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A COLLECTIVE STUDY ON CUSTOMER RELATIONSHIP MANAGEMENT PRACTICES IN PUBLIC AND PRIVATE LIFE INSURANCE COMPANIES IN CHHATTISGARH

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Abstract: This study has been undertaken to investigate the determinants of stock returns in Karachi Stock Exchange (KSE) using two assets pricing models the classical Capital Asset Pricing Model and Arbitrage Pricing Theory model. To test the CAPM market return is used and macroeconomic variables are used to test the APT. The macroeconomic variables include inflation, oil prices, interest rate and exchange rate. For the very purpose monthly time series data has been arranged from Jan 2010 to Dec 2014. The analytical framework contains.

Keywords— Service Quality, Insurance Sector, LIC, Financial, Private Companies.

I. INTRODUCTION

Chhattisgarh's access to foreign currency and foreign direct investment is significantly influenced by the banking and insurance sectors. Chhattisgarh's insurance market is one of the most rapidly expanding in the world. Chhattisgarh's current tendency toward liberalization affects not just the insurance industry, but also other elements of the state's advertising and monetary framework. The buyer has all the power in the market. Intangible assets are highly valued by life insurance firms. The rivalry is heating up as private companies join the game. Every business hopes to succeed by providing superior customer service and innovative products that appeal to today's consumers. One of the main goals of this research was to evaluate how efficient life and private insurance companies are. The influence of insurers in Chhattisgarh's economy cannot be overstated. Because of this, more individuals are saving money,

their futures are more secure, and insurance firms have access to larger pools of capital [3].

The healthcare system in Chhattisgarh is one of a kind due to its eclectic mix of medical practices, ownership models, and delivery mechanisms. Notably, Chhattisgarh has a higher per capita use of life care services than any other Asian country (about 5 percent of GDP being spent on Lifecare, 80 percent of which is private expenditure). In Chhattisgarh, life insurance is still quite uncommon. Only roughly 3.4% to 3.5% of the population is protected by life insurance [9].

The need for insurance in the developed world goes back to the dawn of business itself. Unpredictability is a part of life and business alike. Because of the insurance, it will be safe. The insurance market has been crucial to Chhattisgarh's economy for decades. More than that, it has assisted Chhattisgarh in reaching its objective of creating a stable, productive, and efficient economic setting. Moreover, it satisfies the needs of the country's actual economy and contributes to the country's socioeconomic goals. It has quickly become one of the most important parts of the Chhattisgarh banking industry. It has been trying to stimulate economic growth or development by investing in life insurance policies [1].

Life insurance

The healthcare insurance industry is like other service industries in that it relies heavily on customer input throughout the buying process because of the importance of customizing services to meet individual needs, the breadth and depth of products and services, and the complexity of policies and procedures. Life assurance, more often known as life insurance, has developed into a significant financial instrument that serves

as much more than a "Protection" and "Legacy" for families. Chhattisgarh, because to its booming economy, is quickly becoming the most sought-after insurance market in the world [2].

The Life Insurance Industry Is Growing

It was not too difficult to get into the insurance market in Chhattisgarh at first. Before the year 2000, Life Insurances Corporation was the sole public sector life insurance company in Chhattisgarh (LIC). In 1999, the government of Chhattisgarh gave the green light to the privatization of the financial services industry, prompting the establishment of the Financial Services and Markets Authority. The IRDA has made it possible for non-governmental organizations to provide life insurance policies. After Chhattisgarh's government allowed private companies to enter the life insurance market in 1999, the sector saw rapid growth. Premium income, commercial offices, new business contracts, agents, products, and riders have all increased significantly since the turn of the century in the private life insurance industry. The insurance industry in Chhattisgarh is seeing rapid growth as businesses seek to influence market dynamics via technological innovation and market diversification. These days, residents of Chhattisgarh may choose between one of the state's 23 private life insurance companies or the state's lone public option. By 2025, McKinsey predicts, Chhattisgarh will have become the world's fifth-largest market, surpassing the United States [4].

The Life Insurances Corporation of Chhattisgarh is a government-owned corporation

Life Insurances Corporation of Chhattisgarh is the only life insurance provider in the state of Chhattisgarh (LIC). Initially, on September 1st, 1956. The government merged over two hundred and forty-five insurance and provident organizations to create the Life Insurance Corporation. The biggest insurer in Chhattisgarh, despite its modest estimated asset value of 1660481.84 crores. The company's life reserve was Rs. 1443103.12 crores [3] as at the end of 2013, while the total amount of insurance it had provided was Rs. 377.82 lakhs.

Monopolistic Growth

Although Chhattisgarh has a monopoly on life insurance, this plan has been wildly successful from the get-go. The Corporation was founded in the early nineteenth century [5, 6] with a low capital of INR 46 crores (about 93 million at the 1960 exchange rate of 5 for US\$2). It now has 400 branches and 5.8 million policies. The company is present in more than 27,000 cities and towns around the globe, and it has more than 351.2 million policies and a corpus of more than 800,000 crores.

In Chhattisgarh, Numerous organizations provide life insurance plans.

- ***The Government Sector***

If the government controls at least 51% of the shares, the insurance firm is considered to be part of the public sector. The national or state government is another option. All the new regulations and nationalization led to the government buying into insurance firms [3].

