In the present economic scenario the role of insurance can’t be overstated. Almost seven years have passed since the insurance industry has been liberalized. Though the insurance industry is growing by leaps and bounds still there is very huge untapped market of around 80%, which is ever growing. The growth rate for life insurance was as high as 95% for the year 2006 – 07, still the public at large is not aware about the true utility of the insurance. It is felt that the insurance industry again has confined itself to the urban areas leaving the vast rural population of around 73% either uninsured or under-insured. The awareness and knowledge about insurance is poor especially in rural areas. However, the study shows that other industries are doing very well in rural market. Thus this study aims to find out the awareness level about insurance keeping in view the education level and their income. The study aims at finding the awareness level and purchasing potential of the individuals in semi – urban and rural area such as Purvanchal in Uttar Pradesh state of India. The researcher attempts to establish the relationship of education and income of the respondents with their attitude, knowledge and buying behavior for insurance.