VOLUME NO. 9 (2019), ISSUE NO. 11 (NOVEMBER) ISSN 2231-5756

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT

IJRCM

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,
Indian Citation Index (ICI), J-Gage, India [link of the same is duly available at Inflibnet of University Grants Commission (U.G.C.)],
Index Copernicus Publishers Panel, Poland with IC Value of 5.09 (2012) & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than **6408 Cities** in **195 countries/territories** are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

http://ijrcm.org.in/

CONTENTS

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography: Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** ***anytime*** in ***M.S. Word format*** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website (***FOR ONLINE SUBMISSION, CLICK HERE***).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____________

THE EDITOR

IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF** ______________________________.

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled '____' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR	:
Designation/Post*	:
Institution/College/University with full address & Pin Code	:
Residential address with Pin Code	:
Mobile Number (s) with country ISD code	:
Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No)	:
Landline Number (s) with country ISD code	:
E-mail Address	:
Alternate E-mail Address	:
Nationality	:

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc**. ***The qualification of author is not acceptable for the purpose***.

NOTES:

a) The whole manuscript has to be in ***ONE MS WORD FILE*** only, which will start from the covering letter, inside the manuscript. ***pdf. version** is liable to be rejected without any consideration*.

b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail**:

New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.

d) The total size of the file containing the manuscript is expected to be below **1000 KB**.

e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.

f) ***The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours*** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.

g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.

2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters**, **centered** and **fully capitalised**.

3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name**, **designation**, **affiliation** (s), **address**, **mobile/landline number** (s), and **email/alternate email address** should be given underneath the title.

4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.

5. **ABSTRACT:** Abstract should be in **fully Italic printing**, ranging between **150** to **300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA**. ***Abbreviations must be mentioned in full***.

6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.

7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aeaweb.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.

8. **MANUSCRIPT:** Manuscript must be in ***BRITISH ENGLISH*** prepared on a standard A4 size ***PORTRAIT SETTING PAPER***. *It should be free from any errors i.e. **grammatical, spelling** or **punctuation.** It must be thoroughly edited at your end*.

9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.

10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.

11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:

INTRODUCTION
REVIEW OF LITERATURE
NEED/IMPORTANCE OF THE STUDY
STATEMENT OF THE PROBLEM
OBJECTIVES
HYPOTHESIS (ES)
RESEARCH METHODOLOGY
RESULTS & DISCUSSION
FINDINGS
RECOMMENDATIONS/SUGGESTIONS
CONCLUSIONS
LIMITATIONS
SCOPE FOR FURTHER RESEARCH
REFERENCES
APPENDIX/ANNEXURE

The manuscript should preferably be in ***2000 to 5000 WORDS***, But the limits can vary depending on the nature of the manuscript.

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR**, **centered**, **separately numbered** & self-explained, and the **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. *It should be ensured that the tables/figures are referred to from the main text*.
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. ***The author (s) should mention only the actually utilised references in the preparation of manuscript*** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parenthesis.
- ***Headers, footers, endnotes*** *and* ***footnotes*** *should* ***not be used*** *in the document.* However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

A STUDY OF NON PERFORMING ASSET IN LAKSHMI VILAS BANK, LTD KARUR

Dr. K. RAMESH KUMAR
HEAD
PG & RESEARCH DEPARTMENT OF COMMERCE
VALLUVAR COLLEGE OF SCIENCE & MANAGEMENT
KARUR

A. P. VALARMATHI
Ph. D. RESEARCH SCHOLAR
PG & RESEARCH DEPARTMENT OF COMMERCE
VALLUVAR COLLEGE OF SCIENCE & MANAGEMENT
KARUR

ABSTRACT
The main concept of this study is about the impact of Non Performing Assets in Lakshmi Vilas Bank. Non Performing Assets are the prevailing hindrance. Now a days which affects the profitability of the banking sector enormously. There are various reforms and acts that have been implemented to overcome this searing problem. This study analyses the comparison between Total advances and Gross and Net NPA and Standard Assets, Sub – Standard Assets, Doubtful Assets for the last 10 years of the Lakshmi Vilas Bank Ltd., and contain suggestions to overcome it. The study denotes the Level of NPA in Lakshmi Vilas Bank. The problem of NPAs, which was ignored till recently, has been given considerable attention after liberalization of the financial sector in India. This exploratory paper examines the trends of NPAs in India from various dimensions and explains how mere recognition of the problem and self-monitoring has been able to reduce it to a great extent.

KEYWORDS
banking, current assets, current liability, gross and net npas, working capital.

JEL CODES
G21, G33.

INTRODUCTION
In India, Banking system is developed enormously after independence, particularly after nationalization of bank, there has been a multi- dimensional development. Only after the nationalization of banks in the year 1969 and in the year 1980, there was a real development of commercial banks, which started functioning with social responsibility. Now, commercial banks are rendering multi various and valuable services to their customers.

A bank is an Institution which deals with money and credit. Thus bank in an intermediary, which handles other people's money both for their advantages and to its own profit. But bank is not merely a trader in money but also an important manufacture of money. In other words, a bank is a factory of credit. The word, Banking is said to have derived from the French world, 'Banco' or 'Bancus' or 'Banco' Franchised into, 'Bank' and Finally anglicized into, Bank'. This view is most prevalent even today.

Banks are important financial institutions. They are arteries of the Economic system of Country. Money supply in a country depends on the banking system on a whole. No country in the world, without a sound banks organization can provide needed financial assistance to commerce and industry. In the modern world, banking institutions does much of the work of financing commerce and industry. Banks borrow and lend money. They offer opportunities of investment and safe custody of deposits.

In India, banks are playing a crucial role in socio-economic progress of the country after independence. The banking sector is dominant in India as it accounts for more than half the assets of the financial sector. Indian banks have been going through a fascinating phase through rapid changes brought about by financial sector reforms, which are being implemented in a phased manner.