- ***Chhattisgarh's Life Insurance Corporation***

The mission of LIC from the beginning has been to provide life insurance coverage to the impoverished and rural sections of the country. enticing more people to save by linking their savings with valuable insurance. serving as custodians of the insured funds of the general public. Deal with the money knowing that it rightfully belongs to the people who bought the insurance. Don't rely on life insurance; instead, save for a wide range of contingencies that might happen due to the unpredictable nature of the modern economy and society [5].

LIC's Functions

There ought to be affordable insurance options for people to choose from. LIC funds should be invested in safe assets like government bonds. Spend money on a wide range of government programs that are important to the economy's growth. The affordable home credit market is the largest source of savings and investment in Chhattisgarh [6].

The Commercial Sector

Chhattisgarh's restrictions on entering the life insurance market in 2000 and 2001 have been lifted, making the market more open to investors and shareholders. The life insurance sector has also been opened up to FDI. Twenty-three private companies are now vying for a larger slice of Chhattisgarh's expanding market while also maintaining their current market share [7].

Performance of both public and private life insurance companies

The data collection process began with textbooks and continued through local, national, and worldwide publications in addition to LIC yearly reports. Secondary sources included the periodical Life Insurance Today and the yearly reports from the Insurance Regulatory and Development Authority (IRDA). Some online resources were also investigated. Analysis of the data was performed using standard statistical methods [8], such as the calculation of ratios, growth rates, percentages, and coefficients of variation.

What is the purpose of private insurance companies?

The government tried nationalization (1957-2000) and privatization (before 1957) within certain parameters and then opted to combine the two approaches. Because of this, the industry was able to be privatized while maintaining an efficient regulatory structure (post-2000.00). The initiative was launched to increase industry competitiveness, making it possible for more businesses to provide a broader selection of products to a greater number of consumers. Apart from the obvious difference in ownership, private insurance firms carry out the same functions as their public counterparts [9].

A Quick Overview of the Current Market Situation

By 2020, it is projected that the value of the insurance industry in Chhattisgarh would have increased to \$280 billion. With the help of the government's initiatives to insure the uninsured, the number of insurance providers and the percentage of the population with insurance have both increased steadily. This year, life insurance firms in Chhattisgarh have seen a rise in their total or gross premium collected from the previous year, from 39.7 billion to 94.7 billion. Life insurance premiums in Chhattisgarh climbed by 15 percent between FY2012 and FY2016, reaching \$3.7 billion in FY20. The premium share of GDP in Chhattisgarh increased from 2.71% in FY19 [9] to 3.71%.

II. LITERATURE REVIEW

For modern economies to function normally, a robust insurance market is essential. It promotes thriftiness, protects financially secure people and businesses in both urban and rural areas, and, most significantly, creates long-term investable cash for upgrading infrastructure. As is typical in the insurance sector, premiums are reliably collected from customers, but claims are paid out slowly and under certain conditions (Kumar, 2010). During the mid-20th century, when unethical practices were becoming commonplace in many sectors, the first life insurance firms emerged. Although many competitors were removed before earning any prize money, several still

competed and earned some money. In 1956, the government took over all 245 insurance companies in the state, prompting the formation of the Life Insurance Corporation of Chattisgarh on September 1. In 1993, the government appointed the Malhotra Committee to investigate the industry's many facets. International insurance firms with 26% market capitalization were essential in the reform process. For the sake of better meeting the needs of the economy, this shift was undertaken to create a more streamlined, competitive, and tailored financial system [19].

Agarwal, Rakesh (2019) The report's author emphasizes the remarkable expansion in tandem with the improved economic foundation. Chattisgarh's insurance sector is still in its infancy and has enormous room for development in terms of growth, penetration, density, and other insurance-related metrics. Increasing insurance coverage in rural regions has been demonstrated to be possible, although slowly [1].

Arya S.B. (2021) A nationalized insurance corporation has been privatized despite a lack of evidence that it has breached its contracts with insurers or the government, as the author of "Learning Nothing, Forgetting Everything" points out. Problems with providing insurance to the poor have been resolved, and the government has received a large sum of money to put toward other initiatives thanks to the LIC. Krishnaswami's "Principles and Practice of Life Insurance" (2009) covers the topic of insurance from every angle, including its origins, its advantages, and the roles it plays in society and the economy. The book also goes into detail [2] on the topics of investment management, solvency margin, and several types of life insurance.

Base, S, A (2018) The vast majority of Chattisgarh's territory is still underdeveloped, but the state is home to a substantial population, giving the insurance industry their reason to be optimistic about its future. There is now an annual growth rate of 1520 percent in the insurance industry. Together with the financial sector, it accounts for around 7% of the country's gross domestic product. This expansion, however, has not yet led to widespread adoption of insurance in the nation. A staggering 80% of the people living in Chattisgarh do not have any kind of health or life insurance. These numbers [3] show that the insurance sector in Chhattisgarh has tremendous expansion potential.

