CHAPTER - 3

PROFILE OF THE SAMPLE
INSURANCE COMPANIES
3.1. Introduction

As explained in the Chapter-2, eight private life insurers operating in and around Bangalore are among the respondents covered by this study. The eight private life insurers are depicted in the following Table:

Table-3.1

Private Life Insurers

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Insurer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Birla Sun Life Insurance Co Ltd</td>
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<tr>
<td>2.</td>
<td>HDFC Standard Life Insurance Co Ltd</td>
</tr>
<tr>
<td>3.</td>
<td>ICICI Prudential Life Insurance Co Ltd</td>
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<td>4.</td>
<td>Tata AIG Life Insurance Co Ltd</td>
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<tr>
<td>5.</td>
<td>Bajaj Allianz Life Insurance Co. Ltd.</td>
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<tr>
<td>6.</td>
<td>ING Vysya Life Insurance Co Ltd</td>
</tr>
<tr>
<td>7.</td>
<td>Max New York Life Insurance Co Ltd</td>
</tr>
<tr>
<td>8.</td>
<td>Reliance Life Insurance Co Ltd</td>
</tr>
</tbody>
</table>

The eight private life insurers and the LIC of India are profiled in the following paragraphs.

3.2. Birla Sun Life Insurance Company Limited (BSLI)

Established in 2000, Birla Sun Life Insurance Company Limited (BSLI) is a joint venture between the Aditya Birla Group and Sun Life Financial Inc, a leading international financial services organization from Canada. The local knowledge of the Aditya Birla Group combined with the domain expertise of Sun Life Financial Inc., the promoters hope, will stand the company in good stead in its Indian operations.

With an experience of over 10 years, BSLI currently ranks amongst the top six private life insurance companies in the country. Known for its innovation and creating
industry benchmarks, BSLI has several firsts to its credit. It was the first Indian insurance company to introduce "Free Look Period" and the same was made mandatory by IRDA for all other life insurance companies. Additionally, BSLI pioneered the launch of Unit Linked Life Insurance plans amongst the private players in India. To establish credibility and further transparency, BSLI also pioneered the practice of disclosing the portfolio on monthly basis. These initiatives have helped BSLI to move closer to its policy holders' expectations. It is complemented by the complete bouquet of insurance products (viz. pure term plan, life stage products, health plan and retirement plan) that the company offers. 88

It boasts of 600 branches and 1,47,900 empanelled advisors. It has helped BSLI cover more than 2.4 million lives since it commenced operations and establish a customer base spread across 1,500 plus towns and cities in India. The company achieved the lowest outstanding claims ratio of 0.00% for FY 2010-11. Additionally, BSLI has the best Turn Around Time according to LOMA on all claims parameters. The AUM of BSLI stood at INR 19,725 Crs as on April 30, 2011, while the capital base was INR 2,450 Crs.

**Vision**

To be a leader and role model in a broad based and integrated financial services business.

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88 [http://insurance.birlasunlife.com/Pages/Individual/About-Us/Company-Profile.aspx](http://insurance.birlasunlife.com/Pages/Individual/About-Us/Company-Profile.aspx)
Mission

- To help people mitigate risks of life, accident, health, and money at all stages and under all circumstances.
- Enhance the financial future of our customers including enterprises

Values

- Integrity
- Commitment
- Passion
- Seamlessness
- Speed

The Aditya Birla Group

A USD 30 billion corporation, the Aditya Birla Group is in the league of Fortune 500 worldwide. It boasts of 130,000 employees, belonging to 40 different nationalities. The group operates in 27 countries across six continents – truly India's first multinational corporation. The Aditya Birla Group through the Aditya Birla Financial Services Group (ABFSG), has a strong presence across various financial services verticals that include life insurance, fund management, distribution and wealth management, security-based lending, insurance broking, private equity and retail broking. The seven companies representing the Aditya Birla Financial Services Group are: the Birla Sun Life Insurance Company Ltd., the Birla Sun Life Asset Management Company Ltd., the Aditya Birla Finance Ltd., the Aditya Birla Capital Advisors Pvt. Ltd., the Aditya Birla Money Ltd., the Aditya Birla Money Mart Ltd, and the Aditya Birla Insurance Brokers Ltd. In FY 2009-10, ABFSG reported consolidated revenue from these businesses at INR. 5871 Cr., registering a growth of 43%.
Recent Awards

1. Birla Sun Life Insurance (BSLI) - has bagged the Golden Peacock Award for Excellence in Corporate Governance for the year 2010-11.

