Chapter 2
COMPANY PROFILE

2.1 HDFC Standard Life

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 Life’s product portfolio comprises 26 retail and 6 group products, which meet various customer needs such as Protection, Pension, Savings, Investment and Health. Customers have the added advantage of customizing their plans, by adding optional benefits called riders, at a nominal price.

Apart from several retail and group products in its portfolio, the company also has five optional rider benefits catering to the savings, investment, protection and retirement needs of customers. HDFC Life continues to have one of the widest reaches with more than 500 branches servicing customer needs, along with a strong base of Financial Consultants.

Standard Life was established in 1825, and 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 £157 bn globally; and its Chinese and Indian Joint Venture businesses. At the end of April 2011 the Group had total assets under administration of £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. The company also relooked at talent acquisition strategies and identified innovative and cost effective sources of recruiting talent. In addition to creating a culture of competency based talent processes during the year, the Company focused on
harnessing the potential of employees and developing a value proposition for retaining high caliber employees. Career development opportunities were extended based on fair and transparent performance based culture connecting to the organizational goals set at the start of the business and variable pay were granted. This enabled high performance and retention.

The Learning and development team played a pivotal role in channelizing their deliveries to the strategic needs of Sales and Operations in the form of need based training and structured induction programmes. Efforts were also directed towards improving managerial effectiveness, with the launch of significant endeavors noteworthy being 360 degree feedback and coaching for the senior leadership and LOTUS for line managers. The company’s engagement initiatives revolved around interaction on various facets of the work environment and communication updates on the Company and the industry. Employee friendly policies launched this year were well appreciated by the employees thus demonstrating people care.

In recognition to these efforts, HDFC life has been adjudged among top 50 best places to work for in 2011 and 1st in the insurance industry as a part of the study conducted by the Great Places to Work Institute.

The company’s sustained growth and performance in the tough its people strategy. The Company focused on using technology cost-effectively and optimally and ensures smooth business operations and achievement of targets.

During the year, there were various initiatives taken towards providing differential customer experience through technology aided platforms like the Customer Portal and Corporate Website. New payment options using credit cards were introduced for our customers. Management and monitoring of sales activities, identified as a critical productivity measure for the sales force, was carried out through the Sales Activity Management system. A generic platform for the broker channel was created and a new policy administration system for rural policies was launched. The Policy and Commissions accounting was made more efficient and controls were enhanced.
2.2 ICICI Prudential

Incorporated on 20 July 2000 it is a joint venture between ICICI (74%) and Prudential LIC (26%) of U.K. In November 2000, ICICI Prudential Life Insurance was granted Certification of Registration for carrying out life insurance business by the Insurance Regulatory & Development Authority of India. The Company issued its first policy on 12 December 2000. ICICI Prudential Life Insurance is a joint venture between the ICICI Group and Prudential plc, of the UK. ICICI started off its operations in 1955 with providing finance for industrial development, and since then it has diversified into housing finance, consumer finance, mutual funds to being a Virtual Universal Bank and its latest venture Life Insurance.

Established in 1848, Prudential plc. Of U.K. has grown to be the largest life insurance and mutual fund Company in U.K. Prudential plc. Has had its presence in Asia for the past 75 years catering to over 1 million customers across 11 Asian countries. Prudential is the largest life insurance company in the United Kingdom (Source: S&P's UK Life Financial Digest, 1998). ICICI and Prudential came together in 1993 to provide mutual fund products in India and today are the largest private sector mutual fund company in India.

ICICI Prudential was amongst the first private sector insurance companies to begin operations in December 2000 after receiving approval from Insurance Regulatory Development Authority (IRDA). ICICI Prudential's equity base stands at Rs. 9.25 billion with ICICI Bank and Prudential plc holding 74% and 26% stake respectively. In the financial year ended March 31, 2005, the company garnered Rs. 1584 crores of new business premiums for a total sum assured of Rs. 13,780 crores and wrote nearly 615,000 policies. The company has a network of about 56,000 advisors; as well as 7 banc assurance and 150 corporate agent tie-ups. For the past four years, ICICI Prudential has retained its position as the No.1 private life insurer in the country, with a wide range of flexible products that meet the needs of the Indian customer at every step in life.

