

**Dissertation Submitted to**  
**MAHATMA GANDHI UNIVERSITY, KOTTAYAM**  
**In partial fulfilment of the requirement for the award of**  
**DEGREE OF BACHELOR OF COMMERCE**

**Submitted by**  
**MOHAMMED AMAN GELIEL( REG NO - 200021077015)**  
**SREEDEVI S SHENOY ( REG NO- 200021077)**  
**SNEHA ELDHO ( REG NO - 200021077110)**

**Under the supervision and guidance of**  
**Asst. Prof. ARYA SHAJI**  
**Department of Finance and Taxation**



**BHARATA MATA COLLEGE, THRIKKAKARA**  
**KOCHI – KERALA**  
**2019 -2022**

**BHARATA MATA COLLEGE, THRIKKAKARA**

**AFFILIATED TO MAHATMA GANDHI UNIVERSITY,  
KOTTAYAM**

**THRIKKAKARA P.O KOCHI - 682021, KERALA**



**BONAFIDE CERTIFICATE**

This is to certify that this dissertation entitled “A STUDY ON INVESTORS PERCEPTION ON LIFE INSURANCE CORPORATION OF INDIA AND HDFC LIFE INSURANCE COMPANY ” is a record of original work done by MOHAMMED AMAN GELIEL( REG NO - 200021077105), SNEHA ELDHO ( REG NO - 200021077110 ) and SREEDEVI S SHENOY( REG NO - ), in partial fulfilment of the requirement for the Degree of Bachelor of Commerce – Finance and Taxation under the guidance of Asst. Prof. ARYA T.S, Department of Finance and taxation, the work has not been submitted for the award of any other degree or title of recognition earlier.

**Asst. Prof. JULIE P.J**

**(Head of the Department)**

**Asst. Prof. ARYA T.S**

**(Project Guide)**

**Place : THRIKKAKARA**

**External Examiner Date:**

## **DECLARATION**

We, MOHAMMED AMAN GELIEL, SREEDEVI S SHENOY, SNEHA ELDHO hereby declare that the project report titled “ A STUDY ON INVESTORS PERCEPTION ON LIFE INSURANCE CORPORATION OF INDIA AND HDFC LIFE INSURANCE COMPANY ”, is a Bonafide Record of work done by us under the guidance and supervision of Asst. Prof. ARYA T.S, Department of Finance and Taxation, BHARATA MATA COLLEGE, THRIKKAKARA. We also declare that this report embodies the findings based on our study and observation and has not been submitted earlier for the award of any Degree or Diploma to any institute or university.

**Place : THRIKKAKARA**

**SREEDEVI S SHENOY**

**SNEHA ELDHO**

**Date :**

**MOHAMMED AMAN GELIEL**

## **ACKNOWLEDGEMENT**

This study has been made possible due to the cooperation, assistance and valuation of many to whom we would like to express our sincere gratitude and thanks.

First and Foremost, we thank our GOD ALMIGHTY, who helped us to complete this project successfully.

We would like to extend our gratitude and indebtedness towards our Prof. Dr SHINY PALATTY, Principal of BHARATA MATA COLLEGE, THRIKKAKARA for granting permission to do the project work.

Our sincere thanks to all other faculty members of Department of Finance and Taxation, BHARATA MATA COLLEGE, THRIKKAKARA especially Asst. Prof. JULIE .P.J, Head of the department for her timely help and cooperation we have received throughout our academic career.

We are extremely grateful and sincerely thankful to our faculty guide Asst. Prof. ARYA T.S, Department of Finance and Taxation, BHARATA MATA COLLEGE, THRIKKAKARA for her scholarly guidance, valuable suggestion and constant encouragement throughout this project.

We also thank all the respondents who spent their valuable time to answer the questionnaire and contribute to the success of our project.

Finally, we thank our friends and our dear parents for their help and cooperation for the

completion of project.

**SNEHA ELDHO**

**SREEDEVI S SHENOY**

**MOHAMMED AMAN GELIEL**

## CONTENTS

<b>CHAPTERS</b>	<b>TITLE</b>	<b>PAGE NUMBER</b>
	List of Tables	
	List of Figures	
1	Introduction	
2	Review of Literature	
3	Theoretical Framework	
4	Data Analysis and Interpretation	
5	Findings , Suggestions and Conclusion	

	Bibliography	
	Annexure	

### LIST OF TABLES

<b>TABLE NUMBER</b>	<b>TABLES</b>	<b>PAGE NUMBER</b>
4.1	Gender of respondents	
4.2	Age of respondents	
4.3	Annual Income of respondents	
4.4	Respondents having any of the Insurance policy.	
4.5	Awareness of respondents about investment options available.	
4.6	Awareness of respondents on the investment opportunities that insurance provide.	
4.7	Awareness of respondents on the reasons we want to invest into insurance.	
4.8	Awareness of respondents on the factors that attract you to an insurance company.	
4.9	Awareness of respondents on the term insurance plan preferred.	
4.10	Awareness of respondents on HDFC life insurance and LIC of India.	
4.11	Awareness of respondents about HDFC life insurance and LIC India, which among them can provide us better claims.	

4.12	Awareness of respondents on comparing does HDFC life insurance better than LIC of India.	
4.13	Information regarding which life insurance policy satisfy respondents the most.	
4.14	Information regarding the factors that attracts the respondents to life insurance policy.	
4.15	Awareness of respondents on the source of knowledge about life insurance policy.	
4.16	Preference of respondents to buy life insurance policy by various methods.	
4.17	Information of respondents that triggered them the purchase of life insurance policy.	



## LIST OF FIGURES

<b>FIGURE NUMBER</b>	<b>FIGURES</b>	<b>PAGE NUMBER</b>
4.1	Gender of respondents	
4.2	Age of respondents	
4.3	Annual Income of respondents	
4.4	Respondents having any of the Insurance policy	
4.5	Awareness of respondents about investment options available.	
4.6	Awareness of respondents on the investment opportunities that insurance provide.	

4.7	Awareness of respondents on the reasons we want to invest into insurance.	
4.8	Awareness of respondents on the factors that attract you to an insurance company	
4.9	Awareness of respondents on the term insurance plan preferred.	
4.10	Awareness of respondents on HDFC life insurance and LIC of India	
4.11	Awareness of respondents about HDFC life insurance and LIC India, which among them can provide us better claims.	
4.12	Awareness of respondents on comparing does HDFC life insurance better than LIC of India	
4.13	Information regarding which life insurance policy satisfy respondents the most.	
4.14	Information regarding the factors that attracts the respondents to life insurance policy.	
4.15	Awareness of respondents on the source of knowledge about life insurance policy.	

4.16	Preference of respondents to buy life insurance policy by various methods.	
4.17	Information of respondents that triggered them the purchase of life insurance policy.	

CHAPTER - 1

INTRODUCTION

## **INTRODUCTION**

**Insurance is a means of protection against financial loss. It is a form of risk management. A person's life and property are surrounded by the risk of death, disability or destruction. These risks can lead to financial loss. Insurance is a sensible way to transfer such risks to an insurance company. 'N' number of insurance companies are operating in our Country. Life insurance is a must for everyone because life is very precious. The payment is made to the insurer on the date of maturity or at the event of death. Under the terms of a contract a person who gets his**

**life insurance is universally acknowledged to be an investment which eliminates risk and substituting certainty for uncertainty and comes to the timely aid of the family in unfortunate event of death.**

**Life Insurance Corporation of India (LIC) is an Indian central public sector undertaking which provides long term financial assistance to the investors, with its headquarters in Mumbai, Maharashtra, India. It is under the ownership of Ministry of Finance, Government of India.**

**In order to reach everyone, the primary goal is to widely spread life insurance, paying special attention to rural areas and economically and socially disadvantaged strata providing adequate, affordable financial protection against mortality to all insurable citizens.**

**A joint venture between HDFC Ltd., one of India's top housing financing institutions, and Standard Life Aberdeen, a major international investment firm, was created in 2000 as HDFC Life Insurance Company Limited.**

**An array of individual and group insurance solutions are offered by HDFC Life, a top provider of long-term life insurance in India, to fulfil a variety of consumer needs, including protection, pension, savings, investments, annuities, and health. As of March 31, 2020, the company employed 37 people.**

Here, the study tries to compare LIC with HDFC Life policy to find out the customer preference on life insurance policy. Each insurance policy has details about the conditions and circumstances under which the insurance company will pay out the insurance amount to either the insured person or the nominees. Insurance is a way of protecting yourself and your family from a financial loss. The study is to analyse the approach of consumers to the insurance services provided by each Insurance Company. Lack on public awareness on insurance has proved to be one of the hurdles in penetration of insurance across the country. This study will be very helpful for understanding the mind-set of people in Ernakulam Municipality towards the life insurance policy.

## **STATEMENT OF THE PROBLEM**

There are many problems in life insurance business and one of the main obstacle is competing with the competitor. Therefore, the company must know the factors that influence the investment behaviour of the customer such as safety, demand and financial security. Hence, customer's review has to be collected.

## **OBJECTIVES OF THE STUDY**

- **To compare the performance of HDFC LIC and LIC with reference to investors approach.**
- **To determine the reasons behind the choice of insurance.**
- **To evaluate the performance of HDFC LIC as well as LIC regarding consumer perception.**
- **To identify the investors expectation on services provided by both the companies.**
- **To know commonly adapted life insurance policy by the investors.**

## **SCOPE OF THE STUDY**

**The study proposes to collect consumer's aspects and analysis towards life insurance policies. Through this study the areas, if any, where both the insurance companies have failed to gain customer support can be identified. Along with this, customer awareness of such companies can also be measured. People know that life is uncertain, so if one is aware of such life insurance policies one can ensure some financial support for their family. The main objective of the study is to determine which insurance company is more acceptable to the customers in Ernakulam city.**

## **RESEARCH METHODOLOGY**

According to the scope and objectives mentioned above, descriptive and demographic methods are used.

### **SOURCE OF DATA :**

**Primary source** - Data collected directly from few residents in Ernakulam city by framing questionnaire and collected through Google forms.

**Secondary sources** – Secondary sources such as newspaper articles , public journals, different websites, Wikipedia etc. were used for collecting various information on HDFC life insurance company and LIC company.

## **LIMITATIONS OF THE STUDY**

- All the limitations of primary data are applicable to this study.
- Data collected is restricted to the selected sample of Ernakulam Municipality. So the study cannot be generalized.



- **There is a chance for bias in data collection.**
- **Some respondents may ignore questions, which limits the accuracy of the study.**

## **CHAPTER - 2**

# **REVIEW OF LITERATURE**

## **REVIEW OF LITERATURE**

**The research literature on Life Insurance is vast and covers number of dimensions. The following section provides a brief summary of research in different areas of life insurance research.**

**Dr. P.K. Gupta (2000), in his article “Exploring Rural Markets for Private Life Insurance Players in India” attempted to examine the current state of rural life insurance in India and attempts to explore the reasons behind the poor penetration of rural life insurance.**

**A survey of 2000 samples of rural consumers was examined for markets. Their perception and attitude towards buying life insurance products. And the research concluded that the keys to success in insurance penetration**

in rural areas for private players are accessibility, reasonably priced products, effective communication and after-sales service.