2. Internet Advertising Competition Awards 2011 (The Internet Advertising Competition (IAC) Awards has awarded for Birla Sun Life Insurance - Not Jobs But Passion campaign as a "Best Insurance Integrated ad campaign"

3. Advertising Agencies Association of India & Advertising Club Bombay awarded a bronze under Media Abby Awards at Goa Fest 2011 as – Best Never Before use of Media

4. Advertising Agencies Association of India & Advertising Club Bombay awarded a Gold under Creative Abby Awards at Goa Fest 2011 as – Direct marketing Dimensional Mail

5. Advertising Agencies Association of India & Advertising Club Bombay awarded a Silver under Best use of Outdoor & Ambient media Awards at Goa Fest 2011 as – Direct marketing Flat Mail

3.3. HDFC Standard Life Insurance Co Ltd

HDFC Life, one of India's leading private life insurance companies, offers a range of individual and group insurance solutions. It is a joint venture between Housing Development Finance Corporation Limited (HDFC), India's leading housing finance institution and Standard Life plc, the leading provider of financial services in the United Kingdom. HDFC Ltd holds 72.37% and Standard Life (Mauritius Holding) Ltd holds 26.00% of equity in the joint venture, while the rest is held by others. HDFC Life's product portfolio comprises solutions, which meet various customer needs such as Protection, Pension, Savings, Investment and Health. Customers have the added advantage of customizing the plans, by adding optional benefits called
riders, at a nominal price. The company currently has 28 retail and 9 group products in its portfolio, along with ten optional rider benefits catering to the savings, investment, protection and retirement needs of customers. HDFC Life boasts of 500 plus branches servicing customer needs in over 700 cities and towns. The company has a strong base of Financial Consultants. The company is the first private player to be registered with the IRDA and the first to issue a policy on December 12, 2000. The company has initiated and implemented many new processes, some of which were found useful by the IRDA and later made mandatory for the entire industry. The agents who successfully completed this training alone were authorized to sell ULIPs. This has now been made compulsory by IRDA for all insurance companies under the new Unit Linked Guidelines.\(^8^9\)

**HDFC Limited**

**HDFC Limited**, India's premier housing finance institution has assisted more than 3.8 million families own a home, since its inception in 1977 across 2400 cities and towns through its network of over 298 offices. It has international offices in Dubai, London and Singapore with service associates in Saudi Arabia, Qatar, Kuwait and Oman to assist NRI's and PIO's to own a home back in India. As of March 31, 2011, the total asset size had crossed INR 1,32,727 crores including the mortgage loan assets of more than INR 1,17,126 crores. The corporation has a deposit base of over INR. 24,625 crores, earning the trust of nearly one million depositors. HDFC has set benchmarks for the Indian housing finance industry. Recognition for the service to the sector has come from several national and international entities including the World Bank that has lauded HDFC as a model housing finance company for developing

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\(^8^9\)http://www.hdfclife.com/AboutUs/AboutUs.aspx
countries. HDFC has undertaken a lot of consultancies abroad assisting different countries including Egypt, Maldives, Mauritius and Bangladesh in setting up housing finance companies.

**Standard Life Plc.**

Established in 1825, **Standard Life Plc** is a leading provider of long term savings and investments to around 6 million customers worldwide. Headquartered in Edinburgh, Standard Life has around 9,000 employees across the UK, Canada, Ireland, Germany, Austria, India, USA, Hong Kong and mainland China. The Standard Life group includes savings and investments businesses, which operate across its UK, Canadian and European markets; corporate pensions and benefits businesses in the UK and Canada; Standard Life Investments, a global investment manager, which manages assets of over GBP157 bn globally; and its Chinese and Indian Joint Venture businesses. At the end of April 2011 the Group had total assets under administration of GBP £198.4 bn. Standard Life plc is listed on the London Stock Exchange and has approximately 1.5 million individual shareholders in over 50 countries around the world.