Prudential has brought to market an integrated range of financial services products that now includes life insurance, pensions, mutual funds, banking, investment management and general insurance. In Asia, Prudential is UK's largest life insurance company with a vast network of 22 life and mutual fund operations in twelve countries-China, Hong
Kong, India, Indonesia, Japan, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand and Vietnam. Since 1923, Prudential has championed customer-centric products and services, supported by over 60,000 staff and agents across the region.

VISION
The company’s vision is to make ICICI Prudential the dominant life and pension player built on trust by world-class people and services, **hope to achieve this by:**

- Understanding the needs of customers and offering them superior Products and services.
- Leveraging technology to service the customers quickly, efficiently and conveniently.
- Developing and implementing superior Ur deal in risk management and Investing Strategies to offer sustainable and stable return to the Policy holders.
- Providing an environment to foster growth and learning of our employees.
- And above all building transparency in organizations.

INSURANCE SOLUTIONS FOR INDIVIDUALS
ICICI Prudential Life Insurance offers a range of innovative, customer-centric products that meet the needs of customers at every life stage. Its 20 products can be enhanced with up to 6 riders, to create a customized solution for each policyholder.

**Savings Solutions**

- Secure Plus is a transparent and feature-packed savings plan that offers 3 levels of protection.
- Cash Plus is a transparent, feature-packed savings plan that offers 3 levels of protection as well as liquidity options.
- Save n Protect is a traditional endowment savings plan that offers life protection along with adequate returns.
- Cash back is an anticipated endowment policy ideal for meeting milestone expenses like a child's marriage, expenses for a child's higher education or purchase of an asset.
- Lifetime & Lifetime II offer customers the flexibility and control to customize the policy to meet the changing needs at different life stages. Each offer 4 fund options?
• Preserver, Protector, Balancer and Maxi miser.
• Life Link II is a single premium Market Linked Insurance Plan which combines life insurance cover with the opportunity to stay invested in the stock market.
• Premier Life is a limited premium paying plan that offers customers life insurance cover till the age of 75.
• Invest Shield Life is a Market Linked plan that provides capital guarantee on the invested premiums and declared bonus interest along with flexible liquidity options and limited premium payment terms.

Protection Solutions
Lifeguard is a protection plan, which offers life cover at very low cost. It is available in 3 options, Level term assurance, level term assurance with return of premium and single premium.

Child Plans
Smart Kid education plans provide guaranteed educational benefits to a child along with life insurance cover for the parent who purchases the policy. The policy is designed to provide money at important milestones in the child's life. Smart Kid plans are also available in unit linked form, both single premium and regular premium.

Retirement Solutions
Forever Life is a retirement product targeted at individuals in their thirties Secure plus Pension is a flexible pension plan that allows one to select between 3 levels of cover.

Market-linked retirement Products:
• Lifetime Pension II is a regular premium market-linked pension plan
• Life Link Pension II is a single premium market-linked pension plan.
• Invest Shield Pension is a regular premium pension plan with a capital guarantee on the invertible premium and declared bonuses.
• ICICI Prudential also launched? Salaam Indigo? A social sector group insurance Policy targeted at the economically underprivileged sections of the society.

Group Insurance Solutions
ICICI Prudential also offers Group Insurance Solutions for companies seeking to enhance benefits to their employees. ICICI Prudential Group Gratuity Plan: ICICI Pro
group gratuity plan helps employers fund their statutory gratuity obligation in a scientific manner. The plan can also be customized to structure schemes that can provide benefits beyond the statutory obligations.

