INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

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NEED/IMPORTANCE OF THE STUDY
STATEMENT OF THE PROBLEM
OBJECTIVES
HYPOTHESIS (ES)
RESEARCH METHODOLOGY
RESULTS & DISCUSSION
FINDINGS
RECOMMENDATIONS/SUGGESTIONS
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SCOPE FOR FURTHER RESEARCH
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INSURANCE AS SOURCE OF INFRASTRUCTURE FINANCING IN INDIA: A STUDY

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ABSTRACT

Infra structural development in India is taking place at rapid pace since 11th five year plan. However, to overcome the bottlenecks in the supply of finance, Government of India relied on other source of financing for infrastructural development such as PPP, bank financing, infrastructure finance companies, equity and Insurance investments. We studied whether insurance companies have significant contribution towards infrastructure financing based on the secondary data collected during 2008-09 to 2013-14. The results show that the Non-life followed by Life insurance companies has significant contribution towards infrastructure investments since the opening of insurance sector.

KEYWORDS
Assets under Management, Infra structure, Insurance, ANOVA.

JEL CODES
G22, 016, 018.

INTRODUCTION

Infrastructure development forms as a strong foundation for an economic development of any nation. India's infrastructural development is primarily dependent on projects involved in Railway tracks, signaling system, Roads, bridges, runways and other airport facilities, Transmission &Distribution of electricity, Pipelines for crude oil, waterways, port facilities, River networks for agriculture, sanitation and irrigation, Rolling stock on railways, Vehicles, aircraft, Power generation plants, Production of crude oil, purification of water, telephone lines and telecommunication network ,Ships, and other vessels. But, infrastructure funding is characterized by non recourse or limited recourse funding, large scale investment, long gestation period, high initial capital, low operating cost, repayments from the revenues generated from the project.

Need for infrastructural development is of paramount importance and is sine quo non to the growth and development of an economy. The government recognized the need and it has been one of the priority agendas in the recent five year plans. Typically Government has been the sole financier for these projects and has been responsible for implementation, operations and maintenance of these projects. As Government of India solely will not be able to meet the burgeoning funding requirements, the other sources of finance such as Public Private Investment, External Commercial Borrowings and Foreign Direct Investment were invited in to the sector. However, the other initiatives that stimulated the funding raising are set up of India Infrastructure Finance Company Limited(IIFCL) and Infrastructure Development Finance Company (IDFC) followed by equity participation and allowing bank credit to the companies operating in the sector.

However, insurance companies have been a part of infra structure financing for more than a decade, which is not recognized as a potential area of research on insurance as a source of infra structure financing. It is by nature of inherently very risk averse, the insurance companies invest in long term liabilities due to their nature of business with long gestation periods. However statutory perceptions and other restrictions by Government essentially limit investment in infrastructure projects by Insurance Companies. On the other hand, the key restrictions from regulatory bodies include minimum credit rating for debt instruments and minimum dividend payment record of seven years for equity contained the private infrastructure projects to meet as these have been set up recently and cannot enjoy high credit rating in initial years. This is clear from the fact that they invest more than required in government securities and they invest mostly in the paper of publicly-listed infrastructure companies towards meeting their mandated minimum infrastructure and social sector requirements rather than funding infrastructure projects.

In addition, the rapid growth in private insurance companies is not reflected in greater investments in infrastructure because 85 percent of policies sold by private insurance players are unit linked. New investment guidelines issued by the Insurance Regulatory and Development Authority (IRDA) broadened the definition of Infrastructure and also aligned with RBI's definition, but they have not relaxed the conditions sufficiently to permit insurers to potentially hold a wide range of infrastructure projects in investment portfolio.

Therefore, the present study is an attempt to analyze whether the insurance is a potential source for the infra structure funding and whether there is any significant differences among the insurance companies in contributing towards infra structure investments. The present study provide significant contribution to the policy decision making and gives an alternative to the existing theories of Public-Private Partnership (PPP) in infra structure development.