**Vision & Values**

**Vision**

The following is the company’s vision statement:

- 'The most successful and admired life insurance company, which means that we are the most trusted company, the easiest to deal with, offer the best value for money, and set the standards in the industry'.

- 'The most obvious choice for all'.
Values

- Integrity
- Innovation
- Customer centric
- People Care "One for all and all for one"
- Team work
- Joy and Simplicity

Recent Awards & Accolades

1. *Best Marketing Strategy - Asian Leadership Awards*

The Asian Leadership Awards is about Achievers, Super Achievers and Future Business Leaders. It recognizes and rewards their ability to steer their businesses through turbulent times, applying the best of business modules to manage and keep their missions afloat.

2. *India's Most Trusted Service Brand 2011*


3. *Golden Peacock HR Excellence Award*

Received the Golden Peacock HR Excellence Award for the year 2011 in the 'Banking Financial & Insurance Sector. This award acknowledges HDFC Life’s efforts towards innovative people management processes and talent engagement and development initiatives in the highly dynamic Indian life insurance industry.
3. Outlook Money Award 2011

HDFC Life has been honoured with Outlook Money Award 2011 - Runners Up in the 'Best Life Insurer' Category. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Government of India, gave away the awards to all the winners at a glittering ceremony held on Dec 16th, 2011 in Mumbai. Amitabh Chaudhry, MD & CEO, HDFC Life, received the award on behalf of HDFC Life.

4. Innovation in CRM Award 2011

HDFC Life was conferred the prestigious Innovation in CRM award by IDC Financial Insights at its inaugural Financial Insights Innovation Awards (FIIA) Insurance or FIIA (Insurance) held at the Asian Insurance Congress (AFS) in Singapore. HDFC Life's initiative was among the 68 high-quality entries submitted for this award by leading insurers across the Asia Pacific (excluding Japan). HDFC Life won this award for its Customer renewal & Retention System MINT.

3.4. ICICI Prudential Life Insurance Co Ltd

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

The company began operations in December 2000 after receiving approval from the Insurance Regulatory Development Authority (IRDA). It had a network of approximately 1,400 offices and over 1,75,000 advisors, as at June 30, 2011. In addition to this, the company has over 5000 distribution touch-points and over 10,000 servicing touch-points across the country.\(^{90}\)

\(^{90}\)http://www.iciciprulife.com/public/About-us/About-Us.htm
ICICI Prudential Life's capital stands at INR 4,780 crores (as of March 31, 2011) with ICICI Bank and Prudential plc holding 74% and 26% stake respectively. For the period April 1, 2010 to March 31, 2011, the company has garnered total premium of INR 17,881 crores and has underwritten over 12 million policies since inception. The company has assets held over INR 68,000 crores as on March 31, 2011.

For the past decade, ICICI Prudential Life Insurance has maintained its dominant position (on new business retail weighted basis) amongst private life insurers in the country, with a wide range of flexible products that meet the needs of the Indian customer at every step in life. For the past decade, ICICI Prudential Life Insurance has maintained its dominant position (on new business retail-weighted basis) amongst private life insurers in the country, with a wide range of flexible products that meet the needs of the Indian customer at every step in life. ICICI Prudential Life has one of the largest distribution networks amongst private life insurers in India. It has a strong presence across India with around 1,400 branches and an advisor base of over 1,70,000 (as on March 31, 2011). The company has bancassurance partners having tie-ups with ICICI Bank and Proddatur Co-Op Town Bank Ltd.
Vision & Values

The following is the company’s vision statement:

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

This we hope to achieve by:

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

The success of the company will be founded in its unflinching commitment to 5 core values -- Integrity, Customer First, Boundaryless, Ownership and Passion. Each of the values describes what the company stands for, the qualities of our people and the way we work. We do believe that we are on the threshold of an exciting new opportunity, where we can play a significant role in redefining and reshaping the sector. Given the quality of our parentage and the commitment of our team, there are no limits to our growth.”
**Promoters**

*ICICI Bank*

ICICI Bank Ltd (NYSE:IBN) is India's largest private sector bank and the second largest bank in the country with consolidated total assets of over USD 100 billion as of March 31, 2010. ICICI Bank’s subsidiaries include India’s leading private sector insurance companies and among its largest securities brokerage firms, mutual funds and private equity firms. ICICI Bank’s presence currently spans 19 countries, including India.

