

LIFE INSURANCE AWARENESS AMONG **TAMILNADU STATE TRANSPORT CORPORATION BUS** **DRIVERS**

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INTRODUCTION

The life insurance of India is long as the maintenance of a family depends on the earning power of the bread winner so long as earning power can be destroyed by death, old age, or disability, just so long will life insurance continue to be the keystone of the individual and those who are dependent upon him. On Sep-1, 1956, LIC of India came into existence with the merger of 245 foreign and Indian insurance companies through an Act passed in January 1956, on the eve of LIC'S birth, Jawaharlal Nehru, the then prime Minister, said, "life Insurance becomes one of the major state undertaking in India. Its objectives will be to serve the individual as well as the state. The profit motive goes out of it and the service motive becomes much more dominant

Mr.C.D.Deshmukh, the then finance minister, said, "Insurance is an essential service, which a welfare state must make available to its people. It is a measure conceived in a genuine spirit of service to the people.

The main aim of nationalization was to avoid the malpractice of the private insurance, to invest the policy holder's funds for their benefit and that of the nation, conduct business in an economic way and to spread life insurance even to the remote parts of the country. The economists

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consider the bread-winners as better human beings and their life values invaluable for their dependents in the family. The head of the family he impressed with the sacred duty of utilizing life insurance, as a means to protect his kith and kin against the perils of his premature death or unforeseen physical disabilities, rendering him Jobless.

Life insurance business was steadily on the increase in the first half of the 20th century. The practices followed by insurance companies were not always in the interest of policyholders (or) of society at large. In 1993, a new insurance Act was passed. It was a comprehensive law governing not only life but also non-life branches of insurance and provided strict state control over the insurance business.

The actual value of life insurance policy is determined not by the amount invested, but by the cost of risk cover included in the premium payment.

Life Insurance

It provides financial benefits to a designated person upon the death of the insured. Many different forms of life insurance are issued. Some provide for payment only upon the death of the insured others allow an insured to collect proceeds before death.

A person may purchase life insurance on her or his own life for the benefit of a third person or persons. Individuals may even purchase life insurance on the life of another person. For example, a wife may purchase life insurance that will provide benefits to her upon the death of her husband. This kind of policy is commonly obtained by spouses and by parents insuring themselves against the death of a child. However, individuals may only purchase life insurance on the life of another person and name themselves beneficiary when there are reasonable grounds to believe that they can expect some benefit from the continued life of the insured. For example, a person cannot purchase life insurance on the life of a stranger in the hope that the stranger will suffer a fatal accident.

PRINCIPLES OF INSURANCE

From the point of view of the insurance company there are four general criteria for deciding whether to insure events or not.

- ❖ There must be a larger number of similar objects so the financial outcome of insuring the pool of exposures is predictable. Therefore they can calculate a "fair" premium.
- ❖ The losses have to be accidental and unintentional from the point of view of the insured.
- ❖ The losses must be measurable, identifiable in location, time, and be definite. They also want the losses to cause economic hardship. That is, so the insured has an incentive to protect and preserve the property to minimize the probability that the losses occur.
- ❖ The loss potential to the insurer must be non-catastrophic. It cannot put the insurance company in financial jeopardy.

OBJECTIVE OF THE STUDY

- ❖ To study the corporate drivers awareness about the life insurance policies.
- ❖ To study how for insurance policy has benefit the socially and economically backward classes.
- ❖ To suggest suitable conclusion for improving or promoting about life insurance policy among the drivers.

SCOPE OF THE STUDY

Scope of the study is confined to those customers awareness towards insurance policy with the respect to TamilNadu state Transport Corporation. And the study also deals with the analysis of data on the basis of questionnaire.

METHODOLOGY

There are various methods to conduct research study. The researches feel that questionnaire method is more suitable. In this method researches prepare different questions and form a questionnaire and give to Respondents. Whenever Respondents feel any doubt with regard to any question it may be easily clarified by the researcher.

Also the researcher adopts sampling method to conduct the study. It is not possible to meet all the policy holders. Sample in that portion of the universe which represents the ideas of the whole lot. So, the sample selected should reflect the ideas and thoughts of the whole population.

Sampling Technique

The Random convenience sampling technique is being used for this study. The samples were collected by segmenting the policy holders on the basis of age, income, occupation, family size etc., on the basis of random sampling procedure a sample of 50 Respondents were collected from Tamilnadu State Transport Corporation.

Sources of data

The study is based on both primary data and secondary data. The primary data collected by means of a well designed questionnaire by interviewing all of our Respondents. Sample of 50 were collected by following convenient sampling method. The entire analysis is clearly illustrated by means of pie diagram and charts in the appropriate places. The secondary data collected from books, journals, magazines and web portals.

Data Collection

The researches have created a number of questions to get the relevant and effective information. Since, the Respondents are educated persons it seems easy for the researches to collect data in the nature of questions. Whenever there is doubt with regard to any question. They are clearly explained to serve the purpose of the question.

LIMITATIONS OF THE STUDY

- ❖ This study for 50 questionnaires only.
- ❖ Due to Lack of time and money.
- ❖ The study covers' only life insurance.
- ❖ The study covered TamilNadu State Transport Corporation only.

TABLE – 1.1**PREMIUM WISE CLASSIFICATION OF THE RESPONDENTS**

S.No	Particulars	Frequency	Percentage
01.	Monthly once	10	27.03
02.	3 monthly once	8	21.62
03.	6 monthly once	13	35.17
04.	Yearly once	6	16.21
	Total	37	100

Source: Primary Data

The table shows period of premium paid. 27.03 Percentage of the Respondents are fall under monthly once, 21.62 Percentage of the Respondents are fall under 3 monthly once, 35.17 Percentage of the Respondents are fall under 6 monthly once and 16.21 of the Respondents are fall under yearly once.

