CHAPTER III
PROFILE OF LIFE INSURANCE PLAYERS

INTRODUCTION

The Life insurance companies are the most trusted financial service providers. Insurance business is all about human beings and its aim is to protect their interests and well-being. No other business organization can get satisfaction which an insurer gets when he fulfills his promises to the insured who is in need or his people after his departure.

Insurance business has not been on par with the banking operations which are of dire importance in each and every sphere of activity. Yet, insurance business in our country has also made rapid strides because of the opening up of the insurance sector and also effective implementation of insurance reforms. As the tasks of the insurers are taking a remarkable change in all directions, there is no doubt that the trust and confidence the customers repose on the insurers makes the accomplishment of the tasks a reality.

Life insurance is an emotional and a highly serious business which is mainly attributed to achieve a social cause. The life insurance players have to work with social responsibility and there is a need for support from the Government and other social service agencies in achieving this goal in a manner that the social security of our country can move with great vigour in the right direction. “The contribution of life insurance sector to economic development of our country is growing with the market getting matured with time” ¹.

Though every business organization has a corporate social responsibility in improving the well-being of the society, the insurance

companies should put in their best efforts to identify and fulfill the deficiencies, if any, within their vicinity to contribute towards societal improvement. Corporate social responsibility is one of the emerging trends and it is becoming increasingly accepted in business circles, to the extent that it was most often implemented as a key strategy\(^2\).

Indian life insurance sector has come of age. It is the opportune time to the insurance companies after liberalization to play an appreciable role in doing insurance business and making the task of insuring people more efficient and customer-friendly.

Indian life insurance industry is a dynamic industry wherein different functions, structures and inter-relationships are to be taken care of. As a result, the activities relating to product innovation and development, underwriting and managing risks, marketing of insurance products, handling claims and establishing good customer relations are highly specialized in nature and require an adequate expertise and competence to understand the activities thoroughly.

A good insurance company is one that is financially strong and provides good service before and after the sale of a policy and a good insurance policy has to satisfy all the insurance needs without providing for unnecessary coverage. There should be fair and prompt settlement of insured's claims\(^3\).

The insurance companies are mostly associated with an element of faith, integrity and security. Hence, each and every stakeholder associated with these companies needs to be fully equipped with complete information, principles and practice of doing insurance business so as to keep up their identity and image.

OPENING UP OF THE INSURANCE SECTOR

A decade has been completed after the opening up of the insurance sector to private insurance players. The insurance playing area has been remarkably changed during this period by disturbing, to some extent, the monopolistic role of the public sector i.e. the LIC of India. Every private insurance company with a collaboration of foreign insurance major has entered into the Indian insurance market with an expectation of tapping the untapped potential of the Indian population. With the entry of private insurance players, the insurance sector has become more competitive and challenging. Further, the entry of international collaborators in the Indian market has brought a significant positive change in the way in which the insurance business is undertaken.

In a liberalized insurance market, it may be expected that the most efficient player will be the most dynamic and successful in his operations. As such, the opening up of the insurance sector for private participation has made market efficiency and successfulness of the players an important aspect of its policies. The two major challenges facing a privatized insurance player are the high incidence of taxation and the lack of trained personnel to carry out the task of doing innovative insurance business.4

The insurance industry has witnessed volatile changes. The insurance liberalization has regulated the insurers when entering into the market. The customers are facing a larger number of products. A significant awareness has also been created among people.

The first round of insurance company registrations were granted in the year 2000. Some companies which started early in their registrations and operations would be completing ten years of operations during 2010-11. These companies initially faced the strain of new business in the initial years.

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but were able to turnaround. Some companies have to wait for some more years to completely wipe off the losses accumulated cumulatively.

PUBLIC AND PRIVATE PLAYERS

The collapse of the public sector institutions in the erstwhile USSR has sent the message to many developing countries including India that the Socialistic Pattern of Society is not a workable solution to many problems in the long-run. Every economy needs to introduce reforms in various sectors and the release of a sustained level of freedom to organizations in the best interests of the industry.

Many economists recommend that a complete adoption of the private sector style of functioning by public sector undertakings is very much needed for maintaining growth and development of an economy instead of resorting to a complete winding off of the public sector through gradual disinvestment.

The private players have been tying to reach out to rural masses by a paradigm shift in the focus of insurance from class insurance to mass insurance. Regional Rural Banks and Co-operative Banks assist the insurance players to have a rural touch, local feel and a familiarity with rural economy. In totality, the operation of private insurers in India has benefited our insurance system by enhancing competition and efficiency.

A well-conceived and developed insurance sector is a gift to any country for its economic development since it provides long-term funds for infrastructure development and strengthening the risk-taking ability of the country.

At present, there are 23 life insurance companies operating in the country. Competition among the insurance players provides the impetus for rapid growth. The insurance sector is a big one and is growing at a rapid pace ranging between 15 to 20 per cent. Along with banking services, insurance services add about 7 per cent to the country’s GDP.
The private sector insurance companies in India is presently facing a situation where they are expected to perform a highly balancing act of helping the economy to grow, meet social obligations and at the same time ensure a high degree of operational efficiency comparable to global standards.

A serious and in some cases an imaginary problem in the minds of the customers faced by the private sector insurance players is the lack of confidence levels in them. There may be a lot of apprehensions among public on the safety and security of their investment in the hands of private players. In many a time, these customers and public need to repose confidence only on the public sector players. Hence, the existence of both public and private sector insurance players in the life insurance market is inevitable in our country. These two sectors will work in a unified manner to protect the interests of the policyholders and also fulfill the rural and social sector obligations.

REGISTRATION OF INSURERS

The IRDA opened up the market in August, 2000 with the invitation of applications for registration. The foreign companies were allowed ownership of upto 26 per cent. The Authority has the power to frame regulations under section 114 A of the Insurance Act, 1938 and has from 2000 onwards framed various regulations ranging from registration of companies to carry on insurance business for the protection of policyholders’ interests\(^5\).

Every insurer seeking to start insurance business in India has to get a certificate of registration from the IRDA. The pre-conditions for applying for registration should be within the framework of the Insurance Act of 1938, and the regulations stipulated by the IRDA from time to time. When the IRDA invited applications for registering private players, all the prudential aspects were notified within a short span of six months.

\(^5\) IRDA, “History of Insurance in India”, Data Layout, 12.7.07, p.1.
The Registration of Indian Insurance Companies Regulations, 2000 required disclosure of the way in which the prospective insurer would plan its rural business and meet its obligations towards rural, unorganized and backward sectors right at the time of requisition of application for registration.

The following are the registration requirements that an applicant is required to fulfill:

- The applicant should be a company registered under the provisions of the Indian Companies Act, 1956.
- The total equity participation of a foreign collaborator in the applicant company can’t exceed twenty-six per cent of the paid-up capital.
- The applicant can carry on any one of the business i.e. life insurance, general insurance or reinsurance. Separate companies are needed if the registration is for more than one type of insurance business.
- The name of the applicant includes the words either ‘Insurance Company’ or ‘Assurance Company’.
- The applicant must have a minimum paid-up equity capital of Rs.100 crores for doing life insurance business.
- An insurer who has been granted a certificate of registration should renew the registration before 31st December of every year.