MATERIALS AND METHODS

The present study followed descriptive research design to analyze the role of insurance financing for infrastructure funding in India. The study is based on secondary data collected from the Annual reports of Insurance Regulatory and Development Authority of India, Reports of Planning Commission of India and Reports of Insurance Companies selected for the study during 2008-2009 to 2012-13. For the purpose of study, the total number of (1 public +23 private) 24 life and 28 (4 public + 24 private) non life insurers, were considered to analyze the assets under management of insurers during 2008-2009 to 2012-13 which have significant contribution of insurers towards infra structure investments.

The data collected from the annual reports of Insurance Regulatory and Development Authority of India, Planning Commission and Annual Reports of Insurance companies was analyzed using descriptive statistical tools such as mean and percentages further inferential statistics such ANOVA is applied to test the hypothesis.

RESULTS AND DISCUSSION

The results and discussion is presented in three sections according to the Objectives of study. Section one deals with the infrastructural development taken place during the post –liberalization regime in India. Section two deals with sources of financing for infrastructural projects and section deals with the asset management of life and non-life insurers.

OBJECTIVE – 1: TO STUDY THE INFRASTRUCTURAL DEVELOPMENT TAKEN PLACE DURING THE POST-LIBERALIZATION REGIME IN INDIA

TABLE -1: SECTOR WISE DEPLOYMENT OF FUNDS FOR INFRASTRUCTURAL DEVELOPMENT 2008 - 2013

S. No.	Sectors	No. of Projects	Funds Sanctioned (Rs in Crores)
1.	Transport	126 (77.30)	1,58,054(94.91)
2.	Energy	7(4.29)	1,569 (0.942)
3.	Social & Communication	20 (12.26)	5,606 (3.36)
4.	Water Sanitation	10(6.13)	1,305(7.84)
	Total	**163**	**1,66,534**

Table – 1 present the sector wise deployment of funds for infrastructural development during 2008- 2013. From the table, huge chunk of funds are deployed towards transport sector (94.91 per cent) while Social and communication (12.26 per cent) is given the second priority for funds deployment. Though there is a wider expansion of communication network across the country, contrarily, the amount of funds deployed towards social and communication (12.26 per cent) still need to be increased.

SECTORAL ALLOCATION IN 11TH AND 12TH FIVE YEAR PLANS

The National Development Council has started five year plans for funding infrastructure in India. In 11th five year plan(2007-2012) a total investment of Rs. 27 lakh crores was made towards infrastructure development .The 11th five year plan(2007-2012) aims at a sustainable annual growth rate of 9% with emphasis and board-based and inclusive approach that would improve quality of life and reduce disparities across regions and communities. The program ensures strengthening and consolidating recent infrastructure like Bharat Nirman for rural infrastructure building, also for strategies and sectoral initiatives like the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), Accelerated Power Development and Reforms Program (APDRP), Jawaharlal Nehru National Urban Renewal Mission(JNNURM), National Highways Development Program(NHDP), Finance Plans for Highways and Airports, and National Maritime Development Program(NMDP)

The National Development Council (NDC) will meet on December 27 to approve the 12th Five year Plan(2012-2017). During the preliminary assessment of investment in infrastructure in 12th plan(2012-2017), Planning Commission has projected investment to be Rs. 40,99,240 crore. The 12th five year plan is a grand plan with an available public resource of Rs. 37,16,385 crore to spend . The budgetary allocation under the 12th five year plan is 125% more than that of 11th five year plans.

TABLE – 2: SECTORAL ALLOCATION IN 11TH AND 12TH FIVE YEAR PLANS

Major sectors	11th Plan (in Rs Crores)		12th Plan (in Rs Crores)		Increase over 11th Plan (in %)
	Realization	% share	Projection	% share	
Agriculture and water resources	1,16,554	7.3	2,84,030	7.96	143.69
Rural Development and Panchayatiraj	3,97,524	25.01	6,73,034	18.86	69.31
Scientific Departments	58,690	3.69	1,42,167	3.98	142.23
Transport and energy	2,04,076	12.84	4,48,736	12.57	119.89
Education	1,77,538	11.17	4,53,728	12.71	155.57
Health and child development	1,12,646	7.09	4,08,521	11.45	262.66
Urban Development	63,465	3.99	1,64,078	4.60	158.53
Others	4,58,849	28.87	9,94,333	27.86	116.70
Total Plan allocation	15,89,342	100.00	35,68,626	100.00	124.53

Source: Planning Commission

OBJECTIVE-2: TO STUDY THE SOURCES OF FINANCING FOR INFRASTRUCTURAL PROJECTS IN SELECTED SECTORS.

