

A PROJECT REPORT ON
INVESTMENT PERCEPTION OF CUSTOMERS
TOWARDS SHRIRAM LIFE INSURANCE
COMPANY'S ENDOWMENT PLANS



A summer training report submitted to
BIJU PATTNAIK INSTITUTE OF INFORMATION
TECHNOLOGY AND MANAGEMENT
In partial fulfillment of the requirement for the award of the
degree of
MASTER OF BUSINESS ADMINISTRATION
Batch 2020– 2022



SUBMITTED BY- Bhagyashree Mohanty
REGD.NO. – 2006258067

DECLARATION

I Bhagyashree Mohanty , declare that the major project work presented through this report was carried out by me in accordance with the requirement and in compliance of the Academic Regulations of the Biju Patnaik University of Technology for the Master of Business Administration (MBA) Degree and that it has not been submitted for any other academic award. Except where indicated by specific reference in the text, the work is solely my own work. Work done in collaboration with or with the assistance of, others, has been acknowledged and is indicated as such. Any views expressed in the report are those of the author.

Place: Bhubaneswar
Date: January, 2022

BHAGYASHREE MOHANTY
Registration No-2006258067

CERTIFICATE

This is to certify that dissertation entitled “Investment perception and selection behaviour of customers towards products of Shriram Life Insurance Company “submitted by BHAGYASHREE MOHANTY to BIJU PATTNAIK INSTITUTE OF INFORMATION TECHNOLOGY AND MANAGEMENT in partial fulfilment of requirement for the award of the MASTER of Business Administration degree is an original piece of work carried out under my guidance and may be submitted for evaluation. The assistance rendered during the study has been duly acknowledged. No part of this work has been submitted for any other degree.

Signature
Internal examiner

Signature
External examiner

CERTIFICATE FROM COMPANY



Certificate of Internship

This is to certify that Ms. Bhagyashree Mohanty from Biju Pattnaik Institute of IT & 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 her performance was satisfactory and best to the industry. We wish her 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

associated with  **Sanlam** group

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** Manager & Personnel for giving me the opportunity to do my Summer Internship Project in this esteemed organization. Her guidance and co-operation helped me to get a better understanding of the tasks performed at the organization. I owe the enormous intellectual debt towards **Biju Pattnaik Institute Of Information Technology and Management** who helped to provide me the opportunity to undergo my Summer Internship Project in **Shriram Life Insurance** and my faculty guide, **Mr. Kamesh Chivukula** for guiding and helped me in preceding my project work, which ultimately resulted in successful completion of the project. But last not the least I am thankful to my parents, friends and all well-wishers for blessing me for my success.

Sign: _____

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EXECUTIVE SUMMARY

The research was done with Shriram Life Insurance Company as the part of Summer Internship. The topic of the project is "Investment Perception Of Customers Towards Shriram Life Insurance Company's Endowment plans". The objectives of this research project are to know the awareness of Life Insurance as an investment platform and to examine the factors that affect customers perception to endowment plans of Shriram Life Insurance Company.

For this project the random respondents are taken various areas of Cuttack . The methodology of the research is descriptive. Data has been collected from primary sources through Direct personal interview and shared questionnaires. Met people personally to collect structured questionnaire as well as other informations by taking interviews of responsible respondents. 53 responds have collected from cuttack which have proper informations for the study of the project.

At the end the findings of the research states that customers aware about the Life Insurance as an investment platform. However customers perception to Shriram Life Insurance Co.is quite lower than the public sector General Insurance Co.

From this research project the awareness level of customers about Shriram Life Insurance Company known which will be helpful to the company

The research project with SHRIRAM LIFE INSURANCE COMPANY has very informative and inspirational..

INTRODUCTION

WHAT IS INSURANCE

Insurance may be described as a social device to reduce or eliminate risk of loss to life and property. Insurance is a collective bearing of risk. Insurance spreads the risks and losses of few people among a large number of people as people prefer small fixed liability instead of big uncertain and changing liability. Insurance is a scheme of economic cooperation by which members of the community share the unavoidable risks. Insurance can be defined as a legal contract between two parties whereby one party called Insurer undertakes to pay a fixed amount of money on the happening of a particular event, which may be certain or uncertain. The other party called Insuree or Insured pays in exchange a fixed sum known as premium. The insurer and the insured are also known as Assurer or Underwriter and Assured, respectively. The document which embodies the contract is called the policy.

IN INDIA

Insurance in India can be traced back to the Vedas. For instance, Yogakshema, the name of Life Insurance Corporation of India's corporate headquarters, is derived from the Rig Veda. The term suggests that a form of "community insurance" was prevalent around 1000 BC and practised by the Aryans. Burial societies of the kind found in ancient Rome were formed in the Buddhist period to help families build houses, protect widows and children. Bombay Mutual Assurance Society, the first Indian life assurance society, was formed in 1870. Other companies like Oriental, Bharat and Empire of India were also set up in the 1870- 90s. It was during the Swadeshi movement in the early 20th century that insurance witnessed a big boom in India with several more companies being set up. As these companies grew, the government began to exercise control on them. The Insurance Act was passed in 1912, followed by a detailed and amended Insurance Act of 1938 that looked into investments, expenditure and management of these companies' funds. By the mid- 1950s, there were around 170 insurance companies and 80 provident fund societies in the country's life insurance scene. However, in the absence of regulatory systems, scams and irregularities were almost a way of life at most of these companies. As a result, the government decided to nationalise the life assurance business in India. The Life Insurance Corporation of India was set up in 1956 to take over around 250 life companies. For years thereafter, insurance remained a monopoly of the public sector. It was only after seven years of deliberation and debate – after the RN Malhotra Committee report of 1964 became the first serious document calling for the re-opening up of the insurance sector to private players that the sector was finally opened up to private players in 2001. The Insurance Regulatory & Development Authority, an autonomous insurance regulator set up in 2000, has extensive powers to oversee the insurance business and regulate in a manner that will safeguard the interests of the insured.