OBJECTIVES OF THE STUDY
1. To know and study about the non-performing assets in LVB.
2. To examine level of NPA in LVB.
3. To assess the current asset and current liability level.
4. To make appropriate suggestions to avoid future NPAs and to manage existing NPAs in LVB.

REVIEW OF LITERATURE
Swamy (2001) studied the comparative performance of different bank groups since 1995-96 to 1999-2000. An attempt was made to identify factors which could have led to changes in the position of individual banks in terms of their share in the overall banking industry. He analyzed the share of rural branches, average branch size, trends in bank's profitability, share of public sector assets, share of wages in expenditure, provision and contingencies, net non performance assets in net advances, spread, has been calculated. He found that in many respects nationalised public sectors banks much better than private banks & foreign banks.

Rajeshwari Krishnan (2002) focused on the problem of swelling non- performing assets in banks and financial institution of the country becomes more and more unmanageable and created threats for the financial sector. She found that securitization can be used for the liquidating the illiquid and long terms debut like loan receivables of the financial institutions or bank by issuing marketable securities against them. She concluded that the SARFAESI act is defiantly and big leap forward not only in the filled of NPA management but also promoting the securitizing market in India. The act maybe required to fine tuned to bring in 'natural justice'.

U.N. Lakshman (2003) in his study pointed out the reasons for NPA's in Indian bank. He started the reasons could be, diversion of the bank fund, time/cost overrun while implementing the project, business failures like product failing to capture market, inefficient management, strained labor relations, old technology and product obsolescence, recession in some foreign countries and adverse exchange rate government policies toward excise, imports and exports , willful default frauds, misappropriations, deficiencies in the system of credit appraisal monitoring and follow up, delay in settlement/ subsidies. He further mentioned some of the methods to recover NPAs are Recapitalization and asset reconstruction fund. He highlighted the steps taken 15 contain NPAs they are as following RBI stressed the need for credit appraisal and credit supervision since the basic problem is at lone decision stage, stressed the need to monitor stock and operation and end use statements, detailed guidelines have been issued to take steps to avoid sickness and also to nurse bake the align units, stressed the need to constitute recovery cells, NPA management departments and fixed recovery target for banking units, the debt recovery tribunal should depose off the issues within six months. It should be given freedom to regulate its own Procedure subject to the provision of the Act of 1993, on the filling of suit in court law; the following guidelines are prescribed which registered and the enforceable. He made suggestions that areas which created the problem, in most costs the barrowers are to be found. The documents charging should with the bank including the location map of properties.

RESEARCH DESIGN

A. DATA COLLECTION

The secondary data was collected for a period of seven years from 2010 – 2011 to 2016-17 from the unpublished records of LVB.

B. HYPOTHESIS

H_0: There is no significant difference between the gross NPA and the advances.

H_0: There is no significant difference between Net NPA and the advances.

C. STATISTICAL TOOLS

Correlation and f-test are used for analyzing the data.

DATA ANALYSIS AND INTERPRETATION

TABLE 1: COMPARISON BETWEEN TOTAL ADVANCES AND GROSS NPA

S. NO.	YEAR	TOTAL ADVANCES Rs.	GROSS NPA Rs.
1	2010 - 11	80944228	15779000
2	2011 - 12	10188679.7	80773000
3	2012 - 13	186720646	45998000
4	2013 - 14	206586000	54646000
5	2014 - 15	1651284000	45462000
6	2015 - 16	1981893000	39125000
7	2016 - 17	2395846000	64019000

INTERPRETATION The above table clearly shows that maximum gross NPA in the financial year of 2011-12.

TABLE 2: COMPARISON BETWEEN TOTAL ADVANCES AND NET NPA

S. NO.	YEAR	TOTAL ADVANCES Rs.	NET NPA Rs.
1	2010 – 11	80944228	72880000
2	2011 – 12	101886797	177090000
3	2012 – 13	186720646	283809000
4	2013 – 14	206586000	443391500
5	2014 – 15	1651284000	302487000
6	2015 – 16	1981893000	231641300
7	2016 – 17	2395846000	418415900

INTERPRETATION: The above table clearly interprets that LVB has the maximum net NPA in 2011-12.

TABLE 3: CURRENT ASSETS FOR 2010-11 AND 2016-17

S. NO.	YEAR	Current Assets Rs.
1	2010 – 11	9746481000
2	2011 – 12	30863919000
3	2012 – 13	15107076000
4	2013 – 14	25074226000
5	2014 – 15	39613403000
6	2015 – 16	37982598000
7	2016 – 17	62018047000

INTERPRETATION: The above table clearly explains that the bank has a maximum current asset value in 2016-17.

TABLE 4: FIXED ASSETS FOR 2010-11 AND 2016-17

S. NO.	YEAR	Fixed assets Rs.
1	2010 – 11	1791314000
2	2011 – 12	1892083000
3	2012 – 13	1898202000
4	2013 – 14	2005082000
5	2014 – 15	2434130000
6	2015 – 16	3669987000
7	2016 – 17	3591190000

INTERPRETATION: The above table clearly explains that the bank has a maximum fixed asset value in 2015-16.

TABLE 5: CURRENT LIABILITIES FOR 2010-11 AND 2016-17

S. No.	YEAR	Current Liability Rs.
1	2010 – 11	24216448000
2	2011 – 12	25439672000
3	2012 – 13	13693472000
4	2013 – 14	27073833000
5	2014 – 15	32750718000
6	2015 – 16	35208643000
7	2016 – 17	58720233000

INTERPRETATION

From the above table it can be interpreted that bank had current liability increasing form 2013-14 and following the year upto 2016-17. Which is not good sign for bank.