Table 3.1 gives information on the cumulative number of registered insurers in India during 2000-01 to 2009-10. As on 31st August, 2010, 23 insurance players are working in the Indian life insurance market. Of which, one is in the public sector i.e. the LIC of India and the other 22 are in the private sector. During 2000-01, seven private players were registered by the Regulator. But, some players did not start their business immediately because of some teething problems. From that year onwards, the strength of private players has gradually increased to 22 till 2010.
Table 3.1
NUMBER OF REGISTERED INSURERS IN INDIA
DURING 2000-01 TO 2009-10
(Cumulative)

<table>
<thead>
<tr>
<th>Year</th>
<th>Public Sector</th>
<th>Private Sector</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-01</td>
<td>01</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>2001-02</td>
<td>01</td>
<td>11</td>
<td>12</td>
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<td>2002-03</td>
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<td>22</td>
</tr>
<tr>
<td>2009-10</td>
<td>01</td>
<td>22</td>
<td>23</td>
</tr>
</tbody>
</table>

Source: Compiled from the Annual Reports of IRDA

The life insurance market in India has a long and tedious journey to complete. The insurance players, at present, are in the initial stages of the journey and they have to look farther to eliminate the deficiencies of the market in such a manner so that it has a pleasant and a more comfortable journey. The universal dictum since times immemorial i.e. “survival is of the fittest” prevails at this juncture.

PROFILE OF LIFE INSURANCE PLAYERS

Information is collected from different sources about the life insurance players functioning in our country. With this information, a brief profile of the players in our country is given below:

LIFE INSURANCE CORPORATION OF INDIA (LIC)

The life insurance industry in India was nationalized by the Government in 1956 and the ‘Life Insurance Corporation of India’ (LIC) came into existence on 1st September, 1956 by taking over the management and control of life insurance business. At the time of nationalization, 245 insurance
companies were in operation. Now it has become the largest life insurance company in India and also the country's largest investor. It is fully owned by the Government of India. It also funds close to 24.6 per cent of the Indian Government's expenses.

The mission given to LIC by the Government is to provide protection to the interests of the policyholders in every corner of the country, mobilizing savings for the economic development of a country and responding fully well to customer needs and their requirements\(^6\).

The life insurance products of the LIC centre around two important aspects i.e. risk cover and savings. Different types of insurance plans like term life, whole life, money back, endowment, combination of whole life and endowment, children’s assurance, micro-insurance, health insurance, plans for handicapped dependents, annuities and retirement plans are issued by the Corporation. The Corporation offers rider benefits on its endowment and money back plans such as accident benefit rider, term assurance rider and critical illness rider. Congenital disability benefit rider is exclusively for female lives which is available under LIC’s Jeevan Bharati – I Plan.

LIC offers life insurance protection under group policies to various groups such as employer-employees, professionals, co-operatives and weaker sections of society. It also provides insurance to people at subsidized rates under social security group schemes. It also offers group schemes which provide funding of gratuity, pension liabilities and leave encashment liabilities of the employers. Many of its policies provide an embryo of social security to the people in India.

LIC has recently launched Jeevan Arogya, a non-linked health insurance plan that provides health insurance cover against specified health risks, with benefits such as daily hospital cash benefits, major surgical

\(^6\) Excerpts from the Annual Reports of LIC
benefits and day care procedure to meet medical emergencies. In the event of any major illness suffered by the insured, the plan allows waiver of premium for the subsequent one year\textsuperscript{7}. LIC mostly centered its operations in such a manner that it serves the customers any where, any time and is always accessible to customers.

Despite liberalization of the insurance sector and the entry of Private players into the insurance market, LIC still enjoys many inherent advantages. The Indian people have got faith and trust in LIC. The Corporation is financially strong and fulfil its promises made earlier to the insured promptly. There is a vast distribution network to market the insurance products to the customers. The product portfolio and improved technology are also its strengths. These provide the Corporation tremendous advantage even in competitive times.

LIC received many awards from different organizations for loyalty, trust, corporate governance, business leadership and use of information technology. A larger chunk of Indians who have a life insurance policy are customers of the Corporation. LIC has tremendous brand value today. It is one of the largest financial institutions of India which has widespread network all over the country with good track record for the settlement of claims. LIC has been one of the pioneering organizations in India which introduced information technology for serving customers and its business.

As part of corporate social responsibility, LIC has established a trust by name LIC Golden Jubilee Foundation\textsuperscript{8} with an objective of promoting education, health, relief of poverty or distress and advancement of other objects of general public utility. To achieve these objectives, the foundation works with NGOs and Public Charitable Institutions. Some of the projects of

\textsuperscript{7} The Hindu Business Line, 19\textsuperscript{th} June, 2011.
\textsuperscript{8} The Foundation was registered with the Charity Commissioner under Bombay Public Trust Act, 1950 on 20\textsuperscript{th} October, 2006.
the foundation are scholarships, health initiatives, rural awareness and education programmes and provision of infrastructural support in fields of health and education.

Nationalization of private insurance companies helped in massive mobilization of financial resources from the households, families and business organizations and also in the spread of insurance awareness. LIC became a prominent name to many in the country when they think about insurance. The low-cost products are also made available. But, of late, the Public Sector culture, the responsibility and accounting pattern of the Corporation has made its activities to a greater extent detrimental to the interests of the policyholders.

**HDFC STANDARD LIFE INSURANCE COMPANY LIMITED**

HDFC and Standard Life entered into a joint venture to form HDFC Standard Life Insurance Company Limited on 14th August, 2000. The company received certificate of registration from the IRDA on 23rd October, 2000. The two major shareholders of the company are HDFC and Standard Life. This joint venture has brought together HDFC, India’s largest housing provider and the Standard Life, Europe’s largest Mutual Life to enter the liberalized insurance market in our country. The values of the Company are providing long-term financial security to the policyholders recognizing the needs of the customers and offering a good range of innovative products to meet their needs.

HDFC Standard Life Insurance Company Limited, by using the business expertise of both the HDFC and Standard Life, offers a wide range of insurance products for individual and corporate. To satisfy the unique life insurance needs of the customer, the company offers a range of products which allow the customer to choose the one that suits him best.
The savings plans of life insurance are Endowment Assurance Plan, Unit Linked Endowment Plan, Children’s Plan, Unit Linked Young Star Plan, and Money Back Plan. The investment plans of life insurance are single premium whole life plan, term assurance plan and loan cover term assurance plan. The retirement plans of the company are personal pension plan and unit-linked pension plan. The HDFC Gratuity plan is the group product of the company which offers an employer a new and flexible way to cover his gratuity liability.

MAX NEW YORK LIFE INSURANCE COMPANY LIMITED

Max New York Life Insurance Company Ltd. is a joint venture between Max India Limited, one of India’s leading multi-business corporations and New York Life International, an international arm of New York Life, a Fortune 100 company. Max India Limited was established in 1984 and was actively involved in the business of financial services, information technology, telecom services and plastic products. New York Life was incorporated in 1845 and at present, it is one of the world’s leading service providers of life insurance. The company is one of the world’s fortune companies.

Incorporated in 2000, Max New York Life started commercial operation in April 2001. In line with its values of financial responsibility, Max New York Life Insurance Company Limited has adopted prudent financial practices to ensure safety of policyholder’s funds. The Company’s paid up capital as on 31st August, 2010 is Rs.1,973 crores.

The Company offers flexible products like platinum protect, gain plus, pay money back, best track, flexi fortune, etc. It now has 21 products covering both life and health insurance and 8 riders that can be customized to a good number of combinations enabling customers to choose the policy that best fits their needs and expectations. Besides this, the company offers 6 products and 7 riders in group insurance business.
Max New York Life Insurance Company Limited has tied up with Andhra Pradesh State Co-operative Bank to sell its products. The tie-up would facilitate the sale of the company’s insurance products in 26 branches by accessing over three lakh of its customers. This relationship will help the company to provide protection and wealth creation products to these customers who may not be reached through traditional channel.

The Company has multi-channel distribution spread across the country. Agency distribution is the primary channel complemented by partnership distribution, bancassurance and dedicated distribution for emerging markets. It is focusing on widening the distribution mix by pursuing the franchisee model, direct sales force involving group insurance and telemarketing opportunities and also corporate alliances. It is also planning to penetrate the yet untapped life insurance market in India through expansion of distribution network by resorting to ‘train advertising’ where the company has been allowed to brand three Rajdhani trains for six months.