Majority of 35.17 Percentage of the Respondents are fall under 6 monthly once

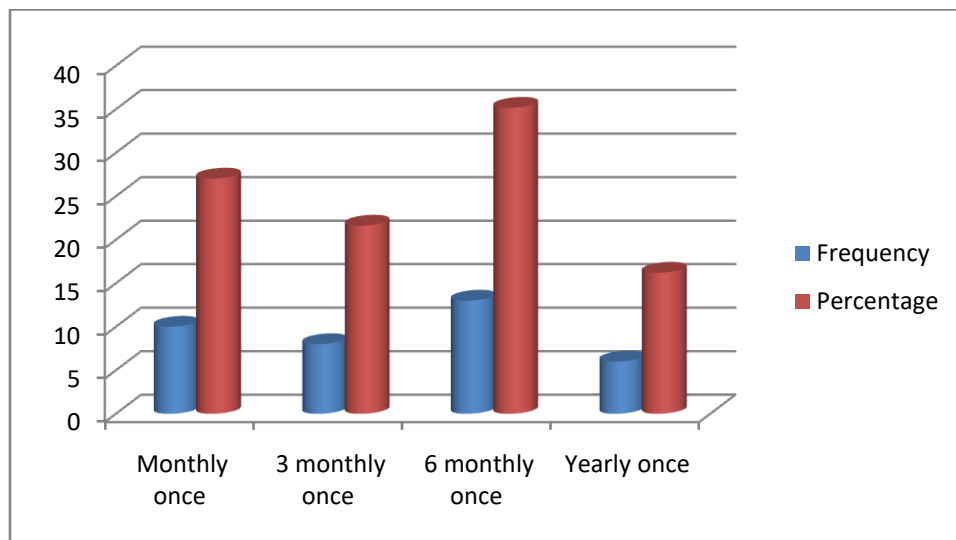
CHART NO 1-1**PREMIUM WISE CLASSIFICATION OF THE RESPONDENTS**

TABLE NO 1.2**POLICYHOLDER WISE CLASSIFICATION OF THE RESPONDENTS**

S.No	Particulars	Frequency	Percentage
01.	Policy holders	37	74.0
02.	Non-policy holders	13	26.0
	Total	50	100.0

Source: Primary Data

The above table shows 74 Percentage of the Respondents are having life insurance policy remaining 26 Percentage of the Respondents are can't have life insurance policy. Majority of 74 Percentage of the respondents were Policy holders.

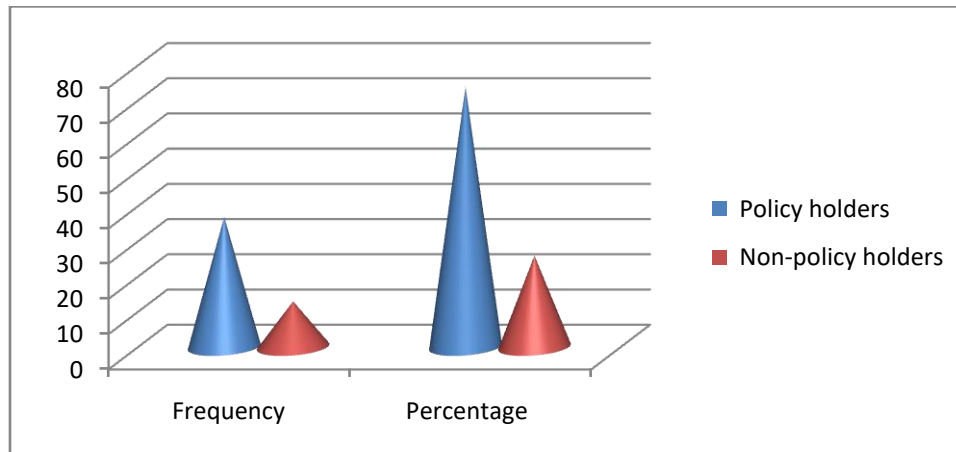
CHART NO – 1.2**POLICYHOLDER WISE CLASSIFICATION OF THE RESPONDENTS**

TABLE- 1.3**POLI****CY AMOUNT WISE CLASSIFICATION OF RESPONDENTS****Source: Primary Data**

The above table reveals how much of to be insured. 35.1% Percentage of Respondents are fall under Rs.25,000 – Rs.50,000, 45.9 Percentage of Respondents are fall under Rs.50,001 –Rs.1,00,000, 16.2 Percentage of Respondents are fall under Rs.1,00,001 – Rs.2,00,000, and 2.7 Percentage of Respondents are fall and of Respondents and fall under Rs.2, 00,000 –Rs.3, 00,000. Majority of 45.9 Percentage of the respondents were Policy among Rs.5,0001 to Rs. 1,00,000.

Majority of 45.9 Percentage of the respondents were Rs.50,001 to Rs.1,00,000.

TABLE- 1.3**POLICY AMOUNT WISE CLASSIFICATION OF RESPONDENTS**

S.No	Policy Amount	Frequency	Percentage
01.	25,000 to 50,000	13	35.1
02.	50001 to 100000	17	45.9
03.	100001 to 2 lakh	6	16.2
04.	2,00,000 to 3,00,000	1	2.7
	Total	37	100.0

SUGGESTIONS

The Insurance Companies should concentrate on product development, pricing mechanism and respect satisfaction from the customer especially in drivers. Insurance company considers IRDA regulation as challenges and it has to be converted into opportunities.

There is no any special policy to drivers. So, the insurance companies are offering an innovative products comparing with existing market, with the help of Insurance Regulatory authority. Simultaneously all the companies arrange the conditions of policies. The bus drivers, locomotive drivers' policy must be covered with low premium and high return policies.

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