TABLE 6: WORKING CAPITAL FOR 2010-11 AND 2016-17

S. NO.	YEAR	Working Capital Rs.
1	2010 – 11	-14469967000
2	2011 – 12	5424247000
3	2012 – 13	1413604000
4	2013 – 14	-1999607000
5	2014 – 15	6862685000
6	2015 – 16	2773955000
7	2016 – 17	3297814000

INTERPRETATION: The above table **4.6** shows that: In **2014 – 15** the LVB has a maximum working capital of **Rs. 6862685000**, But in **2013 -14** the bank has the working capital value is very least of **Rs. -199960700.**

TABLE 7: NET PROFIT FOR 2010-11 AND 2016-17

S. NO.	YEAR	Net Profit Rs.
1	2010 – 11	1011368000
2	2011 – 12	1070222000
3	2012 – 13	915745000
4	2013 – 14	596555000
5	2014 – 15	1322859000
6	2015 – 16	1802358000
7	2016 – 17	2560721000

INTERPRETATION: The above table says that the maximum net profit is **Rs. 2560721000** in the year **2016-17.**

TABLE 8: STANDARD ASSETS OF LVB FOR 2010-11 AND 2016-17

S. NO.	YEAR	Standard Assets
1	2010 – 11	342800000
2	2011 – 12	677100000
3	2012 – 13	1003000000
4	2013 – 14	532300000
5	2014 – 15	1163500000
6	2015 – 16	1134700000
7	2016 – 17	1704300000

INTERPRETATION: The above table shows that the bank has maximum standard assets of **Rs. 1704300000** in the year of **2016 – 17**.

TABLE 9: SUB - STANDARD ASSETS OF LVB FOR 2010-11 AND 2016-17

S. NO.	YEAR	Sub - Standard Asset
1	2010 – 11	1000000
2	2011 – 12	19300000
3	2012 – 13	20000000
4	2013 – 14	22300000
5	2014 – 15	5000000
6	2015 – 16	13000000
7	2016 – 17	1000000

INTERPRETATION: The above table shows that the bank has maximum sub-standard assets of **Rs. 22300000** in the year of **2013 – 14**.

TABLE 10: DOUBTFUL ASSETS OF LVB FOR 2010-11 AND 2016-17

S. NO.	YEAR	Doubtful Assets
1	2010 – 11	342800000
2	2011 – 12	677100000
3	2012 – 13	1003000000
4	2013 – 14	532300000
5	2014 – 15	1163500000
6	2015 – 16	1134700000
7	2016 – 17	1268900000

INTERPRETATION: The above table shows that the bank has maximum sub-standard assets of **Rs. 1268900000** in the year of **2016 – 17**.

TABLE 11: COMPARISON BETWEEN TOTAL ADVANCES AND GROSS NPA

S. NO.	YEAR	TOTAL ADVANCES Rs. (in crores)	GROSS NP Rs. (in crores)
		x	Y
1	2010 - 11	8.0944228	1.5779
2	2011 - 12	10.1886797	8.0773
3	2012 - 13	18.6720646	4.5998
4	2013 - 14	20.6586	5.4646
5	2014 - 15	165.1284	4.5462
6	2015 - 16	198.1893	3.9125
7	2016 - 17	239.5846	6.4019
		675.8981787	40.6523

r= 3.166

The value is r is negative. So, there is no relationship between total advances and gross GPA.

Hypothesis

1. **H_0:** There is no significant difference between the gross NPA and the advances.

TABLE 12: COMPARISON BETWEEN TOTAL ADVANCES AND NET NPA

S. NO.	YEAR	TOTAL ADVANCES Rs. (in crores)	x-x		NET NPA Rs. (in crores)	y-y	
		x			y		
1	2010 – 11	8.0944228	-59.4953972	3539.702288	7.288	-15.850747	251.2461805
2	2011 – 12	10.1886797	-57.4011403	3294.890908	17.709	-5.429747	29.48215248
3	2012 – 13	18.6720646	-48.9177554	2392.946793	28.3809	5.242153	27.48016808
4	2013 – 14	20.6586	-46.93122	2202.539411	44.33915	21.200403	449.4570874
5	2014 – 15	165.1284	97.53858	9513.774588	30.2487	7.109953	50.55143166
6	2015 – 16	198.1893	130.59948	17056.22418	23.16413	0.025383	0.644296689
7	2016 – 17	239.5846	171.99478	29582.20435	41.84159	18.702843	349.7963363
		675.8981787		79289.90142	231.38747		1739.627567

Computed value of F=0.02194 is < table value F0.05=3.18, the null hypothesis is accepted. So, there is no significant relationship between total advances and the net NPA.

H_0: There is no significant difference between Net NPA and the advances.

CONCLUSION

Banking sector occupies a pivotal place not only in advanced economies but also in developing countries like India. Commercial banks have been the prime movers and pace setters for socioeconomic transformation. To conclude the LVB's NPA position is good. The Bank has relied more on creditor's funds than owned fund. The profitability position of the Bank is good. But the bank's leading has increased in a declining growth rate. Overall financial performance of the Bank is good.

REFERENCES

1. Bloem, A.M., & Goerter, C.N (2001), 'The Macroeconomic Statistical Treatment of Non-Performing loans', Discussion Paper, Statistics Department of the IMF, Decembere1, 200.
2. Das, Rituparna, Managing the Risk of Non Performing Assets in the Small Scale Industries in India (June 15, 2002). Available at SSRN: http://ssrn.com/abstract=1330798
3. Luther, J.C.1976. Report of JC Luther, Committee on Productivity, Efficiency &Profitability in Commercial banks, Bombay 1976.
4. Rajeshwari Krishnan, Sarfaesi Act 2002 as a tool for NPA Management, Professional Banker, Vol.4 May 2002, pp. 21 - 32.
5. Reddy, Prashanth K., A comparative study of Non Performing Assets in India in the Global context - similarities and dissimilarities, remedial measures (October 2002). Available at SSRN: http://ssrn.com/abstract=361322 or doi:10.2139/ssrn.361322.
6. Swamy, B.N.A.2001, New Competition, Deregulation and Emerging Changes in Indian Banking, Bank Quest, 729(3) pp.3- 22.
7. U.N.LAkshaman, "Management of NPAs some issues, Management of Nonperforming assets in Banks and Financial Institutions", Vol. 1, Serials publications, New Delhi , 2003, pp. 35 to 40

