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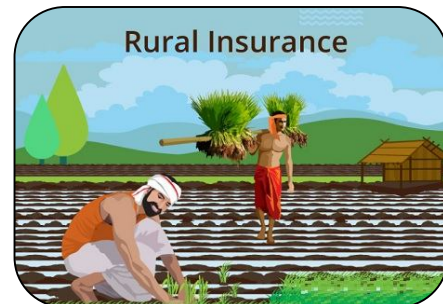
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## MARKETING OF INSURANCE PRODUCTS IN RURAL INDIA: A BIG CHALLENGE

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### ABSTRACT:

*A huge populace of India lives in the provincial regions. The effect of dangers related with life, wellbeing and property are undeniably more extreme on this populace when contrasted with the metropolitan populace with more significant levels of pay. The Indian protection market is opened to private players to arrive at all segments of the general public in both provincial and metropolitan territories. The provincial territory is generally undiscovered by any insurance agency. The public authority is making a decent attempt to shield the provincial individuals from chances. It has acquainted numerous protection plans with cover the country mass in to protection area. The insurance agencies are additionally putting forth attempts to improve the country business. Still they have not accomplished the goal to a more full degree. Hence, there is an immense chance for insurance agencies to arrive at the rustic region with imaginative items which suits the requirements of provincial mass. Connecting with the rustic mass isn't simple. Absence of monetary proficiency, low per capita pay, dull demeanor of individuals, aloofness of middle people to visit far away places and so on are the significant difficulties looked by the insurance agencies. To release this potential, insurance agencies should show long haul obligation to the area, plan items that are reasonable for the rustic populace and use suitable dissemination systems. Insurance agencies should give extraordinary consideration to the attributes of the rustic populace and their ways of life and example of profit before they can effectively infiltrate the provincial area.*



**KEYWORDS :** Financial Literacy, Risk, Rural insurance, Property, Organised sector.

### INTRODUCTION:

According to 2011 enumeration 68.8% of Indian populace day to day routines around there and furthermore many experiencing in metropolitan territory works under disorderly area. The majority of them are ignorant. Some are taught however they know nothing about the government managed retirement measures. Hazard is unavoidable in everybody's life. Hazard might be as death toll, loss of property, High expense of wellbeing and so forth A person can't stay away from every one of these dangers. In any case, we are having a component through which misfortune can be alleviated or repaid in either structure. Protection is the single direction which assists us with getting assurance against different sorts of misfortunes. Securing our most significant resources is a significant advance in making a strong individual monetary arrangement. The correct protection arrangements will go far in shielding procuring force and assets. The taking off cost of

clinical consideration is reason enough to make medical coverage a need. Indeed, even a straightforward visit to the family specialist can bring about a weighty hospital expense. More genuine wounds that bring about a medical clinic stay can produce a bill that beat the cost of a one month utilization costs. Wounds that require a medical procedure can rapidly pile up five-figure costs. Albeit the steadily expanding cost of health care coverage is a monetary weight, for pretty much everybody, the possible expense of not having inclusion is a lot higher. Indian farming area is loaded with vulnerabilities. All endeavors made in a year may vanish toward the end with such countless common catastrophes. Dry spell or floods are the two legends which ordinarily follows Indian farming. In the event that the yields harmed because of downpour or tempest or a few nuisances even after legitimate consideration, rancher will lose everything. It very well may be remunerated with the assistance of protection. The number of inhabitants in India isn't not kidding about the protection. Indian populace isn't crawling towards buying protection items. It is a result of monetary issue and at times absence of information and ill-advised arranging of monetary resource. Populace working in the coordinated area, pretty much, covered under life coverage and somewhat different protections. Tragically, the people working in farming and in disorderly area have not been covered by any protection. Horticultural workers, Hawkers, road sellers, development laborers and so forth are outside the domain of protection. Government is doing full scale endeavors to incorporate them under federal retirement aide network by giving them front of protection. Simultaneously IRDA has made it obligatory for insurance agencies working in the life coverage to do certain level of business in country zones. Guarantors who starts to execute life coverage business in the year 2000 or later, are required work together in the provincial region is as under:

#### **AAM AADMI BIMA YOJANA**

Aam Admi Bima Yojana, a Social Security Scheme for country landless family was dispatched on second October, 2007. The top of the family or one acquiring part in the group of such a family is covered under the plan. The premium of Rs.200/- per individual per annum is shared similarly by the Central Government and the State Government. The part to be covered ought to be matured somewhere in the range of 18 and 59 years. The advantage accessible under this plan is Rs 30,000 on normal passing, Rs 75,000 on death because of mishap/on perpetual handicap or Rs 37,500 on fractional inability. A different asset called "Aam Admi Bima Yojana Premium Fund" has been set up by Central Govt. to pay the Govt. commitment. Asset is kept up by LIC. A free extra advantage as grant to youngsters is additionally accessible under the Scheme.

