Chapter I

INTRODUCTION
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1.1 CONCEPT

The business of insurance is related to the protection of the economic values of assets. Every asset has a value. The asset would have been created through the efforts of the owner. The asset is valuable to the owner, because he expects to get some benefits from it. It is a benefit because it meets some of his needs. Assets are insured, because they are likely to be destroyed or made non-functional before the expected life time, through accidental occurrences. Insurance does not protect the asset. It does not prevent its loss due to the peril. The peril can not be avoided through insurance. The risk can sometime be avoided, through better safety and damage control measures. Insurance only tries to reduce the impact of the risk on the owner of the asset and those who depend on that asset. Insurance only compensates for the losses and that too, not fully.

The need for insurance was not felt in India till the 19th century. The joint family system and the cohesive living in the villages were working well. As the families split into nuclear families, the need for insurance cover became stronger and more pronounced. Today, insurance business is one of the fast promising financial services, mainly in the developing nation like India. Insurance business performs remarkable feats by insuring the insurable public and its properties in metro cities, big towns, and even in most inaccessible rural areas. In view of its crucial significance, the insurance business (life and non-life insurance) has been comprehensively networked in almost all parts of the country.
It is submitted that even after a decade of liberalization, the progress in insurance sector has not been satisfactory. Undoubtedly, in the current economic scenario government itself is not able to provide insurance facilities to general masses, and the required mobilization of resources from these sectors could be hampered. It is evident that if we wish to have an all round development of our country rapidly and effectively, majority funding requirement could be satisfied from the insurance industry, because such financial institution always played a key role in development of developed country as well as in the developing country like India.

It can not be denied that the modern industrialization society has rendered man and his property most vulnerably exposed to different kinds and varying degrees of risks and uncertainties. The annual losses to individuals and businessman from premature deaths, health problems, fire, water, accident, crop destruction, cattle deaths, wind storm, sea perils, earthquakes, floods, dishonesty, negligence, unemployment, lightening etc. are beyond estimation and indicate the importance of recognizing and meeting them intelligently. In order to avoid these unexpected and unfortunate calamities, man has devised various plans to protect himself. One such rational method is insurance.

The insurance operations in India especially life insurance are in the phase of getting more structured and increasingly more complex. With this the expectations from the professionals have also increased. The financial statements and audit reports of the insurance companies are also required to be strictly in
accordance with the Insurance Regulatory and Development Authority Act, 1999 (IRDA).

Concerted efforts are required to increase the coverage and penetration level through a wide range of actions in the areas of strategic business planning, product innovation, management accountability, efficiency in investment management, technology management, human resource management, service quality management, improvement in disclosures and corporate governance.

The entry of private players in the Indian insurance market has changed the nature of competition and the vigorous campaigns of these players have increased customer awareness. This has led to rapid increase in insurance business and a sizeable gain of this has also been reaped by life Insurance Corporation of India (LIC).

There are two branches of insurance i.e. General Insurance and Life Insurance. General insurance deals with the exposure of risks of goods and property whereas; Life insurance is a way to meet the contingencies of physical death and economic death. In case of pre-matured death of the assured the proceeds of the policy are paid to the beneficiaries and annuities protect the assured against economic death when he lives too long to arrange for his necessities. The present study has its scope regarding life insurance.

Today marketing is characterized with intensified competition, customer awareness, shorter product life cycle and more options to buy products and hiring services. These features are typical of any market economy and their strength and impact is showing an increasing trend. The customer is the focus of all marketing
strategies and the only viable means of survival and growth in this competition is by delivering higher value to the customers. There is a shift in the paradigm from meeting customers’ needs to mass customization strategies for delivering value. Therefore, in the days to come, marketing success would not be gauged by increasing marketing share by any means, but by delivering higher value to the customers. The customers form an expectation of value and act upon it. The perceived value affects the customers’ perception of price, quality, and satisfaction and repurchases probability. Considering the centrality of delivering higher customer value marketing must identify the customers’ perception of value and act upon it.

