



**BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES SUMMER**

**INTERNSHIP REPORT 2021**

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**A PROJECT REPORT ON**  
**“A comparative study on the offerings of Insurance products  
between ICICI Prudential Life Insurance Company Ltd and Life  
Insurance Corporation of India”**

**A FINAL SIP REPORT SUBMITTED  
TO**

**BIJU PATNAIK UNIVERSITY OF TECHNOLOGY  
ODISHA**

**(For the Partial Fulfilment of the requirement of the degree of MBA  
2020-2022)**

**SUBMITTED BY**  
**MS. SURAJ KUMAR GEDI**

**BPUT RED NO.: 2006258228**

**UNDER THE GUIDANCE OF**  
**PROF. DR. SUDESHNA DUTTA**  
**Professor of, BIITM**



**BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY &  
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**INTERNAL GUIDE**

**BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT  
STUDIES, BHUBNESHWAR**

**CERTIFICATE**

This is to certify that project **“A comparative study on the offerings of Insurance products between ICICI Prudential Life Insurance Company Ltd and Life Insurance Corporation of India”** is a Bonafede work of Mr. Suraj Kumar Gedi under the guidance and supervision during the session of 2020-2022 and carried out in partial fulfilment for the award of degree of Master Business Administration.

Dr. Sudeshna Dutta  
(Prof, BIITM)

Place- Bhubaneshwar

Date: -



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This is to certify that Suraj Kumar Gedi has successfully completed his internship training sessions as a “*Financial Analyst Trainee*” at Bharath Machines, Bhubneswar for a duration of 30 days.

We wish the candidate a successful and glorious carrer.

**BHARATH MACHINES**

Priyanka Gedi  
HR Administrator



## **ACKNOWLEDGEMENT**

It is my privilege to thank all of them who have supported me in carrying out this dissertation successfully.

Firstly I would to express my sincere thanks to BIITM for arranging and guiding me to start the dissertation and the latter for extending their noble help for its formation and completion.

I express my sincere gratitude to my internal guide Dr. Sudeshna Dutta for extending guidance and direction in preparing this dissertation, without whose cooperation the project would not have been completed.

In the same breath, I thank all my friend who helped me in completing the report and providing me with a lot of information essential for it.

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## **DECLARATION**

I, Mr. Suraj Kumar Gedi hereby declare that the project work titled **“A comparative study on the offerings of Insurance products between ICICI Prudential Life Insurance Company Company Ltd and Life Insurance Corporation of India”** is an original work done by me and submitted to Biju Patnaik University of Technology, Odisha in partial fulfilment for the award of degree of Master Business Administration is a recorded of the work done by me under the supervision of Dr. Sudeshna Dutta. This thesis has not formed before the basis of any degree, diploma or any similar title.

## **Summary**

Management Thesis is a part of the MBA Program. The objective of a Management Thesis is to train the student in designing and implementing a research project in respect of a business problem. A Management Thesis is the culmination of training provided to the student on practical applicability of the theoretical concepts learned by them.

In this study we look at the options of experiential learning and embedding to the skills and how the organization get the accreditation from its training course and develop the employee exactly and smartly using applying different models like 360° feedback, training by telephone, group training, mind mapping, perceptual awareness etc.

Training is essential to order to understand how to implement the core principle of coaching and learning. Most of the people attracted up to the profession or precisely the once who are likely to make good trainers. People with integrity like helping other and enjoy making different others. Experiential learning and embedding skills is an action oriented behavioral situation. The purpose of the action situation is to have participants generate their own data about each of the key concepts to be studied.

To get the best from experiential learning and embedding skills method, the trainer must be a good observer of behavior. When the groups start to examine its experiences and reflect upon them, he is in a position to assist with this process. His responsibilities in focusing learning, and making it clearer for each participant, are extremely important.

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# **CHAPTER --1**

## **INTRODUCTION**

Insurance is an upcoming sector, in India the year 2000 was a landmark year for life insurance industry, in this year the life insurance industry was liberalized after more than fifty years.

Insurance sector was once a monopoly, with LIC as the only company, a public sector enterprise. But nowadays the market opened up and there are many private players competing in the market. There are fifteen private life insurance companies has entered the industry.

After the entry of these private players, the market share of LIC has been considerably reduced. In the last five years the private players is able to expand the market (growing at 30% per annum) and also has improved their market share to 18%.

For the past five years private players have launched many innovations in the industry in terms of products, market channels and advertisement of products, agent training and customer services etc.

## **SCOPE OF THE STUDY**

- This study was conducted by comparing the performances & products of two private & government insurance players in insurance industry.
- This study was conducted to analyze the market stand of ICICI Prudential Life insurance Company limited and Life insurance Corporation of India insurance company.

## **OBJECTIVES**

The entry of foreign MNC's and the conducive business environment fostered by the government, it is no wonder that the re-entry of private insurance has marked a second coming for the sector. In just five years, the sector has undergone a makeover, offering more choice, better services, quicker settlement, tighter regulation and greater awareness, the environment become more and more competitive and services and products become alike, creating a differentiation is becoming extremely tough.