The company is planning more aggressive expansion to some other smaller cities. The company also uses outdoors, Internet and Cinema as tools for advertising its products.

**ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED**

ICICI Prudential Life Insurance Company Limited is a joint venture between ICICI (74 per cent) and Prudential p/c UK (26 per cent). The company was incorporated on 20th July, 2000 with an authorized capital of Rs.230 cores. The paid-up capital was Rs.90 crores. The company was granted certificate of incorporation on 26th November, 2000 and started its operations on 19th December, 2000.

ICICI Prudential Life Insurance Company Limited is a leader in the private life insurance segment and registered a significant growth in premiums. The company has been canvassing programmes since 2002.
designed mostly to both push its policies and educate the masses about the benefits of insurance.

The company has developed the insurance products after a clear and thorough understanding of consumers’ needs. This helped the company to develop unique products to cover its customers in every stage of their life. Single premium products are well received by the higher income group investors avoiding worry of regular premium payments. ICICI Prudential Life Insurance Company Limited launched a single premium product named ‘Life-Link Wealth SP.’ The Company has concentrated mainly on the retirement and child plans besides the recent initiatives in the rural market.

The company claims its premier position in the new business premium and advocates its marketing strategy to spread awareness towards planning for one’s future.

The company has also focused on internet medium of insurance distribution. As it generates more leads, people are now more comfortable in researching and making purchases online. The customers may get an advantage of reduced premiums as the distribution costs to insurers are very less in this medium.

ICICI prudential Life Insurance Company Limited has tied up with India Post to distribute insurance products through the large network of post offices in West Bengal, Gujarat, Karnataka, Andhra Pradesh, Bihar, Jharkhand and Madhya Pradesh. As a result, the consumers in Andhra Pradesh can now buy the company’s products from any of the 16,159 Post Offices in the State, while the existing policyholders can pay their premiums at any of the 529 e-payment enabled Post Offices.

The company has started a service which enables the policyholders to pay premiums through their mobile phones and it has turned out to be a great boon to its customers. The introduction of the webchat service to resolve
policy related queries is also another hit, especially from a service perspective. The company has also a Visa Certified System to enable its policyholders to pay their premium by sending an SMS using their credit card.

ICICI Prudential Life Insurance Company Limited has a memorandum of understanding with the Institute of Insurance and Risk Management. This will enable the Institute to offer executive programmes in the insurance sector. These courses will equip the students to take on the roles and responsibilities in a demanding and complex business environment like insurance which has been constantly developing.

KOTAK MAHINDRA OLD MUTUAL LIFE INSURANCE LIMITED

Kotak Mahindra Old Mutual Life Insurance Limited is a 74:26 joint venture between Kotak Mahindra Bank Limited and its affiliates and Old Mutual plc. Kotak Mahindra is one of the India’s leading banking and financial services organizations, offering a wide range of financial services that encompass every sphere of life. Old Mutual p/c is an international long-term savings, protection and investment group. Originating in South Africa in 1845, the group provides life assurance, asset management, banking and general insurance to more than 15 million customers in Europe, America, Africa and Asia.

This partnership provides the Kotak Mahindra group with an international perspective and expertise in life insurance business. The company offers different insurance products like endowment, money back, insurance bond, term insurance, group term, preferred term, child advantage, gramin bima yojana, retirement plan, capital multiplier and gratuity plan. These innovative products will help the customers to take important financial decisions at every stage in life and stay financially independent. The company has covered over 3 million lives.
If a customer wants to go in for a maximum cover at minimum cost, the customer can go in for a pure term plan rather than one that returns premiums. Kotak Life has launched two on-line term plans – ‘e-term’ for a sum assured between Rs.3 lakh and Rs.25 lakh and ‘e-preferred’ for a sum assured above Rs.25 lakh. To overcome the psychological feeling of paying for nothing, which is what seems to happen if the customer survives a pure term plan, premium-back term plans are also introduced. In a premium back plan, if the insurer survives the term, he gets back all the premiums paid during the tenure as maturity benefit.

Further, the company is planning to penetrate into semi-urban and rural India through group micro-insurance products. It is mostly looking for tying up with Self-Help Groups and offers them a three-year plan with a saving-cum-insurance opportunity.

**BIRLA SUNLIFE INSURANCE COMPANY LIMITED**

Birla Sun Life Insurance Company Limited, established in 2000, is a joint venture between the Aditya Birla Group, a well known and trusted name globally among Indian conglomerates and Sun Life Financial Inc, a leading international financial services organization from Canada.

Aditya Birla Group through Aditya Birla Financial Services Group (ABFSG), has a strong presence across various financial services that include life insurance, fund management, distribution and wealth management, security based lending, insurance broking, private equity and retail broking.

Sun Life Financial is a leading international financial services organization providing a diverse range of protection and wealth accumulation products and services to individuals and corporate customers.

With an experience of over 10 years, the company had contributed significantly to the growth and development of the life insurance industry in India. The impressive combination of both domain expertise and product
range helped the company to cover more than 2.4 million lives since its inception in 2000 and established a customer base spread across more than 1500 towns and cities in India.

Birla Sunlife Insurance Company Limited plans to introduce innovative products and expand its channel reach. The company has a clear thrust on investment-linked insurance products. It believes in maximizing investment returns for the policyholders. It is aiming at to achieve one of the fastest break-evens among all private life insurers.

The company claims to have unique and special products presenting a combination of returns, liquidity, safety, tax-benefits, transparency and convenience. The products of the company are flexi save plus Endowment Plan, Flexi Cash Flow Money back Plan, Flexi Secure Life Retirement Plan (Pension), Flexi Life Line Whole Life Plan, Single Premium Bond and Birla Sunlife Term Plan.

As part of its new strategy, the company will be targeting the small and medium enterprise segment which has been largely untapped by Indian insurers. This segment in India provides huge potential for group business schemes. The company also plans to expand its geographical reach in India by increasing its presence in 20 new cities in the first round, apart from increasing the range of its products.

The company has also taken measures to tap the rural market by rolling out products for wealthy farmers. The company meets its rural and social insurance commitments and the aim of the new products will be to ensure that rural insurance does not remain a subsidized product. The company also provides an endowment product called Bima Kavach which targets the rural poor.

The company has hiked its paid-up equity capital mainly to strengthen its business operations with much speed and vigour. It has a rural business
cell and its branches are expected to help it achieve a higher penetration in rural areas. The distribution strategy followed by the company in its rural marketing seeks to leverage the strength and reach of the Aditya Birla Group and the goodwill of non-governmental organizations doing quality work. The company has appointed direct sales agents to promote its rural and social products at the district-level branches.

The company has a tie-up with Idea Cellular to offer group term insurance cover for subscribers aged between 18 and 35 years. The company has launched the ‘Children’s Dream Plan’ a unit-linked insurance plan with guaranteed maturity benefits.

It has several firsts to its credit. It is the first Indian insurance company to introduce “Free Look Period” and the same is made mandatory by IRDA for all other life insurance companies. It is a pioneer in the launch of unit linked life insurance plans among private players in India. The company enjoys the prestige of the originator of the practice to disclose portfolio on monthly basis to establish credibility and, transparency.

TATA AIG LIFE INSURANCE COMPANY LIMITED

The Tata AIG Life Insurance Company Limited is a joint venture company formed by the Tata Group and American International Group, Inc. (AIG). The Tata Group holds 74 percent stake and AIG holds the balance of 26 per cent. The Tata AIG Life Insurance Company Limited was licensed to operate in India on 12th February, 2001 and started its operations on 1st April, 2001.