Bishnoi, V and Saliaran, R (2021) Studying how consumers act in the life insurance market. Researchers in the state of Chattisgarh argue that their state sells less life insurance plans than several Western and Asian nations. Chattisgarh's position as the world's second-most populous nation has attracted the attention of insurance firms both domestically and abroad, who see a great potential for growth in the state's burgeoning middle class. These businesses have used their global connections and market expertise to give Chattisgarh customers enticing deals on goods and services, but they have so far been unable to capture a significant share of the state's business. With over 65% of the market share [4], the LIC is unchallenged as the industry standard for life insurance.

Kothari.C.R. (2018) Government and private life insurance agencies in Chattisgarh were analyzed for their efficiency. According to the results of recent research, consumers now have the ultimate power in today's economy. Consumers are impressed and attracted to new products because of their unique qualities [5].

Mavalankar D. and Bhat M. (2018) performed research on the Chattisgarh state's newly liberalized life insurance market. The unexplored Chattisgarh market, according to the study's authors, has considerable promise. As a result of steady growth since 1991, the Chattisgarh life insurance industry is now thriving in the face of intense competition from domestic and foreign firms [6].

Singh Manjeet (2021) performed research comparing public and private insurance providers in Udaipur. In that study, which used a descriptive research approach, the primary data came from a closed-ended questionnaire given to policyholders with several insurance providers. The study's findings [8] show that consumers' demographic characteristics affect their decision-making when selecting an insurance provider, whether public or private.

Pranav S. (2019) This research set out to evaluate the public and private life insurance firms serving the state of Chattisgarh in India. Academic studies have proven that the entry of private firms into a market increases competition. Finding strategies to set yourself apart from the competition is crucial for any business's long-term viability [10].

As a result of globalization, the monopoly of state-run insurance firms is becoming more difficult to maintain. In order to maintain their dominance in the insurance industry, several different tactics have been used. They used a number of tactics, including innovation, push and pull marketing, agent recruitment, bank assurance, alternative channels, international expansion, micro insurance, and communication [29].

Sixth, internet marketing (Mohamed & Murthy) and the AIDA model (Attention, Interest, Desire, and Action) framework, as well as marketing throughout the product's life cycle (2012). Friends and family play the most crucial role in everyone's lives. Brand development initiatives need to be connected with organizational procedures that help meet customer promises through all corporate divisions, intermediaries, etc. (Ghodeswar, 2008) [18] since they all have a considerable impact on the brand experience that consumers have.

Every business needs satisfied customers in order to thrive. Therefore, retaining patronage is crucial for the success of any business. Only by giving them exactly what they want at a reasonable price is this possible. Agents are essential to this process since they function as the company's face when communicating with clients directly [20].

Sarvanavel.P (2020) describes what an agent's primary responsibilities are. The insurance market is profoundly impacted. In order to assure their clients that the insurance market is both efficient and fair, agents must relay this information to them [9].

V. Sharma and D. S. S. Chowhan (2019) Successful company expansion for health insurance brokers has been studied, along with their time, energy, and commission on premiums paid by policyholders. Furthermore, the novel idea of "insurance habit" was explored, along with an asymmetric health insurance plan. The 4Ps are fundamental to the success of every business. An efficient sales force (representatives, advisers, etc.) and fair distribution of products are key to a company's expansion [11].

R. Soni, A. Jolly, and A. Rana (2019) addressed the organizational framework for selling insurance products, which includes direct response channels like mail and telephone. The choice of distribution method, the nature of the agent-insurer relationship, and the oversight of insurance distribution

operations by regulators are the three most pressing problems in the industry at now [12].

M. Jaiswal, N. Gupta, and A. Rana (2020) Research shows that virtually all insurance providers successfully use their advertising to stay competitive in the market. Dar et al. (2012) analyzed public and private organizations' approaches to design, distribution, and marketing. Different income brackets of families were also used to evaluate the insurance market's potential. According to the results, businesses in the public and private sectors utilize distinct marketing approaches. As a result of its reliance on push marketing to bring in new customers, the private sector has a reputation for being less reliable than the public sector. The public sector has a solid reputation for dependability, but this isn't necessarily reflected in the quality of the services it offers [13].

D. C. P. Singh, S. R. Hashim, and R. G. Singhal (2019) In order to maximize coverage and customer advantages in the highly competitive Chhattisgarh insurance market, it is crucial to choose the most appropriate distribution channel. The amount of commerce has expanded, and the rate of economic expansion has accelerated, as a result of globalization [14].

V. Bhatnagar, J. Ranjan, and R. (2020) Evidence suggests that advertising and personal selling are the most effective methods for promoting services because they raise brand recognition and facilitate a connection between customers and providers. Promotional techniques are influenced by both internal and external influences, including but not limited to technological advancements, industry focus, cultural concerns, market competitiveness, and economic constraints. Adapting marketing campaigns is sometimes necessitated because of regional variances in consumer tastes and expectations. In order to lower marketing costs and produce economies of scale, changes will be made to the promotional mix. When determining which insurance products from a certain firm to use, the premium, or cost of the insurance, is a major factor [15].

A. Kansal, V. Jain, and S. K. Agrawal (2020) Banks have saw pricing as a very important part of their marketing mix. Establishing a competitive pricing point is essential for success in the market [16].