1.2 CONCEPT OF CONSUMER VALUE

The very concept of ‘value’ has been applied to many settings in management strategy, finance, insurance, banking, information system and marketing literatures. Ronzemke observes “that the concept of value is not new but today value means more than a customer’s positive perception of some combination of quality and price”. Anderson looked upon value in business markets of the perceived worth, in monitoring units, of the set of economic, technical service and social benefits received by a customer firm in exchange for the price paid for a product, taking into consideration the available suppliers’ offerings and prices. Hicks defined value as the amount of an articles or a commodity which can be exchanged for a given amount of another. Dess and Miller (1993) are of the opinion that value is a measure of a firm’s total revenue. Chakarbarti (2000) comprehends customer value as a set of attributes on which the
customers makes his/her buying decision, thus implying value as a representative of the collective sum of the market’s needs and desires. Each attributes of value is judged as relative to the competitor’s product and current technology. This makes it important for the marketers to enhance customer desirability in order to deliver higher value.\(^7\)

It is submitted that above definitions have some common as well as divergent features. It cannot be denied that consumer value is inherent to the use of some products and hiring of some services. In reality, it is a consumer’s perception of value and is not something objectively determined by a seller of product or services provider. Value also involves a trade off between what a consumer gets and what he gives to purchase a product or hire a service. Analysis of definitions shows that each of the definitions of value relies on other terms such as utility, worth, benefits and quality of product or services.

1.3 DEVELOPMENT AND NECESSITY OF CONSUMER PROTECTION

Modern age is the age of industrial revolution. The industries are producing various types of goods and rendering various types of services for the use of consumers in their daily life. There has been a tremendous increase in respect of consumer goods and services in the country, which were hitherto unknown to us two decades before. Consumerism is the basic thought that “consumers need to be protected”. The fundamental questions that spring from this basic thought are:

i) How consumer can be protected? And
Consumers are protected against what?

Answer to the above questions may be aptly termed with ‘consumerism’. Thus, who is a consumer? When and by whom a complaint can be made? And what are the reliefs available to consumers? What are the aspects of ‘Consumerism’? It can be compared with a coin having two sides, viz., Trader and consumer (Customer). The words ‘Trader’ and ‘customer’ have its relevance since the date of civilization. So protection of Interest of customers has been a matter of concern from the older times and what we find today is not a product of a day or a year but has been a matter of constant process.

In 19th century manufacturer’s liability was first time established in the leading case of Carlill v/s Carbolic smoke ball company. Further, the judgment in Donoghue v/s Stevenson gave impetus to it where Lord Atkin laid down the principle of duty to take reasonable care to the consumer where products result in an injury to the consumer’s life or property. This case was followed by the judicial committee of the Privy Council in 1935 in Grant v/s Australian knitting mills Ltd. However, consumer protection movement in England started after the First World War when labour party for the first time gave slogan of “battle for the consumers”. By lapse of time this movement became stronger and under pressure, British government established Molony Committee. On the recommendation of this committee consumer council was constituted and thereafter various legislations were enacted in England.

India, too, has a long history of consumer considerations, dating back to the Vedic age (5000 B.C to 2500 B.C). Matters relating to civil rights and criminal
offences are elaborately noted in the Vedas. Throughout the ancient period, one comes across four broad types of relevant criminal offences – adulteration of food stuff; charging of excessive prices; fabrication of weights and measures; and selling of forbidden articles for which statutory measures and punishments have been recommended, from time to time, by the leading texts of the time. Prominent among them were: the manusmiriti; kautilya’s Arthasastra; Yagnaekyasmiriti; Naradasmriti; Brihaspatismriti; and Katyayansmriti. We also find further seeds of consumer protection during the mughal times and especially during the time of the kaljis. During the British regime (1765 to 1947) also known as the ‘colononial Era’, government’s economic policies in India were concerned more with protecting and promoting the British interests than with advancing the welfare of the native population. The struggle for India’s independence was over by 15th August 1947. And with the adoption of the constitution in 1950, the aspirations of the people of India for equality, fraternity, justice and liberty found an explicit expression in the preamble, the fundamental rights and the directive principles of state policy enunciated in our constitution. Therefore, the decade of the 1950s, right from the very beginning, saw the enactment of a number of laws to safeguard the interests of the consumers from various angles. The enactment of the banking companies act, 1949 (later called The Banking Regulation Act) to amend and consolidate the law relating to banking matters as well as the industries (development and regulation) Act, 1951 to implement the industrial policy resolution of 1948 were among the earliest steps taken by the national government of India in the direction of consumer protection.
1.4 INSURANCE SECTOR AND CONSUMER PROTECTION

SCENARIO

1.4.1 Historical Perspective: - The history of life insurance in India dates back to 1818 when it was conceived as a means to provide for English widows. Interestingly in those days a higher premium was charged for Indian lives than the non-Indian lives, as Indian lives were considered more risky for coverage\(^\text{17}\). The Bombay mutual life insurance society started its business in 1870. It was the first company to charge same premium for both Indian and non-Indian. The oriental Assurance Company was established in 1880. The general insurance business in India, on the other hand, can trace its roots to the Triton (Tital) Insurance Company limited, the first general insurance company established in the year 1850 in Calcutta by the British. Till the end of nineteenth century insurance business was almost entirely in the hands of overseas companies\(^\text{18}\).