LIFE INSURANCE

Life Insurance is defined as a contract between the policy holder and the insurance company, where the life insurance company pays a specific sum to the insured individual's family upon his

death. The life insurance sum is paid in exchange for a specific amount of premium. Life is beautiful, but also uncertain. Whatever you do, however smart and hard you work, and you are never sure what life has in store for you.

It is therefore important that you do not leave anything to chance, especially 'life insurance'. As

death is the only certain thing in life, apart from taxes, it pays to insure it well in advance.

BENEFITS OF LIFE INSURANCE

Life insurance is designed to minimize the impact of the financial loss your family may incur upon your demise. The benefits of such plans are fourfold, aptly contained within the acronym "LIFE":

1. Liability Free

Life insurance gives your family the power to be independent and self-reliant. A good term plan can help them repay financial liabilities like home loan, auto loan, personal loan, or a loan on credit card. The term plan may also cover hospitalization charges and critical illness treatment, giving you a comprehensive protection package

2. Income Replacement

If you are the sole breadwinner in your family, a life insurance plan becomes can provide a guaranteed income to your family every month, making sure that their everyday life is not disrupted and they remain financially stable.

3. Education and other expenses for dependents

The pay-outs from life insurance can help to pay the bills for the education of your children, as well as expenses for their wedding or medical costs if any.

4. Immediate Expenses after Demise

It will also help your family cover a part of essential expenses immediately after your demise, such as funeral costs and/or medical bills.

TYPES OF LIFE INSURANCE POLICIES

Term Life Insurance: - Term life insurance lasts for a set number of years before it expires. If you die before the term is up, a set amount of money, known as the death benefit, is paid to your designated beneficiary. Term life is considered the simplest, most accessible insurance policy. When you make your payments (known as your premium), you're paying for the death benefit that goes to your beneficiaries in the event of your death. The death benefit can be paid out as a lump sum, a monthly payment, or an annuity. Most people elect to receive their death benefit as a lump sum.

Universal Life Insurance: - Universal life insurance has a cash value, just like a whole life insurance policy. Your premiums go toward both the cash value and the death benefit. But there's a twist: You can change the premium and death benefit amounts without getting a new policy. Basically, although you have a minimum premium to keep the policy in force, you can use the cash value to pay that premium. That means if you have enough money in the cash value, you can use that to skip premium payments entirely, letting the accrued interest do the work.

Variable Life Insurance: - Variable life insurance is similar to whole life insurance in that they both have a cash value, but the functions of the cash values are quite different. With a whole life insurance policy, the cash value component is a savings account. That's why, although the growth might be small compared to other investment options, there is a guaranteed minimum rate. It also includes dividend payments from the life insurance company.

Simplified Issue Life Insurance: - Typically when you apply for life insurance, you go through a paramedical exam as part of the underwriting process so the insurer can find out how risky you are to insure. The exam helps them set your premium rate. With simplified issue life insurance you can skip the medical exam. That's the "simplified" part of this policy type. This

is also known as a "no exam policy." You're not out of the woods completely, though. You don't need to go through the medical exam, but you do need to fill out a health questionnaire, answering questions like if you smoke, have been diagnosed with serious illnesses, and so on.

Guaranteed Issue Life Insurance: - Guaranteed issue life insurance takes the concept of simplified issue life insurance — forgoing the health exam — a step further in that you don't have to answer any questions about your health, either. As long as you can pay the premium, the insurer will cover you, needing only your age, sex, and state of residence.

Endowment Plan: It is a life insurance policies which is payable to the insured if he/she is alive till the policy maturity date. These endowment plans also offer benefits like bonus monthly, which is paid in maturity or else to the nominee under the death benefit. It is also known as traditional insurance and the risk involved is lower.

ULIP: In this, the part of insurance plan will go towards the mutual fund investments and remaining will be going to the death benefit purpose. An individual also can invest in different funds offered by the company depending on his risk management or involved.

Whole Life Insurance: It is not for a specified term; instead it covers the whole life of an individual in this. The sum assured is decided when the policy is being purchased and is paid to the nominee when the insured person will die. In this, withdrawal can also be done after the premium payment period.

Child's Policy: It provides financial protection to the children throughout their lives by Investment + insurance policies. It helps to secure the child's future for their education and marriages. During the policy term, if the insured child's parent dies then the payment is done immediately by the insurance company.

Money-Back: After the payment of policy, it provides certain percentage on sum assured which is also known as survival benefit. They are also eligible to receive.

Retirement Plan: It is also called as a Pension plans. It is a policy where it combines both investment and insurance. A little portion of amount is used for the retirement purpose of the policyholder and the remaining lump-sum amount or monthly payment will be given to the policyholder when he retires.

