

Summer Internship Project Report

On

Role of LIC in Indian Insurance Industry

By

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Roll No. 2019BBA019



Under the Supervision of

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(Submitted in partial fulfillment of the requirements for BBA degree)

Institute of Management

JK Lakshmipat University, Jaipur

(2020-21)

FACULTY CERTIFICATE

It is certified that the Summer Internship Report titled **“Role of LIC in Indian Insurance Industry”** submitted by **“Nirdesh Agrawal”** is an original piece of research work carried out by the candidate under my supervision.



(VIJAYLAKSHMI)

Dr. Vijaylakshmi
Faculty Guide

Ref No – The Capital Box / HR / 21 -22

Date – 14th September' 2021

To Whomsoever It May Concern

This is to Certify that Nirdesh Agrawal a student of Marketing at JK Lakshmipat University worked under my supervision during the Internship period from **18/06/2021** to **30/07/2021** at "**The Capital Box**" located in Gurgaon.

I am pleased to state that the performance throughout was noted to be Satisfactory towards completing the projects assigned and the candidate was able to present a good learning out of the concerned work.

The Candidate also presented a good moral character and pleasing personality. We wish him/her every success in life.



Ashwani Singh

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DECLARATION BY THE CANDIDATE

I Nirdesh Agrawal (2019BBA019), hereby declare that this project report entitled “Role of LIC in Indian Industry” has been prepared by me towards the partial fulfillment of the requirement for the award of Bachelor of Business Administration (BBA) Degree under the guidance of “Dr. Vijaylakshmi”.

I also declare that this project report is my original work and has not been previously submitted.

Nirdesh Agrawal
2019BBA019
Institute of Management
JK Lakshmipat University

ACKNOWLEDGEMENT

I express my gratitude to “The Capital Box “for giving me this opportunity for letting me do my internship at their organization. I am grateful to my project guide Love Sekhawat for providing me their valuable expertise and time.

I would like to thank my Professor Dr. Vijaylakshmi for helping me to prepare the report and also providing me her continuous guidance.

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PROJECT SUMMARY

Someone has significantly stated that practical information is far higher than lecture room teaching. During this assignment I completely found out this and came to recognize about the prevailing actual world of Insurance zone. It consists of all of the activities concerned in offering insurance products to the final customers. I am thrilled to recognize about the purchasers' needs and competition activities within side the actual world of Insurance. The concern of my study is to examine the prevailing insurance zone and merchandise provided with the aid of using LIC by making use of numerous equipment like direct interaction with customers. I even have additionally done research at the increase of private life insurance companies.

The report carries initially with brief advent about the company. Then it includes the present day reputation of private insurance companies in India.

I additionally put forward recommendations of the consumers and conclusions in an effort to assist LIC to offer consumer quality offerings within side the coverage zone

INDUSTRY & COMPANY OVERVIEW

Overview of Insurance Industry in India

The insurance industry plays an important role in any country's economic development. A well-developed insurance sector provides some security in the event of an unforeseen, loss-causing incident. In addition, it provides much-needed support to family members in case of loss of life or health. Since the assets under management of insurance companies represent long-term capital, they also act as a pool in which to invest in long-term projects.

The insurance industry in India has additionally advanced together with the country's economy. Several coverage corporations within side the country are developing their operations, throughout each the private and non-private region.

The records of India's insurance industry display the records of India's economy. To shield the interests of policyholders Insurance corporations in India have been nationalized all through pre-liberalization. Two state-owned coverage corporations have been hence created: the Life Insurance Corporation in 1956 and the General Insurance Corporation in 1972 for the non-lifestyles coverage business. Post liberalization, the enterprise turned into opened up. The Insurance Regulatory and Development Authority of India (IRDAI) turned into created in 1999 to modify the coverage enterprise in India. Thus, the coverage region turned into opened to non-public corporations. This allowed overseas corporations to collaborate with Indian entities to go into the region.

The range of coverage corporations in India has extended quick and continuously, and this has brought about a colorful coverage region-with more variety and affordability for the consumer.

COMPANY OVERVIEW

A company with Integrity

The Capital Box was founded on July 14 2016; integrity has been their core value since then. “The Capital Box” layout non-public solutions to defend their customers’ particular life and provide lasting peace of mind. They strive tough to construct long-lasting relationships with customers thru interest to element and dedication to advanced service. They offer extraordinary consulting services, economic merchandise and hazard control techniques to individuals, households and businesses that specialize in area of interest markets and portfolios with complicated needs

The organizations firmly consider that all of it begins off evolved with having a clean vision of your particular goals. With this clarity, the organization combines the goal recommendation and experience-led execution to carry the collective vision to life. They provide each client actual peace of thoughts. They outline peace of thoughts as a deeply rooted self-assurance that comes from feeling in control and understanding your monetary plan is constructed on a basis of growing self-expertise and awareness. It is at this vital juncture – the intersection of proactive planning and peace of thoughts – that we consider our customers have the very best ability to realize their goals.

Their vision as a company makes a specialty of assisting others achieves monetary goals, in addition to knowledge of every purchaser’s particular purpose, venture and values. They attempt to empower

customers through providing education, gear and assets aimed toward facilitating clean conversation and bringing definition to their targets and objectives. Each purchaser has one-of-a-kind thoughts about what makes lifestyles great. They take the weight out of coping with the monetary info, so customers can enjoy life's adventure and stay out of their unique purpose. They attempt to be a force of calm, a navigator with inside the face of anxiety and uncertainty that everyone too regularly accompany monetary success.