The company provides insurance solutions to individuals and corporates. It offers a broad array of insurance coverage with various types of add-ons and options available on basic life products to give the insured flexibility and choice. The products of the company are – Assure Life Line plans, 15-Year Life Line (with return of premiums) plan, Money Saver Plan.
Security and Growth Plans and Mahalife. Tata AIG Life Insurance Company Limited has launched two new products – a non-participating whole life unit-linked insurance plan and a non-participating endowment unit-linked insurance plan. In both ULIPs, the policyholders are entitled to loyalty additions of 0.25 per cent of the regular premium fund value.\(^9\)

The company has tied up with the Financial Planning Standards Board of India (FPSB) to offer the ‘Certified Financial Planner (CFP)’ educational programme to its advisors, channel partners and employees. Training is the nerve centre of business. ‘Anticipation’ and ‘Innovation’ will be the integral parts of the Company’s business philosophy. With the tie-up of Syndicate Bank, the company plans to cover five lakh lives by 2012.

It has achieved breakeven in its tenth year of operations and posted a net profit of Rs.51.79 crore in the year ending by 31\(^{st}\) March, 2011. The company’s cost optimization strategies and continued focus on persistency of business has resulted in this profitable growth.

**SBI LIFE INSURANCE COMPANY LIMITED**

India’s largest bank, State Bank of India and Cardiff S.A., a leading insurance in France have formed SBI Life Insurance Company Limited. It is a 74:26 venture. Cardiff being the foreign partner, has contributed 26 per cent in the paid-capital of Rs.250 crore. Cardiff, a wholly owned subsidiary of BNP Paribas is one of the top 10 banks in the world and the third largest in Europe. It was established in 1973 and specializes in selling insurance products through commercial banks in France and 23 other countries.

The SBI Life Insurance Company Limited, a life insurance major, offers its entire product portfolio which ranges from protection, saving and endowment plans to pension and unit-linked insurance plans. The company’s

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\(^9\) The Hindu, 2\(^{nd}\) June, 2011.
products are Sanjeevan, Young Sanjeevan, Super Suraksha, Sudarshan, SBI Scholar, Suvarna Ganga and Life Long pensions.

The company presents a wide range of ULIPs to suit the investment needs of the customers. The different ULIPs issued by the company are smart performer, unit plus super, saral maha anand, smart elite, smart scholar, smart horizon, smart pension and smart wealth assure. The scheme, Grameen Shakti, features negligible premium and maximum coverage of insurance.

The company offers a wide range of employee benefit solutions which help the organization to retain, reward and encourage the best talent in the industry. It also provides a host of corporate solutions to both statutory needs as well as voluntary needs of the employers and hence ensures to strengthen the employer-employee relationship in the long-run.

One of the key strategies of the SBI Life Insurance Company has been optimization of resources, by leveraging on State Bank’s extensive branch network. This is very cost-effective. In fact, the company can also leverage on the bank’s corporate customers for business. It has about 4,000 agents selling its policies. The company plans to capitalize on the Self-Help Groups’ (SHGs) strength of the State Bank of India. The company is also looking at tying with the NGOs.

Further, it plans to foray into micro insurance and health insurance sectors. As there is a huge demand for micro insurance, the company has introduced some attractive products and sells them through the banking network. It has tied up with Coromandel International Limited to offer insurance in rural areas in Andhra Pradesh. The Coromandel sells the company’s life insurance products to its rural customers through ‘Managromor’ brand of rural outlets.
The company has emerged the largest private sector insurer. The company settles all eligible claims within 10 days from the date of receipt of the documents. It is the first among new life insurance companies to make a profit in 2005-06.

ING VYSYA LIFE INSURANCE COMPANY LIMITED

ING Vysya Life Insurance Company Limited is a joint venture between ING International BV, ING Vysya Bank and GMR Group. The shareholdings of the constituents are ING International BV 26 per cent, ING Vysya Bank Limited 49 per cent and GMR Technologies and Industries, 25 per cent. The ING Vysya Bank is one of the India’s premier private sector banks with a heritage of 70 years. It has 1.5 million customers, 480 outlets and 6,000 employees and is known for its innovative banking services and for pioneering several products and services. The GMR Group has wide ranging interests in fields such as power generation, infrastructure, manufacturing, software and banking. It has an excellent reputation of being able to successfully develop ventures.

The company entered the Indian private life insurance industry in September, 2001. The vision of the company is to become a leading private life insurance company and a cornerstone of integrated financial services in the years to come. The company believes in building relationships based on trust, expertise and reliability, helping individuals to manage not just life insurance, but in a way, their lives as well. The company has pioneered product innovations in the Indian life insurance market with customer-oriented cash bonus endowment (Reassuring Life); money-back product (Maximizing Life); the first anticipated whole life product (Ful-filling Life); and the first term/critical illness combination product (Conquering Life). As life of an individual is different at every stage, the company believes that life insurance should offer him flexibility and choice to go with each stage.
The Company’s linked policies also give customers the flexibility to withdraw their investment amount any time after a certain period, say, three to five years, subject to a minimum balance in their investment account. The company has also built a number of add-on benefits to protect the policyholder and also his family. The company has launched ING Market Shield, a guaranteed NAV (Net Asset Value) unit linked insurance product. This product provides the customer an opportunity to participate in the equity market while protecting investments from its downtrend with a guaranteed NAV. Some universal life plans are also designed by the company under the revamped guidelines of the IRDA. The company has introduced the concept of partial and total surrender which involves a charge if you want to withdraw before maturity.

The Company has borrowed the blogging concept to provide an online presence to its top insurance advertisers who can use the portal to increase their strike rate for converting their business from a larger number of potential customers. The platform provides the prospective customers the facility to select from the 27 advisors in six cities featured on its website and interact with them to get comprehensive information on insurance products. This interactive service will not eliminate personal meeting to clinch the subscription. However, it would help in sharpen advisory capabilities to target the right products to the right customers.

This brings advisors and customers into a fresh new way of using cutting edge technology. This technology is built indigenously and empowers insurance customers in the same way as internet banking or online shopping does. Thus, once a person has taken the plan, he is locked in and has little leeway to switch to another insurance provider if he is not satisfied with the investment performance.
As a way to fulfill its social responsibility with a positive and powerful attitude, the company has implemented a unique donation programme called ‘Gift and Get’, giving them an opportunity to feel the pleasure of donating their old and rejected items for the benefit of under-privileged children. This programme is implemented across over 200 cities in India. To mark the World Environment Day, the Company’s local unit has asked people to vote for a greener Vijayawada with a slogan ‘Think Green: Plant and Plant”. At the national level also, over 3,000 employees of the company participated in the programme¹⁰.

BAJAJ ALLIANZ LIFE INSURANCE COMPANY LIMITED

Allianz Bajaj Life Insurance Company Limited came into existence on 12th March, 2001. The company came into existence when the German insurance major, Allianz AG (Allianz) and Bajaj Auto of India (Bajaj) came together to form a joint venture in the insurance market in India. The company received certificate of registration from IRDA on 3rd August, 2001 to conduct life insurance business in India.

Allianz of Germany is an insurance company which was established in Berlin in 1980. The company has been able to extend its operations across 70 countries throughout the world. Bajaj, an asset management company, is the largest two and three-wheeler manufacturer in India. The two companies came into a joint venture to utilize their unique expertise and strengths in the Indian insurance industry.

Allianz Bajaj Life Insurance Company Limited changed its corporate name to Bajaj Allianz Life Insurance Company Limited in 2004, as the market research study conducted by the company showed that Bajaj had a good brand reputation than Allianz among Indians.

¹⁰ The Hindu, 5th June, 2011.
The company has offered innovative products to suit the needs of the diversified customers. It is the first company to introduce a wedding insurance cover. Other products are insurance cover for Amarnath Yatris, film producers and event management companies. The company also offers credit insurance for travel agents which covers the agents’ dues to the airlines for a whole year. The company sees the pension market as a big opportunity. At present, there are no old-age security schemes for those over 60 years except for government employees. As such, the pension schemes brought out by the company should provide security to the people during the post-retirement period.

