PROFILE OF LIFE INSURANCE COMPANIES IN INDIA

3.1 Profile of Life Insurance Companies in India

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 which is the only public sector life insurer and twenty two private sector life insurers, most of them joint ventures between Indian groups and global insurance giants. The below provides details of the life Companies in India

Table 3.1 List of Life Insurance Companies Operating in India

<table>
<thead>
<tr>
<th>Insurers</th>
<th>Foreign Partners</th>
<th>Registration Number</th>
<th>Date of Registration</th>
<th>Year of Operation</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIVATE SECTOR</td>
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<td></td>
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<tr>
<td>Aegon Life Insurance Company Ltd.</td>
<td>Aegon India Holdings BV, Netherlands</td>
<td>138</td>
<td>27.06.2008</td>
<td>2008-09</td>
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<td>Aviva Life Insurance Company Ltd.</td>
<td>Aviva International Holdings Ltd. UK</td>
<td>122</td>
<td>14.05.2002</td>
<td>2002-03</td>
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<td>Bajaj Allianz Life Insurance Company Ltd.</td>
<td>Allianz, SE Germany</td>
<td>116</td>
<td>03.08.2001</td>
<td>2001-02</td>
</tr>
<tr>
<td>Bharti AXA Life Insurance Company Ltd.</td>
<td>AXA India Holdings, France</td>
<td>130</td>
<td>14.07.2006</td>
<td>2006-07</td>
</tr>
<tr>
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<td>Sun Life Financial (India) Insurance Investment Inc, Canada</td>
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<tr>
<td>Canara HSBC OBC Life Insurance Company Ltd.</td>
<td>HSBC Insurance (Asia Pacific) Holdings Ltd. UK</td>
<td>136</td>
<td>08.05.2008</td>
<td>2008-09</td>
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<tr>
<td>DHFL Pramerica Life Insurance Company Ltd.</td>
<td>Prudential International Insurance Holdings Ltd. USA</td>
<td>140</td>
<td>27.06.2008</td>
<td>2008-09</td>
</tr>
<tr>
<td>Company Name</td>
<td>Parent Company</td>
<td>Code</td>
<td>Date of Incorporation</td>
<td>Start of Business</td>
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<tr>
<td>Edelweiss Tokio Life Insurance Company Ltd.</td>
<td>Tokio Marine &amp; Nichido Fire Insurance Company Ltd. Japan</td>
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<td>10.05.2011</td>
<td>2011-12</td>
</tr>
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<td>Exide Life Insurance Company Ltd</td>
<td>------</td>
<td>114</td>
<td>02.08.2001</td>
<td>2001-02</td>
</tr>
<tr>
<td>Future Generali Life Insurance Company Ltd</td>
<td>Particicipatie Maat Schapij Graafsschap NV Netherlands Holland</td>
<td>133</td>
<td>04.09.2007</td>
<td>2007-08</td>
</tr>
<tr>
<td>ICICI Prudential Life Insurance Company Ltd</td>
<td>Prudential Corporation Holdings Ltd. UK</td>
<td>105</td>
<td>24.11.2000</td>
<td>2000-01</td>
</tr>
<tr>
<td>IndiaFirst Life Insurance Company Ltd</td>
<td>Legal &amp; General Middle East Ltd</td>
<td>143</td>
<td>05.11.2009</td>
<td>2009-10</td>
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<tr>
<td>Kotak Mahindra OM Life Insurance Company Ltd</td>
<td>Old Mutual Plc, UK</td>
<td>107</td>
<td>10.01.2001</td>
<td>2001-02</td>
</tr>
<tr>
<td>PNB Metlife India Insurance Company Ltd</td>
<td>Metlife International Holdings Inc, USA</td>
<td>117</td>
<td>06.08.2001</td>
<td>2001-02</td>
</tr>
<tr>
<td>Reliance Nippon Life Insurance Company Ltd</td>
<td>Nippon Life Insurance Company Ltd. Japan</td>
<td>121</td>
<td>03.01.2002</td>
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</tr>
<tr>
<td>Sahara India Life Insurance Company Ltd</td>
<td>------</td>
<td>127</td>
<td>06.02.2004</td>
<td>2004-05</td>
</tr>
<tr>
<td>SBI Life Insurance Company Ltd.</td>
<td>BNP Paribas Cardif, France</td>
<td>111</td>
<td>29.03.2001</td>
<td>2001-02</td>
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</table>
3.2 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.$^2$

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 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\(^3\). LIC mostly centred 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 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 NGO and Public Charitable Institutions. Some of the projects of 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.

3.3 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.

3.4 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.

3.5 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 ‘LifeLink 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.

3.6 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.

3.7 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.

3.8 Tata AIA Life Insurance Company Limited

The TATA AIA 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 AIA 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 Maha life. TATA AIA 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.

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 31st March, 2011. The company’s cost optimization strategies and continued focus on persistency of business has resulted in this profitable growth.

3.9 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 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.

3.10 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.

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 polices and the satellite offices that are annexed to the branch collected premiums. The company has achieved break-even in five years.
3.11 Met life India Insurance Company Limited

MetLife India Insurance Company Limited was incorporated on 11\textsuperscript{th} 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.
3.12 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 throughout 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 approvals.

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.