PUBLIC PRIVATE PARTNERSHIP

Government alone is unable to fulfill the broad demands of infrastructural demands in the country. To overcome the bottlenecks in the supply of financial availability, Government of India allowed private firms partnered with the Public sector known as Public- Private- Partnership (PPP Model). The construction, design, operations and finance are combined by both public and private sector. At present almost all the infrastructure projects are being done through PPP and in all sectors like roadways, railways, ports, power, urban infrastructure, etc. Maharashtra alone has more than 50% of infrastructure development projects are based on the PPP. Other states such Karnataka, Madhya Pradesh, Gujarat, Tamil Nadu have also adopted this PPP model. Ports come in the second place and account for 8% of the total projects. Other sectors including power, irrigation, telecommunication, water supply, and airports have also increased and developed through this PPP model.

TABLE -3 : PROJECTED INVESTMENT IN INFRASTRUCTURE DEVELOPMENT DURING 11TH PLAN

Sectors	Investment (Rs. Crore)		Share in Total (%)	
	10th Plan	11th Plan	10th Plan	11th Plan
Electricity	2,91,850	6,66,525	33.5	32.4
Roads and Bridges	1,44,892	3,14,152	16.6	15.2
Telecommunication	1,03,365	2,58,439	11.9	12.5
Railways	1,19,658	2,61,808	13.7	12.7
Irrigation	1,11,503	2,57,344	12.8	12.5
Water Supply and Sanitation	64,803	1,43,730	7.4	7.0
Ports	14,071	87,995	1.6	4.3
Airports	6,771	30,968	0.8	1.5
Storage	4,819	22,378	0.6	1.1
Gas	9,713	16,855	1.1	0.8
Total	**8,71,445**	**20,60,193**	**100.0**	**100.0**

Source: *Eleventh Plan Document, Planning Commission, GoI.*

TABLE-4: STATE-WISE ONGOING PPP PROJECTS IN INFRASTRUCTURE SECTOR

Name of the State	Total No. of Projects	Total Estimated Cost (Rs. Crore)
Gujarat	27	18251
Sikkim	24	15627
Maharashtra	9	12498
Orissa	4	3668
Kerala	5	3488
Karnataka	26	2930
Madhya Pradesh	28	2615
Puducherry	4	2233
Andhra Pradesh	21	1999
Rajasthan	42	1818
Tamil Nadu	7	1237
West Bengal	13	1216
Punjab	14	750
Jharkhand	8	732
Goa	3	618
Delhi	6	96
Andaman & Nichobar Islands	1	85
Uttaranchal	1	17
Chandigarh Administration	1	15
Total	**244**	**69,893**

Source: *The Committee on Infrastructure web site, Planning Commission, GoI.*

TABLE- 5: SECTOR-WISE PPP PROJECTS IN THE STATES

Sector	Ongoing Projects		Projects in Pipeline	
	No. of Projects	Estimated Cost (Rs.Crore)	No. of Projects	Estimated Cost (Rs.Crore)
Roads	114	14265	48	14668
Ports	24	24091	10	16676
Airports	4	2358	2	250
Railways	3	812	..	..
Power	35	16409	6	795
Unban Infrastructure	64	11958	10	2335
Total	**244**	**69893**	**76**	**34724**

Source: *The Committee on Infrastructure web site, Planning Commission, GoI.*

BANKING FINANCE

Commercial Banks have been the second largest source of infrastructure financing in India. Which constitute about 24% of the whole infrastructure financing which includes the public sector banks the most. Other than banks credit also flows for infrastructure from NBFCs, mutual funds, capital market, etc. RBI has also provided some relaxations to the infrastructure sector. And have also encouraged lending from commercial banks. Commercial banks have been the second largest source of infrastructure financing, which constitute 24 per cent of whole infra structure financing in India. As per the reports of HDFC Bank, the bank funding towards infra structural development soared to 13.4 per cent during the financial year 2013-14. However, banks funding to infra structure segment had risen up to three times during 2008 and 2013.