Customer focus has been driven the company to excel and perform aggressively. The company has re-built the product portfolio and re-designed the structure according to the insurance needs of the customers. The company has taken to a hi-tech route to help customers plan their tax liability. It is using blue-casting to provide a mobile-app. tax calculator. Bluetooth technology is applied for the transmission of data to a mobile device within a radius of 35 meters.

The company has expanded its operations under the Hub and Spokes Model wherein two or three satellite offices can be operated under one franchise. The Branch has issued policies and the satellite offices that are annexed to the branch collected premiums. The company has achieved break-even in five years.

**METLIFE INDIA INSURANCE COMPANY LIMITED**

MetLife India Insurance Company Limited was incorporated on 11th April, 2001 as a joint venture between MetLife International Holdings Inc., The Jammu and Kashmir Bank, M.Pallonji and Co. Private Limited and other Private investors. With over 136 years of experience, the MetLife Companies serve millions of customers in America and Asia with a sole goal of building
financial freedom to everyone. The Metropolitan Life Insurance Company (MetLife) is the number one life insurer in the U.S.

The MetLife India Insurance Company Limited seeks to derive benefits greatly from the MetLife Group’s global experience and other unique strengths of each of its promoters to address the specific needs of the Indian customer. The company offers different products like Met Mortgage Protector, Met Platinum, Met Junior, Met Junior MB, Met Gold and Met 100 Gold.

The Company is one of the fastest growing life insurance companies in the country. It serves its customers by offering a range of innovative products to individuals and group customers at more than 600 locations through its bank partners and company-owned offices. The company offers life insurance, annuities to individuals and group insurance and retirement solutions to corporations and other institutions.

The company has promoted a need based selling approach to sell its insurance products to the customers. The company has understood right from its inception that it is operating in a nascent market where the understanding and relevance of insurance is marginal. As such, the company has consistently emphasized on educating its customers about the need for life insurance.

The company has recently announced that it has crossed one million mark in the life insurance policies. India’s favorable demographics in terms of its growing middle class population has given an opportunity to the company to expand its business operations and also to tap at a rapid pace the untapped Indian insurance market.

RELIANCE LIFE INSURANCE COMPANY LIMITED

AMP Sanmar Life Insurance Company Limited is a joint venture between Australia-based AMP's life insurance expertise and Chennai based Sanmar’s Indian business expertise. AMP, a leading international financial
services group has been in business since last one and a half centuries. It has extended into the areas of insurance, asset management and financial planning. The Sanmar group is a leading industrial group in South India and is one of the top corporations in the country having holding into businesses which include trading in PVC/Chlorochemicals, specialty chemicals, shipping engineering and also life insurance.

The company was incorporated in 2001. It offers a broad range of life products to individuals and groups and its distribution network has got a distinctive rural focus. The company offers need based life insurance solutions to individuals and corporates. Different policies like Subha Sree, Dhana Sree, Nithya Sree, Yuva Sree Raksha Sree and Bhagya Sree are offered by the company to meet the financial requirements of individuals, children and groups.

The AMP Sanmar Life Insurance Company Limited has done insurance business during the period from 3rd January, 2002 and 29th September, 2005 in India. Later, the Company has been acquired by the Reliance Life insurance Company Limited, a part of Reliance Capital Limited.

The IRDA has taken note of the change of the company’s name from AMP Sanmar Life Insurance Company Limited’ to that of ‘Reliance Life Insurance Company Limited (RLICI) and the fresh certificate of incorporation consequent to the change of name was issued by the Registrar of Companies, Tamil Nadu on 17th January, 2006.

The IRDA permitted the Reliance Life Insurance Company Limited to carry on life insurance business in India subject to the condition that the new company should honour its commitments to the policyholders of AMP Sanmar Life Insurance Company Limited on the same terms and conditions subject to which they have been issued. The new company has started operations and taken necessary steps to protect the interests of the policyholders of the old
company in accordance with the provisions of IRDA Act, 1999 and Insurance Act, 1938.

The company has sold over seven million policies through its network of nearly 1,250 offices and over 2.15 lakh advisors. The company manages assets over Rs.17,000 crore as on 31st December, 2010. A new product from Reliance Life Insurance is the Reliance Life Traditional Investment Insurance Plan. Reliance Life Insurance offers the customers products that fulfill their savings and protection needs. The company’s aim is to emerge as a transnational Life Insurer of global scale and standard.

The Reliance Life Insurance Company Limited is an extremely competitive company with unique service offerings, strong operations, nationwide distribution network, highly talented executives and strong brand recognition through out India. It has launched mobile portal – Mobinsure, to offer a range of insurance-related services on mobile phones. This makes the policyholders to track policies and premiums, do fund switches, pay insurance premium and resolve policy-related queries using their web-enabled mobile handsets. This service is available on CDMA and GSM Platforms and is offered free of cost.

Nippon Life Insurance Company, a 121-year old Global Fortune 100 Company, 6th largest life insurer in the World and the Number 1 private life insurer in Asia and Japan on 14th March, 2011 signed a ‘definitive agreement’ to acquire 26 per cent stake in Reliance Life Insurance, one of India’s largest private life insurers. This transaction is subject to necessary regulatory approvals11.

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Nippon’s vast experience will help strengthen Reliance Life Insurance’s position as a leading insurance company in India. Reliance capital signed a definitive agreement with Nippon Life Insurance to sell a 26 per cent stake in Reliance Life Insurance in March 2011.

AVIVA LIFE INSURANCE COMPANY INDIA LIMITED

Aviva Life Insurance Company Limited is a joint venture between Dabur and Aviva. The Dabur is one of the India’s oldest and largest group of companies with a heavy annual turnover of Rs.1,350 crore and it is the country’s leading producer of traditional healthcare products. Aviva is the world’s seventh largest insurance group, the largest insurer in the UK and one of the top five life companies in Europe. The main businesses of the company are long-term savings, fund management and general insurance. The major shareholders of the company are Dabur (74 per cent) and Aviva, UK (26 per cent).

The company believes that its approach has worked with significant volumes generated through the introduction of new products and all its new initiatives. This is to help individual make the most out of the life and that includes serving individual for all savings and protection requirements. The company offers products under the two categories for individuals i.e. for protection and for saving. To take care of the protection needs of the individuals, Life Long (Flexible Protection Whole Life Plan) and Life Shield (Pure Term Insurance) are offered by the company.

For inculcating a habit of savings amongst individuals, the company offers Easy Life Plus (Simple Endowment Savings Plan), Young Achiever (Child Policy), Life Bond 5, Life Bond (Single Premium Savings Plan), Life Saver (Flexible Endowment Saving Plan), Life Long (Flexible Protection Whole Life Plan) and Pension Plus (Regular Savings Personal Pension Plan). The Group products of the company are designed keeping in mind the special
needs of the business organizations and corporates. The products are corporate life, credit net and credit plus, loan suraksha and group shield. The company also offers products specially designed to the rural sector. These products are Amar Suraksha (Term Insurance with Premium Back), Janasuraksh (Pure Term Insurance Plan), Anmol Suraksha (Simple Savings cum Protection Plan). The Anmol Suraksha is a simple product which can be purchased just by giving a declaration of good health.

The company with Hyderabad-based Basix has sofar provided insurance cover to three million lives in rural areas by selling various micro-insurance products like ‘Grameen Suraksha’ and ‘Sangh Samrudhi’. An amount worth of Rs.22 crore claims related to financial support has been provided to more than 14,000 families.

As part of its initiatives to expand the customer base in India and build awareness about the importance of life insurance policies, the Company has kicked off a series of road shows across 14 towns and cities of Kerala.

The company targets its energies into broad-basing the insurance business across banking segments, introducing tailor-made products for the channel, improving the quality of business and increasing the bank’s insurance focus ad activation in insurance.