Alok Mittal and Akash Kumar (2003), in their study “An Exploratory Study of Factors Affecting Selection of Life Insurance Products” have attempted to identify the factors which are affecting the consumers in taking into consideration before selecting a life insurance product and determining the extent to which these factors are taken into consideration for choosing life insurance products. The study highlighted that consumers take into consideration factors like product attributes, customer delight, payment mode, product flexibility, risk coverage, grace period, professional advisor, and maturity period as important before making a decision on selection of a life insurance product but most important factors which are of vital importance was product attributes, and the least important was maturity period.

William H. Greene and Dan Segal (2004), in their research “Profitability and Efficiency in the U.S. Life Insurance Industry” have discussed the relationship between cost inefficiency and profitability in the U.S. life insurance industry. The life insurance industry is mature and highly competitive, and cost efficiency may be the main driver of profitability. This study suggests that cost inefficiency in the life insurance industry is substantial relative to earnings, and that inefficiency is negatively associated with profitability measures such as the return on equity.

**Marco Arena [The World Bank] (2006)**, in the article – “Does Insurance Market Activity Promote Economic Growth? A Cross Country Study for Industrialized and Developing Countries” has stated that during the last decade, there has been faster growth in insurance market activity, particularly in emerging markets given the process of liberalization and financial integration, which raises questions about its impact on economic growth. So this research tried to systematic ally assess the impact of insurance market activity (life and non-life insurance) on economic growth.

**Subir Sen (2008)**, in his article “An Analysis of Life Insurance Demand Determinants for Selected Asian Economies and India” has tried to understand economic and other socio-political variables, which may play a significant role in explaining the life insurance consumption pattern. This research has highlighted that in India the economic variables such as income, savings, prices of insurance product, inflation and interest rates & demographic variables like dependency ratio, life expectancy at birth, crude death rate and urbanization are few significant determinants which effect the insurance consumption.

**Manjit Singh and Rohit Kumar (2008)**, in the paper, “Indian Insurance Industry Outlook in the Post Reform period”, highlight that insurance penetration and density has witnessed an increasing trend in the post- reform period, but has a long way to go to even come close to the developed

nations. The study also indicates huge unexplored and untapped market in India and shows huge opportunities for insurance companies to capture the business from competitive market; the survival of companies will depend on their strategies and efforts to increase their penetration levels and tap the new business positions especially in rural India.

Baal N. and Sandhog H. S. (August 2011), a study on Life Insurance Corporation of India (LIC) the capital demanding business, supplies the most important financial instruments to customers directed at safety as well as long term savings. The present study by examines the parts affecting agent's perception towards Life Insurance Corporation of India. Moreover, analysis of one way arrangement has also been performed to test the important results to show that no important differences exist among various groups of respondent regarding to their apprehension towards Life Insurance Corporation of India.

Singh H. and Loll M (December 2011), states that life insurance is one of the fastest growing and emerging markets in India. Objective of the present study is to appraise the opportunities for insurers in the rural market and what would be new action to tap the highly underinsured rural area.

Friar F., Khanbashi M. (December 2011), this study is one of the most deliberate Actions taken to attract and satisfy

customer needs are attractive Information system and feedback process between organization and customers.

The aim of this study explores the difference between expectations of employees and customers Towards service quality in Iran's insurance industry. The study revealed that the cogent difference between expectations for employees and customers to a tangible degree Expectations for other dimensions of both groups are homogeneous.

Sharma M., Vijay T. S. e (January 2012), the animus of this study

Impact of Demographic Factors on Investor's Level of Satisfaction with Contra Insurance Policies. The study also examines the impact of demographic factors on investor satisfaction policies. This paper assesses the relationship between demographic factors overall customer satisfaction with insurance policies.

Gautam V, Kumar M (March 2012), The present research is anecdotal. Attitude of Indian Consumers towards Insurance Services. The study was conducted by antiphon of customers is collected through structured questionnaire on five-point Likert scale. The mandate of the current study may serve as an important aspect of insurance Companies in the Indian market to drive marketing strategies based on socio-demographics and economic factors.

Ansari Z. A. (March 2012) The present study examines the attitudes of individuals different types and scope of risk they

prefer in Saudi Arabia. The study further examines how The use of insurance, especially binding insurance, has changed the perception of risks Their future behaviour towards purchasing other insurance policies and its characteristics Insurance users are advised in their insurance policy contract.

Bihani P. Bhowal A. (April 2013), said that the life insurance industry is at a crossroads. Augmentation aspect and cyclical advancements are taking place regarding products and services.

The most striking finding of the study is that the severity of customer resolution is high A measure of expected customer satisfaction.

Ch S. (May 2014), study reflects that currently 40% of businesses Insurance companies do this through the medium of bancassurance. Findings of the study It reveals that the insurance company can realize almost all the benefits of bancassurance By selling their product using banks database and their branch aperture. In India 70 percent of the population in rural areas are not covered by insurance specifically.

Srivastava A. Tripathi S. et al (April 2012) is a study of insurance industry facts In addition to the financial sector of an economy, it also provides the social contract of paramount importance Developing countries.

Hence, a study of Indian life insurance industry and its changes. Although the sector is growing rapidly, the trends concluded that the industry is not yet insured 50% of India's insurable population. To achieve this goal, the sector needs more. Improvement in insurance concentration and insurance diffusion.

Das S. K. (June 2012), a study on insurance is an important part of financial services and the system is recognized as a vital component of a country's economic health and a sign of progress.

Insurance providers offer a valuable investment for the financial security of citizens. Advises and acts as a persuasive step towards personal and national financial stability. That High operating cost, extortion break even, confluence of accounting standards etc. are found to be Major Issues of Life Insurance Companies in India.

Mehta D., Tripathi A. (February 2014), in his study of the insurance sector India is growing rapidly. With a new and more and more private entrance. Their life within the industry is getting very intense. So, to survive today Focusing on customer satisfaction is the key factor for any company in the market to Nurture and attract their potential clients.

Satya KKV R. and Radha B. et al (December 2014), the study conducted has one objective is to study the osmosis and expansion of the insurance industry. The region is uniformly widened post-liberalisation expansion has meant a



contraction in business sales over the last four years. Income recorded. In 2005, the private sector opened several offices and LIC 2009 figures.

Prasad K., Sravanti V. (October 2014), the insurance industry has expanded Industry. In India, post liberalization the industry is beginning to show promise Privatization of the sector. The study of insurance industry has achieved great success in Indian growth story over the past few years. Both are often used to determine growth rates Insurance sector in a country.

## **CHAPTER - 3**

# **THEORITICAL FRAMEWORK**

## Life Insurance

can be defined as a contract between an insurance policy holder and an insurance company, where the insurer promises to pay a sum of money in exchange for a premium, upon the death of an insured person or after a set period.

Buying life insurance protects your spouse and children from the potentially devastating financial losses that could result if something happened to you. It provides financial security, helps to pay off debts, helps to pay living expenses, and helps to pay any medical or final expenses.



Life Insurance Corporation of India (LIC) is the largest state-owned life insurance and investment corporation for personal insurance purposes and was introduced on 1 September 1956. LIC's main role is to invest in global financial markets and various

government securities after raising funds. The importance of LIC Life Insurance is to provide financial protection against death to individuals at an affordable cost in rural areas, poverty and underprivileged people. Life insurance is a contract between the insurance company and the insured person (customer) for payment gateways at periodic intervals, maturity date or unfortunate death of the person. LIC life insurance plans provide you the benefits of protection and savings along with lifetime financial support. LIC Life Insurance Corporation of India is the largest life insurance company in India.

## **Mission and Vision of LIC of India**

### **Mission**

"Ensure 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."

A REGULAR LIFE INSURANCE COMPANY OF HOUSING DEVELOPMENT FINANCE CORPORATION LTD IS HDFC LIFE INSURANCE. It is a joint venture between HDFC Ltd and Standard Life Aberdeen, a global investment firm. A LEADER IN LONG-TERM LIFE INSURANCE IS HDFC LIFE INSURANCE COMPANY.

A PROVIDER OF INSURANCE, THE BUSINESS OFFERS PERSONAL AND GROUP INSURANCE SOLUTIONS THAT SUIT POLICYHOLDERS' NEEDS FOR INVESTMENT, SAVINGS, PENSION PLANS, PROTECTION, AND HEALTH.

The 13 group plans, 37 individual benefits, and 7 optional rider benefits offered by HDFC Life Insurance Company will meet the needs of the client. A STRONG FOUNDATIONAL FINANCIAL CONSULTANT, HDFC COMPANY'S PARTNERSHIPS WITH NBFCs, MFIS, AND SFBS MAKE HDFC LIFE INSURANCE COMPANY.

In the last ten years, HDFC Life Insurance has experienced tremendous growth. The HDFC Life Insurance Company provides term life insurance, retirement savings plans, and ULIP PLANS, HEALTH PLANS, CHILD PLANS, GROUP INSURANCE PLANS.

THE COMPANY'S VISION IS 'TO PROVIDE INNOVATIVE AND CUSTOMER CENTRIC INSURANCE PLANS THAT CAN HELP OUR CUSTOMERS SECURE THEIR FAMILY'S FUTURE AS WELL AS HELP THEM WITH OTHER BENEFITS SUCH AS TAX SAVINGS.

## **OBJECTIVES AND ROLE OF LIC OF INDIA IN LIFE INSURANCE**

- **EXTEND LIFE INSURANCE WIDELY TO RURAL AREAS AND SOCIALLY AND ECONOMICALLY BACKWARD SECTIONS WITH AN AIM TO REACH ALL INSURED PERSONS IN THE COUNTRY AND PROVIDE THEM WITH ADEQUATE FINANCIAL PROTECTION AGAINST DEATH AT AFFORDABLE RATES.**
- **MAXIMIZE PEOPLE'S SAVINGS BY MAKING INSURANCE-LINKED SAVINGS ATTRACTIVE ENOUGH.**
- **IN THE INVESTMENT OF FUNDS, WITHOUT LOSING THE INTEREST OF THE SOCIETY AS A WHOLE, BEARING IN MIND THE PRIMARY OBLIGATION TO ITS POLICYHOLDERS, WHOSE MONEY IS HELD IN TRUST; FUNDS SHOULD BE DEPLOYED FOR THE BETTERMENT OF INVESTORS AND SOCIETY AS A WHOLE, TAKING INTO ACCOUNT NATIONAL PRIORITIES AND OBLIGATIONS OF ATTRACTIVE RETURNS.**
- **CONDUCT BUSINESS WITH THE UTMOST ECONOMY AND FULL REALIZATION THAT THE MONEY BELONGS TO THE POLICYHOLDERS.**
- **ACT AS TRUSTEES IN INDIVIDUAL AND COLLECTIVE CAPACITIES OF THE INSURED PUBLIC.**
- **TO MEET THE VARIOUS LIFE INSURANCE NEEDS OF THE EMERGING SOCIETY IN A CHANGING SOCIAL AND ECONOMIC ENVIRONMENT.**
- **INVOLVE ALL PEOPLE WORKING IN THE CORPORATION TO THE BEST OF THEIR ABILITY IN ADVANCING THE INTERESTS OF THE INSURED PUBLIC BY PROVIDING COURTEOUS AND EFFICIENT SERVICE.**
- **PROMOTE PARTICIPATION, PRIDE AND JOB SATISFACTION AMONG ALL AGENTS AND EMPLOYEES OF THE CORPORATION.**

