PREFACE

Micro insurance is a fast developing field with great potential to help the world’s poor to cope the risk of large losses. Micro insurance is intended to safeguard the working poor, mainly those working in the informal sector. Normally poverty alleviation efforts emphasis on increasing income, building assets and generating jobs which are significant goals. But these efforts must be well-adjusted with a corresponding intervention on the protective side. Even people who are breaking out of poverty can be left poor by the monetary weight of serious health complications. Simple climate can wipe out a family’s crop and leave them with nothing to eat till the next yield. The death of a wage earner can force children out of school and into the labour market. Micro insurance has the potential to help low-income families manage with these and other dangers at the cost of reasonable premium.

The international micro insurance market has a potential of covering up to 4 billion persons through market-based risk transfer solutions and public-private partnerships. This translates into a potential premium capacity of up to US$40 billion. Micro insurance suggested a feasible alternative for low-income people to deal their risks. Simultaneously, it is gradually more being look at as a massive untapped growth segment for the insurance sector. Insurers aiming micro insurance are not only serving present unmet risk protection needs, but also are generating a strong product value, constructing a large customer base and supporting the financial and insurance development of evolving markets.

A projected 60% of micro insurance customers globally are in India. In 2010, 163 million low-income Indians had life, agriculture or livestock insurance, and millions more were covered by government-subsidized mass health schemes. India’s
exponential development in micro insurance is mainly facilitated by the Government’s carrot-and-stick method of supports and regulations.

In the study various life and non-life insurance companies of public and private sector in reference to micro insurance have been studied. The death of a household member is always an emotional experience. If that household member is also only wage earner, the whole family may fall into poverty as a result. Micro Life insurance that is tailor-made to the requirements of low-income people cannot take away families’ grief, but it can help those overwhelmed economic crises in hard times. In the micro life insurance LIC is the market leader who is providing micro insurance to the poor people most and also performing better than private insurance companies.

In this study, chapter 1 gives an introduction about insurance. It provides the history of world insurance from 3rd million BC to 2008 & Indian insurance from 1818 to 2002. The chapter ends with the discussion and analysis of micro insurance business growths of public and private insurance companies during the study period.

Chapter 2 explains the layout of the study and research methodology followed. It highlights the review of earlier studies, objectives, hypotheses, scope, methodology, research gaps and limitations in context to the research work carried out.

In chapter 3, the researcher discussed profile and policies of selected insurance companies taken into consideration. This chapter also deals with the growth in term of percentage of financial performance of life, health and crop micro insurance on the basis of policies issued, lives covered, and premium collected from 2007-08 to 2011-12.
Chapter 4 gives the profile of respondent units and results of survey. It highlights the test of hypotheses and also highlights the problems according to a survey faced by the insurance companies in Agra district.

The Chapter 5 comprises findings of the study divided into two sections i.e., (I) finding from analysis drawn from annual reports of the companies during the study period and (II) findings related to survey from insured persons and insurance companies.

Chapter 6 concludes the study and suggest the road map for the improvement of micro insurance also suggested micro insurance delivery models for life, health and crop micro insurance.

No research is complete in itself. It opens up the new area for further research. Presently, micro insurance industry has develop dramatically to provide protection around half a billion people with an increasingly wide variety of products. Micro insurance has been progressively taken up by mainstream insurers, with 33 of the world’s 50 largest insurance companies offering micro insurance in 2011, up from just seven in 2005. Gradually, governments understanding micro insurance as a significant instrument to attain policy goals.