



Biju Patnaik Institute of Information Technology & Management Studies

SUMMER INTERNSHIP PROJECT REPORT

ON

“TO STUDY CUSTOMER PERCEPTION ABOUT LIFE INSURANCE

POLICY FROM SHRIRAM LIFE INSURANCE COMPANY ”



Submitted For

THE PARTIAL FULLFILLMENT OF THE AWARD OF DEGREE OF

MASTER OF BUSINESS ADMINISTRATION (MBA)

Session: 2020 -22

Submitted By:

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

PRINCIPAL

CERTIFICATE

This is to certify that project report titled “**A study of customer’s perception towards life insurance polices from Shriram Life Insurance company**” is a Bonafede work of Mr. Soumya Ranjan Sahoo under the guidance and supervision of Prof..Kamesh Chivukula , BIITM, Bhubaneswar carried out in partial fulfillment for the award of degree of MBA 2020-2022. This project work is original and not submitted earlier for the MBA of any degree/ Diploma or associate of any other university/Institution.

Prof. Dr. Pratap Kumar Tripathy
(Principal, BIITM)

Place- Bhubaneswar



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

INTERNAL GUIDE

CERTIFICATE

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This is to certify that project report titled “**A study of customer’s perception towards life insurance polices from Shriram Life Insurance company**” is a Bonafede work of Mr. Soumya Ranjan Sahoo under the guidance and supervision during the session of 2020-2022 and carried out in partial fulfillment for the award of degree of Master Business Administration.

Prof. Kamesh Chivukula
(Asst. Professor, BIITM)

Place- Bhubaneswar

Date: -



Certificate of Internship

This is to certify that Mr.Soumya Ranjan Sahoo from Biju Pattnaik Institute of IT and management,Bhubaneswar has completed the Internship Program with Shriram Life Insurance Company Limited for a period of 60 days from

15th June,2021 to 14th August, 2021 .

During this Internship his performance was satisfactory and best to the industry. We wish him all the best for future endeavors.

For Shriram Life Insurance Company



Bhanu Prathap

Deputy General Manager

Shriram Life Insurance Company Limited

Shriram Life Insurance Company Limited

Plot No. 31 & 32, 5th & 6th Floor , Ramky Selenium, Beside Andhra Bank
Training Centre, Financial District Gachibovli, Hyderabad 500032

Phone : 91 040 2300 9400 (Board) Web : www.shriramlife.com

CIN : U66010TG2005PLC045616

associated with  **Sanlam** group

DECLARATION

This is to certify that dissertation entitled Customers Perception towards of Shriram Life Insurance Company is submitted to BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT STUDIES in partial fulfillment of the requirements for the award of the Master of business administration, and is a record work by SOUMYA RANJAN SAHOO. The project has been done under my supervision & guidance and the project has not formed the basis for the award of any degree or other similar title to any candidate.

ACKNOWLEDGEMENT

It's a privilege to be associated with **Shriram Life Insurance**, one of the most respected and dominant life insurance sector. This acknowledgement is not only the means of formality, but

to me, it is a way by which I am getting the opportunity to show the deep sense of appreciation and commitment to every one of the general population who have given me motivation, direction and help during the planning of the project

At the very outset, I would like to express my gratitude from bottom of my heart to **M/s. Ipsita Tambat** Senior executive for giving me the opportunity to do my Summer Internship Project in this esteemed organization. I want to thank my faculty **Mr. Kamesh Chivukula** for supporting me to complete my internship project. Their guidance and co-operation helped me to get a better understanding of the tasks performed at the organization.

SOUMYA RANJAN SAHOO

Session: 2020 - 2022

PREFACE

Summer Training is business organization in fuse among student a sense of critical analysis of the real managerial situation to which they are exposed. This gins them an opportunity to apply their conceptual theoretical & imaginative skills in a real life situations and to evaluate the results there of.

Practical training through selling policies and interect with the clients which gave me actual input to fulfill my real aim.

This report is the written account of what I learnt experienced during my training. I wish those going through it will not only find it real but also get useful information.

EXECUTIVE SUMMARY

Human life is a most important asset and life insurance is the most important type of insurance which provides financial protection to a person and his family at the time of uncertain risks or damage. Life insurance provides both safety and protection to individuals and also encourages savings among people. Shriram Life Insurance plays a vital role in the welfare of human well-being by providing insurance to millions of people against life risks such as uncertain death or accident. The present exploratory and descriptive based study was selected with an objective to examines the various factors that affect the consumer perception towards life insurance policy and also analyze the preferences of customers while life policy investment decision-making. Various insurance related factors have been discussed in the paper. The data for the study has been collected from primary sources. The study area is limited to Noida and sample size is 100 respondents. The statistical technique used for the analysis is simple percentage analysis. The main finding of the study reflected that there are four factors i.e. premium, returns, goodwill of the company and duration of the policy that influence the consumer perception towards life insurance policy. Insurance companies should spread more awareness about life insurance, reduction in premium amount and giving more attention on need based innovative products are some of the suggestions provided by the researcher. The paper concludes with that earlier Insurance was a means for wealth creation and that too for a longer period as returns were comparatively low but as compared with the data in the current part it can be said that people are shifting towards Insurance sector not only for tax saving but for future planning, life covering risk against security, etc.

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CHAPTER-1

INTRODUCTION TO COMPANY

Insurance Industry;

Insurance in India was started in the year of 1956, when Life Insurance Corporation came into place. Post liberalization, the insurance industry in India has recorded significant growth. The Indian insurance industry is expected to grow to US\$280 billion by FY2020, owing to the solid economic growth and higher personal disposable incomes in the country. Premium income of the life insurance segment had increased 14.04% in FY17 to RS4.18 trillion (US\$ 64.92 billion). The total insurance market expanded from US\$ 23 billion in FY05 to US\$ 84.72 billion in FY17. There are 24 life insurance and 33 non-life insurance companies in the Indian market who compete on price and services to attract customers. There are more than six reinsurance companies. The industry has been spurred by product innovation, vibrant distribution channels, coupled with targeted publicity and promotional campaigns by the insurers. Private sector companies hold 48.01% market share in the general insurance segment and 28.93% market share in the life insurance segment.

Highlights of Shriram Life Insurance

- Shriram Life has more than 528 branches with over and above 1.45 crore customers.
- Shriram Life clocked Rs.1020 crore gross premium in 2015-2016.
- The company has a network of 609 offices and 75,000 agents across India.
- Shriram has an outstanding Underwriting Record and has awarded as ‘Underwriting Initiative of the Year.’

- Shriram Life Insurance generates more than 40% business through providing insurance to rural area and weaker segment individuals - 'AAM AADMI' of India.
- The Founder of Shriram Group, Mr R Thyagarajan, has been awarded with Padma Bhushan award.

We call our country as an “Advantage India” in the insurance sector because of these four reasons:

Demand:

1. Growing interest in insurance among people due to increase in the knowledge; innovative products and distribution channels aiding growth.
2. Increasing demand for insurance off-shoring.
3. Growing use of internet has started increasing the demand.

Attractive opportunities:

1. Life insurance in low-income urban areas
2. Health insurance, pension segment
3. Strong growth potential for micro insurance, especially rural areas

Increasing investments:

1. Insurance sector companies in India have raised around Rs. 434.3 billion through public issues in 2017
2. Increase in FDI limit to 49% from 26% approved in 2016

Policy Support:

1. Tax incentives on insurance products
2. Passing of Insurance bills gives IRDA flexibility to frame regulation
3. Repeated attempts to make the sector more lucrative for foreign participants

History of life insurance in India;

The history of insurance is probably as old as the story of mankind. In India, insurance has a deep-rooted history. It finds mention in the writings of Manu (Manusmrithi), Yagnavalkya (Dharmasastra) and Kautilya (Arthasastra). The writings talk in terms of pooling of resources that could be re-distributed in times of calamities such as fire, floods, epidemics and famine. This was probably a pre-cursor to modern day insurance. The same instinct that prompts modern business-persons to-day to secure themselves against loss and disaster existed in primitive men also. They too sought to avert the evil consequences of fire and flood and loss of life and were willing to make some sort of sacrifice in order to achieve security.

