

ABSTRACT

This paper analyses the effect of different cost components, on the premium earned, by the life insurance industry of India, across the years, 2001-02 to 2014-15, considered for the benefit of the paper. We have used panel data, with the two cross-sectional points being LIC (Life Insurance Corporation of India) & the private life insurance sector. We have run multiple regression analyses, specifically, panel data regression analyses, using fixed effect models, to understand the impact of the various cost elements on the total annual life premium of the industry. We have also analysed the impact of annual life premium, with one period lag, on the current annual life premium level. For this specific paper, the softwares Stata and Microsoft Office have been used to perform the analyses.