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POLICY REFORMS IN LIFE INSURANCE SECTOR AND ITS GROWTH IN INDIA

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Insurance is a long-standing industry. Historical writings such as Dharmasastra, Arthasastra, and Manusmrithi mention it. After independence, the insurance industry increased at a quicker rate. Despite the increase that was experienced, insurance remained mostly an urban phenomenon despite the efforts of Indian corporations. Over 240 private life insurers and provident organisations were brought together by the Indian government in 1956, and the Life Insurance Corporation (LIC) was created. The rationale for nationalisation was that it would provide the finances necessary for fast industrialization. In the early 1990s, India implemented a programme of deregulation of the economy by removing the government's monopoly and allowing private and global firms to enter the market. It's most popular services for the private sector were telecommunications, health insurance, and electricity. Regulatory commissions were established by the government in order to safeguard the interests of consumers. The present paper aims to examine the policy reforms and growth of insurance sector in India besides it also deals with role of insurance in economic development.

INTRODUCTION

In the post-liberalization and globalization age, the financial service businesses have seen substantial changes. One of the most important sectors in India is the insurance industry. India's insurance industry has been flooded with private insurers since the country's recent liberalization. As a result, India's insurance industry will flourish, but it will face stiff competition from the rest of the world and particularly from Asian countries. The rivalry is becoming more intense as a result of the introduction of private players. There is a fierce competition between public and private enterprises to develop new products and features that will attract new clients. It has been a long time since the birth of the insurance sector in India. A social security and pension system; (ii) catastrophes ; (iii) risks; (v) healthcare systems; (vi) household financial savings; (viii) interest rates; (viii) rapid ageing of populations; (ix) the rate of population growth; and (xi) the levels of domestic savings. In India's insurance market, private supremacy has given way to government control, and now both private and public players coexist together. As soon as the insurance market was opened up to private and foreign companies, there has been a dramatic shift in its approach to product availability, agent training, and income generation. Economic intermediary, risk management tool, and social safety net with systemic remedies have all come to rely heavily on it. In spite of the fact that it has many advantages, its participation in GDP and insurance markets has remained small. Additional Foreign Direct Investment (FDI) was increased from 26% to 49% for the insurance business in December 2014 by the Indian Government. To maintain Indian partner control, the majority of directors must be appointed by Indians. It was permitted to open a branch for the purpose of reinsurance business. Insuring one's health should be considered a distinct subset of health care. Efforts to prevent malpractice and boost the health insurance industry are the goals of the new regulations. IRDA will establish the structure of the commission based on market conditions. To enhance penetration, an open architecture model should be designed. The insurance market in India is one of the fastest-growing in the world. As a result, existing insurers and joint venture partners in India will be able to raise their stake in the country's insurance sector as a result of the increase in FDI cap. As a bonus, newcomers hoping to break into the Indian market may find this opportunity appealing. With the adoption of worldwide best practices and improved standards comes more innovation. Customers will be happy as a result. With a growing middle class, low penetration levels, and macroeconomic considerations, Indian insurance is a powerful industry. Long-term outlooks for the insurance industry are positive. Foreign direct investment is expected to boost trust in the insurance industry's favourable operating environment and supportive regulatory or government efforts. This will have a major impact on the insurance industry's public and private sector actors. Foreign insurers were supposed to increase competition, but that hasn't happened due to the market's size essentially remaining the same. Private players are taking over the creamy portions of metros, which is why this is happening. Private and foreign competition remains subdued as LIC in life continues to dominate, and GIC and its subsidiaries continue to dominate in non-life. The Indian economy has been transformed by liberalisation, privatisation, and globalisation. The Indian economy is projected to undergo many more changes as a result of global rivalry, cooperation, and inventiveness. The opening of the market and insurance industry to private and foreign businesses has undoubtedly resulted in significant changes in the Indian insurance sector. Life and non-life insurance markets have been disrupted by LIC and GIC and their subsidiaries. The market share of these two government behemoths has decreased, although not as much as was projected.