DEMOGRAPHIC PROFILE AND ITS IMPACT ON SELECTING TAX SAVING INSTRUMENTS: A REVIEW OF LITERATURE

Dr. NARINDER TANWAR
ASSOCIATE PROFESSOR
FACULTY OF COMMERCE AND BUSINESS STUDIES
MANAV RACHNA INTERNATIONAL INSTITUTE OF RESEARCH & STUDIES
FARIDABAD

ABSTRACT

Tax planning encourages saving and investment and also allows the achieving of certain social and economic goals. Demographic profile of the individual effects the selection of a tax saving instrument. An educated, literate person will have more awareness and knowledge about the tax saving instruments. Saving preference and risk tolerance of the individual changes with the age. The most interesting demographic factor which effects the decision making and selection of tax saving instrument is the gender of the investor. A number of studies have revealed the fact that females have low risk tolerance and which include both health risk and financial risk. Many studies also found that male had a higher risk tolerance and wanted to invest in a long-term investment portfolios. The objective of the research paper is to review the existing literature and find out the impact of gender on selection of tax saving instruments and understand the perception of investor towards different tax saving instruments based on gender.

KEYWORDS

tax planning, tax saving instrument.

JEL CODE

E22

INTRODUCTION

Tax is an important contribution that an individual makes to have a well-functioning government and society. In a developing nation like India household is the biggest contributor to India's saving rate. In a developing country like India people wants to pay less taxes and want more money at their discretion. The best way to achieve this is savings, and converting the savings into investments. Savings and investments play an important part in the progress of an economy. There are many factors which effect the investment pattern and selection of tax saving instrument by an individual. Tax awareness, tax education the demographic profile of the individual are the important factors which effects the investment pattern. In India the society gives different roles to perform to both men and women. Over the period of time men and women have assumed different characteristics. There has been number of studies highlighting that there is a major difference in saving patterns of women in comparison to men. It has been revealed that women have a more conservative approach of investments then their male counterparts. The conservative approach results in less returns at the time of maturity and less money in hands. Further studies have found out that men take high risk and even unwanted risks too while investing. Research studies revealed that men are inclined to be more confident and even overconfident to take risk. Women are less confident and therefore are less susceptible to risk. Also, men are less patient and view their investments pessimistically and are more likely to change their portfolios if it underperforms. Women are more optimistic and patient towards their investments. Women live longer than men but their saving as the time of retirement are still less when compared to men. In published study of 2000, "Boys Will Be Boys: Gender, Overconfidence, and Common Stock Investment," proposed that investment portfolios of males are influenced by their overconfident behaviour in the market. The study has proposed that male investors trade 45% higher as compared to female investors, and trading decreased men's net returns on investment by 2.65% points a year in relation to 1.72 % points for women. Women generally trade more irregularly and hold less volatile portfolios. Therefore, women are better than men by an average of around one percentage point yearly on a risk-adjusted basis. The message here does not reveal that women are good investors but reflects that both men and women are suffered by excessive trading and fail to match expected market rates of return. On this basis, it can also be concluded that men trade more and as a consequence also suffer more.

LITERATURE REVIEW

Dwyer (2002) concluded "Gender Differences in Revealed Risk Taking: Evidence from Mutual Fund Investors" examined whether investor's being a male or female is linked to risk taking capabilities in relation to investing in mutual funds. It has been observed that females are more inclined to take less risk as compared than males in their largest and risky decisions about investing in mutual funds. More importantly, it has also been observed that the influence of male and female on risk taking is weakened when investor's knowledge about investment decisions and financial markets is controlled in a regression equation.

Powell, M and Ansic, D (1997) have explained in their study that male investors tend to invest in the portfolios which were risky. The study also revealed that males and females adopted different financial strategies. The study argues that since women have a low risk tolerance and are less confident investors, this makes them less able financial managers. Powell, M and Ansic, D (1999) revealed that there is a major difference in the risk propensity and risk behaviour among males and females, but this difference is not due to the difference in learning and past experiences of the investors. The study also argued that both male and female investors have different interpretations of failure. The study revealed that females are more pessimistic than men.

Bhawani, G and Shetty, K. (2017) quoted "Behavioural finance is new emerging science which focuses on understanding the psychology effects on investment decision". Their study opined that investment decisions are related with the demographic profile of the person. Women in comparison of men are less risk taking. In addition, age of the investor affects the investment in long term or short-term plans. Barker and Odean (2001) are of the opinion that female investors are less confident in their investment decisions in comparison to men. Prabha, R.S. (2016) proposed that there is a strong relationship between risk taking capabilities and gender and concluded that men are normally high risk tolerant then women. Ankita R. (2013) examined the impact of demographic variables on investment decisions of investors. The study revealed that there is a noticeable difference in the investment pattern for shares, bonds, mutual funds and fixed deposits based on gender. The study propounded that males are high risk takers and invest aggressively whereas Female respondents tries to invest more conventionally. M. Halek and J. Eisenhauer (2001) observed that factors like sex, age, religion, economic condition, unemployment directly influence investor's risk taking attitude.