The company has gained a profit of Rs.29 crore for the year 2010-11, against a reported loss of Rs.345 crore in the previous year.\textsuperscript{12}

\textbf{SAHARA INDIA LIFE INSURANCE COMPANY LIMITED}

The Sahara Pariwar’s latest foray is in the field of life insurance. The Pariwar’s Life Insurance Company, Sahara India Life Insurance Company Limited, has been granted licence by the IRDA on 6\textsuperscript{th} February, 2004. With this approval, the company becomes wholly and purely an Indian company. The company has an initial paid-up capital of Rs.157 crores.

\textsuperscript{12} The Hindu Business Line, 10\textsuperscript{th} June, 2011.
The Company started its operations in October, 2004. Having a strong network, especially through the para-banking operations and a huge depositor base across the country, the company plans to grab a significant market share of the insurance market. But, the company has not kept-pace with the life insurance industry which has made rapid strides because this business is in conflict with the activities of the promoter company, Sahara India Financial Corporation Limited which has collected deposits from the people as a non-banking financial company.

SHRIRAM LIFE INSURANCE COMPANY LIMITED

Shriram Life Insurance Company Limited is the joint venture between the Shriram Group and the Sanlam Group. The foreign partner has 26 per cent stake. Shriram Life Insurance Company Limited launched its operations in November, 2005. The Shriram Group is one of the largest and well-respected financial services conglomerates in India. The Group's main line of activities in financial services includes chit fund, truck financing, consumer durable financing, stock broking, insurance broking and life insurance.

The Sanlam Group was established in 1918 and has a leadership position in financial services in South Africa. The Sanlam Group also operates in the areas of group schemes, retirement funds, short-term insurance, asset management and other financial services.

Shriram Life Insurance Company Limited launched its operations in November, 2005. The company has a variety of insurance products providing financial security and income generation avenues to customers. With a tie-up with the Tamilnadu Co-operative State Agriculture and Rural Development Bank Limited, the Company is able to extend its footprint to the untapped rural market and provide life insurance cover to every household in Tamilnadu.
BHARTI AXA LIFE INSURANCE COMPANY LIMITED

The Bharti group entered into joint venture with the AXA group a French firm, in 2006 with 74 per cent stake. The remaining 24 per cent lies with the AXA group. Bharti AXA Life Insurance Company Limited launched its operations in July, 2006. The company brings to the customers a new perspective to life insurance by genuinely committing themselves and doing what they say. To substantiate the commitment, the company is promising release of fund value within 48 hours of claim intimation. Bharti AXA would be setting up the AXA Academy for Insurance Personnel. The company prefers to have in-house training aimed at best training practices and management capabilities.

After nearly five years of its association, the Bharti group excited from its financial services joint ventures with AXA and sold its entire 74 per cent stake in the business to Mukesh Ambani-Led Reliance Industries Limited. This sale is subject to the necessary approvals from the IRDA and other relevant authorities.

FUTURE GENERALI INDIA LIFE INSURANCE COMPANY LIMITED

Future Generali India Life Insurance Company Limited is a joint venture between the India-based Future Group and the Italy-based Generali Group. Future Group is one the India’s leading business houses with multiple businesses spanning across the consumption space. While retail forms the core business activity of Future Group, group subsidiaries are present in consumer finance, capital, insurance leisure and entertainment, brand development, retail real estate development, retail media and logistics.

Established in 1831, the Generali Group is a leading player in the global insurance and financial markets and today, the Group is one of the Europe’s largest insurance providers. The Group occupies a leadership position in Western Europe and an increasingly important place in Eastern
Europe and Asia. The Group’s strategy is to aim at consolidating Generali’s pre-eminence on its key markets and achieve a premier position on markets with high growth potential thus establishing its leadership in profitability.

The company believes that only higher volumes of sales will help the insurers to sustain revenues in the new insurance regime. The company wants to increase the number of policies to be serviced by each branch so that the cost of servicing policies comes down. It announces different plans which are faster and simpler term plans available exclusively online. These plans are significantly cheaper than other offline term plans. They attract rebates for higher sum assured. The company has launched an on-line term plan called ‘Smart Life’ for sum assured between Rs.10 lakh and Rs.50 lakh. This plan will target young technology-savy customers who are accustomed to purchase products on line. It has also launched single premium ULIP called ‘Nivesh Preferred’. The plan has four term options of 7,10,15 and 20 years and offers two sum assured options.

The company has registered 58 per cent growth in gross written premium of Rs.661 crore for the third full year of operations ending in March 31, 2011 against Rs.418 crore in 2009-10. The number of policies sold during the year was 6.82 lakhs, an increase of 23 per cent.

**IDBI FEDERAL LIFE INSURANCE COMPANY LIMITED**

IDBI Federal Life Insurance Company Limited is a joint venture between private sector banks IDBI Bank, Federal Bank and Europe’s Insurance giant Ageas. The IDBI Bank holds 48 per cent, the Federal Bank and Ageas hold 26 per cent each in the company. IDBI Bank has since evolved into a powerhouse of industrial and retail finance. It is among India’s foremost commercial banks, with a wide range of innovative products and services, serving retail and corporate customers in all corners of the country.
Federal Bank is one of the India’s leading private sector banks, with a dominant presence in the State of Kerala. It has a strong network of over 744 branches and 810 ATMs spread across India. The bank provides over four million retail customers with a wide variety of financial products. Ageas is an international insurance company with a heritage spanning more than 180 years. Ranked among the top 20 insurance companies in Europe, Ageas has chosen to concentrate its business activities in Europe and Asia, which together make up the largest share of the global insurance market.

IDBI Fortis Life Insurance Company Limited, a joint venture company floated by IDBI Bank, Federal Bank and Fortis International has changed its name to IDBI Federal Life Insurance Company Limited with effect from 24th August, 2010. This change has been made consequent to the change in the ownership of Fortis Insurance International, which changed its name, following a decision by Fortis in April 2010 to globally change its name to Ageas.

The company has started its operations in March 2008. It has become one of the fastest growing new insurance companies to garner Rs.100 crore in premiums. The company offers its services through a vast nation wide network across the branches of IDBI Bank and Federal Bank in addition to a sizeable network of advisors and partners. The company has a continuous process of innovation in product and service delivery intended to deliver world class wealth management, protection and retirement solutions to Indian customers. The company has shifted its focus from ULIPs to traditional products. It has been trying to bring in a 30:50 balance between these two categories of products. The company is launching some products to suit the needs of the children and retired people. Some health policies are also to be introduced in the next fiscal by the company. It has also launched the Retiressurance Guaranteed Pension Plan, a unique retirement plan which
comes with the twin benefits of guaranteed accumulation with alternative annuities.

The company has launched a term plan aimed at providing guaranteed cover to those above the age of 50 with a premium of Rs.100 a month. According to a release, the plan can be bought by those upto the age of 85 years and comes with no-medical tests guaranteed acceptance and offers a life insurance cover for the whole life. In case of death of the insured person within two years from the commencement of the policy, the nominee will get 125 per cent of the total premium. Maharashtra and Kerala account for almost 45 per cent of the company’s total premium collections and eastern region accounts for about 9 per cent. IDBI Federal Life Insurance is one of India’s fastest growing new private life insurance companies having started operations with a strong distribution network of over 1,477 branches through their partner banks. As on April 30th 2011, the company has issued over 2.94 lakh policies with over Rs.16,499 crore in sum assured.

CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE INSURANCE COMPANY LIMITED

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited is a joint venture between Canara Bank, Oriental Bank of Commerce and HSBC, a foreign partner belonging to U.K. Canara Bank was established in 1906, and has completed over a century of operations in the Indian industry. It is recognized today as the largest nationalized bank in India in terms of aggregate business volume. The Hongkong and Shanghai Banking Corporation Limited (HSBC) in India offers a full range of banking financial services to over 2 million customers through its 50 branches and 150 ATMs across 29 cities. HSBC is one of India’s leading financial service groups, with over 35,000 employees in its banking, investment banking and markets, asset management, insurance broking, insurance, software development and global
resource operations. Oriental Bank of Commerce was established in 1943 and is currently the 9th largest Nationalized Bank in India. Government of India owns 51.1 per cent share capital of the Oriental Bank of Commerce.

The company offers individual life insurance plans like grow smart plan, secure smart plan, future smart plan, dream smart plan, pure term plan and insure smart plan. The group life insurance plans such as group term plan, corporate group term plans are also issued by the company for the benefit of the groups and the corporates.

AEGON RELIGARE LIFE INSURANCE COMPANY LIMITED

Aegon, an international life insurance pension and investment company, Religare, a global financial services group and Bennett, Coleman & company, India’s largest media house, have come together to launch Aegon Religare Life Insurance Company Limited. The company launched its operations in July, 2008 following a multi-channel distribution strategy with a vision to help people plan their life better.

Aegon has business in over twenty markets in America, Europe and Asia with headquarters in Hague, the Netherlands. Religare Enterprises Limited is a global financial services group with a presence across Asia, Africa, Middle East, Europe and the America. In India, the group offers a wide array of products and services ranging from insurance, asset management, broking and lending solutions to investment banking and wealth management. Bennett, Coleman & Company Limited, part of the mammoth Times Group, is India’s largest media house. It reaches out to 2468 cities and towns all over India. The group owns and manages powerful media brands.

The company offers a diversity of products that are focused on providing customers to meet their long-term financial goals. At the same time product development has also been founded on the tenet of providing the customer with great value. It offers a good number of insurance plans. The
company’s products such as Aegon Religare iTerm Plan\textsuperscript{13} and Aegon Religare Future Protect Plan have been ranked among the best in terms of value and have attracted many customers.

The business strategy of this company includes branch network expansion in remote rural areas, hiring of a good number of life advisors or consultants and relationship managers and increasing the tempo of third party distribution with a focus on acquiring a bank tie-up backed by enhancing its integrated customer management strategy and developing new product lines.

It is a major player in the pension space globally. But, it has not entered the pension space in India. It is because the authorities of the company found that under the current regulations, this plan is not attractive to the company to introduce pension products in the Indian market. The company has focused mostly on the life which has enough scope to harness.

**DLF PRAMERICA LIFE INSURANCE COMPANY LIMITED**

DLF pramerica Life Insurance Company Limited, a joint venture between realty major DLF and the U.S. based Prudential Financial, started its operations in September, 2008. DLF Limited is one of the leading real estate companies in the world. It has a track record of over six decades of sustained growth, customer satisfaction, and innovation. PFI is a financial services leader with operations in the Untied States, Asia, Europe, and Latin America. PFI’s diverse and talented employees are committed to helping individual and institutional customers grow and protect their wealth through a variety of products and funds, investment management and real estate services.

The company is headquartered at Gurgaon in Haryana. The company sells insurance plans like Fee protects, Rakshak, Dhan Suraksha, Wealth + Premier, Ezee Wealth, etc. As the company sees bigger opportunities to

\textsuperscript{13} The company was the first insurance company to launch an on-line term plan called ‘iTerm’.
expand its business in Tier-II cities, a strategy focusing initially on these cities of Punjab, Gujarat and Uttar Pradesh was designed.

**STAR UNION DAI-ICHI LIFE INSURANCE COMPANY LIMITED**

The IRDA has approved registration of Star Union Dai-ichi Life Insurance Company Ltd., a joint venture life insurance company promoted by Bank of India, Union Bank of India and Dai-ichi Mutual Life Insurance Company, Japan in December, 2008. The company started its business with just Rs.250 crore of capital contributed by the three promoters.

The customer satisfaction and product innovation are the two key drivers of the company for success and also commitment to goals. The company has launched a new traditional endowment product i.e., the defined benefit endowment plan. This product ensures regular tax-free monthly benefit for 15 years, combining life protection and regular savings with complete transparency and flexibility features. The benefits under the plan include defined monthly benefit for 15 years, guarantee life insurance cover, good will terminal benefit, premium payment terms and single premium option. The company is shifting its focus from ULIPs to traditional products from 1st September, 2010.

The company introduced two new products, one in the Unit Linked Insurance Segment, Dhan Suraksha Express and another in the traditional category defined Growth Endowment Plan in May, 2011. The Star Union Dai-ichi has tied up with a couple of banks to offer customers a more attractive reverse mortgage option. It is at present, the only insurance company to offer an annuity product on reverse mortgage.

**INDIA FIRST LIFE INSURANCE COMPANY LIMITED**

India First Life Insurance, a joint venture between two of India’s largest public sector banks Bank of Baroda and Andhra Bank – along with UK’s

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14 The Hindu Business Line, 13th June, 2011
leading risk, wealth and Investment Company, Legal and General. The Company is the youngest life insurance company in India with a rich legacy of a good number of years of combined service of its promoters. This joint venture brings together a real understanding of the Indian consumers by the promoter banks with international best practices developed by Legal and General. With Headquarters at Mumbai, the company has a capital base of Rs.455 crore. Bank of Baroda holds a 44 per cent stake in IndiaFirst, while Andhra Bank and Legal and General hold a 30 per cent and 26 per cent stake respectively. The Company launched its nationwide operations from March, 2010.

The company aims at providing its customers with the best of products and services at a fair price. The products help to cater to the diverse needs of customers across different segments for long-term protection coupled with wealth creation. The company has launched the India First Smart Save plan and the India First Young India Plan – two new unit linked products based on the new guidelines of IRDA on ULIPs. Further, the company has launched an innovative and customer friendly process to buy life insurance quickly in the most hassle free manner. With this initiative, the customers are now able to get life insurance cover almost instantly and without a long waiting period, follow-ups and heavy documentation. The sale of insurance across the bank branch counters has also brought about a new dimension in life insurance distribution. The initial product range of the company covers the typical needs of protection, savings, education and retirement. The group insurance products are ranging from credit life, term and employee liability plans. Andhra Bank plans to use its over 1,500-strong branch net work to generate business for the insurance venture. As the Bank is strong in the rural areas of Andhra Pradesh and Odessa, there is a good scope of business for the rural insurance products.
The company aims at placing its customers ‘First’ in everything. They can differentiate from other companies through simple, easy to understand products, fair price, high quality service and honest advice. The customers who fulfill the eligibility criteria can avail the benefits of the Ask Apply Get (AAG) process. It is an easy and customer friendly process wherein on submission of the duly filled proposal form, the requisite premium cheque and having completing the call center call, customers walk out with their plan documents in hands. A financial planning centre is also established at Chennai by the company with an objective of offering the entire range of services to policyholders.

**AN OVERVIEW OF THE LIFE INSURANCE PLAYERS**

An overview of the life insurance players working in the Indian life insurance market shows the structure of both public and private sector set-up. An analysis of the years of the commencement of life insurance business by the private insurers is an important factor for determining their break-even point. Some insurers have completed one decade of experience in the market and many of them have reached to the position of getting profits after recovering the initial high operating costs. Further, the nature and character of the participation and involvement of the foreign partners with the domestic players will also influence significantly the life insurance business perspective of our country. By using their exposure in insurance business globally, the domestic companies can play a gigantic role in performing their functions and tasks to the best satisfaction of all the stakeholders of the insurance industry and can in a way to reach the international business standards.

The details of the life insurance players working in the life insurance market in India after liberalization with their registered numbers and the years of starting their operations are presented in Table 3.2. It shows that HDFC Standard Life Insurance Company Limited was the first private insurer
registered with the IRDA and India First Life Insurance Company Limited was the last private insurer registered with the Regulator during the study period. There is a change in the management of the AMP Sanmar Life Insurance Company Limited. Reliance Life Insurance Company Limited acquired this company and started business from 2005.