POLICY REFORMS:

Insurance regulation is necessary for the protection of the industry and the safety of consumers. Insurers' financial viability and the stability of the insurance business as a whole are guaranteed by industry protection. Because of the information asymmetry, insurers may take advantage of the customer's disadvantage and overcharge or scam him (Doron, 2006). There are three main categories of insurance industry regulations: solvency, rate, and policy regulations. Licensing standards like minimum capital requirements, regulatory safety and good monitoring, and grantee funds to safeguard policyholders in the event of an insurance firm's failure are all included in the regulation of insurance (Abraham, 2005). Because policyholders lack knowledge and are in a poor bargaining position, the goal of rate control is to set reasonable rates (Macay and Miller, 1993). As stated by Doron (2006), the goal of policy regulation is to defend the interests of customers. Prior approval of insurance contracts, information regarding premium and other costs to be paid, future benefits, etc. are all included in the mandatory elements of this law. Most economies throughout the world were deregulated in the 1970s as a result of these changes. To achieve both improved outcomes and cost reductions, deregulation was implemented (Lane, 2000). India's New Economic Policy of 1991 (NEP) was introduced in response to the country's economic stagnation, huge fiscal deficit, stagflation, and unfavourable balance of payments (Mishra and Bhatt, 2002). Telecommunications and infrastructure were among the first areas to be liberalized and privatized when the requisite legislation was passed to provide regulatory agencies the authority to do so. A deregulated economy necessitates co-governance in which the state, the market, and the public sector all work together to deliver services for the public, a concept known as "co-governance." The existence of robust, autonomous, and technically competent organisations lessens the danger of monopolies abusing their market power in a successful regulation programme for public utilities. Before privatisation can begin, it is strongly recommended to establish an independent regulatory agency that protects the interests of customers in terms of pricing and service quality (Narain, 2005). It is in the shape of regulatory commissions like the Telecom Regulatory Authority of India, the Central Electricity Regulatory Commission, the Securities and Exchange Board of India, etc.

During the latter decade of the 20th century, India witnessed a shift in the corporate environment. New Industrial Policy was implemented in 1991, triggering a huge wave of globalisation in the country. Reforms were made to critical industries, such as banking and the financial sector. In order to improve customer service, coverage, and allocation of resources in the insurance business was well understood by policymakers. In order to meet the demands of a wide range of customers and shift the perception of insurance from a tax-exempt product to a tool for managing risks and boosting savings, more innovative solutions were needed. Since the industry should be open to competition, it was advised that insurance companies be allowed greater autonomy to improve their performance and allow them to operate as independent businesses motivated by profit. As a result, the insurance industry was liberalized in order to boost the economy and society's well-being. Indian insurance businesses are experimenting with new ideas and more cost-effective ways of doing business following the country's economic liberalization. The goal is to serve as many customers as possible while spending as little money as possible. However praiseworthy the work of nationalised insurance companies have been, opening up the insurance market to private actors was a need in light of the financial sector's deregulation. In the wake of the insurance industry's privatisation, the following new opportunities have arisen (Srichandan, 2013). Privatization of Insurance eliminated the monopolistic business of Life Insurance Corporation of India. It helps to introduce new range of products which covered wide range of risks:

i. It resulted in better customer services and help improve the variety and price of insurance products.

ii. The entry of new player has speed up the spread of both life and general insurance. It will increase the insurance penetration and measure of density.

iii. Entry of private players will ensure the mobilization of funds that can be utilized for the purpose of infrastructure development.

iv. The participation of commercial banks into insurance business helped to mobilization of funds from the rural areas because of the availability of vast branches of the banks.

v. Most important not the least tremendous employment opportunities were created in the field of insurance which is a burning problem of the presence day today issues.

Risk diversification is a key idea in insurance, and it is a cost-effective way to manage risk (Posner, 1998). After the Insurance Regulatory and Development Authority Act, 1999 was passed, the Insurance Regulatory and Development Authority of India (IRDAI) was established in December of same year as a follow-up. India's insurance market is regulated by IRDAI, which also aims to defend the interests of consumers. The Insurance Act 1938 and the IRDAI Act 1999 currently control the Indian insurance sector. In the 20th and 21st centuries, the history of insurance in India has seen significant changes. Once open to competition, it was later nationalized and then re-liberated in 1999. (Table 1).