Barber, M.B and Odean, T (2001) "A rational investor trade only if the expected gains exceed transactions costs". The study propounded that individuals do not behave rationally and one of the major reason behind this is overconfidence. The empirical tests proved that men generally trade more than women which result in reducing their returns more in comparison to women. In addition, these revealed differences are most pronounced between an individual man and individual woman. Siva, S. (2012) conducted a study based on 200 respondents, and supported the stereotype that men exhibit more risk taking capabilities than women. The females preferred risk free investments like LIC, PF etc. The study also propounded that females are more conservative, less aggressive, and under confident. Jianakoplos, N and Bernasek, A (1998) have observed that single woman shows comparatively more risk aversion in financial decisions compared to a single man and examined investment in risky assets to determine the parameters of gender differences of capabilities or skills in financial risk taking. In the study, it has been further examined that if wealth increases, the proportion of investment in risky assets increases by a smaller proportion for a woman compared to a man. Jagan S. (2011) in his stated a interesting outcome that both the parents influenced investing decisions of investors but male investors were more influenced by their fathers. The study also revealed that there was no significant difference in the investment decisions of men and women based on awareness about the investments. Prabha R.S (2016) in his study discovered that men earn more than women and women are highly dependent of males financially. The study propounded that males invested only when they had free money with them, whereas the females with the urge to save for tomorrow were encouraged to invest. The study also revealed that the males preferred property to invest whereas the females preferred gold. Males also preferred deposits as investments avenues and females preferred insurance.

OBJECTIVE OF THE STUDY

The objective of writing this research paper is to review the existing literature and studying the impact of demographic profile on selection of tax saving instruments and understand the perception of investor towards different tax saving instruments. For the purpose of writing this research paper only one aspect of demographic profile has been taken into consideration and that is "gender" and in other words "male v/s female".

ANALYSIS

The study is based on the review of existing literature. The paper focuses on theoretical literature review as it identifies the existing theories and relationship between them. The study is based on secondary data, which has been collected through various thesis, research journals, research articles and websites etc. From the review of literature, it has been observed that many studies have been undertaken in India and abroad to identify the preferences of investors/households amongst general and specific avenues of investment. Following differences have been observed in the investment pattern between the males and females in context with tax saving instruments:

TABLE 1

Basis	Men	Women
Risk Tolerance	Generally, men used to take more risk and even sometimes take more risk which they actually should not take. This somehow also reflects overconfidence among them.	Women are generally are more risk averse. They often like to take less risk even the circumstances are in favour if they would take more risk. It reflects under confidence among them.
Self-assessment	Men assess themselves more educated as well as better informed about different investment plans. However, men are usually more likely to think they are having more knowledge than they actually perform.	On the other side due to less confidence level women generally describe themselves as being less educated or informed and usually inclined to spend less time in learning about different investment plans.
Information Processing	Men tend to gather information at their own about investing but also more likely to disregard that same information outright.	Women prefer to be dependent on others to gather information about investing and are more inclined as well as better at processing information even though information is contradictory.
Confidence	Due to exposure to information men generally feel more confident and as a reason they are more vulnerable to the risks.	On the other hand due to less exposure to information women feel less confident and as a result less vulnerable to mistakes of overconfidence. This is one of the major reasons women usually take the services of a financial advisor.
Investing Patience	Men do not prefer to wait for a favourable outcome or result and that is why they are more inclined to change their portfolio if they believe that results are not as per expectations.	Women are having more patience about their various investment portfolios. And If somehow they tend to change or modify their investment portfolio, they are more inclined to take the services of a financial advisor.
Investing Time Frame	Men show more courage to bear the loss of wrong or poor investment decisions as they tend to have more funds to start with and do not feel the need to hold assets for a longer period.	On the contrast women investors have longer life expectancies about their investment portfolios than men and as a result they have a greater need to be sure that best financing decisions are taken by them.
Investment Preferences	Men prefer to invest in property, deposits and other risky ventures	Women prefer to invest in gold, insurance and other less risky investment avenues.
Encouragement for Investment	Men are encouraged to invest in when they have free money	Women have the urge to save for the future, and this encourages them to invest.

CONCLUSION

Numerous studies have been undertaken in India and abroad to identify the preferences of investors/households amongst general and specific avenues of investment based on gender. On the basis of earlier researches, it can be stated that male and female investors have different preferences in respect of investment avenues. Female investors are more risk averse in comparison to male investors. Research studies in the area have revealed that male investors are more risk tolerant and prefer to invest in more risky portfolios which shows their over confidence in investments. Both male and female investors interpret loss and uncertainty in very different way due to level of risk tolerance and confidence. The studies have also revealed that men prefer to invest in property, share market, equity linked saving scheme, fixed deposits whereas women preferred gold and insurance as investment avenues. Research studies propounded that family members of the investors also affected the investment preferences especially men were more influenced by their fathers.

REFERENCES

1. Barber, M.B and Terrance, O (2001) "Boys will be Boys: Gender, Overconfidence, and Common Stock Investment*, The Quarterly Journal of Economics*, February 2001, pp. 261-292.
2. Bhawani, G and Shetty, K (2017) Impact of Demographics and Perceptions of Investors on Investment Avenues, *Sciedu Press* 6(2), pp 198-205.
3. Chamberlain, M, (2015) How Gender Differences Can Affect Your Investments, viewed on 08 November 2018< https://www.nerdwallet.com/blog/investing/gender-differences>
4. Jagan, S. (2011) Gender Difference in Investor Behaviour: A Study of PAU Teachers, MBA thesis, Punjab Agricultural University.
5. Jianakoplos, N and Bernasek, A (1998) Are Women More Risk Averse? Economic enquiry, 36(4), pp. 620-630.
6. M. Halek si J. Eisenhauer (2001) "A Study of Fund Selection Behavior of Individual Investors towards Mutual Funds: With Reference to Mumbai City, *The ICFAI Journal of Behavioural Finance*, 3(2).
7. Mehta, K. Sharma, Renuka (2015). "Individual Investors' Behavior: In Demographical Backdrop." *Scms Journal of Indian management*, 8(3), pp. 25-36.
8. Powell, M and Ansic, D (1997) Gender Differences in Risk Behaviour in Financial Decision-Making: An Experimental Analysis, Journal of Economic Psychology 18(6), pp. 605-628.
9. Powell, M and Ansic, D (1999) "Gender differences in financial decision making: A new approach for experimental economic analysis", Economia societa e instituzioni, 11(1) pp. 71-90.
10. Prabha, R.S (2016) An empirical study on gender difference in the Investment pattern of retail Investors *Acme Intellects International Journal of Research in Management, Social Sciences & Technology,* 14(4), pp. 1-15