M. Sharma (2019) examination of the cultural, economic, and demographic elements that contribute to the spread of health insurance knowledge and the acceptance of health insurance as a need. Evidence suggests that factors including household income, level of education, and size affect consumer preferences. The general public has a deep interconnection between their knowledge of health insurance and their knowledge of education. It has been shown [17] that those with greater incomes and levels of education are more likely to be aware of the need for health insurance and to actively seek it out.

S. K. Mangla et al. (2021) Evaluation of the marketing mix's (Price, Place, Promotion, and Place) correlation with word-of-mouth advertising was conducted. Word-of-mouth advertising, as argued by the author, is a powerful promotional approach since it works in many sectors, is a worldwide phenomenon, has a high rate of consumer involvement, travels rapidly, may be fractured, and may be recycled. Word-of-mouth promotion is one of the most effective customer acquisition tactics since it influences all four of the marketing mix's most important components [18].

M. Dadhich, et.al. (2021) A complex being with the ability to meet both the functional and psychological requirements of its users on several levels simultaneously. Branding, or giving a product a name, is an important part of developing and sustaining trust between an insurer and its clients and the public at large [19].

W. Huang and M. Eling, (2020) Analysis of the five facets of communication—information dissemination, awareness building, attitude modification, brand image creation, and customer loyalty—is performed to determine the importance of marketing communication in today's competitive business climate. A study of both public and private banks found that effective marketing communication contributed to a favorable impression of the institutions, as well as increased trust, confidence, and conviction in doing business with them. Public relations, media campaigns, and other forms of exposure were among the areas of investigation [20].

K. R. Alok and M. Srivastava, (2021) Personal selling were identified as one of the greatest, most successful, and most imaginative promotional methods and approaches for promoting the insurance product. The document disseminates details about the product's characteristics and advantages and raises the public's profile of the product. Moreover, it influences insurance policyholders' levels of contentment [21].

III. RESEARCH METHODOLOGY

Design

Life insurance companies in Chhattisgarh were studied to determine their financial viability. The financial performance of insurance companies is now being evaluated to support the economy's capital expenditures because they not only provide a way to reduce financial loss or make investments more secure but also facilitate the redistribution of capital when there is an excess of funds in one sector of the economy and a shortage of funds in another. Since a company's success might have far-reaching consequences for the economy, it is important to conduct empirical research to evaluate its performance. The insurer leverage ratio, solvency ratio, current ratio, and return on capital ratio [24] are just a few of the ratios that have been used in the past to measure financial outcomes.

Sample

Numerous governmental and commercial entities do sample collection in the life insurance industry [16]. Chhattisgarh Prudential Life Insurance, LIC, Housing Development Finance Corporations Limited (HDFC), Standard Life Insurance, SBI Life Insurance, and Birla Sun Life Insurance are other firms you might research.

Data collection

Empirical studies are necessary to evaluate business performance due to the potential for individual firm successes to have a multiplier impact on the economy. Current ratios, solvency ratios, return on capital ratios, and insurer leverage ratios are only some of the profitability measures that have been used to evaluate financial performance. Data for this research [10] comes from a wide range of public and private insurance providers.

D. Analytical Tools:

The following mathematical techniques are used to examine the data that have been gathered:

a) To calculate annual growth rate, use the formula below:

$$AGR = (X_2 - X_1) \times 100$$

Where X_1 = initial X-value variable

X_2 = second possible value for X

b) The Mann-Whitney U-test is used to confirm significance in growth difference:

$$U = N_1 X N_2 + N_x$$

$$N_x + 1/2 - T_x$$

The total number of records in both sets, N_1 and N_2 , are denoted by and.

The value N_x denotes the set of information inside the set that contributed to the better rank total.

The higher rank total is T_x .

IV.RESULT AND ANALYSIS

When calculating premiums, public and private health insurance providers utilize essentially the same methodology. The investigator then obtained a price estimate for a comparable kind of insurance. However, service costs differed from company to company. Among private firms, just 20% of policyholders were pleased, 15% were slightly content, 11% were extremely unhappy, 40% were dissatisfied, and the remaining 20% were unsure [21].

The most influential element on policyholders' views of insurance is identified using the mean score. The results showed that both publicly traded and privately held life insurance companies had higher average security ratings. The safety of their loved ones is a major consideration for policyholders of both government-run and private life insurance companies. From what can be observed in Table 1, only around a quarter of the population is insured by companies. This suggests that either the market has expanded or the number of individuals in Chhattisgarh who want insurance has risen. Numerous options exist for reaching one's intended demographic. Possible outcomes include lower loan rates, the collapse of small businesses, and entry into fields including banking, e-commerce, and retirement savings [18].

Table 1. Demonstrate the Level of Satisfaction Achieved by Private and Public Life Insurance Companies

Factors	Private companies	LIC
	Mean Score	Mean Score
Switching facility	2.58	2.96
Bonus	2.24	2.00
Rider facility	3.12	3.18
Top up facility	2.94	3.00
Surrender facility	2.18	2.00
Customers complaint	2.50	2.30
Loan facility	2.03	2.68
Total	2.58	2.51

Both companies' life insurance clients are unhappy with the level of care they get, according to a survey that probed their views on a range of issues. The four-year downturn of private health insurers caused by LIC's dominance in the life insurance market ended in 2014 and 2015. Insurances Regulatory or Development Authority data shows that for the first 9 months of the current fiscal year, private life insurers witnessed a 17 percentage point gain in new premium inflows, while LIC insurers saw a 21 percentage point reduction. The percentage of the life insurance market held by private companies rose from 22.4% in December 2013 to 30.0% in December 2014. State Bank of Chhattisgarh (SBI) Life, HDFC Standard Life, and ICICI Prudential Life are just a few of the organizations that have prospered. The percentage of the market held by LIC has dropped from 77% on [27] to 71% now.