Thus, this project objectives is as follows

- - To find the strength and the weakness of various products offered by LIC and ICICI
  - Further to create a comparative analysis between the products of ICICI Prudential Life insurance Company limited with Life Insurance Corporation of India.

# **RESEARCH METHODOLOGY**

The research includes different options. They are:

## **Exploratory research:**

It is usually a small-scale study undertaken to define the exact nature of a problem and to gain a better understanding of the environment within which the problem has occurred. It is the initial research, before more conclusive research is under taken.

## **ACTUAL COLLECTION OF DATA**

### **Data sources:**

The sources of data is only secondary data. The present study is more concentration on secondary data sources.

### **Secondary data:**

The secondary data used for their study are inclusive of the data collected from the internet, official sites.

Ex:- [www.licindia.com](http://www.licindia.com)  
[www.iciciprulife.com](http://www.iciciprulife.com)  
[www.policybazar.com](http://www.policybazar.com)

## **LIMITATIONS**

Though the present study aims to achieve the above mentioned objectives in full earnest and accuracy, it may be hampered due to certain limitations, some of the limitations of this study may be summarized as follows,

- This study is limited to two insurance companies only.( ICICI Prudential Life insurance company limited & Life insurance corporation of India)
- Due to time constraint this study is limited only for two companies.

# **CHAPTER- 2**

# **COMPANY PROFILE**



## **ICICI Prudential Life Insurance**

### **OVERVIEW**

ICICI Prudential Life Insurance Company is a joint venture between ICICI Bank - one of India's foremost financial services companies-and Prudential plc - a leading international financial services group headquartered in the United Kingdom. Total capital infusion stands at Rs. 47.80 billion, with ICICI Bank holding a stake of 74% and Prudential plc holding 26%.

We began our operations in December 2000 after receiving approval from Insurance Regulatory Development Authority (IRDA). Today, our nation-wide team comprises of over 2100 branches (inclusive of 1,116 micro-offices), over 290,000 advisors; and 18 bancassurance partners.

ICICI Prudential is the first life insurer in India to receive a National Insurer Financial Strength rating of AAA (Ind) from Fitch ratings. For three years in a row, ICICI Prudential has been voted as India's Most Trusted Private Life Insurer, by The Economic Times - AC Nielsen ORG Marg survey of 'Most Trusted Brands'. As we grow our distribution, product range and customer base, we continue to tirelessly uphold our commitment to deliver world-class financial solutions to customers all over India.

## **VISION**

To be the dominant Life, Health and Pensions player built on trust by world-class people and service.

This we hope to achieve by:

- Understanding the needs of customers and offering them superior products and service
- Leveraging technology to service customers quickly, efficiently and conveniently
- Developing and implementing superior risk management and investment strategies to offer sustainable and stable returns to our policyholders
- Providing an enabling environment to foster growth and learning for our employees
- And above all, building transparency in all our dealings

The success of the company will be founded in its unflinching commitment to 5 core values -- Integrity, Customer First, Boundaryless, Ownership and Passion. Each of the values describe what the company stands for, the qualities of our people and the way we work.

We do believe that we are on the threshold of an exciting new opportunity, where we can play a significant role in redefining and reshaping the sector. Given the quality of our parentage and the commitment of our team, there are no limits to our growth.

## **VALUES**

Every member of the ICICI Prudential team is committed to 5 core values: Integrity, Customer First, Boundaryless, Ownership, and Passion. These values shine forth in all we do, and have become the keystones of our success.



## **MANAGEMENT PROFILE**

### Board of Director

The ICICI Prudential Life Insurance Company Limited Board comprises reputed people from the finance industry both from India and abroad.

**Mr. K.V. Kamath**, Chairman

**Ms. Chanda Kochhar**, Director

**Mr. Barry Stowe**, Director

**Mr. Adrian O'Connor**, Director

**Prof. Marti G. Subrahmanyam**, Director

**Mr. Mahesh Prasad Modi**, Director

**Ms. Rama Bijapurkar**, Director

**Mr. Keki Dadiseth**, Director

**Ms. Shikha Sharma**, Managing Director

**Mr. N.S. Kannan**, Executive Director

**Mr. Bhargav Dasgupta**, Executive Director

## Management Team

The ICICI Prudential Life Insurance Company Limited Management team comprises reputed people from the finance industry both from India and abroad.

**Ms. Shikha Sharma**, Managing Director & CEO

**Mr. N. S. Kannan**, Executive Director

**Mr. Bhargav Dasgupta**, Executive Director

**Ms. Anita Pai**, Executive Vice President – Customer Service & Technology

**Dr. Avijit Chatterjee**, Appointed Actuary

**Mr. Puneet Nanda**, Executive Vice President & Chief Investment Officer

## **Product Details of ICICI Prudential Life Insurance Products:-**

- **Term Insurance**

1. ICICI PRU i protect smart
2. ICICI PRU i protect return of premium

- **Unit linked insurance plan**

1. ICICI PRU signature
2. ICICI PRU 1 wealth
3. ICICI PRU life time classic
4. ICICI PRU guaranteed wealth protection
5. ICICI PRU smart life