11. Rajdev, A. (2013). "The effect of demographic factors on investment choice of investors: A study on investors of Bhopal". *IRC's International Journal of Multidisciplinary Research in social and management science*, 1(3), pp. 110-116
12. Siva, S. (2012) A Study on Gender Difference in Investment Choice & Risk–Taking, *International Journal of Applied Research in BUSINESS ADMINISTRATION & ECONOMICS,* 1(2), pp, 1-6

AN EVALUATION OF LIFE INSURANCE CORPORATION (LIC) TOWARDS THEIR SERVICES ADEQUACY

Dr. NEELAM PARIHAR
LECTURER
J. S. B. G. I. H. M.
ALMORA

DR. USHA PANDEY
GUEST FACULTY
GOVERNMENT POST GRADUATE COLLEGE
RANIKHET

ABSTRACT

An insurance industry in India has seen Major and Faster growth in the last decade along with an introduction of a huge number of advanced products and services. This has led to a tough and tremendous competition between different insurance companies with a positive and healthy outcome. Out of many Life Insurance Companies, Life Insurance Corporation of India is one of the most Efficient and Significant Public sector insurance company which plays excellent job in rendering its services and facing tough competition as many private players has emerged in life insurance field. With increased competition among insurance "Services" have become a key issue. Managing our customers intelligently is very critical for the insurers in today's competitive environment. This paper is aimed to evaluate and analyze the Performance of Life Insurance Corporation in terms of their services adequacy and this study also intends to promote a better theoretical understanding about the current position of Life Insurance Corporation in Indian insurance sector.

KEYWORDS

LIC, insurance, life insurance, services, performance.

JEL CODES

G20, G22, G28, G29.

INTRODUCTION

In today's era, service sector is the lifeline for the social economic growth of a country. It is the largest and fastest growing sector globally, contributing more to the global output and employing more people than any other sector. A major contributor among huge service sectors is the insurance sector which plays an important role in economic stability and growth of the country. Insurance in India refers to the market for Insurance in India which covers both the public and private sector organizations. It is listed in the Constitution of India in the Seventh Schedule as a Union List subject, meaning it can only be legislated by the Central Government. Globally in the year 2016 the share of life insurance business in total premium was 55.3 percent. However, the share of life insurance business for India was very high at 77.95 percent while the share of non-insurance business was small at 22.05 percent. In life insurance business, India is ranked 10th among the 88 countries. In 1870, Bombay Mutual Life Assurance Society became the first Indian insurer. At the dawn of the twentieth century, many insurance companies were founded. In the year 1912, the Life Insurance Companies Act and the Provident Fund Act were passed to regulate the insurance business. The Government of India issued an Ordinance on 19 January 1956 for nationalizing the Life Insurance sector and Life Insurance Corporation which came into existence in the same year. Life Insurance Corporation of India (LIC) had monopoly in the Indian Life insurance industry till it was liberalized in 1999. The Insurance Regulatory and Development Authority (IRDA) Act 1999 allowed the participation of private insurance companies in the insurance sector. Life Insurance is a contract between an insurance policy holder and an insurer, which provide a huge variety of services or products to business and individuals to provide them protection from risk which can give financial security. There are a huge variety of products which are provided by Life Insurance Corporation of India are listed below:

TABLE 1: DIFFERENT TYPES OF LIFE INSURANCE POLICIES IN INDIA

Sr. no.	Types of Insurance policy	Features
1.	Term Insurance Policy	Term insurance is a life insurance product offered by an insurance company which offers financial coverage to the policy holder for a specific time period.
2.	Whole Life Policy	The policyholder pays regular premiums until his death, upon which the corpus is paid out to the family.
3.	Endowment policy	Endowment plans pay out the sum assured under both scenarios – death and survival.
4.	Unit Linked Insurance Plans	ULIP is a life insurance product, which provides risk cover for the policy holder along with investment options to invest in any number of qualified investments.
5.	Money Back Policy	Money back plan is a life insurance product as well as an investment plan which provides life insurance cover against death of the policy holder along with periodic returns as a percentage of sum assured.

Source: www.licindia.in

As of today, LIC of India functions with a network of 1,537,064 Individual Agents, 342 corporate Agents, 109 Referral Agents, 114 Brokers and 42 Banks. LIC has 2,048 fully computerized branch offices, 113 divisional offices, 1,381 satellite offices and over 8 zonal offices with the head office located in Mumbai. LIC was rated as the No. 6 Most Trusted Service Brand of India by the Economic Times Brand Equity Survey 2012. From the year 2006, LIC of India has been regularly winning the 'Readers Digest Award'. The mission of the Life Insurance Corporation of India is to enhance the quality of living of the people by providing financial products and services that provide competitive returns.

TABLE 2: LIC's CONTRIBUTION TO THE FIVE YEAR PLANS OVER THE YEARS

Sr. No.	Year	Investment
1.	1956-1961	184 cr
2.	1961-1966	285 cr
3.	1969-1974	1,530 cr
4.	1974-1979	2,942 cr
5.	1980-1985	7140 cr
6.	1985-1990	12,969 cr
7.	1992-1997	56,097 cr
8.	1997-2002	1,70,929 cr
9.	2002-2007	3,94,779 cr
10.	2007-2012	7,04,720 cr
11.	2012-2017	14,23,055 cr
12.	2017-2022	7,01,483 cr

Source: The Economic Times of India

From its creation, the Life Insurance Corporation of India, which commanded a monopoly of soliciting and selling life insurance India, created huge surpluses and by 2006 was contributing around 7% of India's GDP. LIC in order to strengthen its link between savers and investors has made its inroads to various other related activities viz, mutual funds, housing finance and overseas activities etc. Over the years it has not only been enhancing the saving habits of the people but also the level of investment in the economy.