INFRASTRUCTURE FINANCING COMPANIES

Infrastructure Financing Companies (IFC) are the non-deposit NBFCs (Non Banking financial Companies) which provide loans for the infrastructure projects in a country which includes 75% of the total assets of an IFC-NBFC should be deployed in infrastructure loans. The two main companies that provide credit for infra structural development in India are:

1. **INDIA INFRASTRUCTURE FINANCE COMPANY LTD (IIFCL)**

IIFCL is registered as NBFC-IFC with the Reserve Bank of India. It is a Government owned company paid up with authorized capital of Rs.3,300 Crore and Rs. 5,000 Crore respectively. It provides funds for all the sectors like highways, power, airports, ports, urban infrastructure, etc. IIFCL provides direct lending, Refinancing, takeout finance, credit enhancement.

TABLE- 6 : NUMBER OF PROJECTS AND PROJECT COSTS OF ASSISTED PROJECTS UNDER PMDO DURING 2009-14

	During the year					Cumulative (Till 31st March 2014)
	2009-10	2010-11	2011-12	2012-13	2013-14	
No. of Projects assisted*	32	37	53	70	19	318
Project Cost of assisted projects	51,680	70,037	81,127	1,15,198	15,762	4,83,028
Amount Sanctioned *	5,616	7,402	8,595	11,514	2,261	54,148
Amount Disbursed (including Refinance & Takeout Finance)	5,095	5,349	5,052	6,205	5,484	32,064

* Gross Sanctions under Direct Lending including PMDO

2. **INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY (IDFC)**

Infrastructure development finance company (IDFC) is the top infrastructure financing and project implementation service provider in India. It provides funds and advisory service for the infrastructure projects.

INSURANCE

Insurance companies are one among the largest institutional investors in the world. The investment operations of insurance companies are crucial as they help to generate the reserves which defray the claims of insurance. To generate the maximum yields, combined with liquidity and safety, the operations are required to be handled in a judicious manner. Insurance is a business of generating liabilities that must be matched by investment in assets.

Budgetary support constituted 45% of the total infrastructure spending in first 3 years of eleventh plan. Commercial banks, NBFCs, Insurance Companies and the external sources constituted 41% of the funding to Infrastructure Development. And the balance 14% was funded through Equity and FDI. Insurance has contributed only 4% of total infrastructure investment.

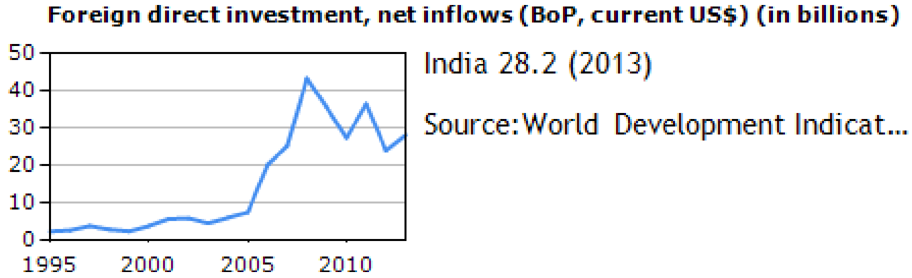
TABLE - 7 : PATTERN OF INVESTMENTS OF INSURANCE COMPANIES

Pattern of Investments	2013		2014	
	Total	% to Fund	Total	% to Fund
Central Government Securities	30,658	24.93	35,877	25.66
State Government and other Approved securities	12,987	10.56	14,326	10.25
Housing and Loans to State Govt for Housing & FFE	10,275	8.35	12,742	9.11
Infrastructure Investments	18,997	15.45	24,544	17.56
Approved Investments	44,194	35.93	49,264	35.24
Other Investments	5,882	4.78	3,056	2.19
Total	1,22,992	100.00	1,39,809	100.00