- **Saving plans**

1. ICICI PRU guaranteed income for tomorrow
2. ICICI PRU assured saving insurance plan
3. ICICI PRU future profit

- **Retirement plan**

1. ICICI PRU guaranteed pension plan
2. vsignature
- 3.

- **Health insurance**

1. ICICI PRU heart/cancer protect

## SWOT Analysis of ICICI Prudential Life Insurance Company

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>• ICICI Prudential Life Insurance has a customer-centric approach.</li> <li>• Good claim settlement ratio.</li> <li>• ICICI Prudential has also tie-up with banks to sell its policies.</li> <li>• The company is providing Training to its insurance advisors.</li> </ul>	<ul style="list-style-type: none"> <li>• Being A Private sector organization ICICI is not able to create its brand image like LIC.</li> <li>• No Control over Insurance Advisors. Some advisors are not giving correct information about the policies before selling them.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• ICICI prudential can do tie-ups with new banks for selling and marketing of its Life Insurance Policies.</li> <li>• Due to Increasing demand of Insurance company can formulate strategies to promote and formulate new policies according to the need of customers.</li> </ul>	<ul style="list-style-type: none"> <li>• ICICI prudential can do tie-ups with new banks for selling and marketing of its Life Insurance Policies.</li> <li>• Due to Increasing demand of Insurance company can formulate strategies to promote and formulate new policies according to the need of customers.</li> </ul>



## **LIFE INSURANCE CORPORATION OF INDIA**

LIC of India is one of India's leading financial institutions, offering complete financial solutions that encompass every sphere of life. From commercial banking to stock broking to mutual funds to life insurance to investment banking, the group caters to the financials needs of individuals and corporate.

The LIC has a net of over Rs. 1,800 crore and employs over 7,500 employees in its various businesses. With a presence in 82 cities in India and it services a customer base of over 20,00,000.

**Date of Establishment**      1 Sep. 1956

### **ADDRESS**

1st Floor, West Wing, Mumbai Do-Iv, Yogakshema, Jeevan Bima Marg, Mumbai - 400 021, India

**Branches** 8 Zonal Offices and 101 Divisional Offices

### **Management team**

T.S. Vijayan - Chairman

D.K. Mehrotra - MD, LIC

Thomas Mathew T - MD,

LIC A K Dasgupta - MD, LIC

Arun Ramanathan - Secretary, Financial Services, Dept. of Financial Services, Ministry of Finance, Govt of India

Sindhushree Khullar - Addl. Secretary, Dept of Economic Affairs, Ministry of Finance  
Yogesh Lohiya - Chairman cum MD, LIC of India

T.C. Venkat Subramanian - Chairman & MD, Export Import Bank of India.

## **OVERVIEW**

The largest life insurance company in India, Life Insurance Corporation is fully owned by the government. It provides individual life insurance, group insurance and pension plans. Its subsidiaries include Life Insurance Corporation of India International, LIC Nepal, LIC Lanka, LIC Housing Finance and LICHL Care Homes. It has over 12 million policy holders and over 9 lakh agents. It has underwritten more than 120 million policies.

LIC saw computers in 1964. Today the company is on the Internet and is utilizing Information Technology in servicing its clients. It has bagged various award including Loyalty Awards 2008 in Insurance Sector, NDTV Profit Business Leadership Award – 2007, CNBC Awaaz Consumer Awards 2007 and Outlook Money NDTV Profit Awards 2007.

LIC provides a rewarding career as sales agents. It offers world class training, freedom to work and unmatched financial strength.

## **Product of Life Insurance Corporation of India**

### **Childrens policies**

- Komal Jeevan – Plan No. 159
- Children differed -plan no. 41
- Jeevan Kishore – plan no. 102
- Jeevan Chhaya – plan no. 103
- Marriage Endowment/ Educational Annuity- plan no. 90
- Jeevan Anurag – plan no. 168

### **Endowment policy**

- Endowment with Profits- plan no. 14
- Limited Payment Endowment with Profit- plan no.48
- Jeevan Mitra- plan no.88
- New JanaRaksha- plan.91
- Jeevan Anand -plan no. 149
- Jeevan Mitra Triple Cover- plan no. 133

### **Group Insurance Police**

- Janashree Bima Yojana
- Group insurance scheme in lieu of EDLI
- Group Saving Linked Insurance Scheme
- Group Superannuation Scheme
- Group Mortgage Redemption Assurance Scheme
- Siksha Sahayog Yojana

### **Joint Life Policy**

- Jeevan Saathi- plan no. 89

### **Money Back Policy**

- Money Back With Profit – plan no.75
- New Money Back -plan no.93
- Jeevan Surabhi 15 yrs- plan no. 106
- Jeevan Surabhi 20 yrs- plan no. 107
- Jeevan Surabhi 25 yrs- plan no. 108
- Jeevan Bharati- plan no. 160
- Jeevan Samriddhi – plan no. 154, 155, 156, 157
- Bima Bachat- plan no. 175