A measure to restructure the insurance industry has been approved by the Insurance Regulatory and Development Authority. Private sector participation in the market has been revived by the government's establishment of the IRDA. The Life Insurance Corporation of Chhattisgarh oversaw all policies for the state (L.I.C.I). Nevertheless, now that we are well into the 21st century, things have changed. Private businesses' share of the life insurance industry has grown significantly since the IRDA Act was implemented in 1999. By the end of March 2015, the Indian state of Chhattisgarh was home to 53 different insurance companies. Twenty-four life insurers (including Chhattisgarh's state-run L.I.C.) and twenty-eight general commercial insurers made up this total. The percentage of the market that LIC held based on total premiums collected declined from 73.55% in 2013–14 to 73.55% in 2014–15. From 2013–14 to 2014–15, the percentage of the insurance market held by private companies grew from 24.61 percent to 26.95 percent. Despite this, a significant percentage of the market is still controlled by the state-owned Life Insurance Corporation (LIC) [29].

Analysis of Data:

An increase in the cost of new life insurance policies Latest life insurance premium trends from the Chhattisgarh LIC and other private insurance firms are shown in Table 1. Variable growth rates, from -13.55 percent (FY 2014-15) to 97.17 percent (FY 2015-16), have been seen in the new premiums for LIC life insurance (FY 2007-08). There has been no consistent trend in the private sector's new business premium between 2005–2006 and 2014–2015. The yearly growth rate peaked in FY 2006-07 at 89.16% and dipped to FY 2011-12 at 8.22%. (-18.49) [23].

Growth in Total Life Insurance Premium

Table 2. Premium Information for Both LIC and Private Life Insurance Companies

YEAR	Companies (Amount in Rs. Crore)			
	Public sector		Private sector	
	Amount	AGR (%)	Amount	AGR (%)
2015-16	266444.22	11.18	100498	13.65
2016-17	300487.20	12.79	117989.2	17.41
2017-18	318223.2	5.91	140586.2	19.15
2018-19	337505.07	6.06	170627	21.37
2019-20	379389.6	12.42	193520.6	13.42

Table 3. Mann-Whitney U-test for the Total Life Insurance Premiums of Public and Private Insurance Companies

YEAR	Public sector		Private sector	
	AGR (%)	RANK	AGR (%)	RANK
2015-16	11.18	3	13.65	7
2016-17	12.79	5	17.41	8

2017-18	5.91	1	19.14	9
2018-19	6.06	2	21.38	10
2019-20	12.42	4	13.43	6

Table 4. Sum Of Rank Order

SUM OF RANK ORDER	15	40
NO OF DATA	5	5
U-VALUE		0

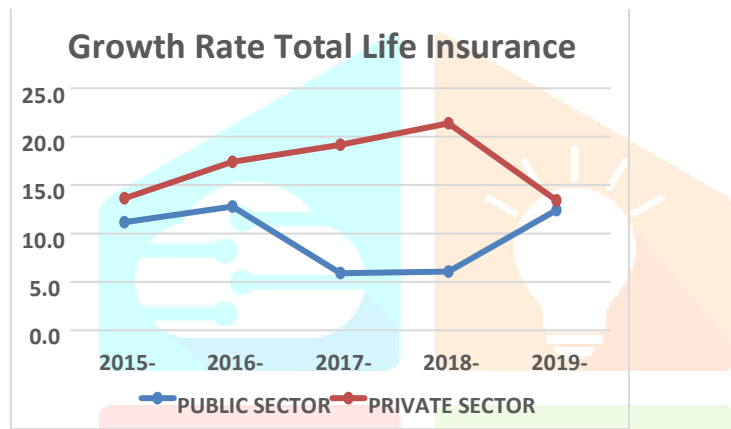


Fig 1. Growth Rate Total Life Insurance Premium

Interpretation: The average cost of public insurance is much higher than that of private insurance. Over the last five years, the average premium paid by private companies has been much lower than the public sector average [21].