LIST OF LIFE INSURANCE COMPANIES

SL.NO	Name Of The Company	Claim Settlement Ratio
1	Aditya Birla sun life insurance Co.	97.15
2	AEGON Life Insurance Co.	96.45%
3	Aviva Life Insurance Co.	96.06%
4	Bajaj Allianz Life Insurance Co.	95.01%
5	Bharti AXA Life Insurance Co.	97.28%
6	Canara HSBC OBC Life Insurance Co.	94.04%
7	Edelweiss Tokio Life Insurance	95.82%

	Co.	
8	Exide life insurance Co.	97.03%
9	FutureGeneralLifeInsurance Co.	95.16
10	HDFCLife InsuranceCo.	99.04%
11	ICICIPrudentialLifeInsuranceCo.	98.58%
12	IDBIFederalLifeInsurance Co.	95.79%
13	India First Life Insurance Co.	92.82%
14	Kotak Life Insurance Co.	97.40%
15	LifeInsuranceCorporationofIndiaCo.	97.79%
16	Max Life Insurance Co.	98.74%
17	PNB MetLife Insurance Co.	96.21%
18	PramericaLifeInsuranceCo.	96.80%
19	RelianceLifeInsuranceCo.	97.71%
20	SaharaLifeInsuranceCo.	90.16%
21	SBILifeInsuranceCo.	95.03%
22	Shriram Life Insurance Co.	85.30%
23	Star Union Dai-ichi Life Insurance Co.	96.74%
24	Tata AIALifeInsuranceCo.	99.07%

REGULATORY BODY – IRDA

IRDA is the supervisory body in India that regulates and commands all the insurance companies in the country, both Life Insurances and General Insurance companies. IRDAI is the head organization that sets rules and guidelines to run the Indian Insurance Industry. While monitoring the activities of the insurance companies, IRDA also regulates and sees the development of these industries. The whole and sole responsibility of the autonomous body IRDA is to regulate fair practices in the insurance market to impede the loss of customers. The way the banking system of the nation works as per the guidelines set by the RBI, leaving no scope for the monopoly to take over, IRDA on the same lines of industrial practice plays an important role to control the insurance sector.

Major responsibilities of IRDA is as follows:

- Urge and ensure the systematic growth of the insurance industry to benefit the customers who invest in policies seeking safety.
- Safeguard the interest of the policyholders.
- Foster righteousness and fair dealings in the market.
- Expedite the claim settlement and overcome the disputes
- Keep a check on scams and frauds by setting standards and conduct vigilance.

The scope of work for IRDA is wide and it abides by its limitations without favouring any particular insurance company. To keep up the growth, the work and acts of IRDA are as

mentioned below:

1. IRDA monitors that no insurance company can deny the claim on their free will unless it falls beyond the scope of the cover. Thus, protecting the interest of policyholders at the time of issuance of the policy claims, and cancellation of the policy.
2. IRDA clearly states the code of conduct for all insurance companies, loss assessors and surveyors. Thus, players come together to work on a single tune and compete with each other simply on the basis of discounts.
3. IRDA conducts investigations, calls for both annual and need-based audit so as to prevent any misdeed.
4. To bring equality for customers IRDA, regulates the terms and rates offered by the insurance companies.
5. IRDA provides a resolution in case of any disputes emerged between the insurer and the policyholder.
6. IRDA prevents insurers from quoting rates as per their convenience and hence it limits the major risks to the Tariff Advisory Committee.
7. IRDA sets the minimum percentage limit for the insurers to carry for both life and non-life business. Thus, helps in the development of both rural and urban sectors.

OBJECTIVES OF THE INTERNSHIP

- To study awareness about life insurance as an investment platform
- To examine the factors that affect customers perception of endowment plans of SLIC

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 investment perception towards the products of life insurance companies. 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 investment perception regarding 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 universe- CUTTACK

Sample size- 60

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 53 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 . 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 60.

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 = Number of respondents / Total respondents

LIMITATIONS OF THE STUDY

- The research done is in a limited area only.
- The study represents Cuttack market situation only. Whereas the company operates not only throughout India but also abroad.
- Although there are numerous insurance agents in these cities, but sample size is limited to 60.
- Some people may have rendered wrong information about the themselves either because of lack of knowledge or due to some personal grudges with company in the

past i.e. biased nature of the respondents might have crept in while conducting the research.

SHRIRAM Life insurance

Company profile

The 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 these businesses. 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.

Shriram Capital :

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.

EVOLUTION OF SHRIRAM GROUP

1974 - Shriram capital & Shriram Chit Fund

1979 - Shriram Transport Finance Company in South India

1986 - Shriram City for specializing in Retail Finance

2009 - Non Convertible Debenture & Commencement of Shriram Wealth Advisors Ltd.

2006 - Shriram Life Insurance was established as Shriram Financial Services Limited.

2005 - Shriram Life Insurance was introduced

2011 - Commencement of Business - Shriram Housing Finance Ltd. in December

VISION & MISSION STATEMENT OF SHRIRAM GROUP

'Serving the under-served', 'addressing the bottom of the pyramid', 'Inclusive financing' are all phrases that have become commonplace in the corporate world today. Whether it is the Chit Fund business, Transport & Equipment Finance business, Consumer Finance business or even the huge deposit customer base of Shriram, over 90% of the 10.2 million customers of the group come under the purview of the under-served.

They always believe in "People First" (AamAadmi)

SHRIRAM LIFE INSURANCE (SLIC)

Incorporated in 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. SLIC's aim is to offer life insurance plans and solutions that cater to a wider demography. It has a network of over 550 offices across India.

Limited headquartered in Hyderabad with the partner Sanlam Group. The Managing Director and

CEO is Mr. Casparus J H Kromhout, Chairman is MR. T. S. Krishna Murthy, and Managing Director is Smt. Akhila Srinivasan and Mr. Manoj Jain. It has a wide network of over 550 offices in India. After the operations have started they made profits for the three consecutive years and have become the only private insurance company which have achieved distinction performance.

Their main aim is to offer plans of life insurance and provide solutions which serve the wide location. In 2006, the financial services operations was started in order to provide solutions to the financial planning through mutual funds, General insurance, deposits and Life insurance. When compared to the other industry, SLIC is the most profitable made business in the country in the first 7 years of operations. Shriram Life Insurance earned more than 40% of its business providing life insurance for "AAM AADMI", a weak part of rural areas and individuals. SLIC stands for very efficient use of capital and less cost of operations. They also have started Digital Marketing 2017. They have 11% growth in new business premium in FY 2018-19.