## **OBJECTIVES AND ROLE OF HDFC LIC**

- **WIDE RANGE OF PRODUCTS: HDFC OFFERS A WIDE RANGE OF TERM, SAVINGS, INVESTMENT, PENSION, HEALTH AND CHILD PLANS. YOU CAN CHOOSE THE PLAN THAT SUITS YOUR NEEDS.**
- **HIGH CLAIM SETTLEMENT RATIO: HDFC LIFE INSURANCE HAS A CLAIM SETTLEMENT RATIO OF 99.07% FOR THE YEAR 2019-20. A HIGH CLAIM SETTLEMENT RATIO REFLECTS HOW MUCH YOU CAN RELY ON INSURANCE COMPANIES. THE CLAIM SETTLEMENT RATIO SHOWS THE NUMBER OF CLAIMS SUCCESSFULLY SETTLED BY THE INSURANCE COMPANY OUT OF THE TOTAL CLAIMS RECEIVED DURING A YEAR.**
- **AFFORDABLE PRODUCTS: HDFC LIFE INSURANCE IS KNOWN AS A LEADING INSURANCE SOLUTION PROVIDER AT AFFORDABLE PRICES. ALL HDFC LIFE INSURANCE PLANS ARE DESIGNED TO MEET YOUR NEEDS AT AFFORDABLE RATES. SOME PLANS ARE DESIGNED TO GIVE YOU AS MANY BENEFITS AS POSSIBLE AT A VERY AFFORDABLE PRICE**

- **SUPERIOR CUSTOMER SUPPORT: HDFC OPERATES WITH FIVE VALUES OF EXCELLENCE, PEOPLE ENGAGEMENT, INTEGRITY, CUSTOMER CENTRICITY AND COLLABORATION TO PROVIDE HIGH QUALITY SERVICES TO ITS CUSTOMERS. HDFC LIFE INSURANCE HAS A STRONG CUSTOMER CARE SERVICE AVAILABLE TO ITS CUSTOMERS 24X7.**

### **REASONS BEHIND CHOOSING LIC OF INDIA**

- **INDUSTRY LEADER: LIFE INSURANCE CORPORATION OF INDIA (LIC) HAS A TECHNOLOGICALLY ADVANCED NETWORK TO PROVIDE YOU WITH THE MOST ADVANCED AND EFFICIENT SERVICES WITH OVER 2000 BRANCH OFFICES AND 156 SATELLITE BRANCHES.**
- **WIDE RANGE OF PLANS: LIFE INSURANCE CORPORATION (LIC) OFFERS LIFE INSURANCE POLICIES FOR INDIVIDUALS, FAMILIES, SENIOR CITIZENS, AND CHILDLESS COUPLES. THEY OFFER A VARIETY OF PLANS WITH DIFFERENT FEATURES AND BENEFITS; INCLUDING TERM PLANS, WHOLE LIFE POLICIES, ENDOWMENT PLANS, AND ULIPS.**
- **EASY CLAIM SETTLEMENT: LIC PROVIDES A SIMPLIFIED CLAIM PROCEDURE. THIS IS THE REASON PERHAPS WHY IT PROVIDED THE HIGHEST PERCENTAGE OF CLAIM SETTLEMENT RATIO.**
- **UNMATCHABLE CUSTOMER SUPPORT: THE CUSTOMER SUPPORT OF LIC IS ONE OF THE BEST IN THE INDUSTRY.**
- **TRUST ENSURED: LIC IS THE MOST TRUSTED INSURANCE COMPANY WITH HUNDREDS OF RECOGNITIONS AND AWARDS AND LIC POLICY IS TRUSTED BY MILLIONS OF PEOPLE.**

### **REASONS BEHIND CHOOSING HDFC LIC OF INDIA**

**●CLAIM SETTLEMENT RATIO: HDFC LIFE INSURANCE COMPANY PROVIDES EVERY POLICYHOLDER WITH FINANCIAL SECURITY FOR THEIR FAMILY IN THE EVENT OF ANY DEATH OR DEMISE.**

**GIVE SERVICES WITHOUT TROUBLE. The HDFC Life Insurance Claim Settlement Ratio is 99.07%, according to the IRDAI Report.**

- **LIFE COVER TILL 99 YEARS: TO MAKE SURE YOUR FAMILY'S FINANCIAL PROTECTION WHEN YOU ARE NOT AROUND WITH A LIFE COVER UP TO 99 YEARS AT REASONABLE PREMIUMS.**
- **CORONA KAVACH ADD-ON: WITH THIS ADD-ON, YOU ARE COVERED FOR HOSPITALIZATION, PPE KIT, GLOVES, MASKS, ETC., EXPENSES. IF CORONA KAVACH/COVID-19 HAS AFFECTED YOU.**
- **ACCIDENTAL DEATH BENEFIT: IN THE EVENT OF ANY DEATH CAUSED BY A ROAD ACCIDENT, THIS ACCIDENTAL DEATH COVERS YOU WITH ADDITIONAL PAYOUTS.**
  - **CRITICAL Illness Benefit: You are covered for the critical illness**
  - **CRITICAL ILLNESS BENEFIT: THE CRITICAL ILLNESS COVERAGE WILL PROTECT YOUR FAMILY AGAINST LOSS OF INCOME DUE TO ANY ILLNESS DIAGNOSED BY COVERING YOU FOR 19 ILLNESSES.**
  - **1 DAY CLAIM SETTLEMENT: ONLY ONLINE POLICY PURCHASES ARE ELIGIBLE FOR HDFC LIFE INSURANCE'S 1 DAY CLAIM SETTLEMENT, WHICH PAYS INTEREST ON YOUR DEATH CLAIM AMOUNT FOR EVERY SINGLE DAY.**

## **TYPES OF HDFC LIFE INSURANCE PLANS**

**TERM PLAN :** A SPECIAL KIND OF LIFE INSURANCE POLICY KNOWN AS A "TERM PLAN" OFFERS PROTECTION FOR A PREDETERMINED AMOUNT OF TIME. THE INSURANCE COMPANY PAYS IN THE TRAGIC EVENT THAT THE COVERED PERSON PASSES AWAY DURING THE SET TERM.THE INSURED'S BENEFICIARIES A PREDETERMINED AMOUNT OF MONEY.

- **HDFC Life Click 2 Protect Life**
- **HDFC Life Saral Jeevan Bima**

**Savings plan:** Savings plans are the financial instruments for wealth accumulation that offer insurance coverage. Under the best savings schemes, a death benefit is paid to the beneficiary of the policy in case of an unfortunate demise of the insured during the policy tenure.

- **HDFC Life Sanchay Plus**
- **HDFC Life Sanchay Par Advantage**
- **HDFC Life Sanchay**
- **HDFC Life Classic Assure Plus**
- **HDFC Life Super Income Plan**

- **HDFC Life Sampoon Samridhi Plus**
- **HDFC Life Uday Plans**
- **HDFC Life Pragati Plans**

**ULIP Plan:** The full form of ULIP is Unit Linked Insurance Plan. A ULIP is an insurance plan that offers the dual benefit of investment to fulfil your long-term goals, and a life cover` to financially protect your family in case of an unfortunate event.

- **HDFC Life Click 2 Wealth**
- **HDFC Life Click2Invest ULIP**
- **HDFC Life Pro Growth Plus**
- **HDFC SL Pro Growth Super II**
- **HDFC SL Crest**
- **HDFC SL Pro Growth Flexi**
- **HDFC Life Smart Woman Plan**
- **HDFC Life Pragati Plans**
- **HDFC Life Sampoorna Nivesh**
- **HDFC Life Classic One**
- **HDFC Life Capital Shield**

**PENSION PLANS :** A pension plan is an employee benefit that commits the employer to make regular contributions to a pool of money that is set aside in order to fund payments made to eligible employees after they retire.

- **HDFC Life New Immediate Annuity Plan**
- **HDFC Life Click 2 Retire**
- **HDFC Guaranteed Pension Plan**
- **HDFC Life Personal Pension Plus**
- **HDFC Life Assured Pension Plan**
- **HDFC Life Saral Pension**

**CHILD PLANS:** A child plan is an insurance plan that helps you create a corpus for your child's future, over a period of time (policy term). These plans pay a lump sum amount on maturity that can be used to pay your child's education fees or wedding expenses.

- **HDFC Life Click 2 Wealth**
- **HDFC Life Click 2 Retire**
- **HDFC Life Youngster Udaan**



**POS plans:** A point of service plan is a type of managed care health insurance plan in the United States. It combines characteristics of the health maintenance organization and the preferred provider organization.

- **HDFC Life Guaranteed Savings Plan**

**Combo plans:**

- **HDFC LIC Sanchay Maximiser**

## **TYPES OF LIC LIFE INSURANCE PLANS**

### **Term life insurance plans**

- **LIC's TECH TERM**
- **LIC's Jeevan Amar**
- **LIC's Saral Jeevan Bima**

### **Money back plans**

- **LIC's New Bima Bachat**
- **LIC's New Money Back Plan-20 Years**
- **LIC's New Money Back Plan-25 Years**
- **LIC's Jeevan Umang**
- **LIC's New Children's plan**
- **LIC's Jeevan Tarun**
- **LIC's Jeevan Shiromani**
- **LIC's Bima Shree**
- **LIC's Dhana Rekha**

### **Endowment plans**

- **LIC's Bima Jyothi**
- **LIC's Bachat Plus**
- **LIC's New Endowment Plan**
- **LIC's New Jeevan Anand**
- **LIC's Single Premium Endowment Plan**
- **LIC's Jeevan Lakshya Plan**
- **LIC's Jeevan Lakshya Plan**
- **LIC's Aadhaar Stambh Plan**

- LIC's Aadhaar Shila Plan

## **Pension plans**

- Pradhan Mantri Vaya Vandana Yojana
- LIC's Jeevan Akshay - VII
- LIC's New Jeevan Shanti
- LIC's Saral Pension

## **Group plans**

- LIC's New Group Superannuation Cash Accumulation Plan
- LIC's New Group Gratuity Cash Accumulation Plan
- LIC's New Group Leave Encashment Plan
- LIC's Group Credit Life Insurance
- LIC's Single Premium Group Insurance
- LIC's New One Year Renewable Group Term Assurance Plan I
- LIC's New One Year Renewable Group Term Assurance Plan II
- LIC's One Year Renewable Group Micro Term Assurance Plan
- Group Immediate Annuities
- LIC's Group Assurance plan

**Withdraw plans:** A withdrawal plan is a financial plan that allows a shareholder to withdraw money from a mutual fund or other investment account at predetermined intervals. Often, this type of plan is used to fund expenses during retirement.

- LIC's Bhagya Lakshmi
- LIC's Jeevan Akshay - VII
- LIC's New Jeevan Shanti
- LIC's Saral Pension
- LIC's Bima Jyothi
- LIC's New Jeevan Mangal
- LIC's Jeevan Arogya

**Micro insurance plan:** Micro insurance is specifically intended for the protection of low -income people, with affordable insurance products to help them cope with and recover from financial losses.