### **Pension Plan or Annuities**

- New Jeevan Dhara – plan no. 148
- New Jeevan Suraksha- plan no.147
- Jeevan Akshay II plan no. 163
- Jeevan Nidhi- plan no. 169
- Jeevan Akshay V – plan no. 183

### **Special Plan**

- Term Assurance – plan no. 43
- Mortgage Redemption – plan no.52
- Jeevan Adhar- Plan no.114
- Market Plus- plan no.181
- Jeevan Vishwash- plan no. 136
- Jeevan Pramukh- plan no.167



- Jeevan Saral – plan no. 165
- Bima Nivesh 2005- plan no. 171
- Money plus- Plan no. 180

### **Term Policy**

- Convertible Term Assurance- Plan no. 58
- New Bima Kiran
- Term Assurance
- Anmol Jeevan I -Plan no. 164
- Amulya Jeevan – Plan no.177

### **Whole Life Policy**

- Whole Life with Profits- plan no. 2
- Limited payment Whole Life with Profits – plan no.5
- Single Premium Whole Life Plan no. 8
- Jeevan Tarang – plan no. 178

### **PENSION PLAN PRODUCTS OF LIC INDIA ANF ITC FEATURES**

- LIC of India retirement income plan
- LIC of India retirement income Plan (unit linked)

What is the LIC of India retirement income plan?

The LIC of India retirement Income plan is a saving plan designed to meet your post – retirement needs. It is a plan that gives you “jeene ki azaadi “. It gives you the choice to remain independent even after retirement.

The LIC of India retirement income plan is a participating plan. The plan comes in two forms:

One with cover and one without cover

Who can avail of the LIC of India retirement income plan?”

How old do you have to be to avail of this plan?” Minimum age -18 years  
Maximum age – 60 years

For what term can choose to pay the premiums? 5 years – 30 years

At what intervals can you pay premiums?”

- Quarterly
- Half yearly
- Annually

What are the advantages of this plan?”

- You can choose to retire at any age between 45 years and 65 years.
- On retirement:
- Annuity option:
- Early retirement benefits:

Other products are:

- Money plus
- Auto plus
- Child plan
- Health plan

## SWOT Analysis of Life Insurance Corporation of India

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>• Largest stake owns life insurance in India</li> <li>• Has over 2000 branches across all over India</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of innovation</li> <li>• Managing a huge workforce during economic crisis</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Use of technology to provide effective services to urban population</li> <li>• Government Scheme implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Economic crisis</li> <li>• Entry of new NBFCs in the sector</li> </ul>

## INDUSTRY ANALYSIS

## **INDUSTRY PROFILE**

“Insurance is a contract between two parties whereby one party called insurer undertakes in exchange for a fixed amount of money on the happening of a certain event.” Insurance is a protection against financial loss arising on the happening of an unexpected event. The primary purpose of Life Insurance is the protection of the family. Insurance in its various forms protects against such misfortunes by having the losses of the unfortunate few paid by the contribution of the many who are exposed to the same risk. This is the essence of insurance- the sharing of losses and substitution of certainty for uncertainty. Insurance companies collect premiums to provide for this protection. A loss is paid out of the premiums collected from the insuring public and the insurance companies act as trustees of the amount collected. It is a system by which the losses suffered by a few are spread over many, exposed to similar risks.

In the western world, life insurance evolved mainly from the maritime industry. Started by private financiers who used to gamble on the lives of seafarers by offering five times the money deposited with them in case of certain contingencies?

In its present form, life insurance has its origin in England and made its debut in India in the year 1818. Initially, Indians were not considered on par with Europeans as far as their insurability was concerned. There were also many other failures. It was in the early part of the 20<sup>th</sup> century that some kind of legislation was made to regulate the industry. From then on life insurance made great strides in the country.

At the time of independence and thereafter, there were more than 200 companies operating in India and not all of them on sound ethical principles. Many factors combined together to prompt the then government to nationalize the life insurance industry in 1956 to form the Life Insurance Corporation of India.

The years from 1956 to 1999 saw the life insurance corporation of India emerge as a giant financial institution and the lone organization purveying life insurance, if we ignore the minimal presence of postal life insurance. The institution succeeded in penetrating in many areas and segments of the population and in garnering public money for public welfare.

It was in the 1990's that the winds of change started sweeping over India and brought in their wake many changes in the economy. Liberalization ensured competition in many fields and there was a clamor that the insurance industry too is opened up to Private Indian and foreign players to provide the customer with a choice.

The Malhotra committee, appointed in 1993 was given the mandate to study the industry and to suggest the changes that were necessary to make it modern and in tune with people's aspirations. The report submitted by the committee was the precursor of the IRDA Bill.

By the passing of the IRDA Bill, the Insurance sector has been opened up for the private companies to carry on insurance business. Now the life insurance industry in India is rapidly evolving and growing. It has witnessed a big growth as many Indian and foreign were entered in to the Indian insurance sector. The life insurance industry in India has become fiercely competitive with the entry of several new players including major multinational insurers after the deregulation of the sector. It has opened up a range of untapped opportunities for new entrants into the industry, as the potential market for buyers is high since the emerging market in India has a low insurance penetration and high growth rates.