Insurance regulation formally began in India with the passing of the life insurance companies Act of 1912 and the provident fund Act of 1912. Several frauds during 20's and 30's sullied insurance business in India. By 1938 there were 176 insurance companies. The first comprehensive legislation was introduced with the Insurance Act of 1938 that provided strict State Control over insurance business. The insurance business grew at a faster pace after independence. Indian companies strengthened their hold on this business but despite the growth that was witnessed, insurance remained an urban phenomenon\(^\text{19}\).

The Government of India in 1956, brought together over 240 private life insurers and provident societies under one nationalized monopoly corporation and
Life Insurance Corporation (LIC) was born. Nationalization was justified on the grounds that it would create much-needed funds for rapid industrialization. This was in conformity with the Government's chosen path of State lead planning and development.\textsuperscript{20}

The (non-life) insurance business continued to thrive with the private sector till 1972. Their operations were restricted to organized trade and industry in large cities. The general insurance industry was nationalised in 1972. With this, nearly 107 insurers were amalgamated and grouped into four companies—National Insurance Company, New India Assurance Company, Oriental Insurance Company and United India Insurance Company. These were subsidiaries of the General Insurance Company (GIC).\textsuperscript{21}

**1.4.2 IMPORTANT MILESTONES IN THE LIFE INSURANCE BUSINESS IN INDIA:**

**1912:** The Indian Life Assurance Companies Act enacted as the first statute to regulate the life insurance business.

**1928:** The Indian insurance companies Act enacted to enable the government to collect statistical information about both life and non-life insurance businesses.

**1938:** Earlier legislation consolidated and amended to by the insurance Act with the objective of protecting the interests of the insuring public.
1956: 245 Indian and foreign insurers and provident societies taken over by the central government and nationalized. LIC formed by an Act of parliament, LIC Act 1956- with a capital contribution of Rs. 5 crore from the government of India.

1.5 INSURANCE SECTOR REFORMS

In 1993, Malhotra Committee- headed by former Finance Secretary and RBI Governor R.N. Malhotra- was formed to evaluate the Indian insurance industry and recommend its future direction. The Malhotra committee was set up with the objective of complementing the reforms initiated in the financial sector. The reforms were aimed at creating a more efficient and competitive financial system suitable for the requirements of the economy keeping in mind the structural changes currently underway and recognizing that insurance is an important part of the overall financial system where it was necessary to address the need for similar reforms. In 1994, the committee submitted the report and some of the key recommendations included:

i) Competitive Private Companies with a minimum paid up capital of Rs.1bn should be allowed to enter the sector. No Company should deal in both Life and General Insurance through a single entity. Foreign companies may be allowed to enter the industry in collaboration with the domestic companies. Postal Life Insurance should be allowed to operate in the rural market. Only one State Level Life Insurance Company should be allowed to operate in each state.
ii) An Insurance Regulatory body should be set up. Controller of Insurance- a part of the Finance Ministry- should be made independent.

iii) Mandatory Investments of LIC Life Fund in government securities to be reduced from 75% to 50%. GIC and its subsidiaries are not to hold more than 5% in any company (there current holdings to be brought down to this level over a period of time).

iv) Customer Service LIC should pay interest on delays in payments beyond 30 days. Insurance companies must be encouraged to set up unit linked pension plans. Computerization of operations and updating of technology to be carried out in the insurance industry.

The committee emphasized that in order to improve the customer services and increase the coverage of insurance policies, industry should be opened up to competition. But at the same time, the committee felt the need to exercise caution as any failure on the part of new players could ruin the public confidence in the industry. Hence, it was decided to allow competition in a limited way by stipulating the minimum capital requirement of Rs.100 crores.

