

CHAPTER-IX

INSURANCE

HIGHLIGHTS

- ❖ Total income of Life Insurance Corporation (LIC) grew from Rs. 47 crore during 1956 to Rs. 1.74 lakh crore during 2006-07. Out of this total income about 75-80% was from premium and the remaining income was from net interest, dividends, rents and other receipts.
- ❖ The expenses of LIC for 'other than claims' grew from Rs. 35 crore during 1956 to Rs. 1.38 lakh crore during 2007-08.
- ❖ The ratio of expenses of LIC towards 'claims by death' & 'claims by survival' was 1:2.26 in 1956 which increased to 1:7.22 in 2006-07.
- ❖ Investment by LIC increased from Rs. 4588 crore during 1978-79 to Rs. 6.36 lakh crore during 2007-08.
- ❖ The investment in public sector was nearly 74% during 1978-79 which grew to 79% in 2007-08. But in private sector it grew from 13.5% to 20.1% during this period.
- ❖ New life insurance business increased from Rs. 126 crore during 1950 to Rs. 3.04 lakh crore during 2006-07.
- ❖ There was significant growth in receipt of Postal Life Insurance (PLI). It increased from Rs. 23 crore during 1964-65 to Rs. 9436 crore during 2005-06.