- LIC's Bhagya Lakshmi
- LIC's New Jeevan Mangal
- LIC's Micro Bachat Plan

## DIFFERENCE BETWEEN HDFC LIFE INSURANCE AND LIC LIFE INSURANCE OF INDIA.

Parameter	LIC	HDFC
Claim Settlement Ratio	98.62%	98.66%
Solvency Ratio	1.83	1.91
Online Availability	Yes	Yes
Life Cover	Up to 99 years	Up to 99 years
Riders	Available	Available
Number of Branches Available	2048	421
Premium Payment Term	Regular Pay, Single Pay, Limited Pay	Regular Pay, Single Pay, Limited Pay
Premium Payment Mode	Yearly/Half-yearly/ Quarterly/ Monthly	Yearly/Half-yearly/ Quarterly/ Monthly

### **The Advantages of Life Insurance**

Until a tragic disaster or mishap makes them realise how important it is, many Indians put off purchasing insurance because they believe it is a pointless expenditure. Although you cannot anticipate the future, life can be rather unpredictable.

You can be ready to deal with any uncertainties. Investing in a quality life insurance policy is one of the finest ways to deal with life's uncertainties and make sure that your loved ones are financially secure in the case of hardship. **A life insurance policy is the finest way to achieve everyone's ultimate goal of giving protection and financial stability to the ones they love. There are numerous more benefits of life insurance besides protection and financial stability, including the following:**

discussed after

#### **1) Valuable return on your investment**

Several financial gurus in India advise everyone to purchase a life insurance policy, both to safeguard your family financially in the event that you pass away and to potentially earn significant profits on the investment.

Now, many life insurance plans in India have started to offer a respectable sum as a bonus, something no other investing instrument does.

## **2) Tax Benefits on Life Insurance Policy**

The numerous tax advantages that life insurance provides are just one of its many advantages. You may deduct the cost of your life insurance under Section 80C if you are a salaried employee. Today, the maximum tax deduction available under this clause is Rs. 1,50,000.

## **3) Availability of loan for life insurance policy holders**

You can use your life insurance policy to your advantage and take a loan against it in any urgent financial circumstance. Nearly all of India's leading insurance companies today offer policyholders access to loans. According to the terms of the policy, you may borrow a portion of the cash value or sum assured.

## **4)Aids in financial planning through various life stages**

It is of utmost importance to plan your finances well at different stages of life. This is where life insurance can play an important role. You can avail the benefits of term life insurance and provide financial support to your family in case of your untimely death.

## **5) Guaranteed income in life insurance**

Your family feels secure because you are bringing in a steady income to meet their needs. The income you earn helps pay the loan (if any), rent, daily bills, children's education and other household expenses. Some life insurance policies provide fixed

pay-outs, which can cover the loss of income due to the death of an earning member of the family.

#### **6) Additional coverage in life insurance**

The default coverage given in many life insurance policies in India can be supplemented by the policyholder by purchasing additional coverage. Riders are the name for this additional coverage. With riders, you can receive more coverage and comprehensive protection against dangers not covered by the life insurance policy's main limit.

#### **7) Security of business in life insurance**

There are a few life insurance companies in India that provide an option wherein if you buy a policy and run a business, your spouse can buy a share of the policyholder after the policyholder's death. In this case, the business partner will have to sign an agreement with the life insurance company and the pay-out after selling the share will be given to the nominated nominee.

#### **THE DISADVANTAGES OF LIFE INSURANCE**

##### **1) Life insurance is expensive for the elderly**

Buying a life insurance policy when you're young seems like the most logical thing to do, but why? The premium for young buyers is quite affordable. The premium amount of a life insurance policy is determined based on your personal health condition, family health condition and your age.

**BUT IF YOU ARE ABOVE 40 YEARS OF AGE OR IF YOU ARE SICK OR HAVE A FAMILY HISTORY OF POOR HEALTH, THE INSURANCE COMPANY MAY CONSIDER YOU A RISKY BUYER AND CHARGE YOU A HIGHER PREMIUM TO MITIGATE**

THE RISK. SO, IF YOU ARE ELDERLY OR HAVE A CHRONIC ILLNESS, A LIFE INSURANCE POLICY FOR YOUR LOVED ONE CAN BE HELPFUL, BUT IT CAN BE AN ADDITIONAL BURDEN ON YOUR EXPENSES.

## **2)Income from life insurance is not significant**

Some life insurance plans, such a full life insurance plan, offer the protection and investment benefits go hand in hand. The element of a whole's financial value.A life insurance policy is a fantastic method to put money aside for purposes like retirement and to give your family protection in the event of your passing.

Yet you should be aware that the investment returns are substantially smaller. than other forms of investing. You can put your hard-earned cash into a term investment.

insurance policy and put the surplus funds into other investment vehicles to boost the likelihood that you'll receive higher results.

## **3) Exclusion in Life Insurance Policy**

Not all life insurance policies provide comprehensive coverage; Certain exceptions are mandatory. For example, your insurance policy may not cover loss of life due to drug overdose or involvement in criminal/illegal activities.

Insurance may not provide benefits.

There have been many instances where insurance companies have not paid the sum assured or death benefit to the policyholder or nominee. Insurance companies often use many tricks to avoid paying benefits even after the policy expires. It is

advisable to consult your financial advisor about the pros and cons of the policy before entering into a contract.

## CHAPTER – 4

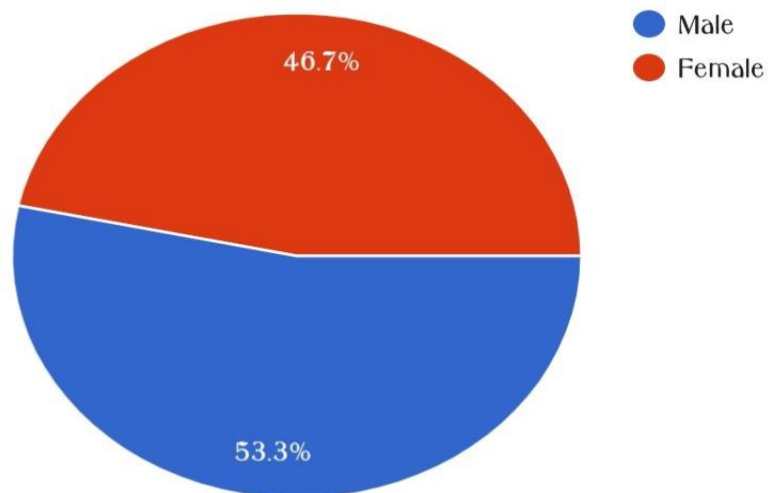
# DATA ANALYSIS AND INTERPRETATION

This Chapter deals with the analysis and interpretation of data which is collected from people. For the study , respondents were selected randomly. Investors perception on Life Insurance Corporation of India and HDFC Life Insurance Company Ltd. was studied through collecting data from 60 respondents. It is collected with the help of a questionnaire containing 20 questions.

4.1 : Table showing the gender of respondents.

No. of females	No. of males	Total Respondents
28	32	60

Figure 4.1 : Figure showing the gender of respondents.



( Source : primary data )



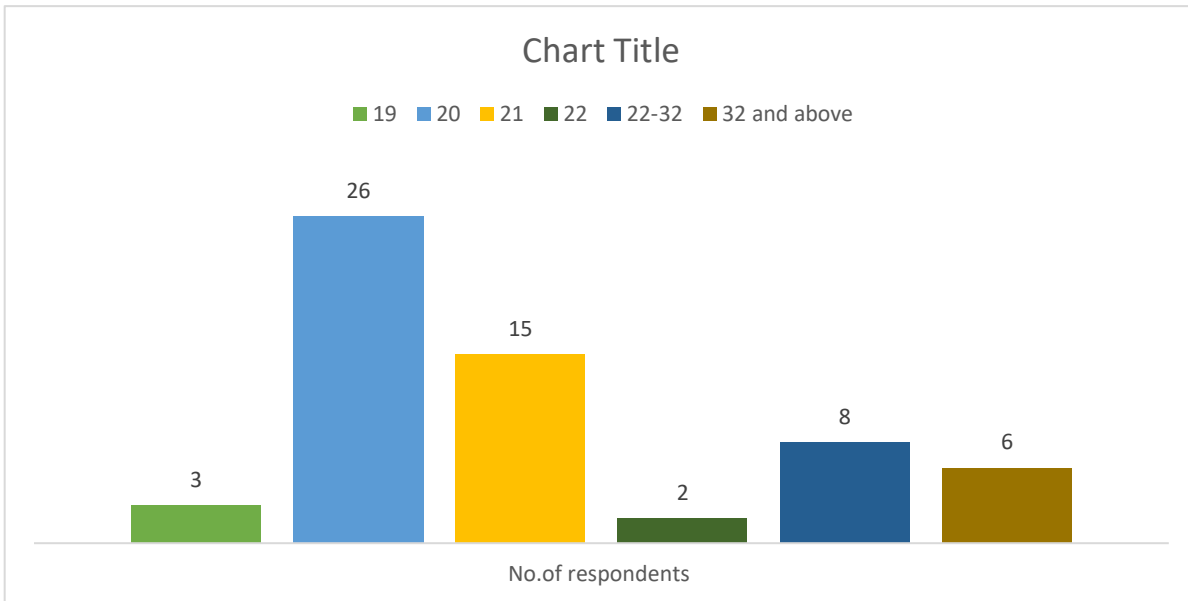
## **INTERPRETATION**

Out of the 60 respondents , 32 are male and 28 are female. The majority of the respondents are male which shows that they are the most interested in insurance policies. It may be because men typically pay more for life Insurance than women due to their shorter life expectancy. Statistics always show that women have a longer lifespan than men.