The committee felt the need to provide greater autonomy to insurance companies in order to improve their performance and enable them to act as independent companies with economic motives. For this purpose, it had proposed setting up an independent regulatory body- The Insurance Regulatory and Development Authority.
Reforms in the Insurance sector were initiated with the passage of the IRDA Bill in Parliament in December 1999. The IRDA since its incorporation as a statutory body in April 2000 has fastidiously stuck to its schedule of framing regulations and registering the private sector insurance companies. Since being set up as an independent statutory body the IRDA has put in a framework of globally compatible regulations. The other decision taken simultaneously to provide the supporting systems to the insurance sector and in particular the life insurance companies was the launch of the IRDA online service for issue and renewal of licenses to agents. The approval of institutions for imparting training to agents has also ensured that the insurance companies would have a trained workforce of insurance agents in place to sell their products.

1.6 LIFE INSURANCE MARKET AND PRESENT SCENARIO

The Government of India liberalized the insurance sector in March 2000 with the passage of the Insurance Regulatory and Development Authority (IRDA) Bill, lifting all entry restrictions for private players and allowing foreign players to enter the market with some limits on direct foreign ownership. Under the current guidelines, there is a 26 percent equity cap for foreign partners in an insurance company. There is a proposal to increase this limit to 49 percent.

The opening up of the sector is likely to lead to greater spread and deepening of insurance in India and this may also include restructuring and revitalizing of the public sector companies. A host of private Insurance companies
operating in both life and non-life segments have started selling their insurance policies since 2001.

The Life Insurance market in India is an underdeveloped market that was only tapped by the state owned LIC till the entry of private insurers. The penetration of life insurance products was 19 percent of the total 400 million of the insurable population. The state owned LIC sold insurance as a tax instrument, not as a product giving protection. Most customers were under-insured with no flexibility or transparency in the products. With the entry of the private insurers the rules of the game have changed.22

The growing popularity of the private insurers shows in other ways. They are coining money in new niches that they have introduced. The state owned companies still dominate segments like endowments and money back policies. But in the annuity or pension products business, the private insurers have already wrested over 33 percent of the market. And in the popular unit-linked insurance schemes they have a virtual monopoly, with over 90 percent of the customers.23

The private insurers also seem to be scoring big in other ways- they are persuading people to take out bigger policies. For instance, the average size of a life insurance policy before privatization was around Rs 50,000. That has risen to about Rs 80,000. But the private insurers are ahead in this game and the average size of their policies is around Rs 1.1 lakh to Rs 1.2 lakh- way bigger than the industry average. Buoyed by their quicker than expected success, nearly all private insurers are fast-forwarding the second phase of their expansion plans. No doubt
the aggressive stance of private insurers is already paying rich dividends. But a
rejuvenated LIC is also trying to fight back to woo new customers.\textsuperscript{24} With largest
number of life insurance policies in force in the world, Insurance happens to be a
mega opportunity in India. It’s a business growing at the rate of 15-20 per cent
annually and presently is of the order of Rs 450 billion. Together with banking
services, it adds about 7 per cent to the country’s GDP. Gross premium collection
is nearly 2 per cent of GDP and funds available with LIC for investments are 8 per
cent of GDP. Yet, nearly 80 per cent of Indian population is without life insurance
cover while health insurance and non-life insurance continues to be below
international standards. And this part of the population is also subject to weak
social security and pension systems with hardly any old age income security. This
itself is an indicator that growth potential for the insurance sector is immense\textsuperscript{25}.

Life insurance sector has witnessed the multidimensional changes. The
beginning of the 90's brought a significant change in the concept of life insurance
marketing. With the globalization and liberalization of the economy, the
competition has increased in the life insurance sector too. Therefore, Life
Insurance Corporation and other insurance companies have now shifted towards
the quality management as one of the basis for the source of competitive advantage
in the rapid changing scenario. It is submitted that life insurance companies have
also changed their approach to manage their consumers. Although insurance
companies, in these days, are making claim to provide quality service to the
consumers yet in reality consumers are being exploited and deficient services are
being provided by these companies. In view of this every civilized nation of the
world has its legislation which protects the consumers. Apart from general laws for the protection of consumers, our parliament has passed consumer protection Act, 1986. The term 'service' under section 2 (1) (0) of consumer protection Act includes Insurance. It may be of life or general which may be respectively conducted by Life Insurance and General Insurance Corporations as well as by companies. Since their business is service, so they are amenable before consumer courts. Policy-holders and beneficiaries under the policy are consumers within the scope of this Act. In the case of **R.M., L.I.C. v/s B-S. Reddy**\(^6\), it has been held that insurance services are 'service' within the provisions of section 2 (1) (0) of C.P.A.; consequently within the jurisdiction of consumer courts.