Table 1: Major Milestones of Insurance industry in India

Year	Milestones of Insurance Industry
1912	First piece of insurance regulation promulgated—Indian Life Insurance Company Act, 1912.
1928	Promulgation of the Indian Insurance Companies Act.
1938	Insurance Act 1938 introduced the first comprehensive legislation to regulate insurance business in India.
1956	Nationalization of life insurance business in India.
1972	Nationalization of general insurance business in India.
1993	Setting up of the Malhotra Committee.
1994	Recommendations of Malhotra Committee released.
1996	Setting up of an (interim) Insurance Regulatory Authority (IRA).
1997	The government gives greater autonomy to LIC, General Insurance Corporation of India (GIC) and its subsidiaries with regard to the restructuring of boards and flexibility in investment norms aimed at channeling funds to the infrastructure sector.
1999	The Standing Committee headed by Murali Deora decides that foreign equity in private insurance should be limited to 26%. The IRA Act was renamed the Insurance Regulatory and Development Authority (IRDAI) Act.
1999	Cabinet clears IRDAI Act.
2000	President gives assent to the IRDAI Act
2015	FDI have been hiked to 49 percent in Insurance Sector

Sources: Dutta and Sengupta, (2011) and the Economic Times (2015).

With the exception of four part-time members who are selected by the central government, IRDAI is made up of a chairperson, five full-time members and four part-time members. It is essential that the board's members have expertise in a variety of fields related to insurance and actuarial science, including law, finance, and accounting, as well as a reputation for competence and moral character. The IRDAI is responsible for regulating and promoting the growth of insurance and reinsurance businesses; issuing, renewing, modifying, withdrawing, or cancelling certificates of registration; protecting the interests of policyholders; promoting efficiency in the conduct of insurance business; and adjudicating disputes between insurers and intermediaries, among other duties and functions.

GROWTH TRENDS

Table 2 shows India's GDP per capita and the country's insurance penetration. India's GDP and insurance penetration have fluctuated over the period from 2000 to 2013. In 2013, India's insurance market jumped from 15th place to 10th, making it the world's 10th-largest. While it's still a small sector, India's insurance industry only accounts for 2% of global yearly insurance sales in 2013, with a total market value of $66.4 billion. It is projected that India's life and non-life insurance business would continue to grow at double digit rates through 2021. India has the world's biggest number of people covered by active life insurance plans at 360 million. Life insurance is offered by 24 of the 52 insurance companies in India. With a target of $1 trillion annual notional values by 2021, the life insurance sector in the country is expected to develop at a double-digit compound annual growth rate through 2019. In 2009, insurance penetration was at its highest level, whereas in 2000, it was the lowest.

Table 2: GDP and Insurance Penetration in India

Year	Per Capita GDP($)	GDP Growth (Percentage)	Insurance Penetration (Percentage)
2000	564.21	5.8	2.32
2001	576.93	3.9	2.71
2002	596.60	4.6	3.26
2003	608.19	6.9	2.88
2004	647.11	7.6	3.17
2005	687.37	9.0	3.14
2006	740.12	9.5	4.80
2007	717.26	10.0	4.70
2008	863.46	6.9	4.60
2009	885.17	5.9	5.20
2010	947.75	10.1	5.10
2011	1034.24	7.9	4.10
2012	1085.23	4.5	3.95
2013	1106.80	4.9	4.70

Source: www.tradingeconomics.com

At the end of March 2014, there were 53 insurance companies operating in India, 24 of which were in the life insurance sector and 28 of which were in the non-life insurance sector; General Insurance Corporation (GIC) serves as the primary national reinsurer in the United States. More than half of the 53 businesses operating in India are in the public sector, including two specialist insurers, the ECGC and the AIC, as well as one in the life insurance industry, Life Insurance Corporation of India (LIC). The remaining forty-five insurance companies in India are privately owned and operated. In the early 2000s, India's insurance business was opened to private involvement and international investment following the financial sector reforms of the 1990s. Indian Parliament passed the Insurance Regulatory and Development Authority (IRDAI) Act 2000 to protect policyholders' interests while promoting and ensuring the orderly expansion of India's insurance business. ECGC was a specialist insurer at the time of the sector's opening up; four subsidiaries of the General Insurance Corporation of India offered general insurance or non-life products; and Life Insurance Corporation of India offered life insurance products. The insurance market has already seen 23 new private companies enter the life segment and 22 new private companies enter the non-life segment since the industry was opened up to the private sector (Table 3).