**4.2 : Table showing the age of respondents.**

<b>Age group</b>	<b>No. of respondents</b>
19	3
20	26
21	15
22	2
22 - 32	8
32 and above	6
<b>Total</b>	<b>60</b>

**Figure 4.2 : Figure showing the age of respondents.**



( Source : primary data )

### ***INTERPRETATION***

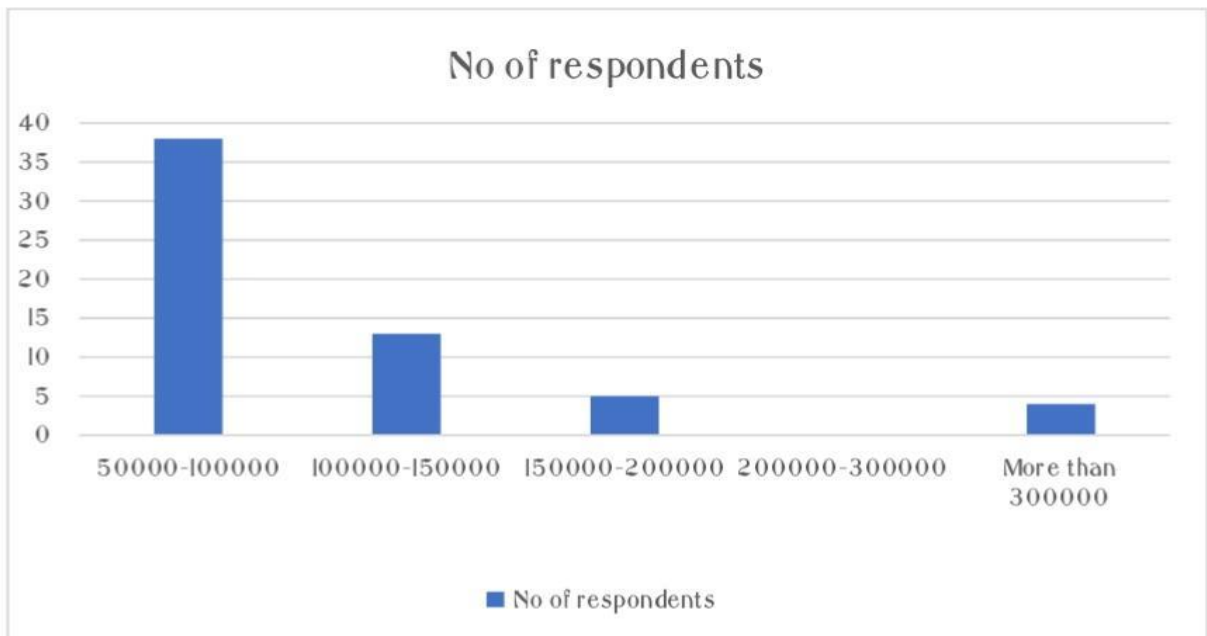
From the graph we can understand that most of the respondents who are into LIC of India and HDFC Life Insurance Company limited comes in the age group of 20 with 26 respondents, followed by the age group of 21 with 15 respondents, 19 and 22 with 3 & 2 respondents respectively. The least are of age group above 22 with a total of 14.

Most of them are graduate because they are mostly into the study of this scheme and this knowledge help them to support their family from financial crises.

### **4.3 Table showing the Annual Income of respondents.**

Annual Income	No. of Respondents	Percentage
50000 - 100000	38	63.3 %
100000 - 150000	13	21.7 %
150000 - 200000	5	8.3 %
200000 - 300000	-	-
More than 300000	4	6.7%

**Figure 4.3 : Figure showing the Annual Income of respondents.**



**(Source: primary data)**

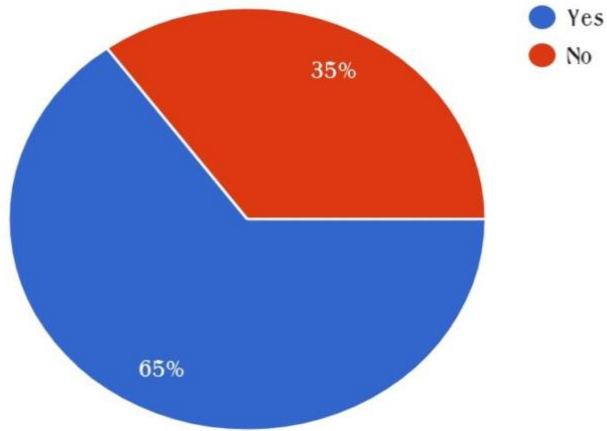
### **INTERPRETATION**

The table shows that , Majority of the respondents with 63.3 % of the total have an annual income around 1 lakh. 21.7% have income around 150000 and 8.3% around 200000. There are also a few with more than 300000 income. This may be because, most of them comes from a middle class family and they need a life insurance more than higher income individuals as their income is often just sufficient for them to meet their day-to-day needs , but are not be able to save up any money for emergency situations or for their future needs.

**4.4 Table showing respondents having any of the insurance policy.**

<b>Response</b>	<b>No. of Respondents</b>	<b>Percentage</b>
<b>Yes</b>	<b>39</b>	<b>65%</b>
<b>No</b>	<b>21</b>	<b>35 %</b>
<b>Total</b>	<b>60</b>	<b>100 %</b>

**Figure 4.4 : Figure showing the respondents having any of the insurance policy.**



( Source : primary data )

### ***INTERPRETATION***

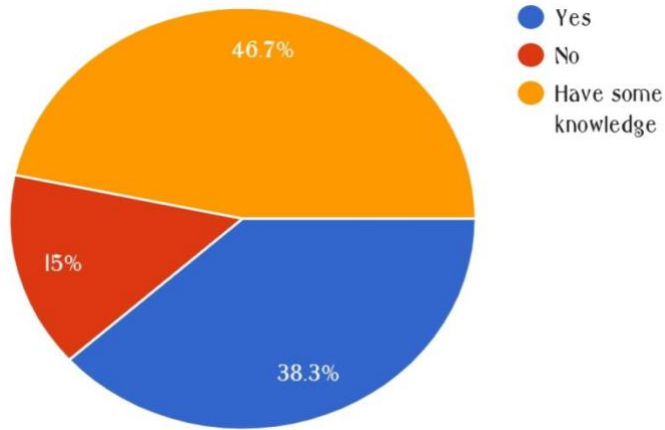
The result states that 65 % of the respondents have an insurance policy , whereas 35% doesn't have it. It can be because, majority have an insurance policy because they are aware that it can protect their family, property and themselves from monetary risk and losses. It helps to replace lost income, to pay off debts of loved ones, pay for future education expenses, cover funeral expenses etc..

4.5. Table showing the awareness of respondents about the investment options available.

Response	No . of Respondents	Percentage
Yes	23	38.3 %
No	9	15 %
Havesome Knowledge	28	46.7 %

Total	60	100 %
-------	----	-------

**Figure 4.5 : Figure showing the awareness of respondents about the investment options available.**



( Source: primary data)

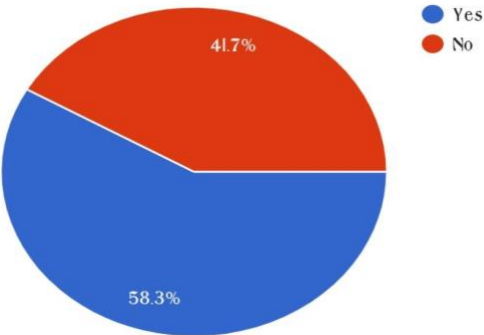
### ***INTERPRETATION***

The data shows that 46.7% of the respondents have some knowledge about investment options available and 38.3% are aware about it. But 15% have no awareness about it. The motivation and capacity of working people to save and invest their money for return in their hard times has been influenced by awareness of financial assets and real assets, which has led to the importance of investments. This maybe the reason for their awareness on investment.

**4.6 Table showing the awareness of respondents on the investment opportunities that insurance provide.**

Response	No. of respondents	Percentage
Yes	35	58.3 %
No	25	41.7 %
Total	60	100 %

**Figure 4.6 : Figure showing the awareness of respondents about the investment opportunities that insurance provide.**



( Source: primary data)

***INTERPRETATION***

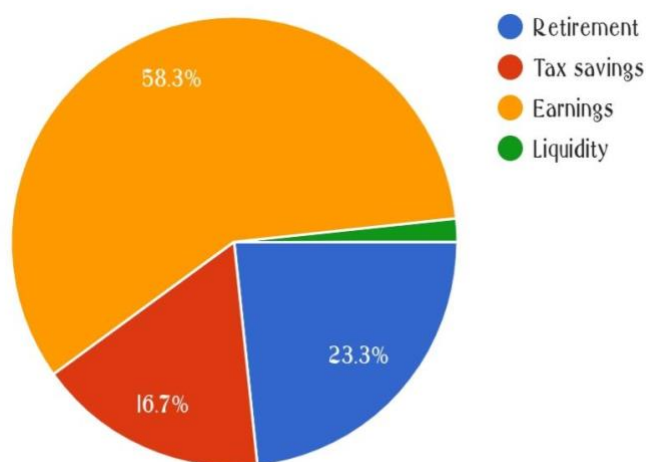
58.3 % of the respondents are aware about the investment opportunities that insurance provide whereas rest are not aware. It may be so because the majority of them are aware of the investment options provided by insurance companies, whether those options involve a deposit, a loan, the payment of premiums, the acquisition of a right or interest in or arising

from insurance or life policies, in a statutory fund, or any other investment of a like nature.

4.7. Table showing the awareness of respondents on the reasons we want to invest into insurance.

Responses	No. of Respondents	Percentage
Retirement	14	23.3 %
Tax savings	10	16.7 %
Earnings	35	58.3 %
Liquidity	1	1.7 %

Figure 4.7 : Figure showing the awareness of respondents on the reasons we want to invest into insurance.



( Source: primary data)



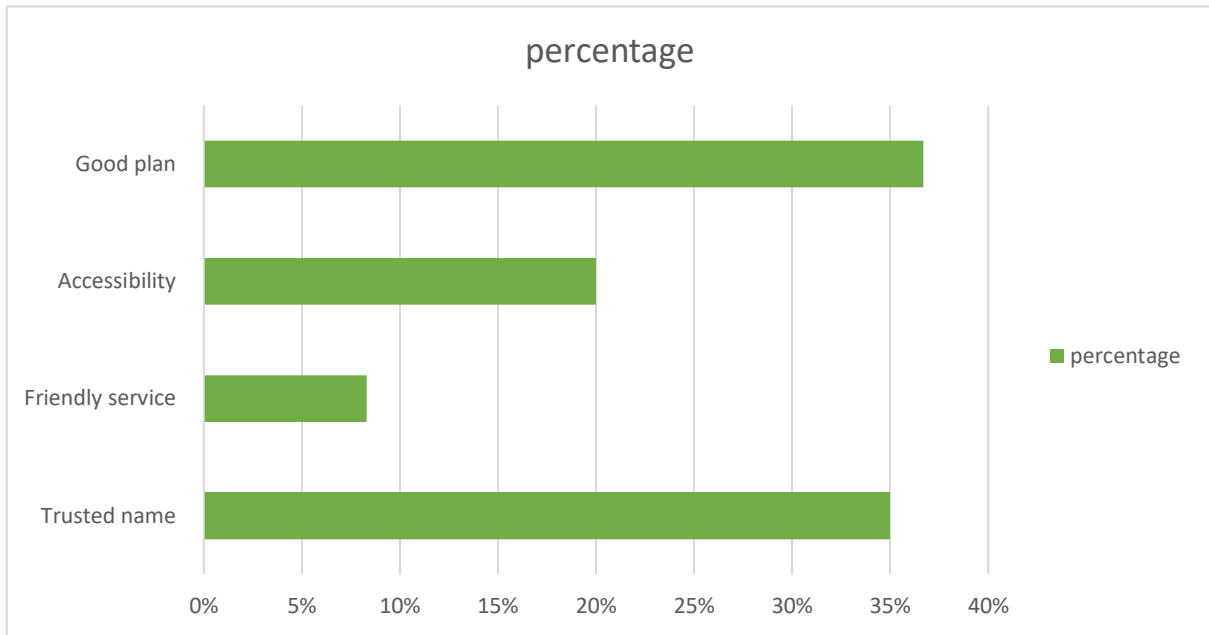
## **INTERPRETATION**

The result states that more than half of the respondents (58.3 %) invest into insurance for Earnings whereas 23.3% depend on it for retirement and 16.7 % for tax savings. Only 1.7% invest on it for liquidity. In conclusion, most people invest in insurance to accumulate wealth and savings through recurring investments. Regular premium payments are made, with part going towards life insurance and the other split between an investment or savings plan, depending on our goals and needs for the future.