#### **JANASHREE BIMA YOJANA**

Janashree Bima Yojana was dispatched on tenth August 2000. The Scheme has supplanted Social Security Group Insurance Scheme (SSGIS) and Rural Group Life Insurance Scheme (RGLIS). 45 word related gatherings have been covered under this plan It gives life coverage security to individuals who are beneath neediness line or possibly above destitution line. People between matured 18 years and 59 years and who are the individuals from the distinguished 45 word related gatherings are qualified to be covered under the Scheme. The advantage accessible under this plan is Rs 30,000 on normal passing, Rs 75,000 on death because of mishap/on perpetual handicap or Rs 37,500 on incomplete incapacity. The premium for the plan is Rs. 200/- per part, 50 % premium under the plan is met out of Social Security reserve set up in the year 1988-89 which is kept up by LIC. The equilibrium half premium is borne by the part as well as Nodal Agency.

#### **SHIKSHA SAHAYOG YOJANA AS ADD-ON BENEFIT**

The plan was dispatched on 31st December, 2001. Grant as a free extra advantage is given under both Janashree Bima Yojana and Aam Admi Bima Yojana to limit of two offspring of the recipient concentrating between ninth to twelfth norm (counting ITI courses) @ Rs. 100 every month for every youngster payable half yearly on first July and first January, consistently. The advantage is with no extra premium. For meeting the use on Scholarship advantage under Aam Admi Bima Yojana a different asset has been set up by Govt. of India called "Aam Admi Bima Yojana Scholarship Fund. Asset is kept up by LIC of India. For Jana Shree Bima Yojana grant use is paid out of Social Security Fund. Aside from over two plans,

the prior old Social Security Schemes specifically Social Security Group Scheme, Integrated Rural Development Program (IRDP), Swarnjayanti Gram Swarojya Yojana(SGSY) for the current lives kept on being managed by LIC. These plans are shut for the new lives from the year 2000 onwards.

### OBJECTIVES

Coming up next are the targets set for the current investigation

- 1) To know the need of country protection
- 2) To investigate the chances accessible for improvement of India's protection around there
- 3) To count the difficulties looked by the current market.
- 4) To submit ideas dependent on the difficulties of the investigation

### METHODOLOGY

The current examination is absolutely founded on the optional wellspring of data. Books, distributed materials in diaries, material accessible in the web are the significant wellspring of data.

### CHALLENGES

As we probably are aware the tapping of Indian rustic protection market isn't so natural and it incorporates number of obstacles. The Life protection Corporation of India just has shown its quality around there. Coming up next are the large provokes should be tended to by back up plans.

### LACK OF FINANCIAL LITERACY

To know advancement in a general public, Literacy is another legitimate pointer of monetary turn of events. For reason for statistics, an individual in age breaking point of seven or more, who can both compose and read with comprehension in any of the language is considered as an educated in India. The proficiency level in India according to 2011 enumeration is 74.04%. Despite the fact that it looks a well-rounded schooling record, yet it incorporates the people who can peruse and compose something. The protection market needs not just proficiency regarding peruse and compose yet in addition as far as understanding the ideas of monetary education. Monetary proficiency implies the ownership of information and comprehension of monetary issue. Monetary proficiency is essentially utilized regarding individual budget matters. Monetary proficiency frequently involves the information on appropriately settling on choices relating to certain individual accounting regions like land, protection, contributing, saving, charge arranging and retirement. It likewise includes close information on monetary ideas like accumulated dividends, monetary arranging, the mechanics of a Visa, favorable investment funds strategies, customer rights, time estimation of cash, and so forth This education is exceptionally low in India. To improve the protection business in India one needs to improve the monetary proficiency among provincial just as metropolitan populace.

### CONCLUSION

To release this potential, insurance agencies should show long haul obligation to the area, plan items that are reasonable for the rustic populace and use suitable dissemination systems. Insurance agencies should give extraordinary consideration to the attributes of the rustic populace and their ways of life and example of profit before they can effectively infiltrate the provincial area.

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