THE VISION & MISSION STATEMENT OF SLIC

The Shriram Life Insurance Company was founded with the objective of reaching out to the "common man" with products and services that would be helpful to him as he sets out on the path to "prosperity". Operational efficiency, integrity and a strong focus on catering to the needs of the average Indian, by offering him high quality and cost-effective products and services, are the core values that drive the organization. These values have been strongly adhered to over the decades and are now an integral part of the organization's DNA. The company prides itself on its deep understanding of the customer. Each product or service is tailor-made to specifically 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 truck financing requirements amongst the customers.

SANLAM GROUP – SLIC FOREIGN PARTNER

Sanlam was established as a life insurance company in South Africa but has since transformed into a diversified financial services group that operates across the African continent, India, Malaysia and selected developed markets, with listings on the Johannesburg, A2X and Namibian stock exchanges.

In 2018, the Group celebrated its centenary as well as 20 years since demutualise on and listing in South Africa and Namibia. Our vision is to be the leader in client-centric wealth creation, management and protection in South Africa, to be a leading player in Pan-African financial services with a meaningful presence in India and Malaysia and to play a niche role in wealth and investment management in specific developed markets. Sanlam operates through a number of subsidiaries, associated companies and joint ventures. Sanlam Life is the largest operating subsidiary and the holding company of most of Sanlam's operations in emerging markets.

BENEFITS - SLIC

- 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.

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.

AWARDS WON BY SHRIRAM LIFE INSURANCE

1. The Bizz Americas 2016 Award - Shriram Life Insurance.
2. Best Life Insurance Company- BFSI Award, ABP News.
3. International Arch of Europe' award - Frankfurt 2015.
4. Indian Insurance Award for Non-Urban Coverage - Life Insurance - Finetelekt, SP Media Pvt. Ltd.
5. Managerial Excellence Award 2015 - For excellence in diverse areas - Madras Management Association.

PRODUCTS OFFERED BY SLIC

- Child Life Insurance Plans
- Term Life Insurance Plans
- Pension Life Insurance Plans
- Investment linked Life Insurance Plans
- Combi Life Insurance Plans
- Endowment Life Insurance Plans
- Group Life Insurance Plans
- Micro Life Insurance Plans
- Savings Plans
- Women Life Insurance Plans

PRODUCTS EXPLAINED DURING INTERNSHIP:

1. Shriram Life Pension Plan
2. Shriram Life Assured Income Plan
3. Shriram Life Super Income Plan
4. Shriram Life Assured Income Plus Plan
5. Child plan

Shriram assured Income plan

It is a plan for an individual who wants to pay the premiums for 5 years and get the benefits for the 5 equal instalments after maturity.

Key Features:

- It is a premium pay for 5 years.
- It is a life cover for 10 years.
- It is an assured income for 5 years.
- In this, the premium you pay is lower and the benefit you receive is higher.
- Also there is additional benefit through riders.

Necessities for Assured Income Plan:-

- Age - Minimum is 8 years and Maximum is 65 years.
- Minimum premium is Rs. 20000 and Maximum there is no limit.
- Sum Assured – Below 55 years it is 10 times the yearly premium paid and Above 55 years it is 7 times the yearly premium paid.
- Policy term is for 10 years – 5 years pay the premium and 5 years for relaxation.

Benefits – Shriram Assured Income Plan

- Returns are 20% of the sum assured.
- Tax Saving policy.
- Short term and risk free.

- In case of death or total and permanent disability due to an accident during the rider term, we will pay 100% of the rider sum assured. Also, if the life assured becomes totally and permanently disabled in an accident, we will waive off all the future premiums under the policy. The benefit under this rider is applicable only once during the rider term.
- In case of unfortunate event of death of the life assured during the rider cover term, sum assured under rider will be paid to the nominee

Shriram assured Income plus plan

Shriram Life Assured Income Plus is a non-linked non-participating endowment assurance plan. This plan caters the needs of the clients who want to pay premiums only for five years and to receive the benefits in five equal annual instalments after maturity. The plan offers life cover of 10 times the annualized premium for ages up to 50 years and 7 times the annualized premium for ages 51 years and above.

Key Features :

- Pay premium for only 5 years
- Life cover for 10 years
- Assured Income for 5 years from Maturity¹.
- Lower Premium for High Sum
- Assured Additional protection through Riders

Benefits of Assured Income Plus plan :

Death Benefit

Death Benefit within PPT: In case of death of the life assured during the premium paying term, provided the policy is in force, “Death Sum Assured” will be paid.

Death Benefit after PPT: In case of death of the life assured after premium paying term but before the end of the policy term, provided the policy is in force, “Death Sum Assured” will be paid.

The death benefit shall be paid in lump sum to the nominee(s) or beneficiary(ies) and the policy will be terminated after paying the death benefit.

“**Death Sum Assured**” is defined as the sum assured payable on death which is highest of

- 10 times Annualized Premium for ages up to 50 years and 7 times Annualized Premium for ages 51 to 65 years.
- Sum assured
- 105 % of All Premiums Paid till the date of death.

If the life assured dies any time after completion of policy term only the outstanding instalments (if any) will continue to be paid as scheduled to the nominee(s)/ beneficiary(ies).

Maturity Benefit :

In case of survival of the life assured up to the end of the policy term, provided the policy is in force, sum assured will be paid in five equal annual instalments i.e. 20% of sum assured will be paid at the end of every year after maturity.

Super Income Plan :

It is designed to satisfy the financial needs of individuals and their family.