4.8. Table showing the awareness of respondents on the factors that attract you to an insurance company.

<b>Factors</b>	<b>No. of Responde nts</b>	<b>Percenta ge</b>
<b>Trusted name</b>	<b>21</b>	<b>35 %</b>
<b>Friendly service</b>	<b>5</b>	<b>8.3 %</b>
<b>Accessibil ity</b>	<b>12</b>	<b>20 %</b>
<b>Good plan</b>	<b>22</b>	<b>36.7 %</b>

**Figure 4.8 : Figure showing the awareness of respondents on the factors that attract you to an insurance company.**



**( source : primary data )**

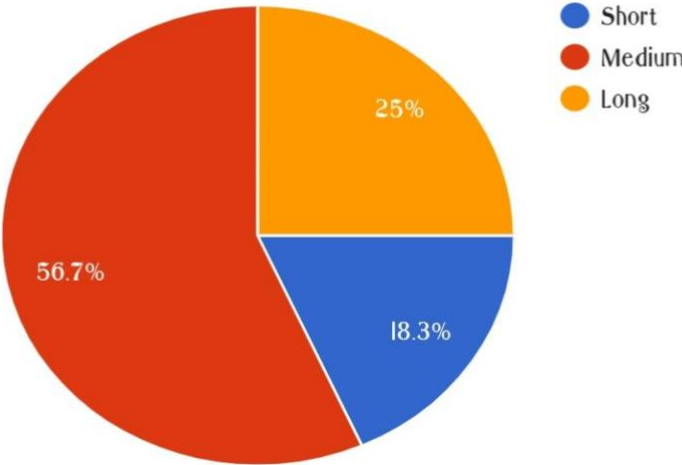
***INTERPRETATION***

The graph shows that majority are attracted to an insurance company because of its good plan and Trusted name. It may be because customers mainly look for reliable and beneficial plans to protect them financially and provide peace of mind. 20% are attracted due to its accessibility whereas 8.3% due to its friendly service. However safer and faithful plans are the core reasons to get attracted to these policies.

**4.9. Table showing the awareness of respondents on the term insurance plan preferred.**

Term	No. of respondents	Percentage
Short	11	18.3 %
Medium	34	56.7%
Long	15	25 %

Figure 4.9 :: Figure showing the awareness of respondents on the term insurance plan preferred.



( source : primary data)

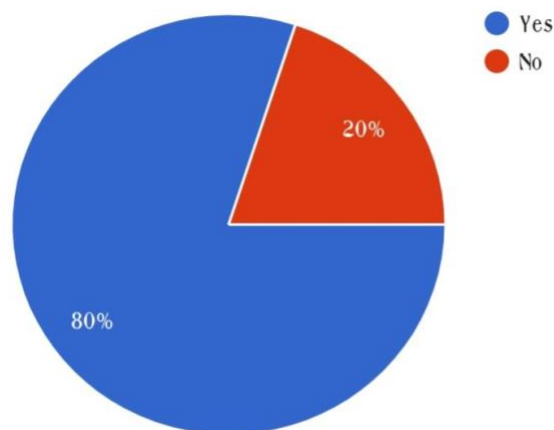
## **INTERPRETATION**

Table 4.9 shows that majority (56.7%) of the respondents prefers a medium term insurance plan whereas 25% prefers a long and 18.3% a short term plan. The preference of medium term may be because of its specialised insurance coverage, primarily intended for capital equipment sales.

4.10. Table showing the awareness of respondents on HDFC life insurance and LIC Of India.

Response	No. of respondents	Percentage
Yes	48	80 %
No	12	20 %

Figure 4.10 :. Figure showing the awareness of respondents on HDFC life insurance and LIC of India .



Source : Primary data )

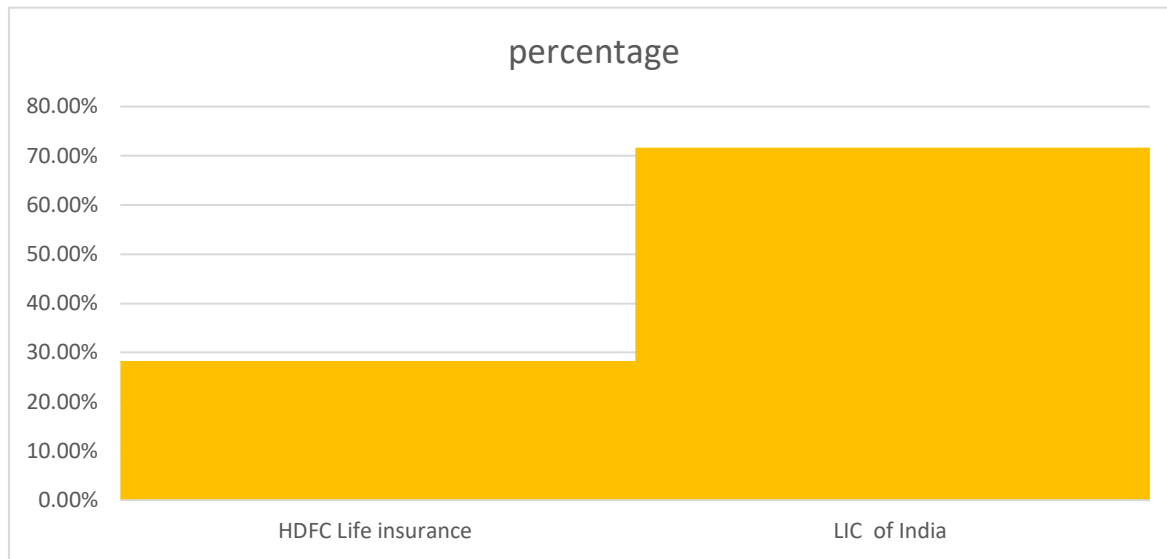
### ***INTERPRETATION***

The result shows that majority with 80% of respondents are aware about HDFC Life insurance and LIC of India. It may be because both Insurance plans are very popular and are the leading life insurance companies in India. They are also well known for their affordable plans and wide range of benefits. Only 20% are unaware about it.

4.11. Table showing the awareness of respondents about HDFC life insurance and LIC India, which among them can provide us better claims.

<b>Basis</b>	<b>No. of Responden ts</b>	<b>Percenta ge</b>
<b>HDFC Life Insuran ce</b>	<b>17</b>	<b>28.3 %</b>
<b>LIC of India</b>	<b>43</b>	<b>71.7 %</b>

**Figure 4.11 :. Figure showing the awareness of respondents about HDFC life insurance and LIC India, which among them can provide us better claims.**



**( Source: Primary data)**

***INTERPRETATION***

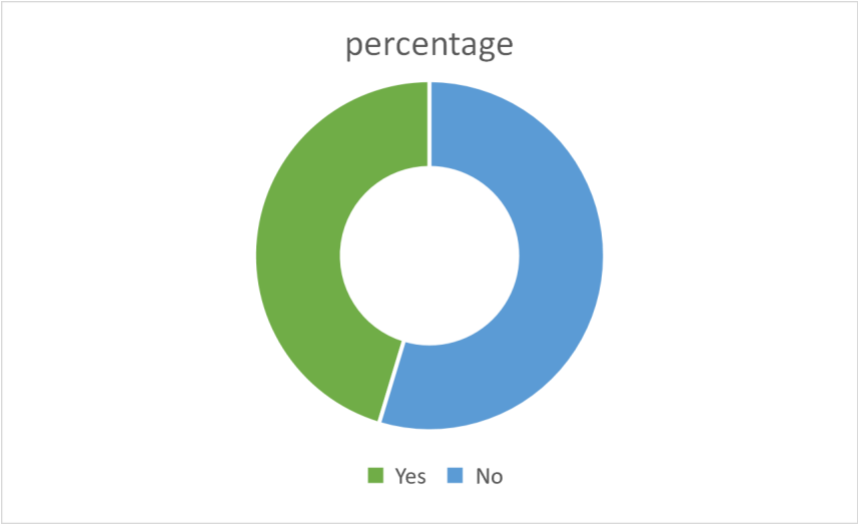
The result shows that 71.7 % respondents prefers LIC of India whereas 28.3 % prefers HDFC life Insurance for better claims. The preference of LIC for claim may be because of its hassle free claim settlement and provides a simplified claim procedure.

**4.12 Table showing the awareness of respondents on comparing does HDFC life Insurance better than LIC of India.**

<b>Response</b>	<b>No. of respondents</b>	<b>Percentage</b>
-----------------	---------------------------	-------------------

Yes	28	46.7 %
No	32	53.3 %

**Figure 4.12 : Figure showing the awareness of respondents of comparing does HDFC Life Insurance better than LIC of India.**



( source : primary data )

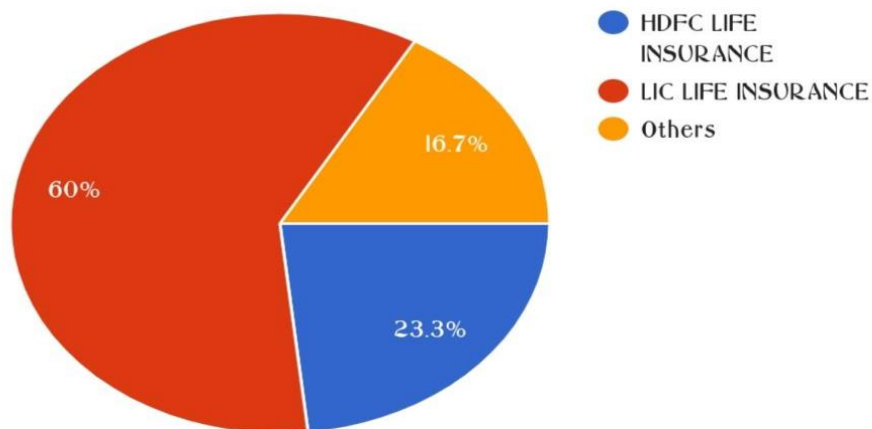
***INTERPRETATION***

The table shows that 53.3% disagree to the fact that HDFC life Insurance is better than LIC whereas 46.7% agrees to it. It may be because LIC Premiums are higher along with its high commission ratio and is a state-owned insurer whereas HDFC life insurance is a private company.