OBJECTIVES OF THE STUDY

This research work is conducted after taking into consideration the changing scenario of the life insurance sector which plays an important role in enhancing and mobilizing savings in the country. The main objectives of the study are given below:

1. To evaluate or measure the performance of LIC towards their services adequacy.
2. To understand the importance of Life Insurance.
3. To evaluate the growth and progress of LIC
4. To enhance better theoretical understanding about current position of LIC in Indian insurance sector.

RESEARCH METHODOLOGY

The research method adopted for this study is descriptive and based on secondary data. Secondary data have been collected from the previous research work and studies in the related study area. Under this we have also used LIC annual reports, IRDA annual reports, Websites, Books and Journals.

REVIEW OF LITERATURE

- **Gireesh Kumar and Eldhose (2008)** in their study entitled, "Customer Perception on Life Insurance Service- A Comparative Study on Public and Private Sector' with an objective to review about the awareness and perception of policy holder about public and private insurance companies". They found that the customers of public sector have high level of awareness than private sector with regard to various qualities.
- **Sonia Chawala and Fulbag Singh (2008)** carried out a study captioned "service Quality Perceptions of Life Insurance Policy holders in Northern India: Pre Privatization Vs Post Privatization to identify and analyzed the service quality dimension affecting customer satisfaction". Authors concluded that among the five service quality dimension namely, tangibility, reliability, responsiveness, assurance and empathy, policy holders are highly satisfied with tangibility dimension.
- **Kuldeep Singh (2009)** conducted "A comparative study of product strategies of Public and Private life insurance companies". He found that the products of LIC are weak as compared to private insurance, so he suggested that the LIC must design stable products with some special characteristic.
- **Karthikeyan (2010)** examined "An Empirial study on customer attitude towards the service of Insurance companies in India". In their study they analyzed the factors which influences the attitude of customers towards service offered by insurance companies in Nagapatinam District. They conclude that low interest rate on policy revival, additional benefits, easy loan repayment system are the main factors that highly influences the customers satisfaction towards the services of insurers.
- **Harnam Singh and Madhurima lall (2011)** conducted a study on "An empirical study of Life Insurance product and service in rural areas of U.P". They found that the medium income group who belonged Rs 100000-300000 income range buying more insurance products as compared to other income group in the study area. During their study they also found that there are so many distribution channels but even then insurance agents are dominating in case of selling and distribution of insurance product.
- **Sreenivas and Anand (2012)** found in the Indian context that the insurance has site among the general public during the independent decade was rare but there was a remarkable improvement in the Indian insurance industry soon after the economic reform due to healthy competition from many national and international private insurance players.
- **Ghimire (2013)** in their study examined "Investments portfolio of insurance companies: Empirical study of Nepal". In his study they concluded that most of the insurers are become failed to maintain balance between the solvency and profitability. The study has found that the investment amount in statutory category of life insurers is 16 percent more than the minimum requirement and a non life insurer has more than 21 percent investment in statutory category.
- **Harnam Singh (2014)** conducted "An empirical study of Life Insurance consumer's Behavior in Uttar Pradesh". They found that the Life Insurance has today become a Ministry of any market Economy since it offered plenty of scope for earning large sums of money for long periods of time. He also suggests that it is a time to discover the powerful advantages of maintaining customer relationship management for the insurance industry to achieve the cherished goal of companies.
- **Priti Jaha and Bindu Roy (2015)** has focused on" role of LIC in life insurance industry". The study find that the number of office of LIC is increasing year by year but when the growth rate of offices of LIC in total Life Insurance industry is analyzed, there is always a decreasing trend due to due to cut throat competition with the market strategies of private sector Life Insurance companies.

DATA ANALYSIS

Today, life insurance has become one of the most important necessities of human life. It offers financial security to the policyholder against uncertainties of future. The concept behind the life insurance is "repair the house before it rains". Life Insurance Corporation aims to meet the various insurance requirements of an individual by providing best of their products or services. The company also encourages the involvement and participation of the employees and LIC agents so they work towards the achievement and welfare of the organization. The mission of LIC is "Explore and enhance the quality of life of people through financial security by providing products and services of aspired attributes with competitive returns, and by rendering resources for economic development". LIC has always been a customer centric organization and has brought out far reaching innovations in the field of premium payment and policy information by making it convenient for policyholders through IT initiatives like online payment of premium, electronic clearing services, selected LIC agent's, policy schedule, policy status, bonus status, loan status, claims status, revival quotations, claim history, grievances registration etc.

TABLE 3: PREMIUM UNDERWRITTEN: LIC

Sr. no.	Premium	Year	
		2015-2016	**2016-2017**
1.	Regular Premium	23829.38 cr (3.10)	26301.03 cr (10.37)
2.	Single Premium	74062.13 cr (33.70)	98282.28 cr (32.70)
3.	First Year Premium	97891.51 cr (24.69)	124583.31 cr (27.27)
4.	Renewal Premium	168552.70 cr (4.59)	175904.05 cr (4.36)
Total Premium		**266444.21 cr (11.17)**	**300487.36 cr (12.78)**

Source: IRDA Annual Report 2016-17

Note: Figures in brackets indicate the growth (in percent) over the previous years.