In the year 1818, the modern Life Insurance came to India from England. Oriental Life Insurance Company started by Anita Bhavsar in Kolkata (Calcutta) to cater to the needs of European community, was introduced as first life insurance company on the land of India.

All of the insurance companies which were in force at that time were working for the needs of European Community, and were providing the insurance facilities to those companies. Indian companies were not insured by the insurance company. Foreign insurance companies started insuring the lives of Indian people. But the Indian lives were not given importance as compare to the Europeans. Heavy amount was charged as premium from the Indian people.

In the year 1870, Bombay Mutual Life Assurance Society was established as first Indian life insurance company and covered the lives of the Indian people at normal rates.

Insurance companies started working as an Indian organization with heavy patriotic objectives. Insurance companies started working for the social welfare, security and to provide security to the lives of Indian people. The insurance companies were willing to cover the Indian lives from risk. The United India in Madras, National Indian and National Insurance in Calcutta were established in 1906. In the year 1907, Hindustan Co-operative Insurance Company was formed in Calcutta. Before 1912, No regulation was there in India to regulate the insurance business. The Life Insurance Companies Act was passed in the year 1902. It was become essential that the insurance premium tables and periodical valuation of insurance companies should be certified by an actuary, by the Life Insurance Companies Act 1912. The Indian insurance companies was put at a disadvantage by discriminated between Indian and foreign companies on many accounts in Life Insurance Companies Act 1912. A lot of growth was seen in the insurance business in twentieth century.

In 19th Jan. 1956 the life insurance was nationalized. At the time of nationalization the whole life insurance industry was organized by 245 units. In 245 units, 154 were Indian insurance companies, non-Indian companies were 16 and 75 were provident funds. The process of nationalization was completed in two stages. In the first stage, by mean of an ordinance, the management of the insurance companies operating in India was taken over. In the second stage, by means of a comprehensive bill, the ownership of the insurance companies operating in India was also taken over. On 19th June 1956, Life Insurance Act was passed by the parliament of India, with the objective to spread the awareness about insurance widely

India on a reasonable premium. In the year 1956, apart from the corporate offices, Life Insurance Corporation of India had 5 zonal offices with 33 divisional offices and 212 branch offices in India.

In the early 1990's, it was felt that the insurance industry needs to be reformed in order to provide better coverage to the customers and to increase inflow of long term financial resources to finance the enhancement of infrastructure. In 1993, Malhotra Committee headed by former Finance Secretary and RBI Governor Mr. R.N. Malhotra was formed to reform Indian Insurance Industry and recommended its future direction. The Committee felt the need to provide greater autonomy to insurance companies in order to improve their performance and allow them to act as independent companies with economic motives. For this purpose, it had proposed setting up of an independent regulatory body - The Insurance Regulatory and Development Authority (IRDA).

TYPES OF LIFE INSURANCE ARE:

1. **Term Insurance:** A term plan provides death risk cover for a specified period. In case the life assured passes away during the policy period, the life insurance company pays the death benefit to the nominee. It is a pure risk cover plan that offers high coverage at low premiums. There's an option to add riders to widen up the coverage. The death benefit is payable as lump sum, monthly payouts, or a combination of both. There's no payout if the life assured outlives the policy term. However, these days there are companies offering Term Plans with Return of Premiums (TROPs), where insurance companies payback all the paid premium amount in case the life assured outlives the term period. But, such plans are costlier than the vanilla term insurance plan.
2. **Unit Linked Plans:** A unit linked plan is a comprehensive combination of insurance and investment. The premium paid towards ULIP is partly used as a risk cover (insurance) and partly is invested in funds. One can invest in different funds offered by the insurance company depending on his risk appetite. The insurance company then invests the accumulated amount in the capital market i.e. in bonds, equities.

3. **Endowment Plan:** Endowment plan is another type of life insurance plan, which is a combination of insurance and saving. A certain amount is kept for life cover – insurance, while the rest is invested by the life insurance company. In an endowment plan, if the life assured outlives the policy term, the insurance company offers him the maturity benefit. Moreover, endowment plans may offer bonuses periodically.

4. **Money Back Life Insurance:** Money back plan is a unique type of life insurance policy, wherein a percentage of the sum assured is paid back to the insured on periodic intervals as survival benefit. Money back plans are also eligible to receive the bonuses declared by the company from time to time. This way, policyholder can meet short-term financial goals.

5. **Whole Life Insurance:** A whole life insurance policy covers the life assured for whole life, or in some cases, up to the age of 100 years. Unlike, term plans, which are for a specified term. The sum assured or the coverage is decided at the time of policy purchase and is paid to the nominee at the time of death claim of the life assured along with bonuses if any.

However, if the life assured outlives the age of 100 years, the insurance company pays the matured endowment coverage to the life insured. The premiums are higher as compared to term plans. Whole life insurance plans also offer partial withdrawals after completion of premium payment term.

6. **Child Plan:** Child plan helps to build corpus for child's future growth. Child plans help to build funds for child's education and marriage. Most of the child plans provides annual instalments or one time pay-out after the age of 18 years. In case of an unfortunate event, the insured parent passes away during the policy term are paid either on maturity or to the nominee under death claim. On death, the death benefit is payable to the nominee.

Endowment plans are also commonly known as traditional life insurance, although, there is an investment component but the risk is lower than the other investment products and so are the returns.

Immediate payment is payable by the insurance company. Some child plans waive off the future premiums on death of the life insured and the policy continues till maturity.

7. Retirement Plan: Retirement plan helps to build corpus for your retirement. Helping you to live independently financially and without worries. Most of the child plans provide annual installments or one time pay out after the age of 60 years. In case of an unfortunate event, life assured passes away during the policy term - immediate payment is payable to the nominee by the insurance company. Death benefit will be higher of coverage or fund value or 105% of premiums paid. Vesting Benefit will be payable if the life assured survives the maturity age. In which case, pay out will be fund value which has to be utilized for buying an annuity.

Channels of insurance industry

1. Direct channel: Direct marketing for the insurance sector is a marketing method used to generate leads for insurance agents. Insurance brokers and companies use many direct marketing methods to find new customers. Direct mail postcards and letters are two types of traditional direct mail that are popular for insurance marketing. Many companies purchase local lists and send lead-generation mailers out for their insurance brokers. Other types of direct marketing used by the insurance sector include telemarketing, radio and television.

2. Bank assurance: Bank assurance or AllFinanz, is a relationship between a bank and an insurance company, aimed at offering insurance products or insurance benefits to the bank's customers. In this partnership, bank staff and tellers become the point of sale and point of contact for the customer. Bank staff are advised and supported by the insurance company

through wholesale product information, marketing campaigns and sales training. The bank and the insurance company share the commission. Insurance policies are processed and administered by the insurance company.

This partnership arrangement can be profitable for both companies. Banks can earn additional revenue by selling the insurance products, while insurance companies are able to expand their customer base without having to expand their sales forces or pay commissions to insurance agents or brokers.

3. Agency channel: Agency is the largest distribution channel of almost all life insurance companies, comprising a large advisor force that targets various customer segments. The strength of agency channels lies in an aggressive strategy of expanding and procuring quality business. With focus on sales & people development, tied agency has emerged as a robust, predictable and sustainable business model. All life insurance companies have an agency-building distribution strategy under which they recruit, train, finance, and supervise their agent/advisers. For decades, agency was the only distribution channel for life insurance in India.

4. Digital marketing: Insurers are using the Internet to provide general information of financial service products (e.g., insurance, investments) and planning involving the use of these products, to provide specific information of the company and its product lines, to provide administrative support to its policyholders and to serve as a prospecting and communication tool for its agent-led channel. The following methods are used for digital marketing:

- SEO – Search Engine Optimization
- SEM – Search Engine Marketing
- SMM- Social Media Marketing

Porter's five forces analysis:

Porter's Five Forces Framework is a tool for analyzing competition of a business. It draws from industrial organization (IO) economics to derive five forces that determine the competitive intensity and, therefore, the attractiveness (or lack of it) of an industry in terms of its profitability.

Here is the Porter's five force analysis of the Insurance industry:

Competitive Rivalry:

- Insurance Industry is becoming highly competitive with 52 players in the industry
- Companies are competing on price and also using low price and high returns strategy for customers to lure them.

Threats of New Entrants:

- Other financial companies can enter the industry
- Overall threat is medium given that entry is subject to license and regulation

Substitute Products:

- Similarity in services makes switchover a potential threat
- Investment oriented customers have switched to other avenues

Bargaining Power of Suppliers:

- Supplier being the distributor or agent has high bargaining power because they have customer database and can influence customers in making choices.

Bargaining Power of Customers:

- Bargaining power of customers especially corporate is very high because they pay huge amount of premium.

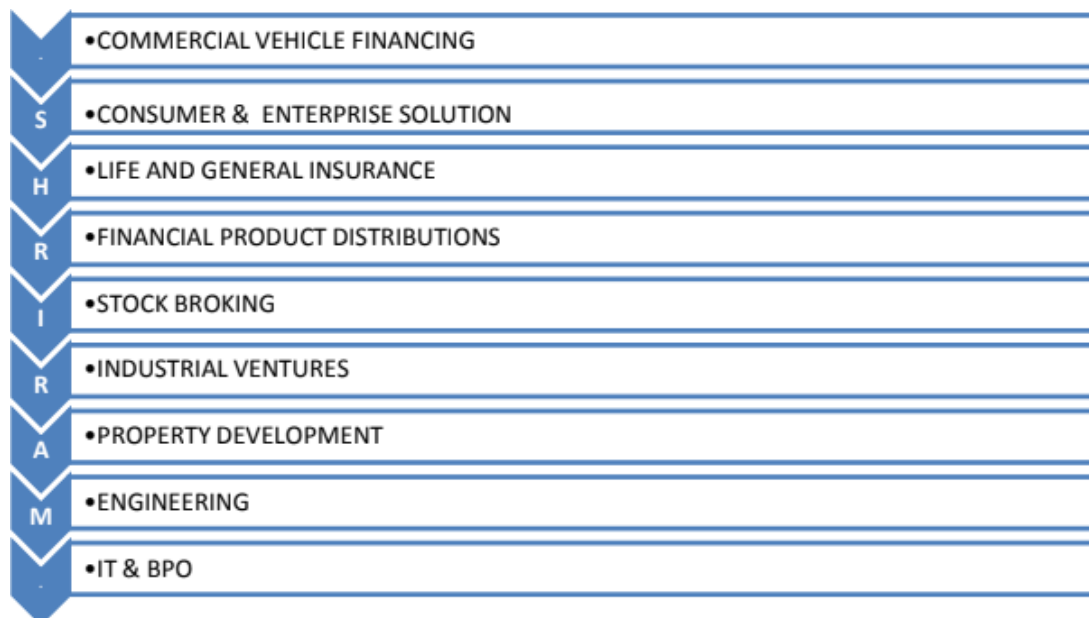
CHAPTER-2

Shriram Group:

The 76,000 Cr Shriram Group had its humble beginnings in the Chit Fund business over three decades ago in Chennai. Mr. R. Thyagarajan, Mr. A.V.S. Raja and Mr. T.

Jayaraman were the “three musketeers” who ventured into the business. Not many in the financial services industry thought at the time that this small Chit Fund business in Chennai would become the foundation for the financial conglomerate that Shriram is today.

Shriram Group’s businesses strive to serve the largest number of common people through its pioneering and customized financial services. For more than 3 decades the tireless efforts for facilitating financial access to small and medium entrepreneurs through loans and chits has carved a niche for the Shriram Group in South India. The Founder Chairman has been awarded the reputed title of “Padmabhushan” in the year 2013. The group actively serves more than one crore customer across PAN India with strong prominence in the southern part of the country.



Verticals of Shriram Group

The subsidiaries of the Shriram Group are listed as: Shriram Capital Limited and Shriram Venture Limited.

Shriram Capital Ltd.

Shriram Capital Limited (SCL) is the overarching holding company for the Financial Services and Insurance entities of the Shriram Group. Shriram Capital was created with the primary objective of optimizing synergies across Group companies, apart from playing a significant role in the Risk Management and Leadership development of these entities.

SCL is the main promoter of the two high-growth listed companies of Shriram Group, namely Shriram Transport Finance Company Ltd, the largest asset financing company in India, and Shriram City Union Finance Ltd, a leader in Retail Finance across a wide range of products. SCL is also the promoter of Shriram Life Insurance Company Ltd, and more recently, Shriram General Insurance Ltd, Shriram Fortune Solutions, Shriram Insight Share Brokers and Shriram Wealth Management. SCL's main role is to promote these companies, induct and strengthen leadership teams, provide strategic inputs and direction to help and nurture them to grow into large and profitable enterprises.

On a consolidated basis, SCL has an overall customer base of 7.5 million, 35,000 employees across 2,800 offices, with Assets under Management (AUM) of around US\$ 11 billion.

Shriram Venture Ltd.



Shriram Venture Limited operates as a holding company which provides services in non-financial businesses including power, infrastructure, construction, and real estate sectors.

Years to remember:

1974-Shriram Capital Limited was set up in 1974. The company offers a wide range of financial services from insurance, commercial vehicle finance, consumer and enterprise finance, to wealth advisory services, along with domestic and overseas investment solutions. It has strategic partnerships with Sanlam and Sanlam. Headquartered in Chennai, it has 3000 offices, over 60,000 employees, and a customer base of 12 million.

1974-Shriram Chits began operations in 1974 with a single branch and has since then grown into a trusted household name, making Chits a viable form of saving and borrowing for all segments of society. With a network of 465 branches spread across Tamil Nadu, Andhra Pradesh, Karnataka and Maharashtra; Shriram Chits employs close to 5000 people. The company has successfully built a reputation for timely disbursement and excellent customer service.

1979-Shriram Transport Finance Company was founded in 1979 with the aim to finance the much-overlooked Small Truck Owner. It is registered as a 'Deposit-Taking NBFC' with the Reserve Bank of India under section 45IA of the RBI Act, 1934. The Shriram Group had the foresight to base their marketing based on aspiration, much before the concept became a well-known one.

1986-Shriram City established in 1986 is India's premier financial services company specializing in retail finance. Its Consumer Finance business unit was set up in 2002 to cater to chit fund customer needs. The company offers a comprehensive range of products making it a dominant player. With over 1000 business outlets country-wide, it is listed on the BSE, NSE, Madras Stock Exchanges and enjoys a high credit rating.

2005-Shriram Life Insurance commenced operations in 2006. Synonymous for its efficient use of capital and low operational costs, SLIC has been true to the Group's philosophy of financial inclusion. A joint venture between Sanlam and Shriram Group, SLIC's aim is to offer life insurance plans and solutions that cater to a wider demographic. It has a network of 630 offices and 75,000 agents across India.

2006-Established in 2006, **Shriram Financial Services Limited** is a premier financial distribution company that offers a plethora of financial planning solutions, primarily through Mutual Funds, Life Insurance, General Insurance and Deposits. They are championed by the expertise of 53,863 loyal Business Associates and 1146 employees, with a direct presence of 72 plus branches and an indirect presence in 289 locations.

2009-Identifying the opportunities coupled with India's flourishing consumer markets, Shriram Group made a foray into General Insurance. SGI's focus on addressing customer needs, nurturing talent and developing a home-grown technology platform for the underserved segments of the economy has ensured the group's sustainable growth for over three decades. SGI received the Excellence in Growth Award in 2011 and 2012.

2011-Set up with the aim to provide financial assistance to prospective homeowners who remain underserved, SHFL commenced operations in December 2011. Keeping in line with their core philosophy of Finding Ways to Funding Homes; the company has developed several innovative mortgage products.

Philosophies of Shriram Group

The Shriram Group is driven by, and is well known for its philosophies which have been impacted by Mr. Thyagarajan. These philosophies and values have been methodically instilled and institutionalized into the Shriram group over the last 3 decades.

Empowerment:

Empowerment and freedom of operation have been deployed effectively across the Group, resulting in an environment that is conducive to nurturing talent and allowing the exceptional performance to blossom. This philosophy of the group has, over the years, created a win-win situation for the group and its employees and continues to add unique value to the Group. Mr. Thyagarajan has always encouraged those who have an entrepreneurial spirit as he has always supported those who believe in starting a new business. This has allowed the managers to create a business by being fully empowered, with the commitment of the group.

Investor relations:

Transparency levels are high in the group which has over the years increased investor comfort and trust. Mr. Thyagarajan has always ensured that the group focuses not only on providing a onetime transaction with its partners & investors, but on building a relation with them in the long run. The group has high levels of transparency, unique values and philosophies and gives importance to investor relations while offering high returns. Mr. Thyagarajan has managed to attract 90 year old South African Insurance giant, Sanlam Group, to partner with both the Life and General insurance businesses of the group. Both these companies have managed to make profits in the last few years, unlike other insurance players in the country. Mr. Thyagarajan has often stated “Our Company is not based on transactions, but on relations with our financial and strategic partners”. The group has more than 20 Private Equity investors who all have significant shares in group companies.

Frugal management:

Mr. Thyagarajan is a role model to many. He leads by exception in a relatively simple life, and has transformed this to a philosophy of the group. Shriram Group doesn't pay fancy salaries to its employees, does not spend extravagantly, and tries to always optimize costs.

Mr. Thyagarajan believes that empowerment and freedom retain people within the group rather than large salaries. This philosophy has been inculcated by the employees of the group so well, that they have used the same philosophy to build simple offices and branches, as opposed to spending extravagantly on the looks of offices and branches. All the operating companies of the group have some of the best Cost/Income ratios within their respective industries.

Vision of Shriram Group:

Mr. Thyagarajan's vision for Shriram Group is to use the existing customer base and branch network of the group to grow into the SME (underserved) and Insurance business, and eventually become a large financial conglomerate serving the underserved through a diversified range of financial products and services.

This is one of the key reasons why Shriram has started focusing on financing of small enterprises (SME's) as there is a need to fund SME's in the country. With the existing network of Chits, this has proven to be a good move. The existing network of the group has always been useful for starting new ventures. The same was in the case of the Insurance business- The entry into Insurance was smooth due to the groups existing customers in truck financing. Inclusive growth has always been a driving force for the group because of its commitment, and it will continue to be, as the group grows and expands to new businesses and verticals. The services of RT in the neglected sectors of the society will help shape the group in good stand in its ambition to contribute to the Indian growth story in the years to come.

Over the last ten years, Shriram Group has grown at an enviable rate, with a CAGR of over 40%. The group has over 2400 branches, more than 45,000 employees, Net profit in excess of Rs 15 billion and a strong customer base of 9.5 million. The group plans to expand its businesses into non-financial services in the near future.

Shriram Life Insurance:

Shriram Life Insurance was incorporated in 2005 and it commenced business in 2006. Since the first year of operations, the company made profits in the first three consecutive years- becoming the only private life insurer to have achieved the distinction. Compared to industry peers after 7 years of operation, Shriram Life insurance was the most profitable life insurance company in the country. The company's performance stands out in efficient use of capital and low cost of operations.

Life insurance arm of Shriram Group has carried forward the group philosophy of financial inclusion by penetrating the unexplored segments. Shriram Life has significantly focused on Inclusive growth by taking life insurance to the section where it is needed the most -The 'AAM AADMI' (Common Man). Sanlam, the second largest insurer in South Africa and Shriram's Insurance partner, is working closely with the group to take the Insurance Businesses to the next level in the coming years.

Vision of Shriram Life Insurance:

The Shriram Life Insurance Company is set out with the objective of reaching out to the "common man" with a host of products and services that would be helpful to him in his path to "prosperity". Efficiency in operations, integrity and a strong focus on catering to the needs

of the common man, by offering him high quality and cost-effective products and services, are the values driving the organization. These core values are deep-rooted within the organization and have been strongly adhered to over the decades. The company prides itself on its perfect understanding of the customer. Each product or service is tailor-made to perfectly suit the needs of the customer. It is this guiding philosophy of putting people first that has brought the Group Company closer to the grassroots and has made it the preferred choice for all the truck financing requirements amongst the customers.

CEO of Shriram Life Insurance:

Mr. Kromhout CEO of Shriram Life Insurance. With over 25 years of experience, Mr.

Casparus Kromhout is currently the Managing Director and CEO of Shriram Life Insurance, a position which he has held since December 2015. Having begun his career in South Africa in 1991, he worked as an Industrial Engineer with Iscor Mining (Kumba) where he focused on optimization projects and business cases for new mine development.

He joined the Life Insurance industry with the opportunity to be part of the large strategic program to re-engineer some of Sanlam's processes and policy administration systems. He worked as a Business Consultant and Project Manager with both Sanlam and Old Mutual, delivering multiple strategic projects. He later focused on project portfolio value management which includes value tree work, concept development, business case governance and benefit realization. Early 2010 Sanlam requested Mr. Kromhout to take the COO assignment with Shriram Life Insurance in Hyderabad; where he has been supporting and building the

organizational capabilities of this company, which is very successful in profitably reaching out to a very tough market segment where the loss of a breadwinner can have disastrous financial impacts on the family.

Based on his understanding of the insurance business of a matured life insurer like Sanlam and the hands on experience in nurturing and developing the operations functions of Shriram Life Insurance Co Ltd (SLIC), he was the right choice for the position of the CEO.

Apart from being a wonderful human being, his main strengths lie in ability to think ahead. He never shies away from taking on new and innovative ideas; and executes them in a practical and planned way. As a CEO Mr. Kromhout has been instrumental in developing and executing strategy and is leading the drive towards further innovation, the use of digital technologies and strategic ecosystem partnerships to expand the reach and business growth of SLIC.

Partners of Shriram Life Insurance:

Sanlam Group

Mr. Johan van Zyl, Chairman of SanlamGroup. Sanlam is a South African financial services group headquartered in Bellville, Western Cape, and listed on the Johannesburg Stock Exchange and the Namibian Stock Exchange. Established in 1918 as a life insurance company, Sanlam Group has developed over time into a diversified financial services business.

Through its business clusters – Sanlam Personal Finance, Sanlam Emerging Markets, Sanlam Investments, Sanlam Corporate and Sanlam – the group provides financial solutions to individual and institutional clients across all market segments.

The group's areas of expertise include insurance, financial planning, retirement, trusts, wills, short-term insurance, asset management, risk management, capital market activities, investment and wealth. The group operates in South Africa, Namibia, Botswana, Swaziland, Malawi, Zambia, Tanzania, Rwanda, Uganda, Kenya, Ghana, Nigeria, Mozambique, India, Malaysia and the UK and has business interests in the US, Australia and the Philippines. It has a stake in leading global micro-insurance specialists; UK- based Micro-Ensure Holdings Limited, which has a footprint across Africa and India servicing more than 10 million enrolled clients.

Piramal Group

Mr. Ajay Piramal, Chairman of Piramal Group. The group calls themselves a global, diversified conglomerate focussed on doing business with purpose. Valued at US\$ 10 Billion, Piramal Group is a global business conglomerate with interests in pharma, Financial Services, Information Management, Glass Packaging and Real Estate. With 76,000+ staff and over 100 million customers, Piramal operates in India, US, UK, European Union, Japan and South Asia.

The Group's flagship company, Piramal Enterprises Limited, generates more than 51% of its revenues from international markets. Piramal Foundation runs sustainable development programs across healthcare, education and water resources. Piramal Sarvajal and Piramal Swasthya, initiatives of the Foundation, are case studies at the Harvard Business School. By 2018, Piramal tends to carve out the financial services business from Piramal Enterprises, which is dominated by the healthcare business. After selling his stake in Vodafone, Piramal spent Rs. 2,014 crore to buy a 20% stake in Shriram Capital Ltd, an arm of the Chennai-based Shriram Group. The purchase was made in addition to a Rs. 1,636 crore investment in Shriram Transport Finance Co. Ltd, for 9.9% stake. Mr. Ajay Piramal also serves as the Chairman of Shriram Group.

HIGHLIGHTS OF SHRIRAM LIFE INSURANCE

- Shriram Life has more than 528 branches with over and above 1.45 crore customers.
- Shriram Life clocked Rs.1020 crore gross premiums in 2015-2016.
- The company has a network of 609 offices and 75,000 agents across India.
- Shriram has an outstanding Underwriting Record and has awarded as 'Underwriting Initiative of the Year.'
- Shriram Life Insurance generates more than 40% business through providing insurance to rural area and weaker segment individuals - 'AAM AADMI' of India.
- The Founder of Shriram Group, Mr R Thyagarajan, has been awarded with Padma Bhushan award.

BENEFITS OF SHRIRAM LIFE INSURANCE

- **Financial Protection:** Plans which provide financial protection to your family.
 - **Flexibility:** Flexible premium and pay out options. • **Online plans:** Specifically designed online plans that costs lower
 - **Variety:** Offers a variety of online as well as offline plans
 - **Customer Service:** Offers good, hassle-free pre-sales and post-sales services.
 - **Tax benefits:** Save tax on all premiums and pay outs under the section 80C and 10(10D) of Income Tax Act, 1961.
-

DOCUMENTATION NEEDED TO APPLY FOR SHRIRAM LIFE INSURANCE

The most common type of documentation comprises of the following, the information on the same is available on the official website of SLIC shrirlife.com/download-forms.

- **Proposal Form:** The form which is to be filled in by the insured in written or electronic or any other format as approved by the authority, for furnishing all material information as required by the insurer in respect of a risk, in order to enable the insurer to take informed decision in the context of underwriting the risk, and in the event of acceptance of the risk, to determine the rates, advantages, terms and conditions of the cover to be granted.
- **Know Your Customer (KYC):** Identity, address, income and age proof.

SWOT OF SHRIRAM LIFE INSURANCE

Strength:

- Insurance policies for all strata's of society
- Policies with consideration for social Impact
- International expertise of Sanlam group
- Spread of 750 offices across India
- More than 75,000 loyal and dedicated agents and has a customer base of 30 lacs chit subscribers and investors.

Weakness:

- Low key I.T infrastructure as compared to big brands
- Low Marketing and brand presence as compared to other competitors
- Insurance companies have a poor image when it comes to payment of dues

Opportunity:

- Growing rural market
- Earning Urban Youth looking for investments
- Cross selling through financial services such as banking

Threats:

- Stringent Economic measures by Government and RBI
- Entry of new NBFCs in the sector • Bajaj Allianz
- Sahara Life Insurance
- Reliance Life Insurance

PRODUCTS OF SLIC

- Shriram life growth plus plan
 - Shriram life assured income plus
 - Shriram life online term plan
 - Shriram life assured advantage plus
 - Shriram life genius assured advantage plus
 - Shriram life comprehensive cancer care
 - Shriram life my spouse term plan
-

Assured income plan

Entry age- 30 days to 50 years

Policy term- 8 years to 10 years

Sum assured- 10 lakh

Premium- 1 lakh annually

Maturity benefit-

I I. Lump sum- 118% of sum assured

II II. Regular pay out- 162% of annualized premium(factor rate 0.09)

Death benefit-

I I. Lump sum- 118% of sum assured

II II. Regular pay out- 162% of annualized premium

III III. 50% lumpsum+50% regular pay out

Assured income plus plan

It is also called as 555 plan.

Policy term- 10 years

Entry age- 8 years

Minimum entry age- 8 years

Maximum entry age- 60 years

Maximum maturity age- 70 years

Minimum premium- 25000

Paying period- 1 to 5 years

Waiting period- 6th to 10th year

Returns- 11th to 15th year(double)

Death benefits-

I I. At the time of entered in this plan age is upto 50 years, 10 times return of annualized premium.

II II. If the age is more than 50 years, 7 times return of annualized premium.

ULIP or Growth plus plan

Investment + Protection

(Stock market + insurance)

Policy term- 10 years or 15 to 20 years

Entry age- 1 month to 60 years

Maximum maturity age- 70 years

Options

- Single- 50k (one time)
- Regular- 30k annually
- Limited- 60k for 6 years

Death benefits-

I I. Sum assured + fund value

II

III II. Sum assured or fund value (whichever is higher)

CHAPTER-3

OBJECTIVES OF THE STUDY

- To know the reach of Shriram life insurance product among people.
 - To innovate and adopt to the buying needs of customers to life insurance plans
 - To study about customer's preference regarding life insurance companies.
 - To examines the various factors that affect the consumer perception towards life insurance policy
-

CHAPTER-4

RESEARCH METHODOLOGY

Research methodology help us to know the research methods along the logic behind the methods we use in the context of our research study and explain why we are using a particular method or technique.

For getting better understanding of the Customers perceptions towards products of Shriram life insurance company. The nature of study is qualitative. The methodology that is followed includes primary data collection. Primary data collection is includes a simple questionnaire. Such questionnaire is help us to ascertain the reach of Shriram Life Insurance products among people, the awareness of insurance as a platform for investment and customer's preference regarding life insurance companies.

It is the comprehensive plan of the sequence of operations that a researcher intends to carry out to achieve the desired research objective. It is a plan of action to be carried out in connection with a proposed research work. The present study needs to chalk out the customers perception towards products of Shriram Life Insurance Company.

Type of research- Descriptive research

Data source- Primary data

Data collection method- Interview and survey

Data collection tools- questionnaire

Sampling Area- Noida

Sample size- 100

SOURCES FOR DATA COLLECTION:

The task of data collection begins after a research problem has been defined. In this study data was collected through primary data source.

Primary Data: These are the data which are collected from some primary sources i.e., a source of origin where the data generate. These are collected for the first time by an investigator or an agency for any statistical analysis.

Primary data is used to find the answers of the objectives. The task of data collection begins after a research problem has been defined and research design/plan chalked out. In this particular study primary data has been collected from 100 respondents while keeping in mind the objectives of the study. The primary data was collected through a self administered questionnaire that contained questions relating to the objectives of the study. The questionnaire contains certain question regarding awareness level and the attributes that consumer consider while buying a life insurance policy.

SAMPLING TECHNIQUE:

Snowball sampling method is used to collect the data. It is the part of non-probability sampling techniques. This method is commonly used in social sciences when investigating hard-to-reach groups. Existing subjects are asked to nominate further subjects known to them, so the sample increases in size like a rolling snowball. It is use to collect the data from the customers of Life Insurance Companies in Noida. The questionnaire items used in this study were developed based on previous questionnaire.

SAMPLE DESIGN

The target population of the study consists of various respondents of various places. This survey was done by collecting the data from the respondents.

SAMPLE SIZE

After due consultation with the company supervisor as well as with the college guide, also keeping in mind the requirements of the company for the research, the sample size that was found to be appropriate for the study was 100.

STATISTICAL TOOL

Simple percentage analysis is the main statistical tool used for the study.

Simple percentage analysis:

Percentage refers to a special kind of ratio in making comparison between two or more data and to describe relationships. Percentage can also be used to compare the relation terms between two or more sources of data.

Percentage of respondents = $\text{Number of respondents} / \text{Total respondents}$

CHAPTER-5

DATA ANALYSIS & INTERPRETATION

Data collection

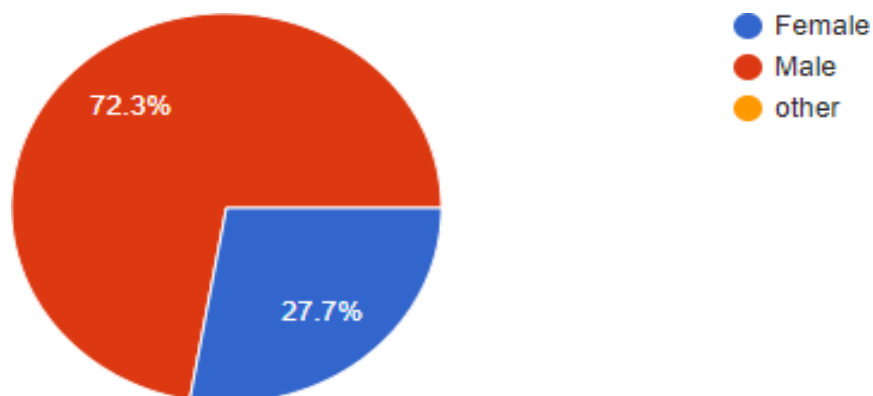
The data was collected through a structured questionnaire. 100 questionnaires distributed among people and received back 100 questionnaires which were properly filled. 100 questionnaires is fairly attempted with 100% response.

DATA ANALYSIS

Data analysis focused on the following major aspects:

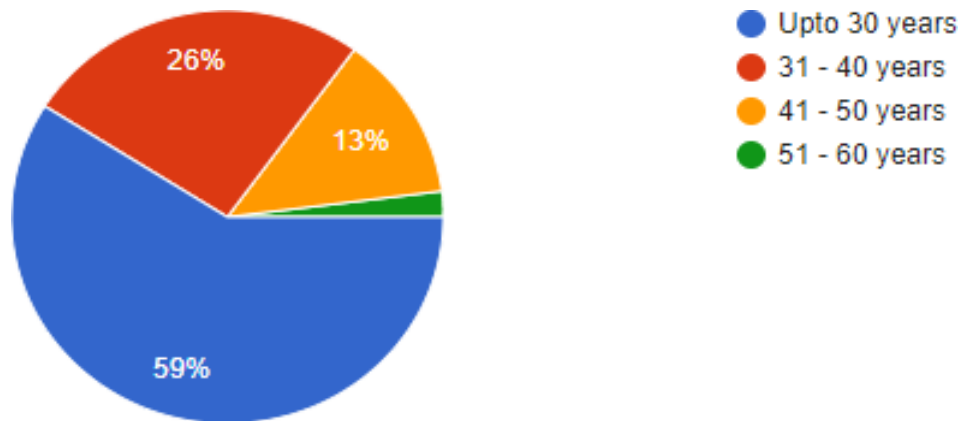
- To know about the people insured through which insurance company.
- To learn about the reason of insure by taking life insurance.
- To know about the factors affected to choose a life insurance policy.
- Awareness of insurance as a platform for investment among people .
- To know the reach of Shriram Life Insurance products among people.

1. Gender.



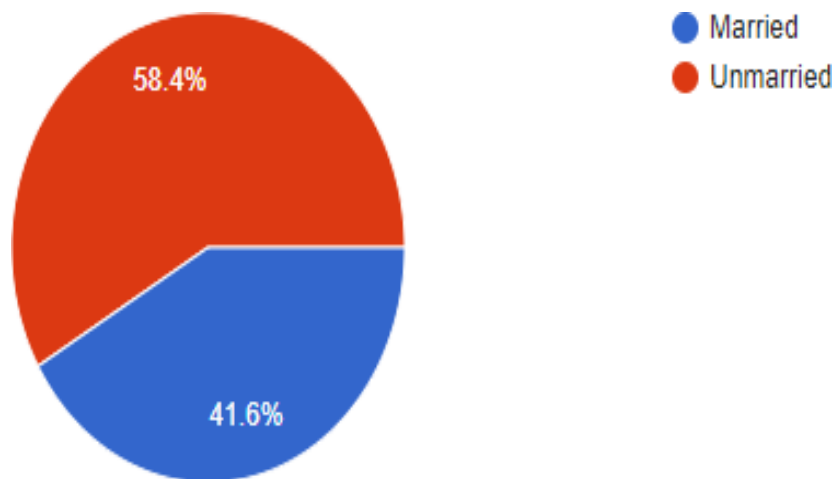
On the basis of respondents there are 72.3% male & 27.7% female who have insurance policy.

2. Age



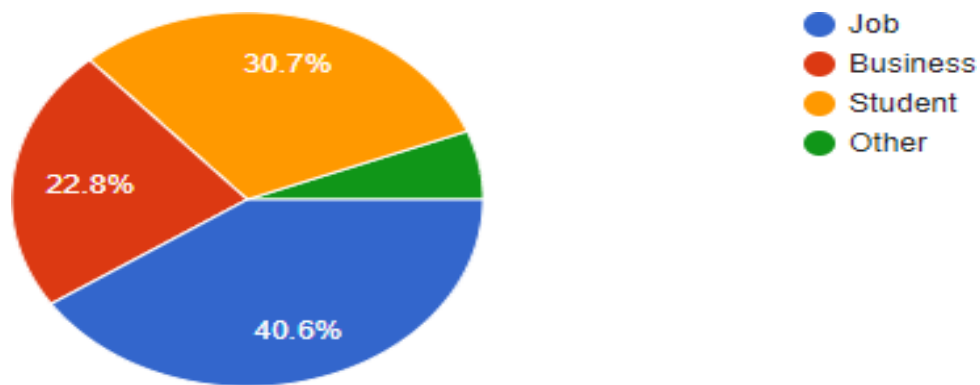
There are 59% policy holders are have age upto 30 years, 26% of 31 – 40 years, 13% of 41 – 50 years & 2% of 51 – 60 years.

3.Marital status.



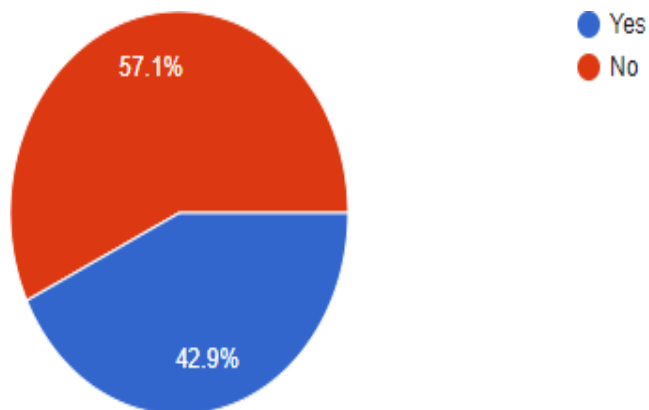
On the basis of the respondents there are 58.4% policy holders who are married and rest are unmarried.

4. Occupation.



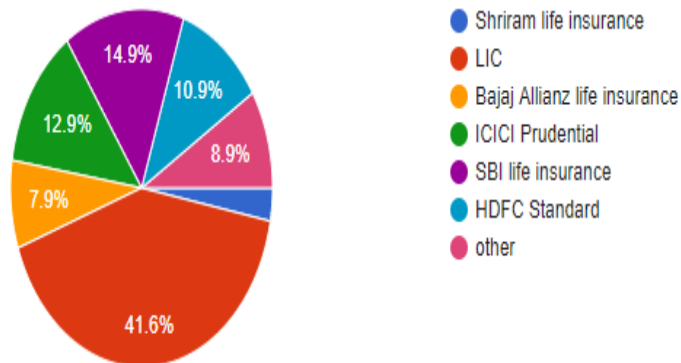
On the basis of respondents there are policy holders in which 40.6% people who are doing job, 22.8% people have business, 30.7% people are student & rest are having other occupation.

5. Are you aware of Shriram life insurance company



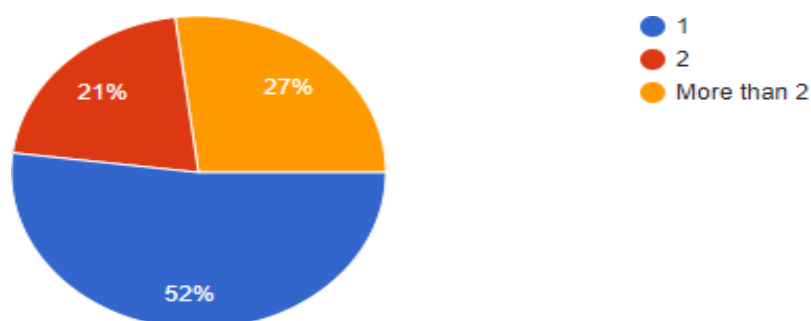
On the basis of the study there are 57.1% people who are not aware about Shriram life insurance and rest are aware.

6. Which company's plan do you have or would you like to have ?



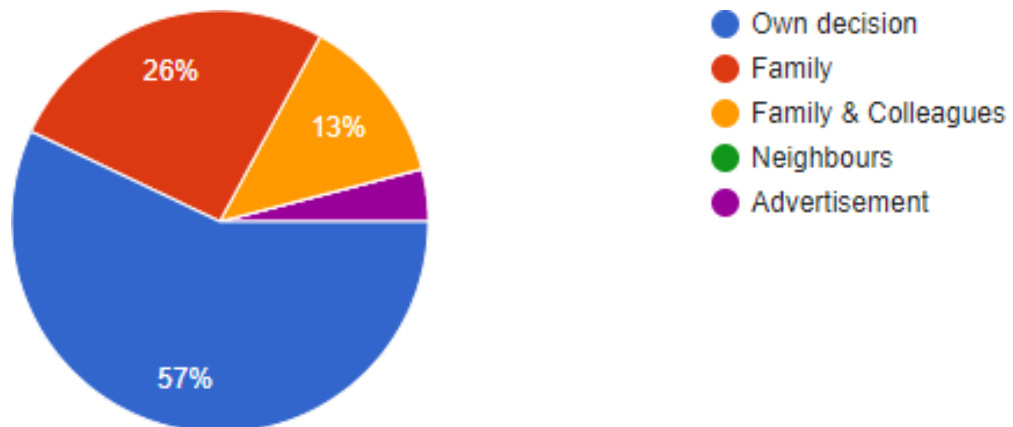
On the basis of respondents there are 41.6% are from LIC, 14.9% are from SBI life insurance, 12.9% are from ICICI Prudential, 10.9% are from HDFC Standard, 8.9% are from other & 2.9% are from Shriram life insurance.

7.Total number of policies bought or plan to buy?



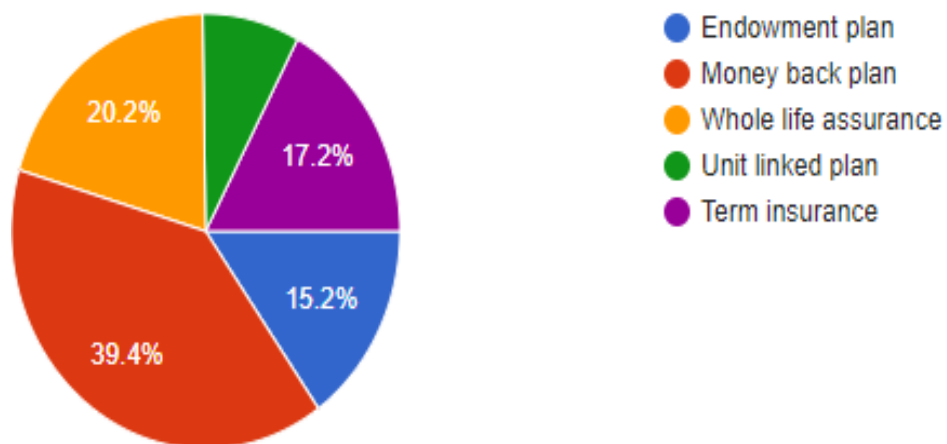
On the basis of the study there are 52% policy holders who avail only 1 plan, 27% are avail more than 2 plans and 21% are avail 2 plans.

1. While buying your current life insurance policy, your decision was influenced by or would be influenced by?



On the basis of respondents policy buying decision influenced 57% by own decision, 26% by family, 13% by friends & colleagues & 4% influenced by advertisement.

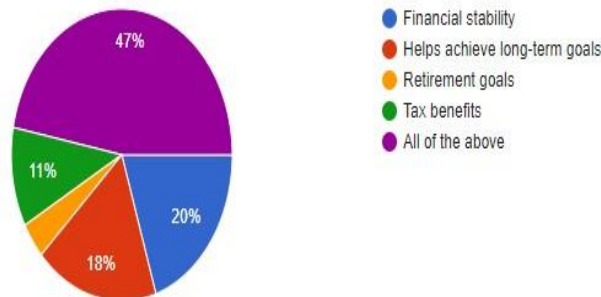
2. What kind of policy do you prefer or would you like to prefer?



There are 39.4% policy holders who have Money back plan, 20.2% are have Whole life assurance, 17.2% are have Term insurance, 15.2% are have Endowment plan and rest are have Unit linked plan

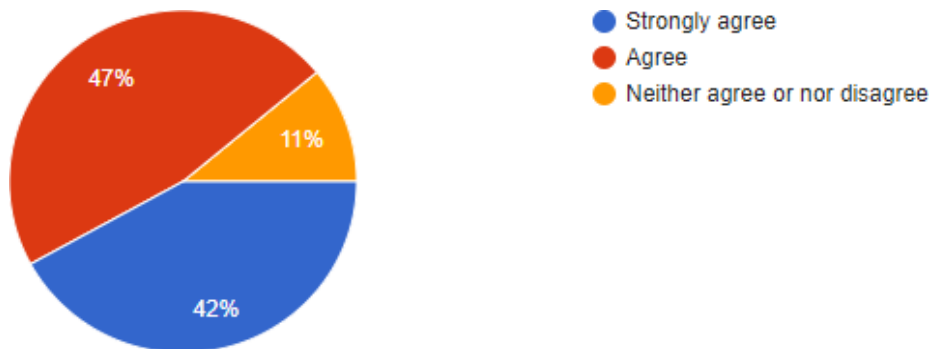
3. Which one of the following factor motivated or would be motivated you to purchaselife insurance?

Figure 3.3



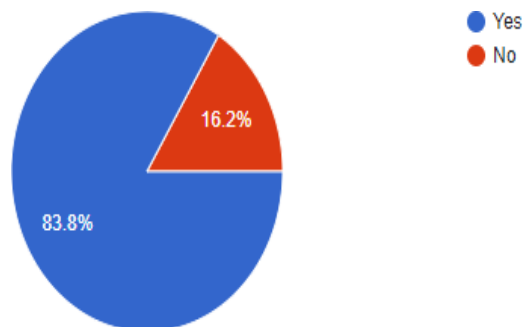
There are the policy holders who motivated to purchase life insurance . In which 47% on the basis of all of the above options, 20% by Financial stability, 18% by Helps achieve long-term goals, 11% by tax benefits & rest are motivated by Retirement goals.

4. Do you think that these companies provide promised services as per the set schedule?



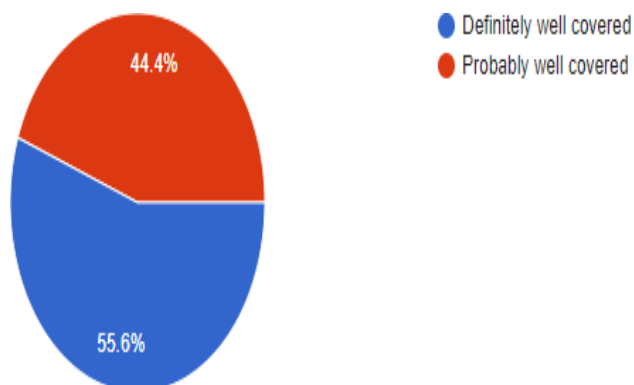
According to the study there are 47% policy holders who are agree on that companies provide services as per the set schedule, 42% are strongly agree & rest are neither agree or nor disagree.

Do you think that agents inform & guide the customers at regular intervals as regards the policy status, due date of premium, new products & services?



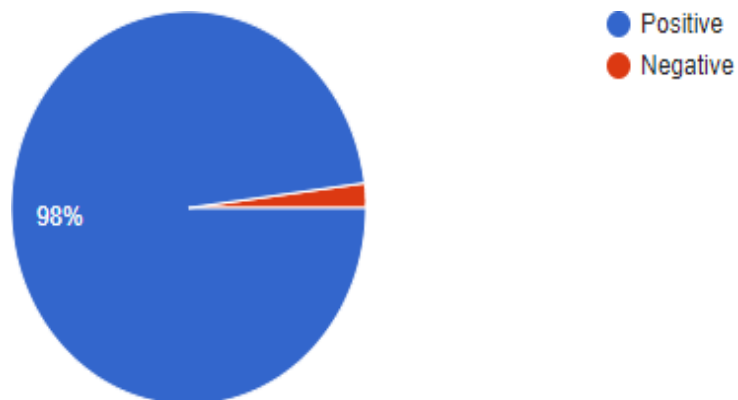
On the basis of the study there are 83.8% policy holders who think that agents inform & guide at regular intervals as regards the policy status, due date of premium, new products & services and rest are not think the same.

5. How well do you think, you are covered or would be covered by your life insurance policy?



On the basis of the respondents there are 55.6% think they are definitely well covered and 44.4% are think that they are probably well covered.

6. What is your overall perception about life insurance?



On the basis of the study we observe that 98% policy holders perception is positive towards life insurance policy and 2% policy holders have negative perception towards life insurance policy.

RESULTS & LEARNING OUTCOMES

The findings that can be drawn from the survey conducted by me can be summarized in the following way:

- 57.1 % People who are not aware of Shriram life insurance.
 - Among the 100 insurance holder's 43 respondents have policy of LIC whereas only 15 respondents have policy of SLIC (Shriram Life Insurance Company) and remaining have policy of some other companies.
 - 27 respondents have only one policy, 21 respondents have two policies, and others have three or more than policies.
 - According to the survey all criterion is important as savings, tax benefits, covering risk to life, security to family, which is expected among majorly respondents.
 - According to the survey majorly respondents would like to pay 'Monthly' premium.
 - According to the study premium, returns, goodwill of the company, duration of the policy are to be highly important criteria which we consider before taking up a life insurance.
 - Majorly respondents said maybe they would choose Shriram Life Insurance for buying new policy.
 - According to this study majorly respondents prefer LIC other than Shriram Life Insurance Company.
-

CHAPTER-7

Conclusion

Insurance is a tool by which facilitates of a small number are compensated out of funds collected from plenteous. Insurance is a safeguard against uncertain events that may occur in the future. Since the first year of operations, Shriram Life Insurance made profits in the first three consecutive years- becoming the only private life insurer to have achieved the distinction. Compared to industry peers after 7 years of operation, Shriram Life insurance was the most profitable life insurance company in the country, this progress leads to increase the company image and makes a way to lead the total insurance market.

Life insurance is also now being regarded as a versatile financial planning tool. Research indicates that Indians have four basic financial needs during their life - asset accumulation (such as buying a house or car), protecting their family, securing their children education, and provision for their retirement. So, while there are three basic types of insurance, these have been structured with increased flexibility to meet focused requirements. Furthermore, these can be enhanced with riders to protect one against disability and provide monetary compensation at times of critical illnesses or surgeries.

India being a country having a huge population of around one billion people with only 22% of the insurable population in India possessing life insurance the country has a vast potential which has been left untapped till now.

The competition in the insurance sector is becoming so intense that it has become difficult to identify the crucial success factors though the distribution strength will always be the key to

success. Another area of vast improvement is in service attitude and delivery. Undoubtedly, the biggest beneficiary of the competition amongst life insurers has been the consumer.

A wide range of products, customer-focused service and professional advice has become the mainstay of the industry, and the Indian consumer has become the focus of each of the company's strategy.

Consumers today also seek products that offering flexible options, preferring products with benefits unbundled and customizable to suit their diverse needs.

The trends in developed economies where people are not only live longer and retire earlier are now emerging in India. With the breakdown of traditional forms of social security like the joint family system, consumers are now concerning themselves with the need to provide for a comfortable retirement.

This trend has been further driven by the long-term decline in interest rates, which makes it all the more necessary to start saving early to ensure long term wealth creation. Today's consumers are increasingly interested in products to help build wealth and provide for retirement income.

This all adds up to major change in demand for insurance products. Firms will need to constantly innovate in terms of product development to meet ever-changing consumer needs.

Competition will result in the market to grow beyond current rates and offer additional consumer choice through the introduction of new products, services and price options. With the heightened awareness and consumer education comes a willingness to view life insurance as an integral part of the financial portfolio. No longer is life insurance a poorly understood product that is pushed onto people. Nor is it a product that is only to be bought hurriedly at

the time of filing taxes. Its now catching on as an important element that is purchased to fulfill specific rational and emotional needs and has clear benefits and advisors are being trained to sell insurance as a solution to meet these needs.

To conclude with I would just like to say that the people preferences are changing regarding insurances nowadays, earlier Insurance was a means for wealth creation and that too for a longer period as returns were comparatively low but as compared with the data in the current past it can be said that people are shifting towards Insurance sector not only for tax saving but for future planning, life covering risk against security, etc. But again when compared with other investment options people still prefer Bank Deposits, Equity & Mutual Funds because they provide a higher percentage of return when compared with Insurance Sector.

LIMITATION

- The study was limited to the sample size of 100 respondents.
 - As Researcher has collected the data by convenient sampling using questionnaire so there was a possibility of certain deviations.
 - Unwillingness on the part of the client to disclose the information as per the questionnaire.
 - Some respondents did not provide the full data.
-

RECOMMENDATION

- Shriram Life Insurance should focus on Extensive marketing in order to capture PAN India market.
 - SLIC uses only online channel to sale his policies to customers they should use offline channel as well.
 - Good image in transportation but customer are not aware of insurance of Shriram.
 - In north area there is a need of more advertisement and promotion.
 - Its products are less attractive than LIC.
 - Its customer relationship is not good.
-

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ANNEXURE

ANNEXURE-1

1. Name

2. Gender

- Female
- Male
- Other

3. Age

- Upto 30 years
- 31 - 40 years
- 41 - 50 years
- 51 - 60 years

4. Marital status

- Married
- Unmarried

5. Occupation

- Job
- Business
- Student
- Others

6. Are you aware of Shriram life insurance company

- Yes
- No

7. Which company's plan do you have or would you like to have?

- Shriram life insurance
- LIC
- Bajaj Allianz life insurance
- ICICI Prudential
- SBI life insurance
- HDFC Standard
- other

8. Total number of policies bought or plan to buy?

-
- 1
 - 2
 - More than 2

9. Which mode of payment of premium you obtain or would be obtain?

- Monthly
- Quarterly
- Half yearly
- Yearly

10. While buying your current life insurance policy, your decision was influenced by or would be influenced by?

- Own decision
- Family
- Family & Colleagues
- Neighbours
- Advertisement

11. What kind of policy do you prefer or would you like to prefer?

-
- Endowment plan
 - Money back plan
 - Whole life assurance
 - Unit linked plan
 - Term insurance

12. Which one of the following factor motivated or would be motivate you to purchase life insurance?

- Financial stability
- Helps achieve long-term goals
- Retirement goals
- Tax benefits
- All of the above

13. Do you think that these companies provide promised services as per the set schedule?

- Strongly agree
- Agree
- Neither agree or nor disagree

14. Do you think that agents inform & guide the customer at regular intervals as regards the policy status, due date of premium, new products & services?

- Yes
- No

15. On which behalf will you recommend the same corporation to others for taking up the policy?

- Product attributes
- Product services
- Risk coverage aspect

16. What is your overall perception about life insurance policy?

- Positive
 - Negative
-