Therefore, it is submitted that the delay in payment of insurance amount or delay in settlement of claims or faulty determination of claims or non-payment on unreasonable grounds or any other deficiency on the part of insurance company may amount deficiency in service within the meaning of C.P. Act.

**1.7 EMERGING NEED FOR RURAL MARKETING**

In every economy there is a buyer’s market and there is a seller’s market and there is marketing of goods and services. Marketing is a very important concept in the present economic context and it has come to play even more important role since the launching of first phase of economic reforms since 1991 with the opening of economy to privatization, globalisation and multinationalization. Now marketing has entered every segment of economy including the primary sector i.e. rural economy.\(^7\)
Marketing experts have come out with many approaches for study of marketing viz. Commodity approach, institutional approach functional approach decision making approach, systems approach, social approach, and holistic approach etc. All these approaches are used in different types of marketing including rural marketing. It is submitted that in the modern scenario there is an "Emerging need for rural marketing” and the matter is submitted here below after considerable brainstorming.

1.8 RURAL MARKETING IN INDIA

India has borrowed the concept of marketing from European countries and it was brought to implementation in metros and urban areas. Rural section which is core to the Indian economy remained untouched and untapped by the experts for a long time. With the introduction and emergence of Panchayati Raj Institutions and Constitution Amendment Act No. 73 & 74 and empowering these institutions at the grass root level has given a good Philip to the rural economy which has got highly activated. There is lot of manpower in rural areas and unexploited potential which provides a solid ground for initiating rural marketing.

It seems that a silent revolution is sweeping the rural areas. According to Adigodrej of godrej Soaps, The rural consumer is discerning and the rural market is vibrant. At the current rate of growth it will soon outstrip the urban market. The rural market is not sleeping any longer, we are. The real India lives in the villages. Rural reach is on the rise and it is fast becoming the most important route to growth.
The term “rural marketing” which was earlier used as an umbrella term to refer to all commercial transaction of rural people acquired a separate meaning of great significances in 1990s. Latest slogan is therefore "Go rural."

Marketing in rural areas is not as simple as the events occurring in markets are necessarily taking place in a given socio-economic set of conditions affecting the rural dwellers and the institutions of merchant dwellers. Rural markets offer excellent opportunities to become focal centres for rural development. Rural sector is now poised for offering vast potential to marketers which promises to be an opportunity for them which are to be grabbed by surmounting the challenges and threats.

1.9 IMAGE OF INDIAN RURAL MARKETING

The Indian rural market with its broad demand base has been able to show the marks of ripeness in terms of opportunities to the marketers all over the country. The 1990s are clearly indicating that rural markets are outstripping the urban markets. Keeping in back-ground the Indian marketing environments, it pays to divide the study of rural marketing.  

The outstanding features of rural markets in India

Following are the main unique features of Indian rural market:-

1. **It is vast and scattered market.** India's rural market is vast encompassing 625 million consumers. In terms of value it crosses 40,000 crores of which 22,000 crores is for non-food and 18,000 for food items. It is scattered and wide-spread over 5, 76,500 villagers unlike urban market confined to a handful of metros, cosmos and towns.
2. **The demand is seasonal.** The demand for the goods and services in rural India banks heavily on agriculture as it accounts for more than 60 percent of the rural income generated. The demand is as seasonal as agriculture; it is equally irregular and Indian agriculture is a gamble in the monsoons.

3. **Low living standards.** The rural consumers have a low purchasing power, low per-capita income, low literacy rate and therefore, low standard of living. It is because of traditions, religious pressures, cultural values and deep-rooted superstitions that they are forced to have simple living and high thinking.

4. **Unity in diversity.** The rural folks are having widely diverse features of linguistics and culture. Indian rural consumer differs strikingly in terms of religions, languages, cultures and sub-cultures, social customs, and traditions.

5. **It is a steady growing market.** The rural market scene has undergone a steady and encouraging change over the last three decades in spite of many barriers to faster growth. The growth has not been only quantitative but qualitative. The belief that rural market was confined to agricultural inputs has been defined by the fact that rural market is outstripping the urban market of India. It is particularly for consumer durables and non-durables. This change has been possible because of new employment income through rural development planning and implementation of green and white revolutions and the revolution of rising expectations of rural masses. cooked.
1.10 MARKETING COMMUNICATIONS PROBLEMS

The marketing communication or otherwise called as sales-promotion in rural markets is another major area that requires deserving attention. The marketer suffers from certain barriers to such market communication. These barriers are of two kinds namely those arising out of the rural structure and available media.