B) Growth in New Life Insurance Policies issued

Table 5. Data Relating to Recently Issued Policies from Both Public and Private Life Insurance Providers (Numbers in Lakh)

YEAR	Public sector		Private sector	
	AMOUNT	AGR	AMOUNT	AGR
2015-16	205.48	1.87	61.93	7.93
2016-17	201.31	- 2.01	63.25	2.14
2017-18	213.39	5.98	68.58	8.47
2018-19	214.03	0.32	72.45	5.60
2019-20	218.95	2.31	69.50	- 4.05

Table 6. Mann-Whitney U-test for New Life Insurance Policies Offered by LIC and Private Insurance Companies

YEAR	Public sector		Private sector	
	AGR	RANK	AGR	RANK
2015-16	1.87	4	7.93	9
2016-17	- 2.01	2	2.14	6
2017-18	5.98	8	8.47	10
2018-19	0.32	3	5.60	7
2019-20	2.31	5	- 4.05	1

Table 7. Sum Of Rank Order

SUM OF RANK ORDER	22	33
NO OF DATA	5	5
U-VALUE		7

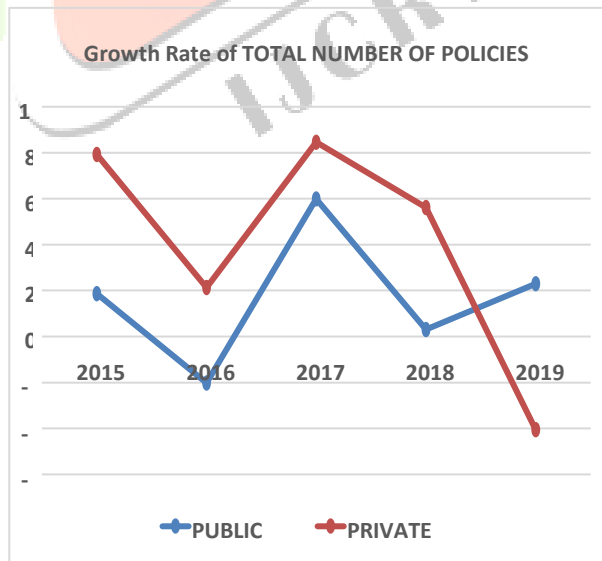


Fig 2. Growth Rate of TOTAL NUMBER OF POLICIES

- In 2015–2016, the public sector had the newest life insurance policies—204.47 lakhs—compared to the private sector's 61.92.
- Public sector growth was 218.96 lakhs in 2019–20, while private sector growth reached 69.5.
- That the government sector is much more powerful than the private sector is an undeniable fact.

Market Share of Life Insurers Based on Total Premium

Table 8. Life insurers' market share of public and private sector

YEAR	PUBLIC SECTOR (%)	PRIVATE SECTOR (%)
2015-16	72.62	27.38
2016-17	71.82	28.18
2017-18	69.37	30.65
2018-19	66.43	33.59
2019-20	66.23	33.80

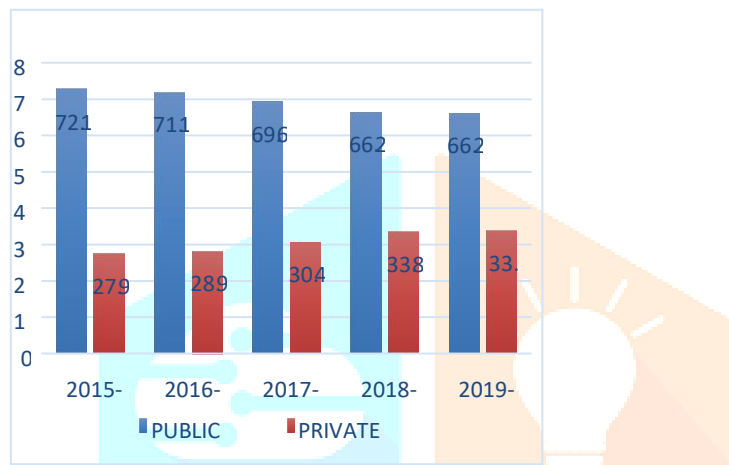


Fig 3. Market Share of Life Insurers Based on Total Premium

➤ Life insurance companies' percentage of the public sector's total premiums has fallen from 72.61 percent in 2015-16 to 66.22 percent in 2019-20. The percentage of the economy coming from the private sector rose from 27.39% in 2015-16 to 33.81% in 2019-20.

COMPARISON OF PUBLIC AND PRIVATE LIFE INSURANCE COMPANIES IN CHHATTISGARH

LIC had a monopoly on the life insurance market since no other companies dared enter it. Private participation in the insurance market was made possible by the Insurance Regulatory and Development Authority in August of 2000. (IRDA). We compare public and private life insurance firms by looking at their market share, total life insurance premium, and a number of new policies issued [28].

(A) MARKET SHARE OF LIFE INSURERS BASED ON TOTAL PREMIUM

An important measure of a life insurance provider's development and success is its market share. Revenue sums up a company's earnings over a certain time frame. Market share for the public and commercial sectors of life insurance from 2000–2001 to 2017–2018 [8] is shown in table [25].

Table: 9. Companies' Total Premium Market Shares in the Life Insurance Industry

Year	Public sector (%)	Private sector (%)
2000-01	99.97	0.021
2001-02	99.45	0.539
2002-03	97.98	2.009
2003-04	95.28	4.709
2004-05	90.68	9.329
2005-06	85.76	14.26
2006-07	81.91	18.11
2007-08	74.38	25.62
2008-09	70.93	29.09
2009-10	70.11	29.91
2010-11	69.78	30.24
2011-12	70.69	29.33
2012-13	72.71	27.31
2013-14	75.38	24.62
2014-15	73.04	26.96
2015-16	72.62	27.40
2016-17	71.82	28.20
2017-18	69.35	30.65

From a 99.98% market share in 2000–2001 to a 69.77% market share in 2010–2011, as seen in the table below. There was a spike in 2011–2012 and 2012–2013, but then it stabilized after that [8].