Source: IRDA Annual Reports, 2013-14

FOREIGN DIRECT INVESTMENT (FDI)

Investment in Transport sector in India will have an increase of US$75-90 billion in the next five years, whereas the construction sector can grow up to 35%. Foreign investment is allowed in infrastructure companies in Securities Markets. 100% FDI is allowed in Development of townships, Housing, Built up infrastructure and Construction Development Projects but does not include real estate business. Contrarily, FDI has only 8% share in funding Infrastructure projects. This is due to the political and legal interference.



EQUITY

Equity is a stock or security which represents the interest of the owner. And the market where these equity or stocks are traded is known as Equity market or stock market. It is the most vital source from where companies invest their capital. Because here the companies uses others money and also does not have to give any interest on that. The equity market or share market is further divided into two sectors, Primary market and Secondary market. Primary is for the first time issue of shares or equity where as secondary market includes trading of shares or equity. The Infrastructure financing is done through Promoter Equity and Tiered Equity which includes Private and Mezz Equity.

OBJECTIVE – 3: TO STUDY WHETHER THERE IS ANY SIGNIFICANT CONTRIBUTION OF INSURANCE COMPANIES TOWARDS INFRA STRUCTURE INVESTMENTS

Investments in various avenues form the assets for the insurance companies. As per IRDA (Investment) (Amendment) Regulations, 2002 the investments of insurance companies are towards Central Government Securities, State Government and other approved securities, Housing and Infrastructure, Approved investments and other investments. The study emphasized on the investments of insurance companies towards infra structure and a proportion of infrastructure investments over total investments during 2008-09 and 2012-13.

ASSETS UNDER MANAGEMENT OF NON-LIFE INSURANCE COMPANIES DURING 2008-09 TO 2012- 13

Interpretation: From the table- 8, the companies like Royal Sundaram Alliance, TATA-AIG General Insurance Co Ltd, Bajaj Allianz General Insurance Co Ltd, Future Generali India Insurance Co Ltd and Shriram General Insurance Co. Ltd are investing huge share of total investments in Infrastructure development i.e 30% approximately. It is also observed that there is a consistent growth in the investment scenario of non – life insurance companies towards infrastructure.

HYPOTHESIS

$H_0$1: There is no significant difference in the assets under management of infrastructure investments of non-life insurance companies.

H_q1:There is significant difference in the assets under management of infrastructure investments of non-life insurance companies

ANOVA

TABLE – 9: VARIABLE: ASSETS UNDER MANAGEMENT OF NON- LIFE INSURANCE COMPANIES

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1766701.036	4	441675.259	9.942	.000
Within Groups	888480.445	20	44424.022		
Total	2655181.481	24			

The F value of ANOVA from the table – 9 is at 9.942 at 5 percent level of significance. Therefore, reject the null hypothesis and accept the alternative hypothesis. Hence, there is a significance of assets under management of non life insurance companies towards infrastructure investments.

ASSETS UNDER MANAGEMENT OF LIFE INSURANCE COMPANIES DURING 2008-09 TO 2012-13

In the above table – 10, one public life insurance and twenty-one private life insurance companies have been included. The table reveals the total sum of investments of life insurance companies out of their total investments and percentage of investments in infrastructure in India. LIC has invested a total of 606487 corers in which 62065.43 has been used for infrastructure i.e., 10% of LIC investment was utilized for infrastructure , and the private insurance company say HDFC standard life insurance have invested a sum of 364.77 crore i.e., 16% of its total investment was utilized for infrastructure . By 2013-14 the investment percentage of public life insurance company remained same at 10% but the private life insurance companies has raised their investments towards the infrastructure i.e., HDFC has raised their funding from 16% to 20%. Therefore the above table reveals that private sectors have been showing more interest in investing their money in Infrastructure in India as it is more profitable in long run.