Table 3.2

<table>
<thead>
<tr>
<th>Serial Number</th>
<th>Name of the Player</th>
<th>Regd. Number</th>
<th>Year of Operation</th>
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<tr>
<td>1</td>
<td>HDFC Standard Life Insurance Co. Ltd.</td>
<td>101</td>
<td>2000-01</td>
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<tr>
<td>2</td>
<td>Max New York Life Insurance Co. Ltd.</td>
<td>104</td>
<td>2000-01</td>
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<tr>
<td>3</td>
<td>ICICI Prudential Life Insurance Co. Ltd.</td>
<td>105</td>
<td>2000-01</td>
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<td>Om Kotak Life Insurance Co. Ltd.</td>
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<td>2001-02</td>
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<tr>
<td>5</td>
<td>Birla Sun Life Insurance Co. Ltd.</td>
<td>109</td>
<td>2000-01</td>
</tr>
<tr>
<td>6</td>
<td>Tata AIG Life Insurance Co. Ltd.</td>
<td>110</td>
<td>2000-01</td>
</tr>
<tr>
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<td>SBI Life Insurance Co. Ltd.</td>
<td>111</td>
<td>2001-02</td>
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<tr>
<td>8</td>
<td>ING Vysya Life Insurance Co. Ltd.</td>
<td>114</td>
<td>2001-02</td>
</tr>
<tr>
<td>9</td>
<td>Allian Bajaj Life Insurance Co. Ltd.</td>
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<td>2001-02</td>
</tr>
<tr>
<td>10</td>
<td>Metlife India Insurance Co. Ltd.</td>
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<td>2001-02</td>
</tr>
<tr>
<td>11</td>
<td>Reliance Life Insurance Co. Ltd. (Earlier AMP Sanmar Life Insurance Company from 3.1.02 to 29.9.05)</td>
<td>121</td>
<td>2001-02</td>
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<tr>
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<td>Aviva Life Insurance Company Limited</td>
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<td>2002-03</td>
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<td>Sahara Life Insurance Co. Ltd.</td>
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<td>2004-05</td>
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<td>Shriram Life Insurance Co. Ltd.</td>
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<td>2005-06</td>
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<td>Bharti AXA Life Insurance Co. Ltd.</td>
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<td>2006-07</td>
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<td>Future Generali India Life Insurance Company Ltd.</td>
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<td>2007-08</td>
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<td>IDBI Fortis Life Insurance Company Ltd.</td>
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<td>18</td>
<td>Canara HSBC OBC Life Insurance Company Ltd.</td>
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<td>2008-09</td>
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<td>Aegon Religare Life Insurance Company Ltd.</td>
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<td>2008-09</td>
</tr>
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<td>DLF Pramerica Life Insurance Co. Ltd.</td>
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<td>2008-09</td>
</tr>
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<td>Life Insurance Corporation of India</td>
<td>512</td>
<td>1955-56</td>
</tr>
<tr>
<td>22</td>
<td>Star Union Dai-ichi Life Insurance Company Ltd.</td>
<td>142</td>
<td>2008-09</td>
</tr>
<tr>
<td>23</td>
<td>India First Life Insurance Company Ltd.</td>
<td>143</td>
<td>2009-10</td>
</tr>
</tbody>
</table>

Source: Compiled from the Annual Reports of IRDA.

The particulars relating to the partnership of the domestic insurance players with foreign partners are given in Table 3.3. It is clear from the Table that only the Reliance Life Insurance Company Limited, Sahara Life Insurance Company Limited and the Life Insurance Corporation of India are solely the
companies with only domestic capital and have no partnership with foreign companies. But, the other insurance companies working in our country have equity participation of the foreign insurance majors.

Table 3.3
LIFE INSURANCE PLAYERS AND THEIR FOREIGN PARTNERS

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of the Player</th>
<th>Foreign Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>HDFC Standard Life Insurance Co. Ltd.</td>
<td>Standard Life Assurance, UK</td>
</tr>
<tr>
<td>2</td>
<td>Max New York Life Insurance Co. Ltd.</td>
<td>New York Life, USA</td>
</tr>
<tr>
<td>3</td>
<td>ICICI Prudential Life Insurance Co. Ltd.</td>
<td>Prudential, UK</td>
</tr>
<tr>
<td>4</td>
<td>Om Kotak Life Insurance Co. Ltd. *</td>
<td>Old Mutual, South Africa</td>
</tr>
<tr>
<td>5</td>
<td>Birla Sun Life Insurance Co. Ltd.</td>
<td>Sun Life, Canada</td>
</tr>
<tr>
<td>6</td>
<td>Tata AIG Life Insurance Co. Ltd.</td>
<td>American International Assurance Co., USA</td>
</tr>
<tr>
<td>7</td>
<td>SBI Life Insurance Co. Ltd.</td>
<td>BNP Paribas Assurance SA, France</td>
</tr>
<tr>
<td>8</td>
<td>ING Vysya Life Insurance Co. Ltd.</td>
<td>ING Insurance International B.V., Netherlands</td>
</tr>
<tr>
<td>9</td>
<td>Allianz Bajaj Life Insurance Co. Ltd. **</td>
<td>Allianz, Germany</td>
</tr>
<tr>
<td>10</td>
<td>Metlife India Insurance Co. Ltd.</td>
<td>Metlife International Holdings Ltd., USA</td>
</tr>
<tr>
<td>11</td>
<td>Reliance Life Insurance Co. Ltd. (Earlier AMP Sanmar Life Insurance Company from 3.1.02 to 29.9.05)</td>
<td>---</td>
</tr>
<tr>
<td>12</td>
<td>Aviva Life Insurance Company Limited</td>
<td>Aviva International Holdings Ltd., UK</td>
</tr>
<tr>
<td>13</td>
<td>Sahara Life Insurance Co. Ltd.</td>
<td>Sanlan, South Africa</td>
</tr>
<tr>
<td>14</td>
<td>Shiram Life Insurance Co. Ltd.</td>
<td>AXA Holdings, France</td>
</tr>
<tr>
<td>15</td>
<td>Bharti AXA Life Insurance Co. Ltd.</td>
<td>AXA Holdings, France</td>
</tr>
<tr>
<td>16</td>
<td>Future Generali India Life Insurance Company Ltd.</td>
<td>Pantaloon Retain Ltd., Sain Marketing Network Pvt. Ltd. (SMNPL), Generali, Italy</td>
</tr>
<tr>
<td>17</td>
<td>IDBI Fortis Life Insurance Company Ltd. ***</td>
<td>Fortis, Netherlands</td>
</tr>
<tr>
<td>18</td>
<td>Canara HSBC OBC Life Insurance Company Ltd.</td>
<td>HSBC, UK</td>
</tr>
<tr>
<td>19</td>
<td>Aegon Religare Life Insurance Company Ltd.</td>
<td>Religare, Netherlands</td>
</tr>
<tr>
<td>20</td>
<td>DLF Pramerica Life Insurance Co. Ltd.</td>
<td>Prudential of America, USA</td>
</tr>
<tr>
<td>21</td>
<td>Life Insurance Corporation of India</td>
<td>---</td>
</tr>
<tr>
<td>22</td>
<td>Star Union Dai-ichi Life Insurance Company Ltd.</td>
<td>Dai-ichi Life Insurance, Japan</td>
</tr>
<tr>
<td>23</td>
<td>India First Life Insurance Company Ltd.</td>
<td>Legal and General (UK’s Risk, Wealth and Investment Co.)</td>
</tr>
</tbody>
</table>

* Presently, Kotak Mahindra Old Life Insurance Company Limited.
** Presently, Bajaj Allianz Life Insurance Company Limited.

Source: Compiled from the Annual Reports of IRDA.