*Prudential Plc*

Established in London in 1848, Prudential plc is an international retail financial services group with significant operations in Asia, the US and the UK serving around 25 million customers, policyholder and unit holders worldwide. The company has GBP 290 billion of assets under management and it is one of the best capitalised insurers in the world with an Insurance Groups Directive (IGD) capital surplus estimated at GBP 3.4 billion (at 31 December 2009). Prudential is a leading life insurer in Asia with a presence in 12 markets and have the top three positions in seven key locations of Hong Kong, India, Indonesia, Malaysia, Singapore, the Philippines and Vietnam.

**Awards & Recognitions**

1. ICICI Prudential Life Insurance has been conferred the ‘Insurance Company of the Year Award 2011’ and ‘Company of the Year Award 2011 – Life Insurance’ at The Indian Insurance Awards 2011 instituted by the reputed insurance journal of India ‘Insurance Review’, in association with Celent, a research and consulting firm.
2. ICICI Prudential Life Insurance has been awarded the prestigious award for the ‘Best Leading Private Player – Life Insurance 2011’ at the CNBC TV18 Best Bank and Financial Institution Awards for FY11.

3.5. Bajaj Allianz Life Insurance Company Limited

Bajaj Allianz Life Insurance is a union between Allianz SE, one of the largest insurance companies and Bajaj Finserv. Allianz SE is a leading global insurance conglomerate and one of the largest asset managers in the world, managing assets worth over a USD 1 trillion (Over INR. 55, 00,000 Crores). Allianz SE has over 119 years of financial experience and is present in over 70 countries around the world. The company is at the fourth position amongst the private life insurers on the basis of new business premium and second in terms of the number of policies issued for the financial year 2010-11. It wrote new business of INR. 34.7 billion during 2010-11 compared to INR. 44.5 billion in the previous year. The market share of the company reduced to 2.8% compared to 4.1% in the previous year. The gross premium written for the financial year 2010-11 was INR. 96 billion, as compared to INR 114 billion in the previous year, registering a negative growth. It earned a profit of INR 9.6 billion during 2010-11, compared to INR. 4.2 billion in the previous year. After distribution of current year’s surplus of INR. 8.2 billion (previous year INR. 4 billion) and further transfer of INR. 1.1 billion (previous year INR. 1.2 billion) from Funds for Future Appropriation, the shareholders’ profit after tax stands at INR. 10.5 billion (previous year INR. 5.4 billion). In 2010-11, all accumulated losses have been set off and as at 31 March 2011 it had accumulated profits of INR. 10.4 billion.
The company has a pan India presence in over 1090 offices across all geographies of India. Operations & Processing Hubs have been formed at various locations to cater to the operational requirement and underwriting of policies.91

**Recognition and Awards**

The company received the Bloomberg UTV Financial Leadership Awards 2011 in the category – “Best contribution in Investor Education and Category Enhancement of the year” in Insurance. The trophy was received from the Honourable Finance Minister, Mr. Pranab Mukherjee.

**Capital**

The total funds infused by the shareholders in the company is INR 12.11 billion, with no fresh infusion of capital during the year 2010-11. The solvency ratio as at 31st March 2011 stood at 366% as against the required of 150%.

**3.6. ING Vysya Life Insurance Company Limited**

ING Life Insurance recently achieved the significant milestone of completing 10 years of operations in India. The company is a joint venture between ING Insurance International B.V. and Exide Industries. Headquartered in Bangalore, ING Life India is currently present in over 200 cities and serves over 1 million policy holders in India. The company distributes its products through two channels, the Tied Agency and the Alternate Channel. The Tied Agency channel comprises over 30,000 ING Life Advisors, spread across the country. The Alternate Channels business within ING Life India is a fast growing distribution channel, and includes the Banc assurance partner (ING Vysya Bank), Referral Partners, Corporate Agents and Brokers.