**4.13 Table showing the information regarding which Life Insurance policy satisfy respondents the most.**

Life Insurance policy	No. of Respondents	Percentage
HDFC life Insurance	14	23.3 %
LIC life Insurance	36	60 %
Others	10	16.7 %

**Figure 4.13 : Figure showing the information regarding which Life Insurance policy satisfy respondents the most.**



(Source: primary data)



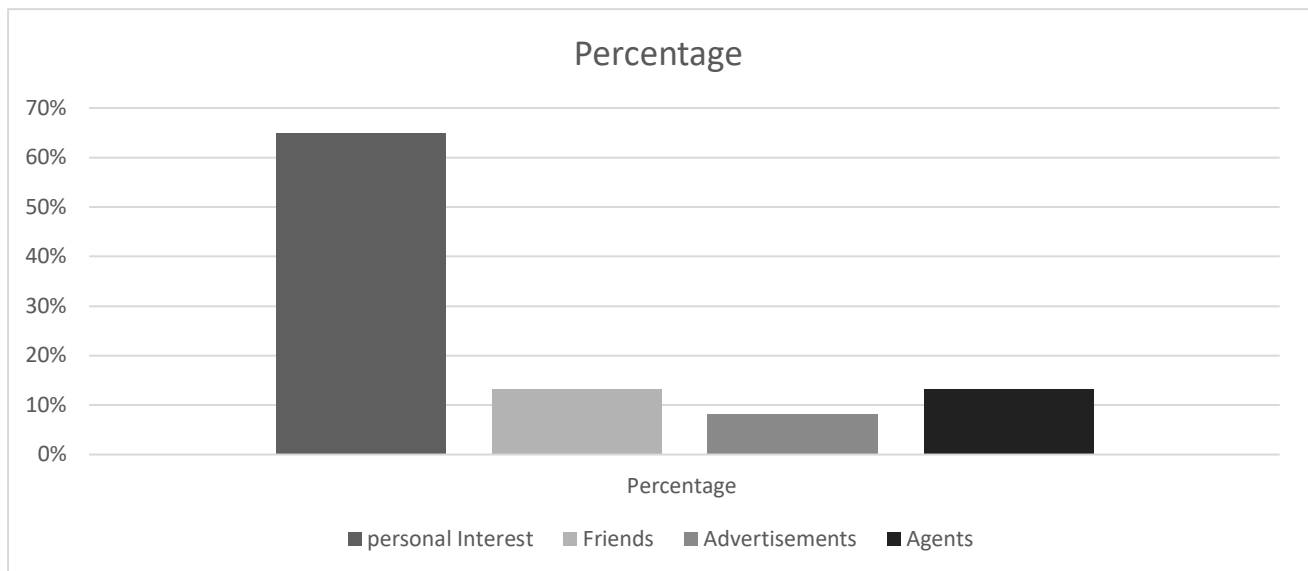
## ***INTERPRETATION***

The result shows that LIC Insurance policy satisfies respondents the most with 60% , whereas HDFC and other life insurance policies satisfy 23.3 % and 16.7% respectively. The major reason for it is that LIC policies are sold aggressively in our neighborhood because of its dedicated customer support team and it is the industry leader.

**4.14. Table showing the Information regarding the factors that attracts the respondents to life insurance policy.**

<b>Factors</b>	<b>No. of respondents</b>	<b>Percentage</b>
<b>Personal Interest</b>	<b>39</b>	<b>65%</b>
<b>Friends</b>	<b>8</b>	<b>13.3%</b>
<b>Advertisements</b>	<b>5</b>	<b>8.3%</b>
<b>Agents</b>	<b>8</b>	<b>13.3%</b>

**Figure 4.14 : Figure showing the information regarding the factors that attracts the respondents to life insurance policy**



**(Source: Primary data)**

***INTERPRETATION***

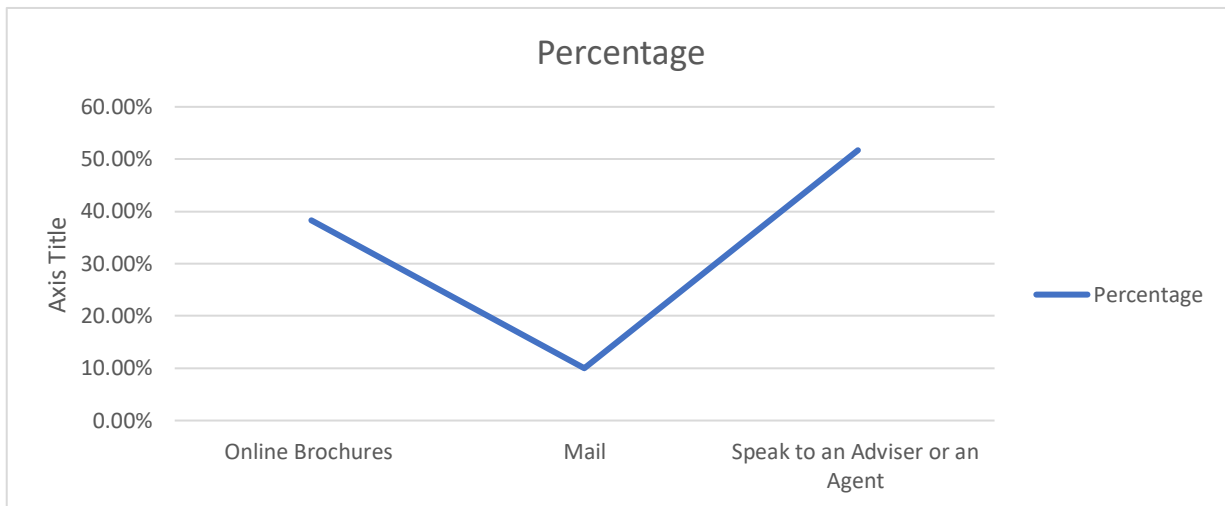
From the data it is clear that personal Interest is the major factor that attracts respondents the most with 65% lead. The next factor which attract them is Friends and agents with 13.3 % each. Least attracted factor is advertisement. It is their personal willingness and opinion that stimulate them to buy a life insurance policy.

**4.15 Table showing the awareness of respondents on the source of knowledge about life insurance policy.**

Source	No. of respondent s	Percentag e

<b>Online Brochures</b>	<b>23</b>	<b>38.3 %</b>
<b>Mail</b>	<b>6</b>	<b>10 %</b>
<b>Speak to an Adviser or Agent</b>	<b>31</b>	<b>51.7 %</b>

**Figure 4.15 : Figure showing the awareness of respondents on the source of knowledge about life insurance policy.**



**( Source : Primary data)**

### **INTERPRETATION**

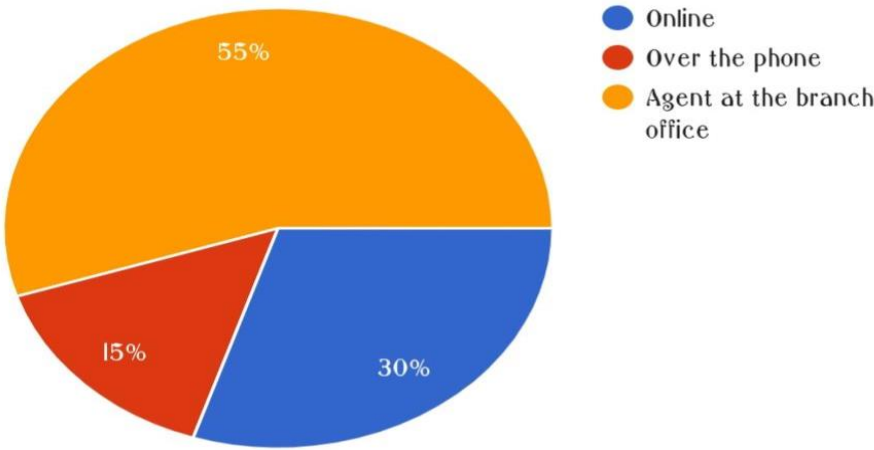
**From the analysis, it is clear that more than half (51.7%) of the respondents prefer to know about life insurance policy by speaking to an adviser or an agent. The next method they adopt is through Online Brochures (38.3%) and the least through mail (10%). It may be because the professionalism of an agent along with his efficiency and communication skill**

helps the respondents by speaking to an agent to achieve the knowledge.

4.16. Table showing the preference of respondents to buy Life Insurance policy by various methods.

Means	No. of respondents	Percentage
Online	18	30 %
Over the phone	9	15 %
Agent at the branch office	33	55 %

Figure 4.16 : Figure showing the preference of respondents to buy Life Insurance policy by various methods.



( Source : primary data )

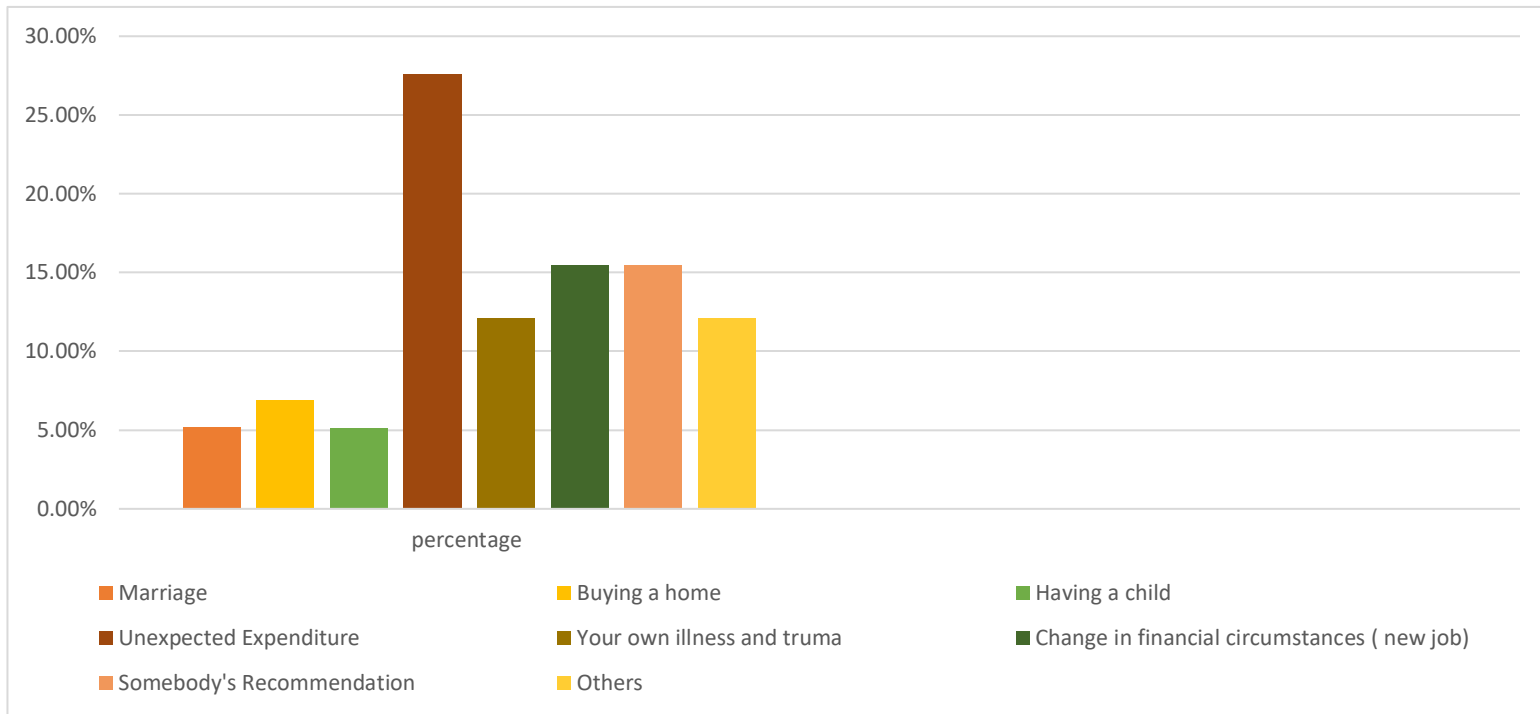
### **INTERPRETATION**

55% of the respondents prefer to buy Life Insurance policy from Agent at the branch office. The rest of the respondents prefer to buy it through Online (30%) and through the phone (15%) . The majority may opt it because directly approaching an agent at branch office provide us complete knowledge of the policy we need to buy and prevent us from online scams.