## **The various life insurance entered in India**

1. HDFC Standard Life Insurance Company Ltd.
2. Max New York Life Insurance Co. Ltd.
3. ICICI Prudential Life Insurance Company Ltd.
4. Kotak Mahindra Old Mutual Life Insurance Limited.
5. Birla Sun Life Insurance Company Ltd.
6. Tata AIG Life Insurance Company Ltd.
7. SBI Life Insurance Company Limited.
8. ING Vysya Life Insurance Company Private Limited.
9. Met life India Insurance Company Ltd.
10. Royal Sundaram Life Insurance Company Limited.
11. Aviva Life Insurance Co. India Pvt. Ltd.
12. Sahara India Insurance Company Ltd.
13. Shriram Life Insurance Company
14. Life Insurance Corporation of India.
15. Reliance Life Insurance Company Limited.
16. Bharti AXA Life Insurance Company Limited.

Through this project I want to study about the life insurance industry and also doing the comparative analysis between two insurance players in this industry. They are,

- ICICI Prudential Life Insurance
- Life insurance corporation of India

## **SWOT ANALYSIS OF INDUSTRY**

<b>STRENGTHS</b>	<b>WEAKNESS</b>
<ul style="list-style-type: none"><li>a. Dedicated Employees.</li><li>b. Well Efficient Management.</li><li>c. Technology.</li><li>d. Diversification of funds.</li><li>e. Strong and popular brand name.</li><li>f. Adaptability to changes.</li></ul>	<ul style="list-style-type: none"><li>• Lack of good services.</li><li>• Lack of awareness about insurance among people.</li><li>a. Less coverage in Rural Areas.</li></ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"><li>• Fast growing economy.</li><li>• Increasing per –capita income in India.</li><li>• Saving behavior.</li><li>• High growth of ULIP industry.</li></ul>	<ul style="list-style-type: none"><li>• Arrival of new entrants in the insurance industry.</li><li>• Cut throat competition within the industry.</li></ul>



## **ADVANTAGES OF LIFE INSURANCE**

### **Protection against risk of untimely death**

Life insurance is a product, which offers protection against the risk of death the full sum assured is made available under a life assurance policy, whereas under other savings schemes, the total accumulated savings alone will be available.

### **Protection during old age**

Life insurance can also be used as a means of saving for one's future. There are a number of life insurance policies, which in addition to life cover also provide the means of investing one's income. The sum as per the policy will be received only after a period of time. This amount thus provides for the Old age .

### **Forced savings**

Payment of life insurance premiums is compulsory and becomes a habit. Savings in other scheme can be easily withdrawn and may be used for less worthy purpose. Termination of a life insurance policy by the policyholder usually results in substantial loss in benefits under the policy to the policyholder. One is thus encouraged to save and keep one's policy alive.

## **Educational requirements and charity**

The object of insurance may be to serve as a security to educational funds in respect of loans advanced for educational purpose or to provide donations to charitable institutions like hospital and school.

## **Nomination and assignment**

The life insured can name the person or persons to whom the policy money would be payable in the event of his death .the proceeds of a life insurance policy can be protected against the claims of the creditors of the life insured by effecting a valid assignment of the policy. The beneficiaries are fully protected from creditors except to the extent of any interest in the policy retained by the insured.

## **Marketability and suitability for borrowing**

After 3 years, if the policyholder finds that he is unable to continue payment of premiums he can surrender a policy for a cash sum. A life insurance policy is accepted as a security for a commercial loan.

## **Loans from the insurance company**

A policy holder can take a loan from his insurance company against the Security of his life insurance policy provided the terms of the terms of his policy allow such a loan. This loan can be taken usually after a period of 3 years from commencement of the policy and is a percentage of its surrender value.

## **Investment options**

The unit link products gives comprehensive insurance solutions that cater to an individual's dual need of earning potentially high returns as well as stay for life.

Thus there is an option to invest money in the products that combine the best of insurance and investment. In a volatile market conditions it is possible to secure both as one can hedge the investment with saver investment vehicles that provide a diversified portfolio.

## **Tax benefits**

The Indian income tax act provides tax concessions to the policyholder both on payment of premium and on the maturity amount. Under sec 88 the tax benefits on premium paid by an individual for life insurance policies on his own life\on the life of spouse \children minor or major, including married daughters.

## **Protection to wife and children**

Under sec 6 of the married women's property act if a married man takes a policy of life insurance on his own life and expenses on the face of it to be for the benefit of his wife or of his wife and children or any of them, then it shall be deemed to be a trust for the benefit of his wife and children or any of them, According to the interest so expressed and shall not so long as any object of trust remains be subject to the control of the husband or to his creditors or form part of his estate. An insurance policy taken by a married man in the above manner is ideal way to protect the interest of his wife and children, even after his untimely death.