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91http://www.bajajallianz.com/Corp/aboutus/general-insurance-company.jsp

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The ING Group

ING is a global financial institution of Dutch origin offering banking, insurance and asset management to over 85 million private, corporate and institutional clients in over 40 countries. It has a diverse workforce of approximately 130,000 people.

ING in India

ING operates through three businesses in India, ING Vysya Life Insurance, ING Vysya Bank and ING Investment Management. ING Vysya Bank is a premier private sector bank with a 76-year heritage and 1.5 million satisfied customers.92

Mission, Values and Personality

The company states its mission, values and personality as follows:

“At ING Life, our mission is ‘To set the standard in helping our customers manage their financial future.’

Our business is driven on our values of Optimism, Knowledgeable, Trustworthy and Transparent.

○ **Optimism:** We bear an approach of ‘Optimism’ towards our company, towards each other, in our products and in our care for our customer’s interests.

○ **Knowledgeable:** We cultivate the knowledgeable value through our robust way of working, sharing and actively communicating.

○ **Trustworthy:** We deliver trustworthiness by doing the ‘right things in right way’, by delivering an ‘easier’ customer experience and by being a socially responsible corporate.

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92http://www.inglife.co.in/aboutus/aboutus.shtml
○ **Transparent:** Our value of ‘transparent’ drives our actions, reflects in our products and services.

Our values are personified by our people through a set of ‘Personality aspects’. These personality aspects are: Positive, Professional, Accountable and Transparent.

○ **Positive:** ING Life India employees live its value of optimism by bearing a positive and can-do attitude to their work.

○ **Professional:** At ING Life India, we expect the highest standard of professional behaviour by providing professional advice to customers, by treating customers equitably, abide by company’s culture and act with compliance.

○ **Accountable:** ING Life India expects employees to be accountable for their actions, words and decisions such that it builds their personal integrity and fosters ING Life India’s value of trustworthiness.

○ **Straightforward:** ING Life India expects employees to be straightforward in their conduct and work while dealing with customers and colleagues.”

**Partners**

The equity partners are, ING Insurance International B.V. (26%), Exide Industries (50%) and other shareholders (24%).

**3.7. Max New York Life Insurance Co Ltd**

Max New York Life Insurance Company Ltd. is a joint venture between New York Life, a Fortune 100 company and Max India Limited, one of India's leading multi-business corporations. The Company's paid up capital as on 31st March, 2011 was INR. 1976 crore.
Max India Group

Max India Group is a multi-business corporate, headquartered in New Delhi, India. The INR 7,700 crore Max India is led by its publically listed entity, Max India Limited. Its vision is to be one of India's most admired corporates for service excellence.

Max New York Life is a joint venture between Max India and New York Life, a Fortune 100 company; 'Cares for Life' through its Healthcare company, Max Healthcare, a subsidiary of Max India Limited; 'Enhances Life' through its health insurance company, Max Bupa Health Insurance, a joint venture between Max India and Bupa Finance Plc., UK; and 'Improves Life' through its Clinical Research business, Max Neeman, a fully owned subsidiary of Max India. From its past, Max India continues its interest in manufacture of speciality products for the packaging industry.⁹³

Max India's consolidated turnover for FY10 was INR 7,730 crores. The consolidated operating revenue was INR 5,570 Crores, a growth of 24% over the same period last year. The company is on a high growth path, with over 700 offices across around 400 locations in the country and with people strength of 92,000 servicing over 3.5 million customers as on 31st Mar 2010.

The flagship company Max India Limited is widely held, with the owner sponsors, led by Analjit Singh holding more than 35% share. Its other shareholders include some of world's best Institutional Investors such as, Warburg Pincus, Goldman Sachs, IFC and KKR. In the last five years, Max India has created immense value for its investors, with its market-cap growing at a CAGR of approximately 28%.