HYPOTHESIS

H_o2: There is no significant difference in the assets under management of infrastructure investments of life insurance companies

H_a 2:There is significant difference in the assets under management of infrastructure investments of life insurance companies.

ANOVA

TABLE – 11: VARIABLE: ASSETS UNDER MANAGEMENT OF LIFE INSURANCE COMPANIES

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	24321573987.243	4	6080393496.811	118.177	.000
Within Groups	1029029548.635	20	51451477.432		
Total	25350603535.878	24			

From the table – 11 , theF- value is at 118.177 at 5 per cent level of significance which states the rejection of null hypothesis and accept the alternate hypothesis Therefore there is a significant difference in the assets under management of infrastructure investments of life insurance companies.

TABLE- 8 :ASSETS UNDER MANAGEMENT OF NON-LIFE INSURANCE COMPANIES DURING 2008-09 TO 2012- 13 (Rs. In Crore)

S. NO	COMPANY	2008-2009			2009-2010			2010-2011			2011-2012			2012-2013		
		INFRASTRUCTURE INVESTMENT	TOTAL INVESTMENT	% of investment	INFRASTRUCTURE INVESTMENT	TOTAL INVESTMENT	% of investment	INFRASTRUCTURE INVESTMENT	TOTAL INVESTMENT	% of investment	INFRASTRUCTURE INVESTMENT	TOTAL INVESTMENT	% of investment	INFRASTRUCTURE INVESTMENT	TOTAL INVESTMENT	% of investment
1	GIC of India	1607.65	16729.76	10%	2086.43	17480.9	12%	2390.21	19777.8	12%	2586.1	22165.74	12%	2884.2	26132.04	11%
2	The New India Assurance Company Ltd	1781.67	10771.71	17%	1792.49	11851	15%	1751.62	13604.15	13%	1794.62	15769.29	11%	2310.56	17882.55	13%
3	National Insurnace Co. Ltd	1083.46	5758.74	19%	1209.25	6369.8	19%	1679.99	8391.06	20%	2173.94	10734.57	20%	2486.97	13106.18	19%
4	United India Insurance Co Ltd	1441.96	8368.51	17%	1168.64	9254.22	13%	1569.18	11247.57	14%	2082.92	13269.34	16%	2508.39	15938.45	16%
5	The Oriental Insurane Co Ltd	574.72	6153.53	9%	827.28	6731.16	12%	1056.55	8214.72	13%	1229.75	9164.87	13%	1591.16	10584.8	15%
6	Reliance General Insurance Co Ltd	334.71	1363.97	25%	329.9	1656.66	20%	332.89	2136.9	16%	455.26	2709.7	17%	477.09	3257.8	15%
7	Royal Sundaram Alliance Insurance Co Ltd	217.9	788.31	28%	218.76	908.26	24%	347.75	1383.06	25%	445.8	1840.93	24%	640.79	2080	31%
8	Iffco - Tokio General Insurance Co. Ltd	169.92	1058.02	16%	192.92	1279.5	15%	340.41	1817.99	19%	393.74	2328.47	17%	454.76	3117.42	15%
9	TATA-AIG General Insurance Co Ltd	225.19	714.43	32%	217.58	855.97	25%	361.55	1362.41	27%	727.2	1886.87	39%	577.12	2435.21	24%
10	Bajaj Allianz General Insurance Co Ltd	556.71	2354.13	24%	757.84	2739.89	28%	697.65	3851.9	18%	1084.24	4546.43	24%	1434.25	5615.2	26%
11	ICICI Lombard General Insurance Co Ltd	706.07	3176.85	22%	765.96	3642.7	21%	563.48	4594.09	12%	697.9	6272.81	11%	1164.4	7746.64	15%
12	Star Health and Allied Insurance Co Ltd	19.93	92.09	22%	24.97	256.05	10%	54.9	330.71	17%	49.85	206.98	24%	69.97	422.32	17%
13	Cholamandalam MS General Insurance Co Ltd	45.08	371.52	12%	96.89	574.23	17%	141.34	967.61	15%	158.335	1259.27	13%	209.08	1726.15	12%
14	HDFC Eego General Insurance Co Ltd	45.87	273.59	17%	171.3	624.13	27%	223.41	1223.25	18%	327.34	1888.04	17%	461.82	2696.22	17%
15	Universal Sompo General Insurance Ltd	25.14	207.64	12%	60.34	258.19	23%	85.3	331.57	26%	69.96	408.51	17%	124.8	777.18	16%
16	Future Generali India Insurance Co Ltd	44.56	160.97	28%	76.38	276	28%	147.51	601.85	25%	192.91	930.18	21%	309.15	1295.15	24%
17	Apollo DKV Insurance Co Ltd	12.39	102.45	12%	33.01	139.2	24%	42.77	296.06	14%	56.84	418.83	14%	56.64	538.75	11%
18	Shriram General Insurance Co. Ltd.	50.65	140.55	36%	112.14	278.16	40%	163.86	780.43	21%	299.36	1128.57	27%	640.52	3700.54	17%
19	Bharati Axa General Insurance Co. Ltd.	16.13	119.03	14%	36.94	275.21	13%	60.78	610.49	10%	120.41	1075.85	11%	173.42	1484.09	12%
20	Raheja QBE General Insurance .Ltd.	20.13	187.49	11%	25.19	181.83	14%	20.27	181.75	11%	30.21	200.13	15%	25.08	217.08	12%

