage paying an additional sum along with the premium. He has taken these policies voluntarily and not due to the influence of any other person. No policy of his has lapsed at any time. He has saved for the welfare of his children and for his old age needs through the corporation. He has investments in Life Insurance Corporation and investments in other forms also. The temporary policy loan repayable in one year was borrowed against the securing of his first life insurance policy. He resides in a rented house and has not taken any housing loan so far. Based on the above information found in his questionnaire, the scores have been allotted to the various components.

The policyholder has taken one endowment policy, one money back policy and one policy in the name of his wife. For these aspects he is allotted 3 scores. He has remitted extra premium towards the accident benefit

coverage which gives him 1 score. As he has taken policies voluntarily he is given 1 score. There is no lapse of policies, and all the policies are kept alive. For these two aspects, 2 scores are given. The total amount is assured on policies and for this aspect 3 scores are allotted. The maximum period of a policy of his is 25 years and for this aspect 4 scores are assigned. He has a total savings for the welfare of his children which has been made in the Life Insurance Corporation of India and for this aspect 1 score is given.

This policyholder has a total provision for his old age needs, which has been made in the Corporation and for this aspect he is given 2 scores. He has reduced his tax rebate claimed for premium remitted to the corporation and for this aspect he is allotted 2 scores. The total investments with the corporation and for this aspect he is assigned 1 score only. Out of his total ordinary loan borrowed against the security of his insurance policies he is given 3 scores. In total this respondent policyholder is awarded 23 scores. Thus, this policyholder is considered to have achieved a medium level of utilization of the services of the corporation.

In order to have an overview of the variation in utilization, a component-wise analysis has been made on the basis of information collected. Scores have been allotted to the respondents for the various components shown in Table 17. This analysis has been used to identify the most important component among the ten components on the basis of scores obtained. Table 18 reveals the scores obtained by various components as a whole.

Table 18
Component-wise utilization scores

Sl. No.	Components	Scores Awarded	Maximum Scores (300 x 5)	Percentage to Maximum scores
1.	Nature of Policy taken	2191	2500	87.64
2.	Additional Insurance Coverage taken	2490	2500	99.60
3.	Amount of Policy	2499	2500	99.96
4.	Period of Policy	1999	2500	79.96
5.	Savings for Children	1552	2500	62.08
6.	Savings for Old Age	1612	2500	64.48
7.	Total Planning through the LIC	1452	2500	58.08
8.	Total Investment with LIC	1692	2500	67.68
9.	Ordinary Leave taken policy	1592	2500	63.68
10.	Housing Loan Raised	1393	2500	55.72

Source: Calculated Based on Primary Data

It is evident from Table 18 that individual utilization score is the highest for the component amount of policy which has obtained 2499 scores out of 2500 scores representing 99.96 per cent. Additional Insurance coverage taken is the next component standing in the second position, with total scores of 2490 out of 2500 scores representing 99.60 per cent. The component nature of policy taken stands in the third position with a score of 2191 (87.64 per cent) and the component. Period of policy comes in the fourth position with total score of 1999 representing 79.96 per cent. The component housing loan raised through the corporation has the lowest score among all the ten components, with a score of 1393 out of a maximum score of 2500 representing 55.72 per cent.

The extent of utilization of the services of LIC by the sample policyholder is discussed in this part. There are ten components each carrying five scores. Thus the maximum scores one respondent can obtain is 50. Arithmetic mean and standard deviation were calculated for the total scores obtained by all the respondents. The total of the arithmetic mean (24.18) and the standard deviation (7.12) came to 31.30 which were rounded off to 31. Then the difference between the arithmetic mean and standard deviation (24.18 – 7.12) came to 17.06 which was rounded off to 17. From this, the classification of respondents was made.

Respondents who scored below 17 are put in the group that had achieved only a low level of utilization. Respondents who scored above 31 were in the group achieving a high level of utilization. Respondents who scored between 17 and 31 were included in the group with a medium level of utilization. Table 19 shows the classifications of the total respondents on the basis of their level of utilization.

Table 19
Extent of utilization by the policyholders

Sl. No.	Level of Utilization	Number of Respondents	Percentage to Total
1.	High	130	26.00
2.	Medium	263	52.60
3.	Low	107	21.40
Total		500	100.00

Source: Primary Data.

It is seen from Table 19 that 130 (26.00 per cent) respondents have achieved a high level of utilization. There are 263 (52.60 per cent) in the medium level. This group of respondents has utilized the services of the corporation at a moderate level. These respondents are medium level utilizes. The remaining 107 (21.40 per cent) respondents here only made a low level of utilization. This group does not sufficiently utilize the services of the corporation. In this study most of the respondents 263 (52.60 per cent) have made only a medium level of utilization of services of LIC of India.

SUMMARY OF THE STUDY

The major findings of this paper are summarized as follows:

Ten utilization components were identified to measure the level of utilization. It is inferred from the analysis that out of 500 sample policyholders, 95 (19.00 per cent) 212 (42.40 per cent) and 193 (38.60 per cent) have taken whole-life policy; endowment policy and money back policy respectively.

More than one policy was taken by 215 respondents, and 139 respondents have taken Group Insurance Policy. Among the policyholders, 307 (61.40 per cent) have taken accident benefit coverage policy. Only 125 (25.00 per cent) respondents have taken joint life policy.

Out of 500, 238 (47.60 per cent) have taken policies voluntarily, No policies have lapsed and all 500 policyholders kept their policies alive. The amount insured was more than Rs.40000 by nearly 67.00 per cent of policyholders and period of policies was more than 15 years. Only 145 (29.00 per cent) have taken children's policy.

Out of 500 sample policyholders 70.40 per cent and 71.40 per cent have taken their policies for their old age needs and income tax exemption respectively.

Out of 500, 303 (60.60 per cent) of them have availed of ordinary loan 57.40 per cent of them have also availed of housing loan against their policies. Based on the utilization score, the policyholders have been classified into three categories namely high level, medium and low level of utilization.

Out of 500 sample policyholders, 130 (26.00 per cent), 263 (52.60 per cent) and 107 (21.40 per cent) fell under the category of high level, medium level and low-level utilization of LIC of India respectively.

CONCLUSION

It was surprising to note that there were many policyholders who had taken only one life insurance policy. It has been established that out of 500, 285 (57.00 per cent) have taken only one policy. Holding more policies helps one to get greater services from the corporation. Thus it is suggested that the corporation can introduce prize schemes, and give it extensive publicity in order to persuade people to take more of policies.

It is observed that the group insurance policies are not so popular among the public. Many policyholders do not know of the existence of group insurance schemes. Thus, it may be suggested that the corporation should formulate a system of giving recognition to the employees who help to bag a big volume of business.

In order to increase the volume of whole-life policies, the corporation offers a higher bonus for them than the endowment policies. In spite of such high bonus and low premium, many do not opt for whole-life policies. It is understood that the policyholders could not get any monetary benefit during their life time. Thus, it may be suggested that to overcome this problem the corporation should modify the policy and offer special bonuses every ten years.

SCOPE FOR FURTHER RESEARCH

The current attempt was made only the utilization of product of life insurance Corporation of India by policyholders with reference to Tiruchirappalli district. The further study may conducted in the following ideas

- 1.The utilization of the Housing Loan Schemes of the Life Insurance Corporation of India.
- 2.A comparative study of utility values in life insurance and general insurance in India.

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