New York Life Insurance Company

New York Life Insurance Company, (www.newyorklife.com) a Fortune 100 company founded in 1845, is the largest mutual life insurance company in the United States and one of the largest life insurers in the world. Headquartered in New York City, New York Life's family of companies offers life insurance, annuities and long-term care insurance. New York Life Investment Management LLC provides institutional asset management and retirement plan services. Other New York Life affiliates provide an array of securities products and services, as well as institutional and retail mutual funds.

The mission of New York Life is to maintain its superior 'financial strength', adhere to the highest standards of 'integrity' and demonstrate 'humanity' by treating its customers, agents and employees with compassion, consideration and respect. New York Life is one of the largest and strongest life insurance companies in the world with more than USD 215 billion assets under management and has received among the highest ratings for financial strength from the life insurance industry's principal rating agencies: A.M. Best (AA+), Standard & Poor's (AA+), Moody's (Aa1), Fitch (AAA). According to Moody's, "New York Life's rating reflects the company's good quality investment portfolio, ample liquidity and sound capitalisation, as well as the good growth potential of its international business."

As a leader in the insurance industry, New York Life continues to bring to its operations new management concepts, advanced technologies, new distribution and training systems, and innovative insurance products.
Vision, Mission and Values

Vision
To become the most admired Life Insurance Company in India for all stakeholders.

Mission
- Amongst top 5 private life insurance companies by profitable new business sales
- National Player
- Brand of choice
- Employer of Choice
- Principal of Choice for Distribution & Suppliers

Values
This vision to become India's most admired life insurance company will be realized through our unique set of values, which are as follows:

Caring: Max New York Life is redefining the life insurance paradigm by focusing on customers first. The service process is responsive, personalized, humane and empathetic. Every individual who represents the company is for us our brand champion.

Honesty: Honesty is the heart of the life insurance business. It is all about trust. Transparency, integrity and dependability form the cornerstones of the Max New York Life experience. The company ensures that everyone who represents the brand carries a promise: we care - in word as well as deed.

Excellence: Excellence at Max New York Life implies the ability to perform at a consistently high level. Focused on the value of continuous improvement in people, processes and the organization, the company strives for the highest standards of quality in every aspect of its business.
Knowledge: Knowledge leads to expertise; and our expertise is in helping people protect themselves. Perfectly combining global expertise with local knowledge, we are India's life insurance specialist. Max New York Life believes that for knowledge to be of value it must be focused, current, tested and shared.

Integrity: Integrity is the cornerstone of any ethical deed. Adhering to the professional code of conduct and adherence to processes and systems is of utmost importance.

Teamwork: Teamwork implies the ability to share exchange and provide information and support team members which is at the core of any successful venture. Selflessly putting the team interest above personal agenda enables the company to perform better in every aspect.

Awards Won

- Awarded the Asia Insurance Industry 'Innovation of the Year' Award 2009
- Ranked 7th in BT-Mercer-TNS Best Companies to Work For Survey 2008
- CIO 100 Technology Award 2008 - 2010
- CII - Exim Bank Commendation Certificate for Strong Commitment to Excel for the year 2008
- Awarded the Gallup Great Work Place Award 2009

3.8: Tata AIG Life Insurance Co Ltd

Tata AIG Life Insurance Company Limited (Tata AIG Life) is a joint venture company, formed by Tata Sons and AIA Group Limited (AIA). Tata AIG Life combines Tata's pre-eminent leadership position in India and AIA's presence as the largest, independent listed pan-Asia life insurance group in the world spanning 15 markets in Asia Pacific. Tata Sons holds a majority stake (74%) in the company and AIA holds 26% through an AIA Group company. Tata AIG Life Insurance Company Limited was licensed to operate in India on February 12, 2001 and started operations
on April 1, 2001. As of March 31, 2011, Tata AIG Life’s share capital was INR 19.535 bn.\textsuperscript{94}