However, private life insurers' market share rose steadily over the next four years, from 0.02 percent in 2001 to 30.23 percent in 2010-11. A slight decrease took place between the 2011-12 and 2013-14 academic years [8].

(B) NUMBER OF NEW LIFE INSURANCE POLICIES ISSUED BY LIFE INSURERS

One measure of an insurance company's success is the number of policies it issues. Table [9] summarizes, for each year between 2002–03 and 2017–18, the number of new policies issued by both publicly traded and privately held life insurance firms.

Table 10. total amount of new life insurance policies offered by life insurance companies (in lakhs)

Year	Public sector	Private sector	Total
2002-03	245.47	8.26	253.73
2003-04	269.69	16.57	286.26
2004-05	239.79	22.24	262.03
2005-06	315.92	38.72	354.64
2006-07	382.28	79.23	461.51
2007-08	376.14	132.61	508.75
2008-09	359.14	150.12	509.26
2009-10	388.64	143.63	532.27
2010-11	370.39	111.15	481.54
2011-12	357.52	84.43	441.95
2012-13	367.83	74.06	441.89
2013-14	345.13	63.61	408.74
2014-15	201.72	57.38	259.1
2015-16	205.48	61.93	267.41
2016-17	201.33	63.25	264.58
2017-18	213.39	68.57	281.96

The overall number of new regulations changed from 2002–03 to 2017–18. The table below indicates that during 2009 and 2010, LIC sold the most new insurance. The private life insurance industry, however, had the greatest increase in new policy sales during 2008-2009 [29].

(C) TOTAL LIFE INSURANCE PREMIUM

The total amount collected in premiums is the strongest indicator of market health since it is the primary revenue stream for insurance companies. Table [29] displays the cumulative premium income of both publicly traded and privately held life insurance firms from the fiscal year 2000-2001 to the fiscal year 2017-2018.

Table 11. Total Life Insurance Premium (In Crores)

Year	Public sector	Private sector	Total
2000-01	34892.03	6.4501	34898.48
2001-02	49821.92	272.56	50094.48
2002-03	54628.44	1119.07	55747.51
2003-04	63533.46	3120.34	66653.80
2004-05	75127.28	7727.52	82854.80
2005-06	90792.25	15083.55	105875.80
2006-07	127822.85	28253.01	156075.86
2007-08	149789.98	51561.43	201351.41
2008-09	157288.03	64497.43	221785.46
2009-10	186077.32	79369.94	265447.26
2010-11	203473.44	88131.61	291605.05
2011-12	202889.29	84182.84	287072.13
2012-13	208803.53	78398.92	287202.45
2013-14	236942.31	77359.37	314301.68
2014-15	239667.65	88433.48	328101.13
2015-16	266444.22	100499.03	366943.25
2016-17	300487.21	117989.27	418476.48
2017-18	318223.23	140586.25	458809.48

The total premium collected by LIC increased from Rs. 34898.48 crores in the year 2000 to Rs. 318223.20 crores in 2017. In 2011–12, it was almost as good as the year before but ultimately fell short. While private life insurance premiums only amounted to 6.45 crores in 2000-01, by 2017-18 they had risen to a whopping 1,40,586.24 crores. From 2011-12 to 2013-14, the premium was lower overall [29].

CUSTOMER RELATIONSHIP MANAGEMENT PRACTICES

There is a huge opportunity for growth in the life insurance industry, which is dominated by general insurance providers due to factors including increased public awareness of the need for insurance and increased risk due to people's shorter life expectancies and increased exposure to pollutants. Many people, particularly those who live in urban areas, are feeling the detrimental effects of rising pollution levels on their health. Many individuals have become more vulnerable to various respiratory ailments as a result of these events [33].

The Chattisgarh Lifecare Industry

Chattisgarh's lifecare industry is expected to rise to US\$ 280 billion by 2020, mostly due to the increasing demand for high-quality, specialised lifecare facilities. The hospital services industry in Chattisgarh is projected to reach US\$ 81.2 billion by 2015 [34], making it one of the state's most lucrative healthcare niches.

Life Insurance – A Limited Market in Chattisgarh

To the dictionary, "one who buys life insurance... receives life care coverage in advance by paying a cost known as a premium." Only around 10% of Chattisgarh's population is covered by the state's small life insurance market. Chattisgarh's relatively high life insurance premiums (about 6% of GDP) are much higher than those of most other nations. The remaining 4.7% is kept secret from the public. Private insurance purchasers are willing to pay a premium to a firm that protects them against financial ruin by pooling them with others who face similar risks. The key difference is that if premiums are limited, it's possible for third-party and provider organisations to earn a profit. This approach takes into account the risk profile of the individual or group and the scope of benefits to determine a suitable premium, as opposed to basing premiums on a predetermined proportion of yearly income. Options for government workers' insurance are offered by General Insurance Corporation (GIC) and its four subsidiaries, Life Insurance Corporation of Chhattisgarh (LIC), New Chhattisgarh Assurance Company, Oriental Insurance Company, and United Insurance Company [26].