Table 3: Overview of Insurance Industry in India

Criteria	Insurance Industry
Regulators	Insurance Regulatory and Development Authority (IRDA)
Number	General insurance companies: 28 Life insurance companies: 24
FDI limit	49% (26% earlier)
Largest player	Life Insurance Corporation of India
Listing on Indian Stock Exchange	None of the insurance companies are listed on Indian stock exchange as of now
Relevant Acts	Insurance Act, 1938 Insurance Regulatory Development Authority Act, 1999

Source: Author's Compilation from various online sources

In the year 2000, there were just four general insurers in India. Today, there are 28 general insurers. One is for Agriculture Insurance, another for Export Credit Insurance, and five of them are devoted only to Health Insurance. Non-life insurance sales and service are handled by four public sector general insurers and 17 private sector general insurers. In 2003-04, there were 77,030 non-life industry employees, and in 2014-15, there were 1, 06,776. Agents and middlemen are available to assist in the sector. At the end of March 31, the number of agents stood at 5, 90,479. As of March 31, 2015, there were 10407 offices in the general insurance sector, up from 4573 in 2003-04. For the year 2014-15, the non-life insurance market in India had written a total premium of Rs 84684 crore. In 2014-15, there were 11.83 million insurance issued, compared to 4.77 million in 2003-04 (IRDA, 2015).

This period has seen the introduction of a wide range of insurance intermediaries such as third party administrators (TPAs), corporate agents (CAs), brokers (micro insurance agents), web aggregators, insurance repositories, etc. 24 life insurance companies, 28 non-life companies, and one reinsurance company operate in India, with a total of 53 insurance firms active as of the end of March 2014. Number of direct employees in the life insurance industry increased from 1.22.867 to 2.49.221 in the 2014-15 fiscal year Individual agents now number roughly two-and-a-half times as many as they did in 2000-01. Life insurance business has 503 corporate agents as of March 31, 2015. A total of Rs 3, 28,101 crore was earned by the Life Insurance Industry in 2014-15, which included both renewal and new premium. In 2014-15, there were 2.59 million new individual policies issued (IRDA, 2015).

The Indian insurance sector has successfully channeled savings into nation-building through infrastructure development, despite the lack of long-term asset liability management instruments in the Indian market. Those life insurers' infrastructure investments are expanding at a faster rate than India's GDP growth shows how important this sector is. Infrastructure projects are currently leveraging about one-eighth of the funds managed by life insurance companies (Table 4).

Table 4: Infrastructure Investment by Life Insurers

Year	Investment (Rs. Billions)
2008	913
2009	1137
2010	1397
2011	1538
2012	2209
2013	2462
2014	2603
2015	2913
CAGR	18.00

Source: Life Insurance Council, IRDA

In the year 2000, there were just four general insurers in India. Today, there are 28 general insurers. Five of them are devoted solely to Life insurance market structure is critical to comprehend. LIC has seen an 88% growth in new business premium income as a leading participant. Contrary to expectations, life insurance premiums rose by 66 percent in the first six months of the current fiscal year to Rs 62,361.34 crore from Rs 39,046.59 crore in the same time last year, despite the generally uncertain economic climate. During the first five months of 2010, life insurance providers saw an increase in new business premiums. As of June 30, 2010, LIC's investments from policyholders' funds totaled $867,935 million; the value of investments in equity shares has increased to 183,233 million from 717,002 million in June, 2009. India's public sector Life Insurance Corporation of India (LIC) saw a 72.53 percent increase in new premium collection in January 2009, compared to the same month last year, whereas the majority of private sector insurers saw a decrease in their new premium collection (Srichandan, 2013).

On March 31, 2015, the insurance sector has invested a total of Rs. '24, 08,236 Crore. It has increased by 14.83 percent during the course of the last 12 months. Investments made by life insurance continue to account for 93.33 percent of total investments in the industry. Public sector firms (78.48%) continue to make up the majority of total investments, while private sector insurers have been increasing their spending at a rapid rate in recent years. A life insurance company's investment options can be divided into traditional and ULIP funds, depending on the type of product. As of March 31, 2015, life insurers have invested Rs. 22, 47,522 crore in their portfolios. ULIP funds contributed Rs. 3, 62,740 crore (16.14 percent of total funds), whereas traditional products contributed Rs. 18, 84,782 crore (83.86 percent). A declining trend in ULIP's share over the past four years has resulted in a 0.80 percent drop in its share last year. The ULIP Fund has grown by Rs. 31,079 crore in the year under review. Investments made by non-life insurers' account for only 6.68 percent of the overall insurance industry investments. Investments in the industry were Rs. 1, 60,714 crore as of March 31, 2015. Over the course of 2014-15, investments increased by Rs. 20,905 crore (Table 5).