**Tata Group**

The Tata group comprises over 90 operating companies in seven business sectors: communications and information technology, engineering, materials, services, energy, consumer products and chemicals. The group has operations in more than 80 countries across six continents, and its companies export products and services to 85 countries. The total revenue of Tata companies, taken together, was USD 83.5 billion (around INR 380,663 crore) in 2010-11, with 57.8 per cent of this coming from business outside India. Tata companies employ over 425,000 people worldwide. The Tata name has been respected in India for 140 years for its adherence to strong values and business ethics. Every Tata company or enterprise operates independently. Each of these companies has its own board of directors and shareholders, to whom it is answerable. There are 28 publicly listed Tata enterprises and they have a combined market capitalisation of about USD 74.15 billion (as on October 5, 2011), and a shareholder base of 3.5 million. The major Tata companies are Tata Steel, Tata Motors, Tata Consultancy Services (TCS), Tata Power, Tata Chemicals, Tata Global Beverages, Indian Hotels and Tata Communications.

**AIA Group**

AIA Group Limited and its subsidiaries (collectively "AIA" or "Group") comprise the largest independent publicly listed pan-Asian life insurance group in the world. It has wholly-owned main operating subsidiaries or branches in 14 markets in Asia Pacific - Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the

\textsuperscript{94}http://www.tataaia.com/about-us/about-tata-aia-life.html
Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau and Brunei and a 26% joint venture shareholding in India. The business that is now AIA was first established in Shanghai over 90 years ago. It is a market leader in the Asia Pacific region (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It had total assets of USD 115,782 million as of 31 May 2011.

AIA meets the savings and protection needs of individuals by offering a range of products and services including retirement planning, life insurance and accident and health insurance. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents and employees across Asia Pacific, AIA serves the holders of over 23 million individual policies and over 10 million participating members of group schemes.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock code '1299' with American Depositary Receipts (Level 1) being traded on the over-the-counter market (ticker symbol: "AAGIY").

3.9. Reliance Life Insurance Co Ltd (RLIC)

The company has stated its vision, mission and goal as follows:

**Vision**

“Empowering everyone live their dreams.”

**Mission**

“Create unmatched value for everyone through dependable, effective, transparent and profitable life insurance and pension plans.”

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95http://www.reliancelife.com/rlic/AboutUs/our_founder.aspx
Goal

Emerge as transnational Life Insurer of global scale and standard

Create best value for Customers, Shareholders and all Stakeholders

Achieve impeccable reputation and credentials through best business practices

Market Position

- Largest private insurer in terms of policy count in as of 31st Mar 2011
- 4th largest private player in terms of individual premium
- Amongst the fastest growing companies for four years in a row
- Continuous increase in market share over four years; from 1.9% in 2005-06 to 10.26% in 2009-10
- Achieved a growth rate of 21% while the private industry grew at 13%
- One of the fastest to reach the 7 million policy mark
- 1248 branches, over 1,89,000 Advisors
- The company’s shareholders’ funds stood at INR 30.961 billion as at Mar 31, 2011.

Accreditations and Awards

- RLIC continues to be amongst the foremost life insurance companies in India to be certified ISO 9001:2008 for all the processes.

- AAA rating by Brickworks Ratings, a SEBI licensed rating agency, for Enterprise Wide Risk Management and Financial Strength.

- Winner of “Best Non-Urban Coverage” Award at Indian Insurance Awards 2011

- Won the Celent Model Insurer Award 2010 in the area of Service
Won the CMO Asia Award for “Best Campaign-Financial Category” and “Brand Excellence” - 2010

Amongst the Top 3 Most Trusted Service Brands in the Insurance category as per the Brand Equity’s ‘Most Trusted Service Brands 2011’ Survey


The Company has also won the DL Shah Quality Council of India Commendation Award in the services category in Feb 2008 for its work on promoting ‘self help channels for service’.