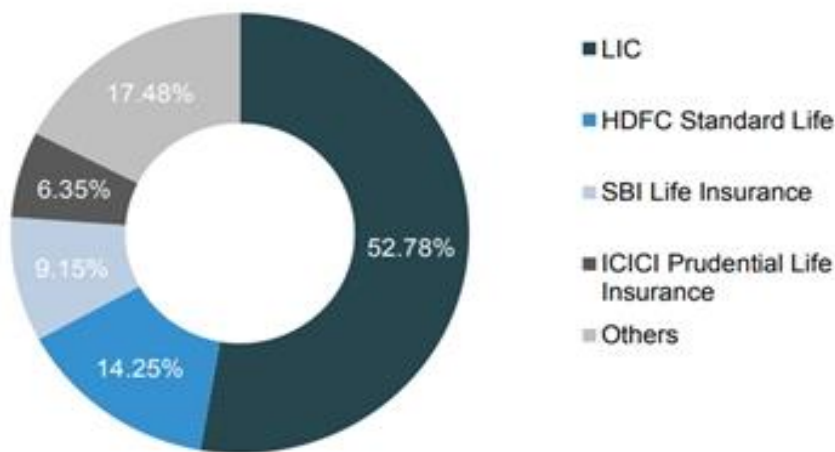
# **CHAPTER-3**

## **COMPETITOR ANALYSIS**

### **\*CLAIM SETTLEMENT RATIO OF INSURANCE COMPANIES INDIA**

Insurance Company	No of Death Claim Received	No of Death Claim Paid	Claim Settlement Ratio	Claims Rejected
LIC	769386	756399	98.31%	7432
Max Life	9821	9606	97.81%	212
HDFC Standard	12724	12421	97.62%	244
Aegon Religare	588	571	97.11%	17
SBI Life	17610	17027	96.69%	451
ICICI Prudential Life	10901	10539	96.68%	305
Exide life	2973	2866	96.40%	107
Tata AIG	2707	2599	96.01%	108
Canara HSBC	653	620	94.95%	32
Birla Sunlife	6048	5727	94.69%	240
Reliance Life	11079	10473	94.53%	529
Edelweiss Tokio	164	153	93.29%	11
Bharti Axa	878	811	92.37%	33
Bajaj Allianz	16239	14887	91.67%	932
DLF Pramerica	471	428	90.87%	36
Aviva	1235	1128	90.60%	110
IDBI Federal	1065	962	90.33%	96
Sahara Life	725	654	90.21%	45
Future Generali	1366	1223	89.53%	126
PNB Metlife	3879	3380	87.14%	357
Star Union Dai-ichi	1473	1238	84.05%	200
India First	1741	1439	82.65%	273
Shriram Life	2926	1859	63.53%	774

## **MARKET SHARES OF TOP INSURANCE COMPANIES IN INDIA**



The Life Insurance Corporation (LIC) of India held approximately 52.78% of the market share of the sectors total insurance premiums in financial year 2021. LIC is the only public sector insurance company in India .

# TERM PLANS OF DIFFERENT INSURANCE COMPANIES

Best Online Term insurance Plans <span>ReLakhs.com</span>									
Company	Scheme name	Policy Term		Min Age at Entry	Covers upto (Max age)	Sum Assured		Premium (in Rs)	Claim Sett % (2015-2016)
		Min	Max			Min (in Rs)	Max (in Rs)		
ICICI Prudential	iProtect Smart	5 Years	40 Years	18 Years	75	Based on Premium min Rs 3,600 pa	NA	8,945	96.20
LIC	e-Term Plan	10 Years	35 Years	18 Years	75	25 Lakh	NA	15,622	98.33
Aegon Life	iTerm Plan	5 Years	62 Years	18 Years	80	25 Lakh	NA	7,306	95.31
HDFC Life	Click 2 Protect Plus	10 Years	40 Years	18 Years	75	25 Lakh	NA	10,378	95.02
Max Life	Max Life Online Term Plan Plus	10 Years	40 Years	18 Years	75	25 Lakh	100 Crores	8,165	96.95
TATA AIA	iRaksha Supreme	10 Years	40 Years	18 Years	80	50 Lakh	NA	8,510	96.80
Bajaj Allianz	eTouch Online Term	10 Years	40 Years	18 Years	75	50 Lakh Or Min Premium Rs 5,000 pa	NA	8,789	91.30
SBI Life	eShield	5 Years	30 Years	18 Years	70	20 Lakh	NA	13,443	93.39
Kotak Life	Preferred e-Term	10 Years	40 Years	18 Years	75	25 Lakh	NA	8,481	89.1

## ULIP PLANS OF DIFFERENT INSURANCE COMPANIES IN INDIA:

ULIP Plan	Entry Age	Minimum Premium	Premium Allocation Charge	Policy Admin Charge	No. of Free Switches in a Year
SBI Life Wealth Assure	8 to 65	INR 50,000	3% of single premium	INR 45 / Month	2
Max Life Fast Track Growth Fund	18 to 50	INR 25,000 to INR 1,00,000	2% (single premium) to 4% (annual premium)	INR 1,500 / Year	12
TATA AIG Life Invest Assure II – Balanced Fund	4 to 55	INR 75,000 to INR 1,20,000	5% of annual premium	0.25% of Annual Premium	12
PNB MetLife Smart Platinum	7 to 70	INR 30,000 to INR 60,000	1.25% per Annum (Maximum)	INR 40 (Max)	4
Bajaj Allianz Future Gain	1 to 60	INR 25,000	0% to 1.5%	INR 33.33 / Month	Unlimited
Aegon Life iMaximise Secure Plan	7 to 55	INR 24,000 to INR 36,000	NIL	INR 100 / Month	4
SUD Life Dhan Suraksha Plus	8 to 50	INR 24,000	6% of Annual premium	INR 6000 / Year (max)	1
HDFC Life Pro Growth Plus	14 to 65	INR 2,500 to INR 10,000	2.5% of Annual Premium	INR 500 / Month (Max)	Unlimited
ICICI Pru Wealth Builder II	0 to 69	INR 24,000 to INR 48,000	3% to 4%	INR 500 / Month	NA
LIC Market Plus-I Growth Fund	18 to 65	INR 5,000 to INR 30,000	3.3%	INR 60 / Month (Max)	4



# **CHAPTER - 4**

## FINDINGS

### ❖ CLAIM SETTLEMENT RATIO OF LIC AND ICICI PRUDENTIAL LIFE INSURANCE

Sl No.	Company	Total claims (Start		Claim Settlement Ratio		Claims Rejected	
		No. Of Policies	Benefit Amnt in Cr.	Claim Settlement as % of Policies	Claim Settlement as % of Benefit Amnt in Cr.	Claim Rejection as a % of Policies	Claim Rejection as a % of Benefit Amnt in Cr.
1	LIC	750950	13503.2	97.79%	95.32%	0.43%	1.43%
2	ICICI PRU LIFE	40826	893.93	98.58%	92.47	1.18%	5.77%

**As per the data findings LIC has the larger claim settlement ratio than the ICICI Prudential Life Insurance Company in India.**

❖ **BEST TERM PLANS OF LIC AND ICICI PUDENTIAL LIFE INSURANCE COMPANY:**

Product Name	Minimum Age	Maximum Age	Maximum Maturity Age	Minimum Term	Maximum Term	Minimum Sum Assured	Maximum Sum Assured	Premium Paying Options	Riders
LIC's e-Term	18 Yrs	60 Yrs	75 Yrs	10 Yrs	35 Yrs	Rs.50 lakh	No Limit	Annually	NO
ICICI Pru iProtect Smart	18 Yrs	65 Yrs	75 Yrs	5 Yrs	85 Yrs- Less of your Current Age	Subject to Min Premium	No Limit	Limited, Single, Yearly, Half Yearly, Monthly	Yes

**Term plan is the most selling product of every Insurance company .In case of term plans ICICI PRU i Protect Smart and LIC`s e-term policy are having same minimum age at entry of 18 years but the maximum age at entry of ICICI Pru i protect smart is having 65 years. The minimum term period of the LIC is 10 yrs and ICICI is having 5 yrs. Which is lesser then LIC**

**❖ ULIP PLANS OF LIC AND ICICI PRUDENTIAL LIFE INSURANCE COMPANY:**

ULIP Plan	Entry at age	Minimum premium	Premium allocation charge	Policy admin charge	No. of Free switches in a year
ICICI Pru Wealth Builder II	0-69yrs	INR 24,000 to INR 48,000	3% - 4%	INR 500 / month	NA
LIC Market Plus-I Growth Fund	18-65yrs	INR 5,000 to INR 30.000	3.3%	INR 60 / month (max)	4

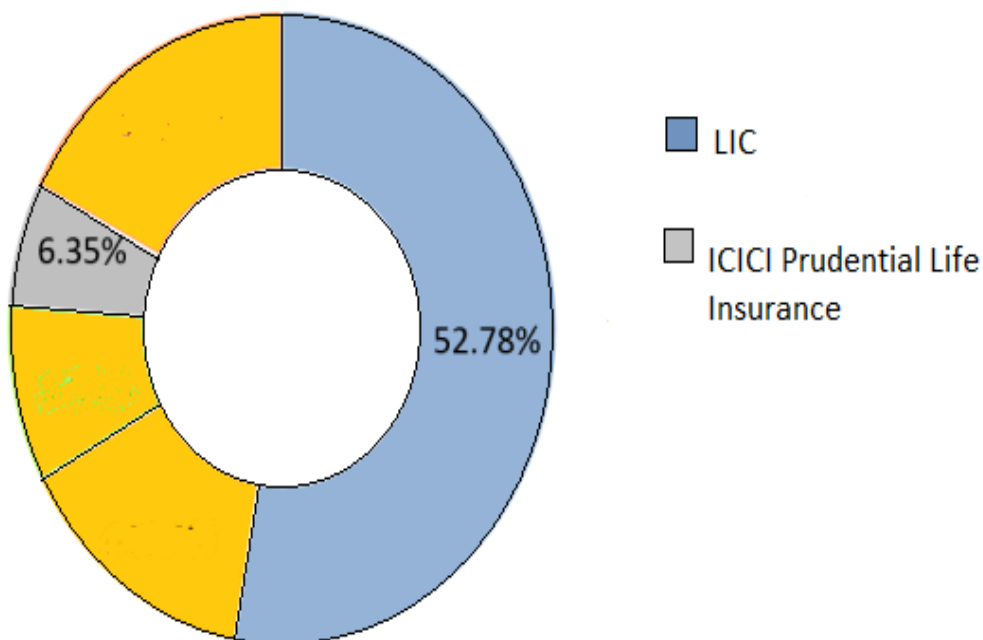
**In case of ULIP plans ICICI pru wealth builder ii is having entry age at 0-69 yrs but the LIC Market plus-1 is having 18-65yrs. But the ICICI Pru Wealth Builder minimum premium of 24,000 to 48,000. Premium allocation charge is 3%- 4% and the LIC is having 3.3%. The policy admin charge of ICICI is INR 500/Month and the LIC is having 60/month (max).**

## **❖ ENDOWMENT PLAN OF LIC AND ICICI PRUDENTIAL INSURANCE COMPANY:**

Endowment plan	Entry age minimum	Entry age maximum	Single premium amount	Time period	Return
Single Premium Endowment plan	90 days	65 years	INR 50,000	10yr-25yr	10% pa
ICICI PRU-1 Wealth Plan	8 years	60 years	INR 50,000	5yr – 10yr	4%-8% pa

**According to the Endowment Plans LIC's Single Premium Endowment Plan has the minimum entry age of 90 days and the ICICI PRU-1 Wealth plan is having 8years minimum entry age. The maximum entry age of LIC's plan is 65years and the ICICI's is 60 years. The Single premium amount of the both companies are having same as INR 50,000 . Returns of LIC is 10%pa and the ICICI is 4%-8%.**

➤ **Market shares of LIC and ICICI Prudential Life Insurance company:**



**The Life Insurance Corporation (LIC) of India held approximately 53% of the market share of the sectors total insurance premiums in financial year 2021. LIC is the only public sector insurance company in India . And ICICI Prudential Life Insurance is having 6.35% in Indian Market.**

## **CHAPTER - 5**

## **SUGGESTIONS**

➤ As per the data findings LIC has the larger claim settlement ratio than the ICICI Prudential Life Insurance Company in India.

So if an individual is thinking of to invest on a insurance then he should go for the LIC products.

➤ Term plan is the most selling product of every Insurance company .In case of term plans ICICI PRU i Protect Smart and LIC`s e-term policy are having same minimum age at entry of 18 years but the maximum age at entry of ICICI Pru i protect smart is having 65 years. The minimum term period of the LIC is 10 yrs and ICICI is having 5 yrs. Which is lesser then LIC

So in this case I would suggest to invest on ICICI Pru i protect smart rather than LIC`s e-term plan.

➤ In case of ULIP plans ICICI pru wealth builder ii is having entry age at 0-69 yrs but the LIC Market plus-1 is having 18-65yrs.But the ICICI Pru Wealth Builder minimum premium of 24,000 to 48,000. Premium allocation charge is 3% - 4% and the LIC is having 3.3%. The policy admin charge of ICICI is INR 500/Month and the LIC is having 60/month (max).

So for those people whose standard of living is not so good but they are thinking about investment in Insurance schemes then the LIC Market plus-I growth fund is suitable for them for its lowest policy admin charge.

➤ According to the Endowment Plans LIC`s Single Premium Endowment Plan has the minimum entry age of 90 days and the ICICI PRU-1 Wealth plan is having 8years minimum entry age. The maximum entry age of LIC`s plan is 65years and the ICICI`s is 60 years. The Single premium amount of the both companies are having same as INR 50,000 . Returns of LIC is 10%pa and the ICICI is 4%-8%.

So in case of Endowment plans the LIC`s Single Premium Endowment Plan is the best for investment.

➤ Overall customer have more faith in LIC (that is why the market share of Lic is 52.78%). This suggests that other companies should improve their service claim settlement ratio.



## **CONCLUSION**

The financial markets have continued to witness unprecedented liberalization, growth and reforms over the last decade prompted by regulatory compulsions and a rapid integration between domestic and global markets. And as a result, one has seen substantial growth in the number of financial firms (insurance companies, mutual funds, brokerages, banks etc.) and in the number and variety of financial products and services offered by them.

As the need of the people is changing so is changing the investment habits of the people and this has brought in a spate of new products and schemes where people can invest.

The concept of insurance as an investment option has arrived where people first identify the varying needs of money then converts the needs into specific amount of money and time required to achieve the objective of investments plans.

The objective of insurance as an investment is to ensure that investments are driven by pre determined and well thought out investment plan and that the investments are suitable and adequate to meet these plans.

But for this the planner must understand the universe of investments options. He/she must be well informed on the risk and return attributes of these options.

In addition to the above, companies should also innovate to come up with better products that would suit the Indian population and should also try to market and sell their products through new channels of distribution that can be effective in selling their products to the masses. People should identify their needs and then decide on the type of policy they want to invest in. Insurance is a good investment option for those people who do not know where to invest and who do not want to the risk of capital erosion.

But, people who are financially savvy can opt for term insurance and invest the rest in other options that may give them higher returns.

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**THANK YOU**