Source: IRDA Annual Reports , 2008- 09 to 2013- 14

TABLE-10 : ASSETS UNDER MANAGEMENT OF LIFE INSURANCE COMPANIES (Rs. Crore)

S. NO	COMPANY	2008-2009			2009-2010			2010-2011			2011-2012			2012-2013		
		INFRASTRUCTURE INVESTMENT	**TOTAL INVESTMENT**	**% of investment**	**INFRASTRUCTURE INVESTMENT**	**TOTAL INVESTMENT**	**% of investment**	**INFRASTRUCTURE INVESTMENT**	**TOTAL INVESTMENT**	**% of investment**	**INFRASTRUCTURE INVESTMENT**	**TOTAL INVESTMENT**	**% of investment**	**INFRASTRUCTURE INVESTMENT**	**TOTAL INVESTMENT**	**% of investment**
1	Life Insurance Corporation of India	62065.43	606487	**10%**	65755.62	699475.5	**9%**	80491.49	798291	**10%**	84532.45	914614.1	**9%**	102000.9	1037656	**10%**
2	HDFC Standard Life Insurance Company Ltd	364.77	2220.16	**16%**	843.82	4451.08	**19%**	1301.75	5360.12	**24%**	1636.71	1789.48	**91%**	2038.39	10385.8	**20%**
3	Max New York Life Insurance Ltd	429.41	1789.48	**24%**	765.19	3487.93	**22%**	1131.22	4880.19	**23%**	1779.46	2735.49	**65%**	2152.29	9876.67	**22%**
4	ICICI Prudential Life Insurance Company Ltd	452.08	2735.49	**17%**	688.31	4326.29	**16%**	1080.84	6562.38	**16%**	168.6	589.75	**29%**	2418.1	12354.71	**20%**
5	Birla Sunlife Insurance Co Ltd	137.54	589.75	**23%**	414.21	1452.77	**29%**	535.32	2177.89	**25%**	810.11	1627.84	**50%**	815.73	2850.58	**29%**
6	TATA AIG Life Insurance Co Ltd	309.82	1627.84	**19%**	489.14	2832.47	**17%**	603.5	3550	**17%**	805.41	641.25	**13%**	1120.45	5796.36	**19%**
7	Kotak Mahindra Life Insurance Lt	122.29	641.25	**19%**	284.07	1216.32	**23%**	370.86	1549.28	**24%**	541.48	3374.25	**16%**	708.46	2776.7	**26%**
8	SBI Life Insurance Co. Ltd	652.02	3374.25	**19%**	775.2	4800.63	**16%**	746.5	4714.12	**16%**	1104.88	2542.53	**43%**	1398.19	8349.89	**17%**
9	Bajaj Allianz Life Insurance Co Ltd	404.53	2542.53	**16%**	1045.11	4582.34	**23%**	1081.98	5708.76	**19%**	161.41	607.72	**27%**	2024.46	10961.22	**18%**
10	MetLife India Insurance Company Limited	176.61	607.72	**29%**	316.58	1030.52	**31%**	357.06	1374.36	**26%**	472.37	479.18	**99%**	NA	NA	**NA**
11	Reliance Life Insurance Co Ltd	78.59	479.18	**16%**	169.44	886.92	**19%**	253.2	1309.77	**19%**	417.17	711.55	**59%**	748.93	5115.74	**15%**