Table 5: Total Investments of Insurance Sector (Rs. crore)

INSURER	Life		Non-Life		Total	
	2014	2015	2014	2015	2014	2015
Public	1574296	1786312	93785	103561	1668081	1889873
	(12.21)	(13.37)	(12.12)	(10.42)	(12.21)	(13.30)
Private	383169	461210	46025	57153	429194	518363

	(12.07)	(20.37)	(16.97)	(24.18)	(12.58)	(20.78)
Total	1957466	2247522	139809	160714	2097275	2408236
	(12.18)	(14.82)	(13.67)	(14.95)	(12.28)	(14.83)

Source: IRDA, Various Annual Reports

Fast-paced, but not perfect, has been the insurance industry's path during the last 15 years. To gain market share during the liberalisation era, insurers pushed into overdrive to increase distribution and operations. Between 2002 and 2011, the life insurance industry's first year premium grew at an average rate of 23%, whereas the non-life sector's gross direct premium grew at a rate of 16% between 2002 and 2015 (Table 6). Regulators stepped in when the expanding scale took precedence over producing a high-quality business, and established checks at every level. This prompted insurers to reevaluate the feasibility of existing business models in light of the emergence of new products. As long-term value development became increasingly important to insurers, they were forced to implement a variety of remedial actions. Following the implementation of these strategies, the client was elevated to the centre of attention, and the emphasis shifted to building customer loyalty. A CAGR of 30 percent saw the first year premium for life insurers' rise from Rs. 262 billion in 2005 to Rs. 1,264 billion in 2011, due to increased knowledge of life insurance, favourable demographics, buoyant equity markets, quick distribution expansion, and the debut of innovative products.

Table 6: Evolution of India's Life Insurance Industry

Year	Penetration (Rs. Billion)	Penetration Gross Premium/GDP	Share of Private Players
2002	199	2.2	1.0
2003	169	2.6	6.0
2004	198	2.3	12.0
2005	262	2.5	21.0
2006	388	2.5	26.0
2007	756	4.1	26.0
2008	937	4.0	36.0
2009	873	4.0	39.0
2010	1099	4.6	35.0
2011	1264	4.4	31.0
2012	1140	3.4	28.0
2013	1076	3.2	29.0
2014	1202	3.1	25.0
2015	1131	2.6	31.0

Source: Life Insurance Council, IRDA

There are 52 insurance companies in India, 24 of which specialize in life insurance and 28 in non-life insurance. Life Insurance Corporation is the only life insurance firm that is owned by the government. In addition, there are six public sector insurers among the non-life insurers. Besides this, there is just one national re-insurer, the General Insurance Corporation of India (GIC). Individual and corporate insurance agents, brokers, surveyors and third-party administrators are also involved in the Indian insurance sector. Health, Personal Accident, and Travel plans are underwritten by five private sector insurers out of 28 non-life insurance companies. Apollo Munich Health Insurance Company Ltd is among them, as well as Max Bupa Health Insurance Company Ltd; Religare Health Insurance Company Ltd; and Cigna TTK Health Insurance Company

Limited. Export Credit Guarantee Corporation of India, for Credit, Insurance, and Agriculture Insurance Company Ltd, for Crop Insurance penetration in India, are two additional specialized public sector insurers. In 2012-13, insurance premiums in India accounted for 3.96 percent of GDP. In 2012-13, India's insurance density was $ 53.2 per person per year. The following table provides an overview of the Indian insurance industry's performance (Table 7).

Table 7: Life Insurance Business Performance

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

Source: Annual Report, IRDA

There are 52 insurance companies in India, 24 of which specialize in life insurance and 28 in non-life insurance. By the end of 2012, the Indian insurance business has dropped four spots in the global insurance rankings from 11th to 15th. As a result, the life insurance industry has experienced a steep decrease. In contrast, the non-life insurance industry grew by 23%. To name just a few of the concerns that are predicted to affect the sector, regulatory requirements are making the industry more customer-focused. Currently, the non-life insurance business in India is growing at a rate of 18 percent each year. The regulator has abolished the motor pool effective April 1, 2012, and the motor liability premium has risen by up to 40% in the second half of the year as a result (Table 8).