**ICICI Prudential Group Superannuation Plan**

ICICI offers a flexible defined contribution superannuation scheme to provide a retirement kitty for each member of the group. Employees have the option of choosing from various annuity options or opting for a partial commutation of the annuity at the time of retirement. ICICI Prudential Group Term Plan: ICICI Pm flexible group term solution helps provide affordable cover to members of a group. The cover could be uniform or based on designation/rank or a multiple of salary. The benefit under the policy is paid to the beneficiary nominated by the member on his/her death.

**Flexible Rider Options**

ICICI Pm Life offers flexible riders, which can be added to the basic policy at a marginal cost, depending on the specific needs of the customer.

- **Accident & disability benefit:** If death occurs as the result of an accident during the term of the policy, the beneficiary receives an additional amount equal to the sum assured under the policy. If the death occurs while traveling in an authorized mass transport vehicle, the beneficiary will be entitled to twice the sum assured as additional benefit.
- **Accident Benefit:** This rider option pays the sum assured under the rider on death due to accident.
- **Critical Illness Benefit:** protects the insured against financial loss in the event of 9 specified critical illnesses. Benefits are payable to the insured for medical expenses prior to death.
- **Major Surgical Assistance Benefit:** provides financial support in the event of medical emergencies, ensuring benefits are payable to the life assured for medical expenses incurred for surgical procedures. Cover is offered against 43 surgical procedures.
- **Income Benefit:** This rider pays the 10% of the sum assured to the nominee every year, till maturity, in the event of the death of the life assured. It is available on Smart Kid, Secure Plus and Cash Plus.
• Waiver of Premium: In case of total and permanent disability due to an accident, the premiums are waived till maturity. This rider is available with Secure Plus and Cash Plus.

Private Sector Insurance Market Shares

In today’s Private insurance sector ICIC Prudential holds the highest i.e. huge 30% share in the private insurance market, as compared to all other which together comprise of the rest 70% of the market share. In the financial year ended March 31, 2005, the company garnered Rs. 1584 crores of new business premiums for a total sum assured of Rs. 13780 crores and wrote nearly 615000 policies. The company has a network of about 56000 advisors as well as 7 banc assurance and 150 corporate agent tie-ups for the past four years, ICICI Prudential has retained its position as the no.1 private life insurer 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 must recruit more of students and retired Advisors as they are able to give sufficient amount of time for the work.
• The company must make efforts to remove the misconceptions that people have about private insurance companies.
• The company should have a proper payment structure for Advisors.
• The company should make efforts to have a correct database to recruit advisors.
• The company should preferable recruit advisors who have at least 2-3 years of experience in selling financial products.
• The recruitment policy must be similar to that of recruiting permanent employees.
• The company should devote sufficient time towards training and development of the advisors.
• Simplify documents wherever necessary, without losing control.
• Enhance post sales services in such areas as sending all renewal notice in time, expeditious settlement of claims and refunds etc. customize products to cater to the needs of each individual.
• Emphasize with the customer. Employees coming in contact with customers must show courtesy and good behavior.

2.3 Birla Sun Life Insurance
Birla Sun Life Insurance Company, a joint venture between the Aditya Birla Group, India’s leading transnational conglomerate and Sun Life Financial Inc, one of the leading international financial services organizations from Canada, has emerged to meet the financial goals of the customers according to their changing life stages with equity market participation, and also provides them financial security throughout their entire lives.

The plan enables a customer to fulfill his family’s dreams with prudent investments and also financially secure their future with a whole Life cover. Many customers tend to stay away from the equity market opportunity due to lack of knowledge, thereby compromising on their long-term wealth creation goals. The company is positive that the product will induce many more customers to achieve a balanced growth on their investments while they benefit from advanced investment strategies and also a whole life cover.

The plan offers customers a choice to select the premium amount. Based on his/her current age and the premium amount that the customer opts for, the company will determine the life cover applicable on the policy. This is also the minimum Basic Sum Assured.