Key Features -

- Life insurance Cover till 75
- Guaranteed Maturity Sum Assured
- Flexibility to change Premium payment term
- Guaranteed Monthly Income till 75
- Wide range of Premium Payment Term
- Additional protection through Riders.

Specifications:

- Age - Minimum is 25 years and Maximum is 50 years.
- Minimum premium is Rs. 30000 and Maximum there is no limit.
- Maturity age is 75 years fixed.
- Premium paying term is 10-25 years.
- Policy term is 75 minus the age of entry.
- Sum assured is 10 times the annual premium

Benefits :

- 1. Super Income Benefit -** In case of survival of the life assured till the end of the premium paying term, provided the policy is in force, a Super Income Benefit of fixed monthly amount will be paid from the end of the premium paying term till the end of the policy term or until death, whichever is earlier.
- 2. Maturity Benefit -** In case of the survival of the life assured till the end of the policy term provided the policy is in force, "Guaranteed Maturity Sum Assured" will be paid and the policy is terminated. "Guaranteed Maturity Sum Assured" is equal to 5 times the Annualized Premium.
- 3. Death Benefit -** In case of death of the life assured during the Policy Term, provided the policy is in force, an amount equal to higher of "Death Sum Assured" or Surrender Benefit as applicable on the date of death will be paid in lump sum to the nominee(s) or beneficiary (ies) and the policy is terminated. Any Super Income Benefit paid will not be recovered from the death benefit.

- 4. Tax Benefits -** Tax benefits as per prevailing tax laws. Tax benefits are subject to changes according to the tax laws from time to time; please consult your tax advisor for details.

INDUSTRY ANALYSIS

SWOT ANALYSIS :

STRENGTHS

- Policy is covered to all types of societies.
- They have expertise in foreign group such as they are partnered with Sanlam Group.
- They have across 750 offices in India and 30 lakh customer base and 75000 loyal agents.
- The continuous growth of the business in the last 45 year

WEAKNESS

- They have low marketing and don't have brand presence when compared to other competitors.
- When compared to big companies they have poor IT Infrastructure.

OPPORTUNITIES

- They have rural market growth and good reach of AAM AADHMI. AamAadhmi is where they are focusing on the growth by taking life insurance whom it needs the most.
- To target the youths of urban area.
- Selling to an existing customer through financial services like banking.

THREATS

- There will be entry from new competitors.
- There may be new rules and regulations from the Government and IRDAI.
- The impact of COVID-19.
- Companies issuing new policies and payment policies.

PORTER'S FIVE FORCE MODEL:

1.competition in the Industry

The first of the five forces refers to the number of competitors and their ability to undercut a company. The larger the number of competitors, along with the number of equivalent products and services they offer, the lesser the power of a company. Suppliers and buyers seek out a company's competition if they are able to offer a better deal or lower prices. Conversely, when competitive rivalry is low, a company has greater power to charge higher prices and set the terms of deals to achieve higher sales and profits.

For SLIC being in the insurance industry, there are 24 competitors that are currently competitive and highly competitive. There are many insurance companies that offer similar

products, and they will increase their competitiveness with low cost, high operational efficiency and excellent customer service.

2 . Potential of New Entrants Into an Industry

A company's power is also affected by the force of new entrants into its market. The less money and time it costs for a competitor to enter a company's market and be an effective competitor, the more an established company's position could be significantly weakened. An industry with strong barriers to entry is ideal for existing companies within that industry since the company would be able to charge higher prices and negotiate better terms.

Many large companies, such as banks and financial institutions, offer the same insurance products. The overall threat is not high if new participants are carried out under licenses and regulations. This might be a threat for SLIC from the new entrants.

3.Powers of Suppliers

The next factor in the five forces model addresses how easily suppliers can drive up the cost of inputs. It is affected by the number of suppliers of key inputs of a good or service, how unique these inputs are, and how much it would cost a company to switch to another supplier. The fewer suppliers to an industry, the more a company would depend on a supplier. As a result, the supplier has more power and can drive up input costs and push for other advantages in trade. On the other hand, when there are many suppliers or low switching costs between rival suppliers, a company can keep its input costs lower and enhance its profits. Because the agent has a high power of the customer database, i.e. the agent, he can control the customer's decision making. Players can hire expert and executive talents.

4.Power of Customers

The ability that customers have to drive prices lower or their level of power is one of the five forces. It is affected by how many buyers or customers a company has, how significant each customer is, and how much it would cost a company to find new customers or markets for its output. A smaller and more powerful client base means that each customer has more power to negotiate for lower prices and better deals. A company that has many, smaller, independent customers will have an easier time charging higher prices to increase profitability. The company's customer bargaining power is high because it pays high premiums. If competitors offer similar products, the cost will shift.

5. Threat of New substitutes

The last of the five forces focuses on substitutes. Substitute goods or services that can be used in place of a company's products or services pose a threat. Companies that produce goods or services for which there are no close substitutes will have more power to increase prices and lock in favourable terms. When close substitutes are available, customers will have the option to forgo buying a company's product, and a company's power can be weakened. Understanding Porter's Five Forces and how they apply to an industry, can enable a company to adjust its business strategy to better use its resources to generate higher earnings for its investors. If the product has similarity, the customer can switch to another product.