12	ING Vysya Life Insurance Co Ltd	153.97	711.55	**22%**	262.98	1116.36	**24%**	335.53	1424.06	**24%**	482.99	417.93	**11%**	711.41	2743.3	**26%**
13	AVIVA Life Insurance Co Ltd	95.14	417.93	**23%**	99.62	496.71	**20%**	178.79	833.28	**21%**	267.97	270.26	**99%**	416.61	1753.91	**24%**
14	Sahara Life Insurance Company Limited	56.09	270.26	**21%**	98.47	380.4	**26%**	123.94	462.77	**27%**	159.3	169.66	**94%**	173.91	657.45	**26%**
15	Sriram Life Insurance	26.49	169.66	**16%**	70.16	237.43	**30%**	63.27	259.92	**24%**	73.78	177.63	**42%**	123.76	511.2	**24%**
16	Bharti AXA Life Insurance Co. Ltd.	29.81	177.63	**17%**	29.06	137.43	**21%**	31.99	201.32	**16%**	50.11	149.99	**33%**	66.7	329.04	**20%**
17	IDBI Fortis Life Insurance Co Ltd	32.43	149.99	**22%**	73.69	288.55	**26%**	83.86	558.38	**15%**	137.44	140.56	**98%**	427.45	1088.83	**39%**
18	Future Generali India Life Insurance Co. Ltd	25.1	140.56	**18%**	59.74	279.3	**21%**	130.53	449.9	**29%**	181.5	690.5	**26%**	302.78	1001.47	**30%**
19	Canara HSBC OBC Lif Insurance Co Ltd.,	0	0	**0**	37.78	234.01	**16%**	75.23	278.6	**27%**	142.88	397.69	**36%**	160.41	757.66	**21%**
20	Star Union Dai-ichi Life Insurance Co Ltd	0	0	**0**	70.46	368.11	**19%**	70	404.35	**17%**	99.72	487.05	**20%**	131.98	694.61	**19%**
21	DLF Pramerica Life Insurance Co ltd.,	0	0	**0**	28.14	85.26	**33%**	34.37	143.02	**24%**	49.11	157.19	**31%**	61.94	214.12	**29%**
22	Aegon Religare Life Insurance Co ltd.,	0	0	**0**	23.67	11756	**0%**	40.43	231.53	**17%**	62.33	244.31	**26%**	42.16	225.56	**19%**

Source: IRDA Annual Reports , 2008- 09 to 2013- 14

CONCLUSION

Infrastructure being the growth engine of any economy, countries across the world has given prominence in their fiscal budgets and India is not an exception. Infrastructure investments have seen rapid development since 12th Five Year plan with estimated investments of Rs 35,68,626. Public Private Partnerships in infrastructure investments have been contributing with the lion share in the investments while bank financing, infra structure finance companies and insurance companies have also become a part of infrastructure financing. We studied whether insurance funds can be a significant contributory towards infra structural investments. Our study found that the funds of non- life insurance companies have significant contribution followed by life insurance companies' funds. It is also suggested that the insurance funds must be given priority for the investments towards infra structure investments as the returns from insurance and infra structure have long gestation periods, but care must be taken while investing as infra structure projects are large capex projects with high risk.

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