1. **Barriers arising out of rural market structure.** The literacy rate is one of the lowest; as a result, the printed communication has no impact on rural folks. Further, being traditional and conservative and the striking economic backwardness add fuel to the fire of communication gaps. Whatever advertising and promotion is going to be, is to be in the local languages spoken in particular. The marketer cannot have a single language, theme and therefore, advertisement and literature.

2. **Barriers arising out of available media.** Among the media of advertising the most matching to rural markets are radio, television, and cinema and outdoor advertising. Taking radio as a medium, roughly 90 percent of the rural population is covered. However, actual listenership is quite lower; television has a greater potentiality but hardly 27 percent of rural area is covered at present. Cinema as a medium has its share but not more than 35 percent of rural population. Coming to print media hardly 20 percent of the rural population is touched. Outdoor advertising has a greater potentiality. Thus, the real problem is selecting best communication mix that is suitable for rural marketing scene.
The solution lies in combining media like radio, television, cinema, out-door advertising and point of purchase promotion. In addition to these established and formal media, non-formal media can be used like, musical cassettes and records, puppet shows, group meetings, demonstrations, door to door campaigning, van ads and so on. The ad copy and the theme meant for rural audience should be simple and straight-forward stressing more on product and it usage. More than the advertising, the sales-promotion is likely to play more constructive and lucrative role\textsuperscript{32}.

Thus it can be said that rural marketing is both enchanting and challenging. It has the vast potentiality giving countless opportunities being the virgin area uncovered fully.

Although rural marketing has reached the ‘take off ‘stage yet lot of impetuous is needed to further boast it reach at the stage of 'Boom'. There being vast untapped potential for growth in this area, the following suggestions may be helpful to make it matching with the urban marketing:

1. Government should make necessary infrastructure available so that the obstacles in the way of rural marketing are over come.

2. Rural marketing should be undertaken on commercial pattern and given the necessary significance.

3. More funds should be pumped in the rural economy to make it more competitive and strong so as to face the onslaught of risks involved in rural economy.
4. Proper markets should be identified for rural products and products should be cultivated and grown in a way that these are customer centric and quality specific.

5. There should be exposure of Ruralities to a variety of marketing transactions so that change process may benefit them.

6. Communication system of vital importance for rural marketing should be strengthened and made very effective to encourage cooperation.

7. Life style changes are witnessed in the rural areas. The boom in the rural market is due to changing priorities sweeping the entire hinterland. People are mostly enjoying ultra modern facilities for a comfortable life. It increases the scope for rural marketing.

Rural peoples are also people and have the same needs desires & aspirations as urban have. Thus, given the conducive climate, rural marketing has ample scope for the development in India, Particularly in Punjab. Hence there is a dire need of required laws for the uplift of rural marketing in India. Laws in this respect and their interpretations by judiciary in expanding rural marketing can play a vital role.

**1.11 NEED OF THE STUDY:-**

In the globalization competitive time it is essential to provide higher value to the consumers, if the service provider needs to survive and grow. The consumers form an expectation value and act upon it. The liberalization of Indian economy has paved way for the tremendous growth of services sector in the country during last two decades. The Life Insurance Corporation and companies have also felt the vibrations of the changes with the new entrants and changing
critical success factors in the industry. The increase in the competition has made it mandatory for the service providers to develop competencies in the areas as per the consumer’s requirement. This call for continuous monitoring and measurement of customers or consumers perceived and expected service level. Due to highly intangible nature, the measurement of consumer’s expectation and perceived quality becomes a difficult task.

The proposed research focuses on Indian public and private sector life insurance companies and attempts to measure the gap in the service quality perception in between the service providers and consumers. The present study is the need of the modern scenario, so that consumers may be protected from the unfair means used by the different life insurance corporation as well as companies.

1.12 OBJECTIVES OF THE STUDY

Keeping in view the above scenario, the present study entitled “CONSUMER PROTECTION SCENARIO IN LIFE INSURANCE SECTOR: WITH SPECIAL REFERENCE TO STATE OF PUNJAB” has been planned with the following specific objectives:

Achievable Objectives of the study:

1) To examine the regulatory mechanism for consumer protection from Life Insurance Sector.
2) To study the profile of life insurance sector with special reference to state of Punjab.
3) To study the service quality provided by public and private life insurance companies.
4) To study the effectiveness of consumer protection machinery in the context of Life Insurance.
5) To study the problems of consumers of life-insurance sector.
6) To suggest the means and ways for improving the quality of service rendered by life insurance sector.
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