COMPETITOR ANALYSIS:

LIFE INSURANCE CO.	SHRIRAM LIFE INSURANCE CO.	LIFE INSURANCE CORPORATION	RELIANCE LIFE INSURANCE CO.
ENDOWMENT PLANS	ASSURED INCOME PLAN	NEW JEEVAN ANAND	RELIANCE ENDOWMENT PLAN
ENTRY AGE	Min: 30 days Max:55 years	Min : 18 Years Max: 50 years	Min : 5 Years Max : 65 Years
MATURITY AGE	70 (non POS) 65 (POS)	Min : – Max :75 years	Min : 18 Years Max : 75 Years
POLICY TERM	8 ,10,12,15 Years	Min :15 Years Max : 35 Years	Min : 5 years Max: 35 years
ANNUAL PREMIUM	Min: 15000 Max: No Limit (non POS) 119047 (POS)	Varies from policy term and age of the policy holders	Min : 2000 Max : No limit
PREMIUM PAYMENT MODE	Yearly, Half Yearly,Quarterly,Monthly	Yearly, Half Yearly, Quarterly, Monthly	Yearly, Half Yearly, Quarterly, Monthly
SUM ASSURED	Min: 2 Lakh Max: No limit (non POS) 10 Lakh (POS)	Min : 100000 Max : No limit	Min : 25000 Max : 500000 (below 18 years) No limit (18 and above)
DEATH BENEFITS	Lump Sum pay-outs Assured income pay-outs 50 % death benefit as lump sum and remaining 50% as regular pay-outs i.e. the pay-outs will be 50% of original pay-outs	10 x annualized premium amount. 125 % of the base sum assured as per policy term	In case of death of the life insured the nominee receives the sum assured + accrued bonus

OTHERS	Assured income benefits after the policy term. Higher benefits for higher premiums and terms. Additional protection through riders.	Premium discount available on higher sum assured and yearly and half yearly premiums	At the maturity of the policy the insured will get the sum assured + accrued bonus

DATA ANALYSIS AND INTERPRETATION

DATA COLLECTION

The data was collected through a structured google form among the people of cu ack and received back 53 responses .

DEMOGRAPHIC CHARACTERISTICS

- **AGE**

AGE GROUP	FREQUENCY
18 -30	33
31- 40	12
41 - 50	5
51 AND ABOVE	3

This indicates the age group of respondents to the survey this shows that the 18-30 age group comprises the highest percentage of the respondent of the study.

- **GENDER**

GENDER	FREQUENCY
MALE	30

FEMALE	23
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This indicates the gender of respondents to the study survey this shows that the male candidates comprises the highest percentage of the respondent of the study.

- OCCUPATION

OCCUPATION	FREQUENCY
PRIVATE JOB	18
GOVERNMENT JOB	8
ENTREPRENEUR	4
HOUSE MAKER	8
STUDENT	15

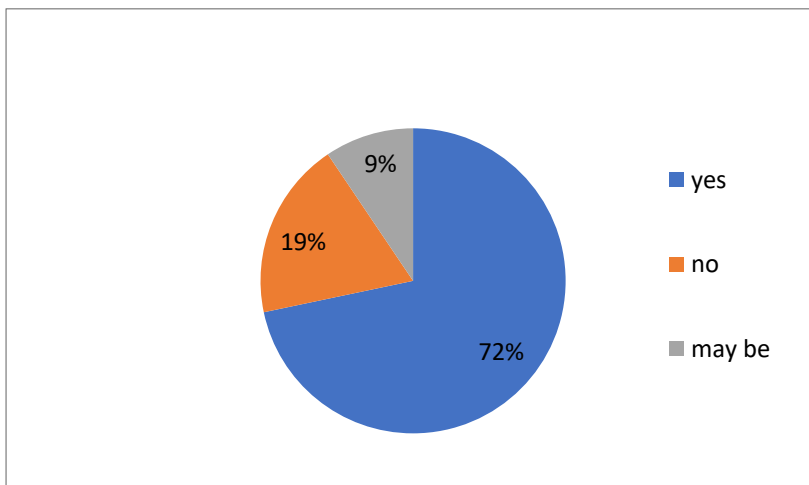
This indicated the occupation of respondents to the survey. This shows that students and private job respondents comprise the highest percentage of the respondents of the study.

DATA ANALYSIS

Data analysis focused on the following major aspects:

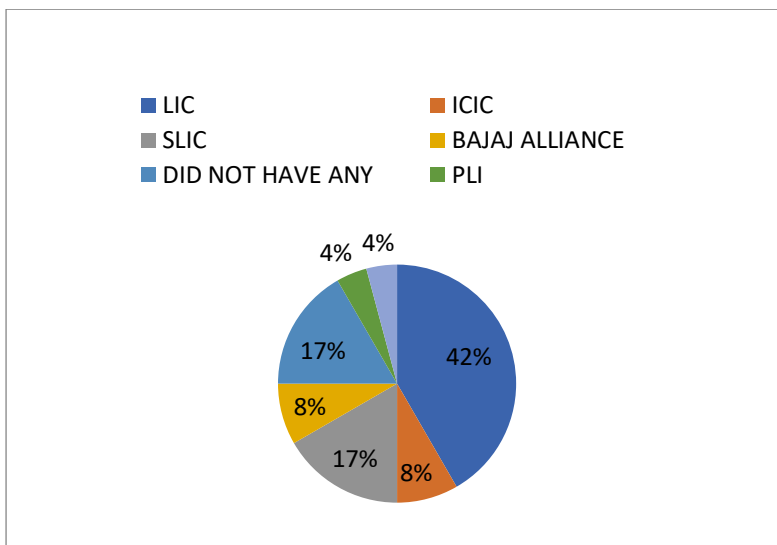
- to know about the people insured through which insurance company in cu ack.
- to learn about the reason for insurance by taking life insurance.
- to know about the factors affecting choosing a life insurance policy.
- awareness of insurance as a platform for investment among people of cu ack.
- to know the reach of shriram insurance products among people.