Life Insurance Corporation recorded a premium income of Rs 300487.36 cr during 2016-17 as against Rs 266444.21 cr in the financial year of 2015-16, registering a growth of 12.78 percent in 2016-17 and 11.17 percent growth in 2015-16. During 2016-17, the growth in renewal premium was 4.36 percent (4.59 percent in 2015-16). First year premium registered a growth of 27.27 percent in 2016-17 in comparison to a growth of 24.69 percent during 2015-16.

The regular premium registered 10.37 percent growth in 2016-17, as against 3.10 percent growth in 2015-16. Single premium income received by the life insurers recorded growth of 32.70 percent in 2016-17, as against 33.70 percent growth in 2015-16.

TABLE 4: MARKET SHARE: LIFE INSURANCE (IN PERCENT)

Sr. no.	Premium	Year	
		2015-2016	**2016-2017**
1.	Regular Premium	46.83	44.31
2.	Single Premium	84.27	84.83
3.	First Year Premium	70.54	71.11
4.	Renewal Premium	73.87	72.31
Total Premium		**72.61**	**71.81**

Source: IRDA Annual Report 2016-17

On the basis of total premium income, the market share of LIC decreased from 72.61 percent in 2015-16 to 71.81 percent in 2016-17. The market share of LIC in first year premium was 71.11 percent in 2016-17 (70.54 percent in 2015-16). In renewal premium LIC continued to have a higher share at 72.31 percent in 2016-17 (73.87 percent in 2015-16). The regular premium registered 44.31 percent market share in 2016-17 (46.83 percent in 2015-16) and single premium registered 84.83 percent market share in 2016-17 as against 84.27 percent in 2015-16.

TABLE 5: DIVIDEND PAID BY LIFE INSURERS

Sr.No.	Insurer	Year	
		2015-16	**2016-17**
1.	LIC	2497 cr	2200 cr
2.	Private Sector	1867 cr	1062 cr
Total		**4364 cr**	**3262 cr**

Source: IRDA Annual Report 2016-17

For the year 2016-17 LIC paid Rs 2200 cr (Rs 2497 cr in 2015-16) as dividend to shareholder. Whereas private sector paid only Rs 1062 cr dividend in 2016-17 and Rs 1867 cr in 2015-16.

TABLE 6: INDIVIDUAL DEATH CLAIMS OF LIFE INSURERS (2016-17) *(Figures in percent of policies)*

Life Insurer	Total Claims	Claims Paid	Claims Rejected	Claims Un-claimed	Claims pending at end of year
LIC	100	98.31	0.97	0.31	0.42
Private Total	100	93.72	4.85	0.58	0.86
Industry Total	100	97.74	1.45	0.34	0.47

Source: IRDA Annual Report 2016-17

Claim settlement ratio of LIC was at 98.31 percent as on 31.03.2017 when compared to 98.33 percent as on 31.03.2016. The rejections have marginally come down to 0.97 percent in 2016-17 compared to the 0.98 percent in previous year and 0.42 percent claims pending at the end of year 2016-17. For private insurers settlement ratio had gone up by 2.24 percent at 93.72 percent during 2016-17 compared to 91.48 percent during the previous year. The repudiations came down to 4.85 percent in the year 2016-17 compared to the 6.67 percent in previous year.

CONCLUSION

The insurance industry in India has changed rapidly in the challenging economic environment throughout the world. In the current scenario, Indian insurance companies have become competitive in nature and are providing appropriate distribution channels to get the maximum benefit and serve customer in manifold ways. Insurance is the superior tool to other forms of savings as it provides protection, collective bearing of risk, assessment of risk, certainty factor, and easy liquidity and above all the safest means for savings and investments. After introduction of IRDA, public and private sector companies have been working together and created a tremendous competitive environment for each other, but LIC has been successful to create their supremacy with the help of its products or services for its policy holders. Evaluation of data clearly depicts that LIC is showing a respectable growth in its business. Indian Insurance Industry has big opportunity to expand, given the large population and untapped potential. The insurance market in India has witnessed dynamic changes including entry of a number of global insurers. Most of the private insurance companies are joint venture with recognized foreign institutions across the globe but LIC still enjoys immense goodwill in our country. Saturation of markers in many developed economies has made the Indian market even more attractive for global insurance majors.

REFERENCES

BOOKS

1. Balchandra Srivastav, Fundamental of Insurance, Sahitya Bhawan Publications, pp. 60- 61.
2. Dr. P. Penasamy, Principle and Practices of Insurance, Sahitya Bhawan Publications, pp. 10.

JOURNALS

3. Dr. D. H. Malini (2012), "A study on service quality measurement and its impact in opting insurance companies," International Journal of Social Science and Interdisciplinary Research, Vol. 1, pp. 61-80.
4. Dr. M. Subba Rao, R. Srinivasulu (2013), "Contribution of Insurance Sector to Growth and Development of Indian Economy," journal of Business and Management, vol. 7, pp. 45-52.
5. Dr. Shamsher Singh, Dr. Naveen and Ms. Kumkum Chaudhary (2014) "A study of customer perception towards service quality of LIC in Delhi NCR Region" Global Journal of Management and Business Research, vol. 14, pp. 19-28.

6. Dr. Sonal Nena (2013), "Performance Evaluation of LIC of India," International Journal of Advance Research in Computer Science and Management Studies, Vol. 1, pp.113-117.
7. R. Vijya Naik (2018) "A study on structure of insurance sector in India," International Journal of Business and Management Invention, Vol.7, pp. 01-08.
8. Shilpa Agarwal, A. K. Mishra (2017), "Life Insurance Industry of India – Past, Present, Future (A study of LIC of India)," International Journal of Economics and Management Studies, Vol. 4, pp. 42-45.

REPORT

9. IRDA annual report 2016-17.

WEBSITES

10. History of Life Insurance Corporation of India, www.licindia.in
11. Life Insurance Corporation, https://wikipedia.org
12. Life Insurance, https://wikipedia.org

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, IT & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-
Co-ordinator

DISCLAIMER

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals