CHAPTER I

INTRODUCTORY

“While nothing is more uncertain than a single life, nothing is more certain than the average duration of a thousand lives.”

Elizur Wright
A. GENERAL

Life insurance is a simple answer to a very difficult question: How will my family manage financially when I die? It is a subject no one really wants to think about. But, if someone depends upon you financially, it is one you cannot avoid.¹

We all know that birth and death are the only definite and certain events of our life, whereas all other intervening events are uncertain and for that reason, in our worldly life, uncertainty is the only certainty. In simple words, human life has many probable uncertainties and risks such as untimely death, disability, fatal illness, as well as a very long life. In this regard, the famous economist Frank H. Knight has rightly observed that “Risk is uncertainty and uncertainty is one of the fundamental facts of life”.²

Insurance is an answer to all these risks and is invariably the best and the most powerful tool of risk management. Insurance is bought to protect one against the risk of calamity that would otherwise be financially devastating. But, it neither reduces the risk nor does it alter the probability of event rather it simply reduces the possible financial loss connected with the event by spreading it over a large number of people, thereby, minimizing individual risk and its impact.³

This protection and security is available at the cost of payments known as premium made under a contract of insurance which may be defined as “a contract whereby one person, called the insurer, undertakes in return of an agreed consideration called premium, to pay to another person called insured, a sum of money or its equivalent on happening of a specified event”.⁴

Now days, apart from its primary function of managing risk and providing protection and security, insurance also aids in economic development of the country in a big way

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through investment of funds. Such investment goes a long way in industrial development and expansion of trade and commerce. Thus, insurance also plays a significant role in shaping the economy of a nation.

The major types of insurance are:

- Marine Insurance
- Fire Insurance
- Life Insurance

Although in modern times, various new forms of insurance have also cropped up, but undoubtedly, the most popular form of insurance is life insurance. In case of life insurance, the subject matter of insurance is life of a person and the event insured is death of the insured. So, unlike other forms of insurance, it has an emotional aspect that makes it more prominent than others.

Life insurance is the greatest blessing that modern times have bestowed upon mankind. It enables men to overleap the barrier of death; to overcome the grim fear i.e., loved ones may someday become dependents upon the charity of others; it enables him to project himself into the future and in a real sense, even if he dies, to live again. The immortality that comes to a man who has insured his life for protection of his widow and children is an evidence of a mental and spiritual development that ought to make men rank high in the future world.\(^5\)

It is pertinent to mention here that like other assets and properties, human life too is an asset which offers a steady income. As long as the head of the family is earning regularly, his family members and dependents are living happily. If, the head of the family dies suddenly because of some illness or accident, something more than a human life is lost – his income. After his death, all his near and dear ones find themselves in all sort of problems, but, if he is protected with life insurance, then they get at least some economic security in

form of insurance amount. Therefore, the foundation of life insurance is the recognition of the value of a human life and the possibility of indemnification for the loss of that value.

The institutions furnishing this great service to the masses are encouraging thrift, removing anxiety, destroying fear of future, creating self respect and bringing about cooperation for common good of community that has never seen its precedent in any time in the history of world. Accordingly, the masses also repose immense faith in insurance companies by purchasing life insurance policies from their hard earned money in the hope that they will act as a savior of their family in case of any mishap. So, the insurance companies must while handling this immense trust keep in mind the interest of policyholder.

But, industrial revolution, competition and profit motives of business have crippled the barriers of right and wrong. Moreover, the emergence of powerful business corporations in the global market has also reduced the power of individual customers pushing them to accept whatever is being offered by the corporations, leading to many scandals, unfair trade practices and moral failures. Not only that, the insurance contracts are designed and drafted by the insurer, so that they have supremacy over the purchase of insurance products and services. As there is no alternative to insurance services, the consumer is bound to purchase the service and in the process, conflicting nature of interest may develop and land them in dispute, which may extend to litigations. The real picture of suffering is known only at the time of claims, as many problems of claim settlement are faced by policyholders in spite of having various provisions in law and regulations to protect their interests.

In this competitive era, the speed, kindness, and fairness with which an insurer handles the claim show the maturity of the company and are yardsticks to judge the efficiency and reliability of the insurance company. But, surprisingly, the insurance companies adopt intelligent means to refuse claim or drastically reduce the claim amount. On happening of the risk, the consumer want the claims to be paid but the insurance companies

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7 http://www.jstor.org/stable/1011001. Accessed on12/7/12 at 10:00 A.M.
have a tendency to avoid claims on small and petty technical parameters and in this process the policy holders or their nominees are completely disheartened and disgruntled by the totally changed behaviour of the insurers and in this way the purpose of life insurance is totally defeated.

The insurance companies must realize that the policyholder is the focal point of insurance business, and delivering a consistent high quality customer service, is the only way to survive in this market based economy where globalization, liberalization and privatization have become the major intervening forces.

So, now, at this crossroad a high degree of priority should be placed on the interests of policyholder, who place their trust in life insurance companies to use their investment funds wisely and effectively. Therefore, it becomes important to analyze and review the law of life insurance in India in light of the legislative policies and judicial response towards the problems and issues of this most vibrant sector of our economy.

B. STATEMENT OF THE PROBLEM

The Indian Life Insurance market has undergone tremendous structural changes since its inception. Insurance in India started without any regulation in the nineteenth century. At that time, it was a typical story of a colonial epoch: few British insurance companies dominating the market serving mostly large urban centers. After independence, it took a theatrical turn and life insurance business was nationalized in 1956 by Life Insurance Corporation Act. Life Insurance Corporation of India (LIC) was born by merging 245 Indian and foreign companies. During 1956-1999, Indian Life Insurance Market was completely dominated by LIC of India. It played a pivotal role in national reconstruction and economic planning and was able to create trust even among the ordinary and illiterate people. It was only in 1999 that the private insurance companies were allowed back into the business of insurance with a maximum foreign holding of 26%. It will be interesting to see the impact of government decision to raise the limit of FDI up to 49% in the Insurance Sector.

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9 http://Ezine Articles. Com/ Expert= Sowmya Suman. Accessed on 24/12/12 at 7:30P.M.
Although, in every phase, Indian life insurance industry strengthened itself in terms of reach, concern about consumers and management strategy. But, the most dynamic phase of possible growth has begun with the deregulation and liberalization of insurance sector. Undoubtedly, these changes have opened up unfounded opportunities for the life insurance industry and at the same time has led to emergence of various new problems and challenges.

Today, the Indian Life Insurance Market is experiencing unprecedented transition in terms of intra and inter-institutional competition, product proliferation, changing consumer preference and activism. Surviving in this era of intense competition depends largely upon market-related management practices, efficient regulatory mechanism and proper governance system to protect and enhance the interest of all stakeholders.

The present study revolves around the Life Insurance Sector of Indian economy. It highlights the growth and development of life insurance in India and various concepts related to life insurance. It also attempts to throw light on the claim settlement procedure, dispute resolution mechanism and the regulatory framework of life insurance in India.

Further, as the market is new with numerous players and tremendous freedom of operation, only regulatory control is not enough to provide required transparency and efficiency, rather it requires more structural and systematic improvements in the governance of life insurance. Therefore, the present study explores the efficiency and effectiveness of Self Regulatory Organization, Corporate Governance, CSR (Corporate Social Responsibility) and Solvency Margins in the Life Insurance Sector.

The study also extends to analyze the working of the LIC of India and the IRDA. This study will also examine the challenges faced by and opportunities available to life insurance companies in the post liberalization era and legislative policy and judicial response towards this changed scenario.
C. **RESEARCH HYPOTHESIS**

A problem cannot be scientifically solved unless it is reduced to hypothesis form. Hypothesis is a clear statement of what is intended to be investigated. It is a powerful tool of advancement of knowledge, consistent with existing knowledge and conductive to further enquiry.\(^{11}\) It should be specified before research is conducted and openly stated in the results. This allows us to:

- Identify the research objectives.
- Identify the key abstract concepts involved in the research.
- Identify its relationship to both the problem statement and the literature review.

A hypothesis can be defined as a tentative explanation of a research problem; a possible outcome of the research or an educated guess about the research outcome.

The research hypotheses of the present work are as under:

1. The present insurance regulatory regime is not conducive for the future growth of insurance industry.
2. The policyholders are not happy with the Grievance Redressal Mechanism of the Indian Life Insurance Industry
3. The claim settlement efficiency critically affects the future prospects of a life insurance company.
4. The provisions for protection of interest of policyholder are inadequate.
5. The concept of good governance is in a evolutionary stage in India.

D. **OBJECTIVES OF THE STUDY**

In an emerging economy like India, which is characterized by the reduced role of state and declining state supported social security, the importance of life insurance has increased significantly not only as a risk manager but also as a retirement security, annuity provider and

profitable investment. Therefore, a reassessment of the working of regulatory framework of life insurance in the context of changing market structure and economic environment is required for effective management and expansion of life insurance business in India.

It is said that identifying a problem is what gives us power and energy to solve them because seeds of solution are inherent in every problem. This statement signifies the need of defining the objectives of research.

The main objectives of the present study are as under:-

1. To trace the growth and development of life insurance in India.
2. To throw light on the concept and scope of life insurance in India.
3. To study various kinds of life insurance products.
4. To analyze advantages of life insurance.
5. To study comprehensively the contract of life insurance i.e. its formation, performance, conditions and discharge.
6. To discuss the concept of insurable interest and its importance in context of life insurance.
7. To examine the claim settlement procedure and various types of claims.
8. To analyze the liability of insurer and defenses taken by them to escape liability.
9. To evaluate the role of regulatory framework of life insurance and dispute resolution mechanism.
10. To examine the provisions made for protection of interest of policy holders and insurers and balancing the competitive interests.
11. To point out the emerging problems and analyze the possibilities of encouraging self regulation and reducing the role of government in day to day working.
12. To study the grievance redressal mechanism and governance issues in the Life Insurance Industry.
13. To highlight the opportunities of expansion of the Life Insurance Industry and challenges before the Industry and suggest remedial measures.
14. To understand the concept and scope of CSR vis-à-vis the Life Insurance Sector in the changing scenario.

15. To analyze the significance of solvency margins in the Life Insurance Market.

Further, an attempt is also made to find out ways and means to enhance awareness and knowledge about the existing framework of the Life Insurance Industry in India and to provide valuable suggestions for better regulation of the sector in the interest of all.

E. REVIEW OF THE EXISTING LITERATURE

Review of related literature aims to acquire clear understanding of the basic body of knowledge consisting of issues, facts, principles, theories, etc., in the problem area. After discussing the existing laws on life insurance in India an attempt has been made to explore theoretical and practical literature and research studies on the subject to form the foundations upon which this research work is built and also to show the rationale of this study. It is pertinent to mention that no socio-legal research work can be written without consulting latest books, articles, bare provisions, and internet sources for related studies. The review of the existing literature not only helps avoid repetition but also provides clarity of concept and better understanding of different aspects of the subject.

Most of books available on life insurance in India are basically a kind of historical account which focuses on life insurance as an insurance entity rather than a people centric business. Therefore, a need was felt to study life insurance industry in India in the backdrop of ongoing consumer movement at global level where service quality has become the buzz word.

1. Books

a. R. Haridas in his book “Life Insurance in India” has made an attempt to trace the origin and history of life insurance in India. Further, the book contains a critical account of the post reform period and opening up of insurance sector for private players. This book basically deals with life insurance business in India,
focusing on recent reforms in this sector. It also provides a list of life insurers in India along with their date of registration.\textsuperscript{12}

b. M.J. Mathew in his book “\textit{Insurance Principles and Practice}” has discussed the need and importance of underwriting in life insurance and throws light on the role of reinsurance as a device to transfer risk.\textsuperscript{13} In his another book “\textit{Risk Management and Insurance}” he examine the need of risk management in life insurance.\textsuperscript{14}

c. Kshitij Patukale in his book “\textit{Insurance for Everyone}”\textsuperscript{15} has systematically explained why everyone needs insurance and enumerated various kinds of life insurance products and life insurance claims. The uniqueness of this book lies in its ability to communicate to the common man, thereby helping him to buy any type of insurance.

d. B.L. Saini in his book “\textit{Life Insurance: Modern Trends & Techniques}”\textsuperscript{16} explained each and every aspect of life insurance. The present book throws light on the purpose of selection of risk and circumstances affecting insurable risk. Apart from this, the application of computer in life insurance is also discussed in a lucid way.

e. John Birds in his book “\textit{Modern Insurance Law}”\textsuperscript{17} provides an analysis of the increasingly complex legal rules affecting contracts of insurance. The author aims to offer a concise explanation of the fundamental principles of insurance law in a straightforward and accessible manner. He has also dealt with the emerging problems in life insurance industry and called for need for reform for protection of policyholder.

\textsuperscript{12} R. Haridas, “\textit{Life Insurance in India}”, (2011), New Century Publications, New Delhi.
\textsuperscript{13} M.J. Mathew, “\textit{Insurance: Principles and Practice}”, (2005), RBSA Publishers, Jaipur.
\textsuperscript{14} M.J. Mathew, “\textit{Risk Management and Insurance}”, (2010), RBSA Publishers, Jaipur.
\textsuperscript{15} Kshitij Patukale, “\textit{Insurance for Everyone}”, (2009), Macmillan India Ltd., New Delhi.
f. H.Sadhak in his book “Life Insurance in India”\textsuperscript{18} succinctly examines the context of liberalization, subsequent reforms, changing product market relationship and other emerging and crucial issues. Today, governance in life insurance is a very important and focused area; the book at length deals with various methods of supervision, issues in ethical business practices, corporate governance, corporate social responsibility etc. This book also provides an insight about the various challenges before the Indian Life Insurance Industry and various emerging opportunities.

g. Ch. Bhanu Kiran & M. Mutyalu Naidu in his book “Life Insurance Marketing”\textsuperscript{19} discussed the basic structure of insurance industry and growth and development of insurance in India. It gives an account of various legislations passed for regulation of life insurance sector since 1912 in an accurate chronological order.

h. Abhishek Gupta in his book “Insurance: A General Textbook”\textsuperscript{20} while giving an overview of concept of insurance also throws light on pre-requisites of claim and procedure for reporting and filing claim various claims. He has also discussed the principles of indemnity and subrogation in context of liability of life insurers.

i. Harish M. Chandarana in “Insurance: Principles and Performance”\textsuperscript{21} analyses the important aspects of insurance business, more particularly the claim settlement process as a touchstone to determine the efficiency of a life insurance company. Apart from this, the book also endeavours to provide an account of history of insurance, development of life insurance industry in India and organizational setup and investment pattern of LIC.

2. Articles

a. Fulbag Singh and Sonia Chawla in their article, “Life Insurance
b. **Regulatory Framework in India: Development, Issues and Concerns** review the major developments in Indian insurance industry, issues and concerns with regard to the regulatory framework in India. This paper further examines the role of regulatory framework in providing protection to policyholder and maintaining confidence of stakeholders in the Life Insurance Industry. It also highlights the findings of the K.P.N. Committee and suggests certain steps to make the industry more vibrant and competitive for all.22

c. Madabhushi Sridhar in his article “**Transactional Life Insurance, an Emerging Category: An Interesting Interface between Insurable Interest, Life and Death**” explains the various dimensions of insurable interest vis-à-vis relationship of insured with the beneficiaries. The lack of insurable interest may result in moral hazard and unjust enrichment. The important cases referred in the article help us to understand the importance of insurable interest in the life insurance contract and issues relating to payment of claims.23

d. A.V. Narsimha Rao in his article, “**Insurance Regulatory Regime and the Insurer**” bring to light various statutory provisions i.e. Law of Contract, Company Law, Insurance Act,1938, IRDA Act etc regulating the insurer. He has also examined various regulations and guidelines issued by IRDA.24

e. Shivnand H Lentgi in his article “**Insurance Disputes in India**” discusses the grievance settlement mechanisms established under IRDA and insurance legislation and regulation in force for effective and efficient settlement. It also deals with the applicability of the consumer councils in the settlement of disputes

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between the parties. It stresses on the need to strengthen the institution of ombudsman to give consumers an easy access to justice.  

**f.** Madabhushi Sridhar in his article, “The Second Phase of Reforms in Insurance Sector: Conflicts and Controversies” critically studies the situation of insurance industry prior to the proposed amendments based upon KPN Committee including the controversy about raising foreign direct investment (FDI) cap. This article highlights the need of reforms in the Indian Insurance Industry and examines the recommendations made in this regard by law commission in its 190 Report.  

**g.** Peter Nash Swisher, “The Insurable Interest Requirement for Life Insurance: A Critical Reassessment” elucidates the importance of insurable interest in life insurance. The purpose of this article is to critically reassess the “insurable interest” requirement in life insurance claim disputes especially in the light of contemporary needs. The author has also made a number of recommendations which are having a direct bearing upon present-day insurance law and practice, and further advocate for a number of long-needed changes in business related life insurance, including the requirement that an insurable interest in another’s life must be present both at the time of inception of the policy as well as at the time of his or her death.  

**h.** A.V. Narsimha Rao in his article “Trading in Life Insurance Policies: Legal Implications” has discussed the legal and operational consequences of assignment of policies in favour of a third party. These assignments are generally opposed on the plea that they may end up in moral hazards and the parties may be induced to adopt unlawful methods to gain the policies. The Law Commission of India has recommended a number of changes in the provisions of Section 38 of the Insurance Act, to regulate the assignments whereas the KPN Committee has

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suggested that Insurance Regulatory and Development Authority (IRDA) should be authorized to regulate these transactions.28

3. Miscellaneous

a. Law Commission Report

The Law Commission in its 190th Report while recognizing the importance of this sector has narrated that it has enough potential to develop with a direct impact on Indian economy. It has also mentioned about the regulatory legal regime and its background. The announcement of the new industrial policy in 1991 led to transition of the insurance sector from a regularized to a liberalized and deregulated regime leading to privatization of insurance sector. The report further states, “Therefore, the regulation of insurance required a paradigm shift from just a supervisory and monitoring role to a developmental role so that the insurance business promoted economic growth. The law commission report also throw light on the findings of the Malhotra Committee on Life Insurance which ultimately resulted in the setting up of the present regulatory regime. The commission is of the view that the Insurance Act, 1938 requires review and revision. But, the revision of the Act has to be carried out in such a manner that it should not only promote insurance business but also protect the interests of policyholders and strengthen the IRDA to ensure financial stability in this sector.29

b. Websites

A number of standard websites such as Life Insurance Corporation of India, Insurance Regulatory and Development Authority, Law Commission of India, etc. were visited and consulted for latest information on various issues; a detailed list of all these websites is given in the internet reference section of the bibliography.

c. **Newspapers**

Some national dailies like The Hindu, The Financial Express, The Economic Times, The Hindustan Times etc. were also overviewed on day to day basis for latest news regarding life insurance in India. A list of these dailies is also given in the newspaper section of the bibliography.

d. **Magazines**

The legal magazines like The Insurance Times, Life Insurance Today, Banking Finance were consulted for updated information on insurance scenario. A list of such magazines is provided in the magazine section of the Bibliography.

F. **RESEARCH METHODOLOGY**

‘Research’ is a careful study of a subject, especially in order to discover new facts or information about it. Through research men have explored the unexplored for making human life more comfortable and purposeful. Thus, the urge to re-examine and re-evaluate the world around may rightly be called research.

As an academic activity research has been defined as “a studious inquiry or examination; especially critical and exhaustive investigation or experiment having for its aim the discovery of new facts, and their correct interpretations, theories or laws in the light of newly discovered facts, or practical applications of new or revised conclusions, theories, or laws”. 30

Methodology on the other is logic of scientific investigation. Methodology means description, explanation, and justification of methods and not the methods themselves. It is a plan and procedure for carrying out research. It refers to research techniques and strategies...

for obtaining valid information. In the social sciences, the term applies as to how one conducts research.

Bogdan and Taylor stated that the term ‘methodology’ in a broad sense refers to techniques, the processes, principles, procedures and frames of reference by which one approaches the problems and seeks answers. It is the essence of scientific investigation. In the social sciences, the term applies as to how one conducts research. Kothari observed that methodology in practice lays down the procedures or steps that are generally adopted by a researcher in studying his research problems. These procedures are justified by means of philosophical arguments and methods of scientific observations. Goode and Hatt stated that scientific method is the gateway to explore the truth by way of systematic verifiability, generality, predictability and objectivity.

This study has been designed keeping in view the objectives, scope as well as research questions of the study. The methodology of research differs according to the subject and problem under study. This study is doctrinal in nature.

Doctrinal or library based research is the most common methodology employed by those undertaking research in law. This is so because, legal rules take the quality of being doctrinal since they are meant to be the rules that apply consistently and which evolve organically and slowly. It follows that doctrinal research is a research into the law and legal concepts. This method has dominant influence in the 19th and 20th century on the views of legal scholars and jurists and it still tends to dominate legal research designs.

The term ‘doctrine’ includes legal concepts and principles of all types- cases, statutes and rules. It can be defined as a synthesis of rules, principles, norms, interpretive guidelines

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34 http://Eprints.qut.edu.au/54819/. Accessed on 12/12/12 at 6:30 P.M.
and values. It explains and justifies through systematic coherence, a segment of law as part of a larger system of law. Doctrines can be abstract, binding and non-binding.\textsuperscript{35}

Doctrinal Legal Research, as conceived in the legal research domain, is research ‘about’ the prevailing state of legal doctrine, legal rule, or legal principle. A scholar undertaking doctrinal legal research, therefore, takes one or more legal propositions, principles, rules or doctrines as a starting point to focus his study on the theme. It provides for systematic exposition of the rules governing a particular legal category, analyze the relationship between rules, explain areas of difficulty and, perhaps, predict future developments.\textsuperscript{36}

The key steps in this library based research are often infused. These steps include analyzing and unpacking the legal issues in order to identify the issues which need further research. This stage involves a significant amount of background reading of the areas being studied. Background reading often includes sources such as dictionaries for definition of terms, encyclopedias for a summary of the legalized principles accompanied by footnotes of different sources including major textbooks, journal and treatises on the subject.

Secondly, having started with the problem, the researcher must determine the relevant rule or rules of law applicable to the identified issues of the proposed study. This stage involves analysis of primary sources like statutes, delegated legislations, case law, treaties, and secondary sources like books, journals, articles, newspaper reports etc.

Thirdly, the researcher must analyze the facts found in the terms of law. It is the most complex step that requires the issues sought to be investigated to be synthesized in the context of the applicable rules. Lastly, having conducted the systematic analysis, the


\textsuperscript{36} \url{http://lawteacher.ac.uk/docs/hitchinson_and_duncan.ppt}. Accessed on 16/12/12 at 3:00 P.M.
researcher must, then, come to probable conclusions and findings which are based on the facts established and the laws considered in the course of study.\textsuperscript{37}

Doctrinal Legal Research has a number of advantages to its credit. It is a systematic, logical and reliable study and helps in theory building. Since, it involves deep study of law and legal principles; it helps in development and improvement of law also. In this context, evolution and development of law of torts and administrative law stand as classic testimony of doctrinal legal research.\textsuperscript{38} Apart from this, it is a cheap and time saving and provides sound basis for non-doctrinal legal research also.

G. CHAPTER SCHEME

The present research work is divided under the following rubrics:

1. **Chapter I – ‘Introductory’** describes the need of life insurance in our lives and why it has become so important in the present day world. It articulates the problem of study and need to review the laws regulating life insurance in India in light of the changing scenario. Further, it gives an overview of literature and describes the methodology employed.

2. **Chapter II – ‘Life Insurance: Concept, Nature and Scope’** deals with the concept, nature and scope of life insurance and the principle of insurable interest. Apart from this, the kinds of life insurance, the benefits accruing from it and the concept of re-insurance and double insurance are also dealt with in this chapter.

3. **Chapter III – ‘Underwriting of Risk and Settlement of Claims’** deals with technical aspect of life insurance i.e. calculation and underwriting of insurable risk, the claim

\textsuperscript{37} \url{http://Resjournals.com/ERJ/Pdf/2012/July/Singhal%20and%20Malik.pdf}. Accessed on 13/12/12 at 4:00 P.M.

\textsuperscript{38} \url{http://chilot.files.wordpress.com/2011/06/legal-research-methods.pdf}. Accessed on 14/12/12 at 10:00 A.M.
settlement procedure and difficulties faced by policyholder in claim settlement procedure. It also put some light on the new concept of claim management and customer satisfaction.

4. Chapter IV – ‘Life Insurance in India’ gives an account of the origin, growth and development of life insurance in India. It also throws light on the underlying objectives and aftermath of nationalization and liberalization. Further the establishment of IRDA, entry of private players and the consequent changes in life insurance market are also overviewed in this chapter.

5. Chapter V – ‘Regulation of Life Insurance Industry’ is devoted to the progressive development of law relating to life insurance in India, role of regulatory framework and position of policyholder under the present Insurance Regulatory Regime.


7. Chapter VII – ‘Life Insurance Sector: Management Supervision And Governance’ deals with the management, supervision and governance of life insurance sector through ethical business practices, corporate governance, corporate social responsibility and self governance organizations in the contemporary state of affairs.

8. Chapter VIII – ‘Challenges and Opportunities’ examines the current scenario of life insurance industry, its future prospects, scope of its expansion and challenges that need to be addressed immediately.
9. **Chapter IX – ‘Conclusion and Suggestions’** concludes the whole study and at the same time put forward some useful and realistic suggestions for healthy development and effective regulation of life insurance sector in India.