1. People covered through life insurance policy



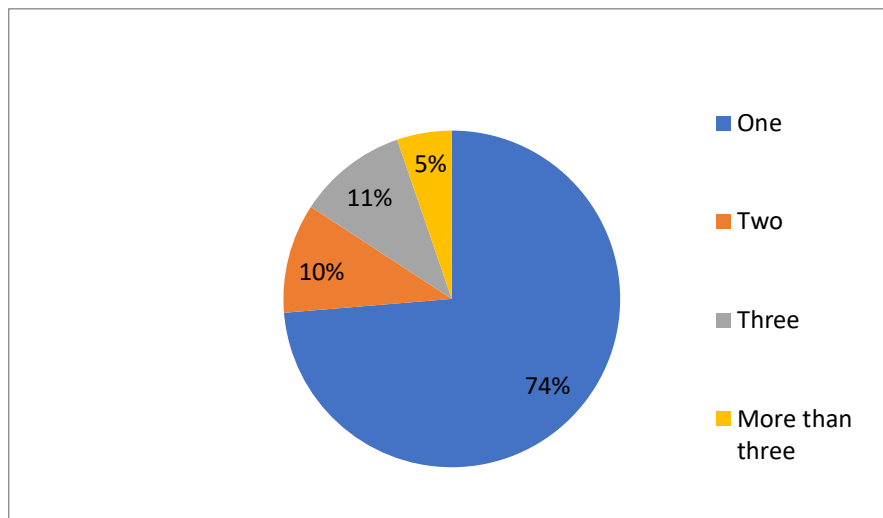
This study shows that 72 % people only covered through life insurance policy. 19 % people are not covered by life insurance policy and 9 % people are not sure that they have any life insurance policy or not.

2. People insured by which insurance company



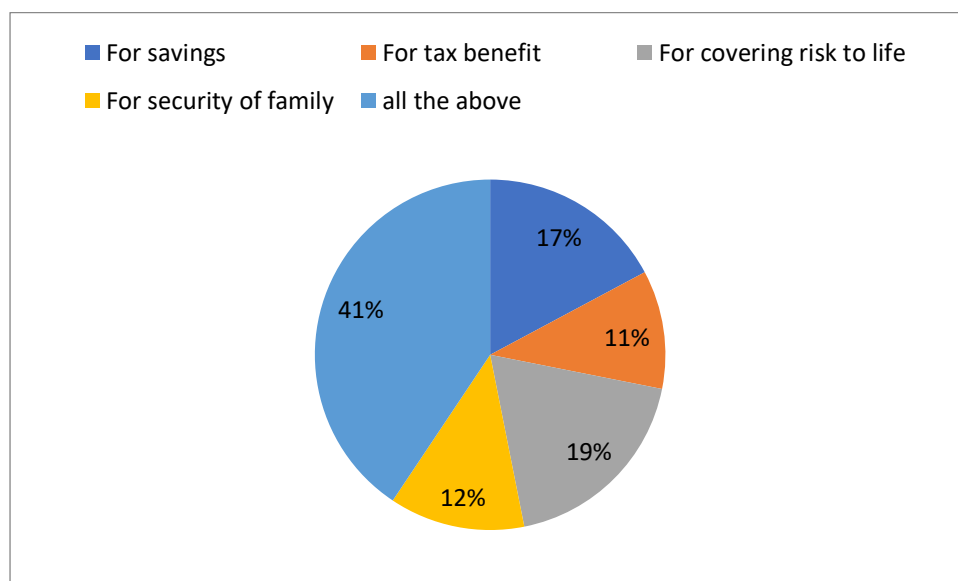
Majorly people insured by Life Insurance Corporation (LIC) i.e. 42 % in cuttack . 17 % people insured by Shriram Life Insurance and 8 % people insured by ICICI Prudential

3.Number of policies people have



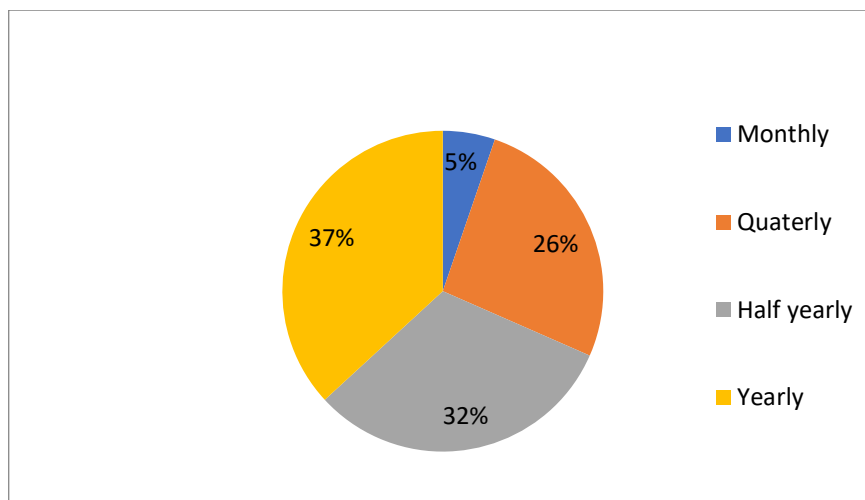
This study shows that 75% people have only one policy. 10% people have two policies. 5% people have more than three policies and 11% people have 3 policies.