4.17. Table showing the information of respondents that triggered them the purchase of life insurance policy.

<b>Basis</b>	<b>Percentage</b>
<b>Marriage</b>	<b>5.2 %</b>
<b>Buying a home</b>	<b>6.9 %</b>
<b>Having a child</b>	<b>5.1 %</b>
<b>Unexpected Expenditure</b>	<b>27.6 %</b>
<b>Your own illness and trauma</b>	<b>12.1 %</b>
<b>Change in Financial Circumstances ( New job )</b>	<b>15.5 %</b>
<b>Somebody's recommendation</b>	<b>15.5 %</b>
<b>Others</b>	<b>12.1 %</b>

**Figure 4.17 :. Figure showing the information of respondents that triggered them the purchase of life insurance policy.**



**( Source : primary data)**

***INTERPRETATION***

**The result shows that Unexpected Expenditure with 27.6% of the total respondents is the factor that triggered majority of the respondents from buying an insurance policy. Change in financial circumstances and somebody’s recommendation with 15.5% each also have influenced them. Illness and Trauma and other factor also influenced equally. Buying a home, Marriage and Having a child also are the least factors that triggered them in purchasing an insurance policy. It is**

that the expenses we are not prepared for strain our budget in purchasing policy.

#### **4.18 : Thoughts of Respondents on HDFC life Insurance and LIC of India**

From the information gathered with regard to this question majority of the respondents have good opinion about both the insurance policies. Some people are not much aware about it and have no opinions. Respondents whom are aware about it says that both will help the people who seek for an insurance policy.

Many of them have a personal opinion that LIC is much better than HDFC due to its wide popularity, good plan , security ,good reputation, Trustworthy and much more.....

In conclusion respondents prefer to have an insurance policy for their secured future and the plan they suggest is LIC Insurance policy of India.

## **CHAPTER -5**

# **FINDINGS , SUGGESTIONS** **AND CONCLUSION**



## **5.1 FINDINGS**

*The information obtained from data collection reveals the following facts :*

- Majority of our respondents with 53.3%, are male than female.
- Among the respondents, most are graduate and youth and it is clear from their large involvement in this survey.
- 63.3% of the respondents have an annual income around one lakh as they have more financial issues due to their lower Income group.
- Respondents having an insurance policy is the most in this study because it can protect them from monetary risk and loss.
- 46.7%of respondents have knowledge about the available investment options available because awareness of financial assets lead people to save and invest it for return.
- 58.3% of Respondents are aware about the investment opportunities like bonds, stock, ETFs and passive

investing, gold & silver assets etc. that insurance provide.

- More than half of the total respondents want to invest into insurance because of its Earnings that lead to build wealth or savings for the future through regular investments.
- A large number of people are attracted to an insurance company because of its good plan and trusted name as they look for a reliable and beneficial one without any manipulation.
- Medium term insurance plan is preferred by 56.7% of them due to its moderate insurance coverage.
- 80% of respondents are aware of HDFC life insurance and LIC of India with its great popularity and affordable plans.
- 71.7% prefer LIC Insurance for better claim than HDFC Life Insurance because of its simplified claim procedure.
- LIC satisfies respondents the most and prefer it as best over HDFC due to its dedicated customer support.
- Personal Interest and opinion of the respondent is the major factor that attract 65% of respondents to an Insurance policy along with friends, agents and advertisements.
- Respondents prefer to seek knowledge about Insurance and buy it through speaking to an agent and approaching him at the branch office for direct communication and reliability.
- Unexpected Expenditure is the main factor that trigger respondents the most in the purchase of life insurance policy. New job, Illness, Others recommendation etc. also have a role.

## **5.2 SUGGESTIONS**

The following are the suggestions to improve Insurance policies and its plans in consumers area:

1. Locate insurance professionals and seek information from them regarding what policy fit your needs.
2. Adding new channels to communicate with customers for policy questions and claims.
3. Engage with customers daily instead of only interacting with them at renewal time.
4. Offer more hybrid experiences .
5. Create intelligent workflows for both the agent and policy holder.
6. Demonstrate the value of customer shared data.
7. Respondents prefer LIC the most than HDFC because of its huge popularity. Therefore it is necessary to provide more awareness on HDFC Insurance to the public by quoting its benefit even though it is a private scheme.

- 8. HDFC life insurance has 98.66% claim settlement ratio. So, awareness about it should be spread among the people.**
  
- 9. The customer service at HDFC Life Insurance is top-notch. To deliver premium services to its clients, it operates by the five guiding principles of Excellence, People Engagement, Integrity, Customer Centricity, and Collaboration. Customers of HDFC Life Insurance have access to a strong customer service department that is staffed around-the-clock. They should be made public and disseminated throughout the populace**
  
- 10. Changing language in documents and communications to use less insurance jargon.**

## **5.3 CONCLUSION**

**Life Insurance Industry plays a significant role in the socio-economic development of our country. The size of the market has grown and the size of insurable population in India is indeed vast. In the global era insurance companies are increasingly willing to spend more on customer satisfaction and brand building exercises. Among the life insurers, Life Insurance Corporation is the sole public sector company. Most of the people depend on it comparing to HDFC life insurance. Although while it is expected that the insurance industry's privatisation will harm the LIC's future prospects, the study demonstrates that the LIC still controls the majority of the market. Private insurance providers like HDFC also made an effort to grow their market share. When compared to LIC, they utilised the new commercial avenues of promotion to a significant amount. Offering more unit-linked plans enables private competitors to overtake LIC in market share. The investment behaviour of LIC and HDFC also revealed notable distinctions. In ultimate it is the people choice to select the insurance policy and plans based on their interest and motive.**

## BIBLIOGRAPHY

- [https://en.m.wikipedia.org/wiki/HDFC\\_Life](https://en.m.wikipedia.org/wiki/HDFC_Life)
- <https://www.policybachat.com/articles/lic-vs-hdfc-life-insurance-comparison>
- [https://en.m.wikipedia.org/wiki/Life\\_insurance](https://en.m.wikipedia.org/wiki/Life_insurance)
- [https://onlineinsurance.hdfclife.com/buy-online-savings-plans/sanchayplus-savings-plan/basic-details?language=sanchp\\_EN&&source=G\\_LS\\_Sanchay\\_Brand\\_2056563991-kwd-326434177860&utm\\_source=Google&utm\\_medium=SEM&utm\\_campaign=HDFC\\_Life\\_Sanchay\\_Brand&utm\\_adgroup=HDFC&agentcode=00760655&product=Sanchay&utm\\_term=%252Bhdfc%2520%252Binvestment%2520%252Bplans&utm\\_network=g&utm\\_matchtype=b&utm\\_device=m&utm\\_placement=&utm\\_content=541254724317&utm\\_Adposition=&utm\\_location=1007776&utm\\_Sitelink=&gclid=Cj0KCQiAo-yfBhD\\_ARIsANr56g4cHqRyGsAFuuKctrMkYRBDteQAhMf9uTg6FnJC6upXnfUUJK0u0FkaAkWGEALw\\_wcB&gclsrc=aw.ds](https://onlineinsurance.hdfclife.com/buy-online-savings-plans/sanchayplus-savings-plan/basic-details?language=sanchp_EN&&source=G_LS_Sanchay_Brand_2056563991-kwd-326434177860&utm_source=Google&utm_medium=SEM&utm_campaign=HDFC_Life_Sanchay_Brand&utm_adgroup=HDFC&agentcode=00760655&product=Sanchay&utm_term=%252Bhdfc%2520%252Binvestment%2520%252Bplans&utm_network=g&utm_matchtype=b&utm_device=m&utm_placement=&utm_content=541254724317&utm_Adposition=&utm_location=1007776&utm_Sitelink=&gclid=Cj0KCQiAo-yfBhD_ARIsANr56g4cHqRyGsAFuuKctrMkYRBDteQAhMf9uTg6FnJC6upXnfUUJK0u0FkaAkWGEALw_wcB&gclsrc=aw.ds)
- <https://www.icicprulife.com/life-insurance/types-of-life-insurance.html>
- <https://www.policygenius.com/life-insurance/what-are-the-advantages-and-disadvantages-of-life-insurance/>

# Annexure

A study on Investors perception on Life Insurance Corporation of India and HDFC Life Insurance Company LTD.

\*Required

1.Name \*

---

2.Sex \*

*Mark only one oval.*

Male

Female

3.Age \*

---

4.Occupation/Job \*

---

5.Annual income \*

*Mark only one oval.*

- 50000-100000
- 100000-150000
- 150000-200000
- 200000-300000
- More than 300000

6.Do you have any insurance policy? \*

*Mark only one oval.*

- Yes
- No

7.Are you aware of the Investment options available? \*

*Mark only one oval.*

- Yes
- No
- Have some knowledge

8.Are you aware of the Investment opportunities that insurance provide ? \*

*Mark only one oval.*



Yes

No

9. Why do you want to invest into insurance? \*

*Mark only one oval.*

Retirement

Tax savings

Earnings

Liquidity

10. What are the factors that attract you to the insurance company? \*

*Mark only one oval.*

Trusted name

Friendly service

Accessibility

Good plan

11. Which term of Investment preferred? \*

*Mark only one oval.*

Short

Medium

Long

12. Are you aware of the HDFC Life insurance and LIC of india? \*

*Mark only one oval.*

Yes

No

13. Among the HDFC life insurance and LIC India ,which provides you better \* claim?

*Mark only one oval.*

- HDFC LIFE INSURANCE
- LIC LIFE INSURANCE

14. Is HDFC Life insurance better than LIC of india? \*

*Mark only one oval.*

- Yes
- No

15.Which Life insurance policy satisfied you the most? \*

*Mark only one oval.*

- HDFC LIFE INSURANCE
- LIC LIFE INSURANCE
- Others

16.What factors attract you to the life insurance policy \*

*Mark only one oval.*

- Personal interest
- Friends
- Advertisements
- Agents

17. How would you like to know more information about life insurance policy? \*

*Mark only one oval.*

- Online brochures
- Mail
- Speak to an adviser/agent

18. How would you like to buy life insurance policy? \*

*Mark only one oval.*

- Online
- Over the phone
- Agent at the branch office

19. What triggered the purchase of life insurance

*Mark only one oval.*

- Marriage
- Buying a home
- Having a child
- Unexpected expenditure
- Your own illness and trauma
- Change in financial circumstances (new job)
- Somebody's recommendation
- Other:

20. Comment your thought on HDFC LIFE INSURANCE AND LIC OF INDIA? \*

---

---

---

---

This content is neither created nor endorsed by Google.

**Google**Forms