Table 8: Growth of Non-Life Insurance Industry

Year	Gross Direct Premium (Rs. Billion)	Penetration Gross Premium in GDP	Share of Private Players
2002	127	0.56	4.0
2003	152	0.67	9.0
2004	174	0.62	13.0
2005	195	0.64	18.0
2006	225	0.61	24.0
2007	271	0.60	32.0
2008	305	0.60	37.0
2009	336	0.60	38.0
2010	392	0.60	38.0
2011	382	0.70	39.0
2012	498	0.70	40.0
2013	712	0.78	42.0
2014	775	0.80	44.0
2015	847	0.70	45.0

Source: Life Insurance Council, IRDA

CONCLUSION

Insurance in India is experiencing a fundamental transformation. External factors such as changes in legislative framework, new products and distribution channels as well as new approaches to underwriting and claims processing as well as increased reliance on cutting-edge technology have a substantial impact. It is becoming increasingly vital to acquire insurance businesses in India, as well as globally, as a result of insurance liberalisation. In the insurance industry, privatisation has brought about a wide range of dynamic and varied changes. Small and medium-sized urban centres and a good number of villages must be tapped by private insurers in order to increase their insurance market. The Indian insurance market has undergone a dramatic shift as a result of insurance liberalisation and reforms. As a result, life insurance businesses now have more freedom to operate independently and pursue their own economic and financial goals. As a result, the economy as a whole has been on a steady path toward growth and stability. It plays a vital role in bolstering the economy's rapid expansion. New and more efficient distribution channels, efficient customer service and a pro-active regulatory framework may be expected from the insurance industry in the post-liberalization age. This has proved that India, following China, has a lot of room for growth in the market. Indians have shown a great deal of interest and understanding in the newly open insurance market. The insurance industry is expanding its pool of potential employees, which is helping to keep people out of the unemployment line. At the moment, insurance is a far more complicated and tough company to operate. There has been an increase in the occurrence of risks and their consequences as a result of Government policies that promote globalisation, liberalisation, and privatisation. The rules of the insurance industry have been totally rewritten since the introduction of private insurers during insurance liberalisation. The Insurance Regulator, i.e., the IRDA, is responsible for all aspects of insurance regulation. After ten years of great results, insurance liberalisation is seen as the beginning of a new age with numerous goals to achieve.

Investments are crucial for economic growth. Savings are used to make investments. People's savings, particularly those of the middle and lower classes, are mobilised by life insurance companies. Small premiums paid by people add up to big sums of money for life insurance firms. With this money, the countries with which they do business can make significant strides toward economic progress. Individuals and their families, as well as businesses and the society, gain directly and indirectly from the insurance system's many advantages. Banks and other financial institutions no longer lend money to industrial and commercial enterprises without first requiring collateral in the form of insurance as security for the loans. In 2013, India's insurance market jumped from 15th place to 10th, making it the world's 10th-largest. In 2013, the Indian insurance market had a total market value of US$66.4 billion, which is relatively minor compared to the world's largest economies. It is projected that India's life and non-life insurance business would continue to grow at double digit rates through 2021. The world's highest number of life insurance policies is held by India's economy. Life insurance is offered by 24 of the 52 insurance companies in India. With a target of US$1 trillion in annual notional values by 2021, the life insurance sector in the country is expected to grow at double-digit yearly rates through 2019. Export Credit Guarantee Corporation and Agriculture Insurance Company, two specialised insurers, provide credit and crop insurance, respectively, as part of a larger package. For the first time, AIC is providing commercial crop insurance coverage through the National Agriculture Insurance Company (NAIS). Many new products have been introduced, including weather insurance and crop-related insurance. Competition in the insurance market has been sparked by the emergence of private sector enterprises owned and operated by Indian and foreign business organisations. Both the industry and the general public have benefited from globalisation. In the future, insurance clients may find their lives easier and more enjoyable as a result of more competition. Customers can take advantage of a comprehensive range of insurance products, competent advice, and customer-focused service. Many times a year, it is also emphasised how critical it is to stay in touch with the requirements and expectations of your customers. As a result of the increased rivalry among insurance companies, the market for insurance has grown. All insurers have seen an increase in efficiency as a result of this.

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