3.10. Life Insurance Corporation of India (LIC)

On the 19th of January, 1956, life insurance in India was nationalized. About 154 Indian insurance companies, 16 non-Indian companies and 75 provident were operating in India at the time of nationalization. Nationalization was accomplished in two stages; initially the management of the companies was taken over by means of an Ordinance, and later, the ownership too, by means of a comprehensive bill. The Parliament of India passed the Life Insurance Corporation Act on the 19th of June 1956, and the Life Insurance Corporation of India was created on 1st September, 1956, with the objective of spreading life insurance much more widely and in particular to the rural areas with a view to reach all insurable persons in the country, providing them adequate financial cover at a reasonable cost.96

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96 http://www.licindia.in/about_us.htm
LIC had 5 zonal offices, 33 divisional offices and 212 branch offices, apart from its corporate office in the year 1956. Since life insurance contracts are long term contracts and during the currency of the policy it requires a variety of services, a need was felt in the later years to expand the operations and place a branch office at each district headquarters. Re-organization of LIC took place and large numbers of new branch offices were opened. As a result of re-organisation servicing functions were transferred to the branches, and branches were made accounting units. It worked wonders with the performance of the corporation. It may be seen that from about 200.00 crores of new business in 1957 the corporation crossed 1000.00 crores only in the year 1969-70, and it took another 10 years for LIC to cross 2000.00 crore mark of new business. But with re-organisation happening in the early eighties, by 1985-86 LIC had already crossed 7000.00 crore sum assured on new policies.

Today, LIC functions with 2048 fully computerized branch offices, 109 divisional offices, 8 zonal offices, 992 satellite offices and the corporate office. LIC’s Wide Area Network covers 109 divisional offices and connects all the branches through a Metro Area Network. LIC has tied up with some banks and service providers to offer on-line premium collection facility in selected cities. LIC’s ECS and ATM premium payment facility is an addition to customer convenience. Apart from on-line kiosks and IVRS, Info Centres have been commissioned at Mumbai, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, New Delhi, Pune and many other cities. With a vision of providing easy access to its policyholders, LIC has launched its SATELLITE SAMPARK offices. The satellite offices are smaller, leaner and closer to the customer. The digitalized records of the satellite offices will facilitate anywhere servicing and many other conveniences in the future.
LIC continues to be the dominant life insurer even in the liberalized scenario of Indian insurance and is moving fast on a new growth trajectory surpassing its own past records. LIC crossed the milestone of issuing 1,01,32,955 new policies by 15th Oct, 2005, posting a healthy growth rate of 16.67% over the corresponding period of the previous year.

From then to now, LIC has crossed many milestones and has set unprecedented performance records in various aspects of life insurance business.

**Objectives of LIC**

The following are the objectives of LIC:

- Spread Life Insurance widely and in particular to the rural areas and to the socially and economically backward classes with a view to reaching all insurable persons in the country and providing them adequate financial cover against death at a reasonable cost.

- Maximize mobilization of people's savings by making insurance-linked savings adequately attractive.

- Bear in mind, in the investment of funds, the primary obligation to its policyholders, whose money it holds in trust, without losing sight of the interest of the community as a whole; the funds to be deployed to the best advantage of the investors as well as the community as a whole, keeping in view national priorities and obligations of attractive return.

- Conduct business with utmost economy and with the full realization that the moneys belong to the policyholders.

- Act as trustees of the insured public in their individual and collective capacities.
o Meet the various life insurance needs of the community that would arise in the changing social and economic environment.

o Involve all people working in the Corporation to the best of their capability in furthering the interests of the insured public by providing efficient service with courtesy.

o Promote amongst all agents and employees of the Corporation a sense of participation, pride and job satisfaction through discharge of their duties with dedication towards achievement of Corporate Objective.

**LIC’s Mission / Vision**

The following is LIC’s mission / vision:

**Mission**

"Explore and enhance the quality of life of people through financial security by providing products and services of aspired attributes with competitive returns, and by rendering resources for economic development."

**Vision**

"A trans-nationally competitive financial conglomerate of significance to societies and Pride of India."

**Recent Awards (2011-12)**

- Reader’s Digest Trusted Brand
- Asian Leadership Awards
- ET Brand Equity’s Most Trusted
- CNBC AWAAZ
- Star News – Customer Centric Brand Award
XI. Conclusion

It is clear from the foregoing paragraphs that the public sector behemoth, the LIC of India, has its hands full with private sector competitors breathing down its neck. However, LIC has one factor in its favour - each policy issued by the corporation carries a sovereign guarantee. Hopefully this will not lull them into a false sense of security.