4. Reason of insured by life insurance



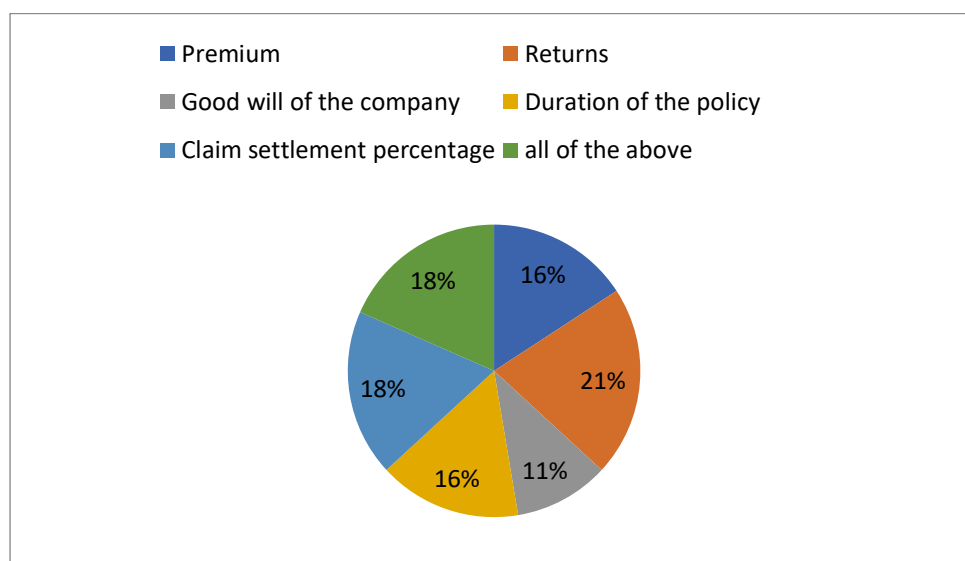
According to this study 46.2% people have insured for saving, for tax benefit, for covering risk to life, for security to family. 19% people have insured for covering risk of life. 17% people have insured for saving, 12% people have insured for security to family. 11% people have insured for tax benefit.

5. Like to pay premium



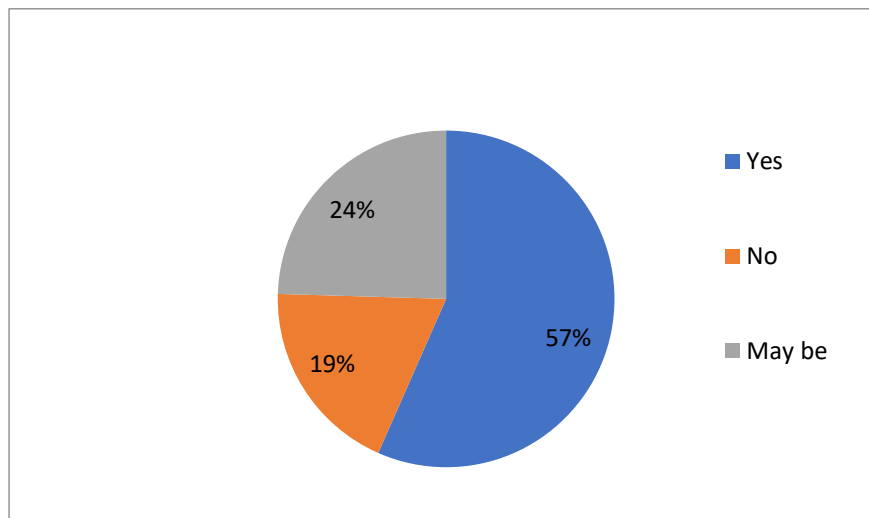
This study shows that majorly people like to pay premium yearly i.e. 37 %. 5% people like to pay premium monthly, 26 % people would like to pay premium quaterly and 32 % people would like to pay premium half yearly.

6.Factors affecting to choose a life insurance policy



This study shows that majorly people notice all the factors like premium, returns, goodwill of the company, duration of policy, etc. 21 % respondents would like to notice returns only, 11% respondents would like to notice goodwill of the company, 16% respondents would like to notice premium of the policy.

7.Insurance as a platform for investment



This study shows that 57 % respondents are aware about the insurance as a platform for investment. 19% respondents are not aware about the insurance as a platform for investment. 24% % respondents are not sure about the insurance as a platform for investment.

RESULTS AND LEARNING OUTCOMES

Findings

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

- A. 72% people are only covered through life insurance policy. 19% people are not covered by life insurance policy and 9 % people are not sure that they have any life insurance policy or not.
- B. Among the 38 insurance holder's 20 respondents have policy of LIC whereas only 8 respondents have policy of SLIC (Shriram Life Insurance Company) and remaining have policy of some other companies.
- C. 28 respondents have only one policy, 4 respondents have two policies, and others have three or more than policies.
- D. 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.
- E. According to the survey majorly respondents would like to pay 'yearly' premium.
- F. 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.
- G. Among the 53 respondents, 30 respondents are aware that insurance as a platform for investment.
- H. According to the survey, 30 respondents are aware of Shriram Life Insurance.
- I. Majorly respondents said maybe they would choose Shriram Life Insurance for buying new policy.

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 time of filing taxes. Its now catching on as an important element that is purchased to fulfil 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.

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ANNEXURE

Google form questionnaire

1. Name -
2. Mobile no. -
3. Occupation-
 - Private job
 - Government job
 - Entrepreneur
 - Student
 - Other
4. Gender-
 - Female
 - Male
 - Others
5. Age group-
 - o Upto 30 years
 - 31-40 years
 - 41-50 years
 - 51-60 years
 - 60 years and above
6. Marital status
 - Married
 - Unmarried
 - Other
7. Annual income-
8. Do you have life insurance policy?
 - Yes
 - No
 - Maybe
9. From which insurance company you are insured?
 - LIC
 - ICICI Prudential
 - Shriram Life Insurance
 - Bajaj Allianz
 - Other
10. How many insurance policies you have?
 - One
 - Two
 - Three
 - More than three