Suggestions and Recommendations

The analysis of main and secondary data showed that the sample health insurers provide enough coverage to their customers. Our proposed changes to the present health insurance systems are grounded on the data. [28].

Better Transparency.

An informed insured is a happy insured. A thorough explanation of the policy paper by a corporate representative would be much appreciated. It has been found that policyholders of publicly traded companies are more satisfied with the level of disclosure than those of privately held companies [29]. Nonetheless, companies of all types—public and private—should make an effort to increase the clarity of their policies by compiling all pertinent information in one place. However, businesses, whether public or private, should make an effort to make their policies more transparent by including all relevant information in a single location, policyholders of publicly traded firms report higher levels of satisfaction with information disclosure compared to policyholders of privately held companies [29].

Enhancing the Scope or to Tailor-made

Businesses in the private sector, in contrast to those in the public sector, provide a variety of options for medical coverage. Organizations in the private sector often use individualised approaches to better assist their clientele. Companies operating in the public sector should avoid becoming too set in their ways and instead work to expand their product offerings or be flexible enough to adapt to new rules as they become necessary. In terms of premiums, the items ought to be useful, flexible, and reasonably priced. Products must go above and beyond to fulfil needs [35].

Maximum benefit in low cost

Both public and private insurance providers need to constantly innovate in order to remain competitive. In order to cover the most facilities for the cheapest premium, pre- and post-hospitalization costs as well as other factors including critical sickness, accidental death, and group discounts are managed.

Reduce the Formalities

The burden of paperwork involved with healthcare facility use and any potential hidden costs might be reduced by streamlining the duties of the T.P.A. and broker. In addition, it is recommended that the firm implement a standardised claim settlement process for the benefit of the insured. Every effort must be made to settle disputes in accordance with the policy's stipulations [48].

Revised Group Discounts

Businesses in the public sector were found to follow a same pattern when it comes to offering discounts to large groups. Businesses in the private sector, meanwhile, were prepared to tempt clients with massive bulk discounts. In light of this, organisations in the public sector need to adapt to the current era by liberalising their authorization structure [39].

Improvisation of Claim Procedure

Health insurance claim processes should be straightforward, and the help of agents is invaluable in this regard. During the claim settlement process, businesses should teach and incentivize their staff to improve customer service [30].

Effective Grievance Mechanism

Insurance companies are obligated to go above and above in their service to policyholders by participating in national complaint mechanisms. Insurers should publicise their local call centres and helplines [31].

CONCLUSION

There were major changes in the Chhattisgarh insurance market once it was opened to private and foreign firms. Both the LIC's monopoly on life insurance and the GIC's and subsidiaries' monopoly on other types of insurance have been challenged. These two government giants have also seen a decline in market share, but not in the way that was expected. After reversing course after the global financial crisis, these firms today enjoy near-total market domination. The private sector is contributing to the global economy in a number of ways, but it lags far behind in terms of professionalism, technology, product variety, and operational efficiency. Chhattisgarh has to change its dominant life insurance over non-life insurance, in contrast to industrialised and other emerging nations, if it ever wants to catch up with other Asian contemporaries, much alone Western rivals [29].

Additionally, private firms have not been able to considerably raise their income or challenge the dominance of LIC and GIC despite their professionalism and customer-centric attitude. In Chhattisgarh, the public sector is still preferred over the private sector. This is the result of the leading private companies' lacklustre support services and their overwhelming emphasis on profit. For independent living and successful cohabitation, they must also prioritise their contributions to and dedication to the community. Businesses need to be conducted in the public interest rather than in the benefit of shareholders to regain the trust of the general people. As a result, they must likewise modify their way of thinking and doing business. Even though we have made strides forward, the life insurance sector is still dominated by LIC and the nonlife insurance industry is dominated by private firms, according to the combined data and analysis of prior research. Despite our expanding economy, we have a dearth of competent health insurance professionals. The current situation calls for logical answers that will improve the market and benefit society, rather than ad hoc and uninspired firefighting methods. To make the most of insurance, which might serve as a social safety net for individuals and a source of liquidity for the country as a whole, the issue of underinsurance and insufficient insurance must be attacked head-on [52–55].

Plans that provide consumers equitable protection, provide clients with options, are simple to comprehend, and are focused on their needs are essential to the continued growth of the life insurance industry. As insurance spending is often linked to

household savings, new methods of distribution are essential for expanding into underserved regions and developing lucrative niches. The success of insurance industry benchmarks was studied here. In order to assess the present standing of the public and private insurance organisations in Chhattisgarh, a comparative framework was constructed for this article. When compared to their private sector counterparts, public insurance agencies are more successful in both life and non-life coverage (11-14).

Their monopoly on some markets and the dependability of state-business customers might be to blame. This research has real-world relevance since it aids policymakers in determining the kind of insurance companies that are succeeding and those that are struggling. Decision-makers will be armed with the knowledge they need to streamline the legal framework and policy framework, thanks to this research. There are three possible methods to go on with this project. The initiative will first target a certain sector. Life and non-life insurance products and services in Chhattisgarh may be compared across both state-run and private insurers. A similar expansion might include nations in Asia. Finally, it is possible to broaden the scope of this research to include other characteristics for which to make comparisons [49-55].

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