METHODOLOGY

Theoretically, reports are organized based on both classes of data. This document is end result of the observation of data and facts gathered from the both primary and secondary reassets as a way to make the document greater significant and presentable. Considering the present finding, this document is primarily based totally on descriptive enterprise attain where, facts has been gathered via distinct reassets to make a positive output. In the practice of this document, I used a dependent questionnaire to gather and examine the data.

The survey responses are collected through Google forms due to this ongoing pandemic.

In this report primary statistics is used on massive scale and secondary data is used on a small scale. The sources from which I actually have used the secondary information are: -

- ❖ Company website
- ❖ Internal links

To satisfy the objective, I organized the questionnaire under the steerage of my enterprise and college mentor and surveyed 50 people of Madhya Pradesh. Data gathered from the survey is analyzed and presented within side the diagrammatic form for better interpretation.

INTERNSHIP

Job and Responsibilities

The roles and responsibilities as a Sales person in Marketing and Sales department were not limited in the increment in the sales. The major goal of the role was to make people aware of the main two insurance products and make the product reach to people and make them interested to buy them. With any sales role comes great responsibility of maintaining the reputation of the company as one is communicating and reaching out to people directly.

INTRODUCTION TO INSURANCE

Insurance can be defined as a social tool to lessen or take away chance of existence and property. Under the plan of insurance, a huge variety of people accomplice themselves through sharing risk, connected to individual. The risk, which may be insured against include fire, the peril of sea, death, incident, & burglary. Any risk contingent upon those can be insured in opposition to at a top class commensurate with the chance involved.

The insurance enterprise in India has come a long way for the reason that time, whilst companies had been tightly regulated and focused in the hands of some public region insurers. Following the passage of the Insurance Regulatory and Development Authority Act in 1999, India deserted public region exclusivity with inside the insurance enterprise in favor of market-pushed competition. This shift has introduced approximately essential adjustments to the industry. The inauguration of a brand-new generation of insurance improvement has seen the access of worldwide insurers, the proliferation of progressive merchandise and distribution channels, and the elevating of supervisory standards.

CHARACTERISTICS OF INSURANCE

Risks sharing - Insurance is a co-operative tool to percentage the weight of risk, which might also additionally fall on occurring of a few unexpected events, inclusive of the dying of head of the family, or on occurring of marine perils or loss by fire.

Protection towards risk - Insurance offers safety against dangers concerned in life, materials & property. It is a tool to keep away from or lessen dangers

Payment of occurring of certain event - On occurring of a distinct occasion, the insurance agency is bound to make payment to the insured. Happening of the specified occasion is sure in life insurance, however with inside the case of fire, marine or unintended insurance, it isn't necessary. In such cases, the insurer isn't answerable for payment of indemnity.

Ascertaining of losses - By taking a life insurance policy, one could ascertain his future losses in terms of money. This is executed through the insurer to figuring out the charge of premium that is calculated on the premise of most risks.

FUNCTIONS OF INSURANCE

Facilitate protection - Function of insurance is to offer safety against future hazard, injuries and uncertainty. Insurance cannot check the occurring of the hazard, however can sincerely provide for the losses of risk. Professor Hopkins observes "Insurance is a safety against financial loss, through sharing the risk with others.

Evaluation of risk - Insurance determines the likely extent of risk with the aid of comparing different factors that give rise to risk. Risk is the premise for figuring out the premium price also.

Means of financial savings and investment - Insurance serves as financial savings and investment, coverage is a obligatory manner of financial savings and it restricts the needless expenditures by the insured's For the cause of availing income-tax exemptions also, people put money into insurance.





INTRODUCTION OF LIC

The Life Insurance Corporation of India, additionally popularly referred to as LIC, is one of the oldest and the biggest life insurance agency in India. LIC turned into fashioned while masses of life insurance organizations were nationalized. Here's a short look into the records of LIC –

History of LIC of India

Introduction of life insurance in India

The idea of life insurance was brought in India under the British rule in the yr 1818.

Coverage of Indian lives

In the yr 1870, Bombay Mutual Life Assurance Society turned into fashioned which became the first Indian life insurance company.

Development of multiple organizations

The Swadeshi Movement gave beginning to a variety of indigenous insurance agencies in India. By 1938, there have been 176 insurance companies with in-force commercial enterprise of INR 298 cores.

Need for nationalization of life insurance

Though there have been sufficient companies, many have been now no longer financially sound and stable. The want for nationalization was

felt and so, the Life Insurance Act, 1938 turned into amended and, in 1956, life insurance became nationalized.

Formation of LIC

LIC turned into establishment on 1st September, 1956 after the Parliament handed the Life Insurance Corporation Act on nineteenth June, 1956. Despite the reality that there are approximately dozen life insurance companies in India, LIC keeps to experience trust amongst people and holds the biggest marketplace percentage of the existence coverage segment.

Mission - The company's mission declaration reads as follows – 'Ensure and beautify the exceptional quality of life of people via economic protection by offering services and products of aspired attributes with competitive returns, and through rendering sources for financial development.'

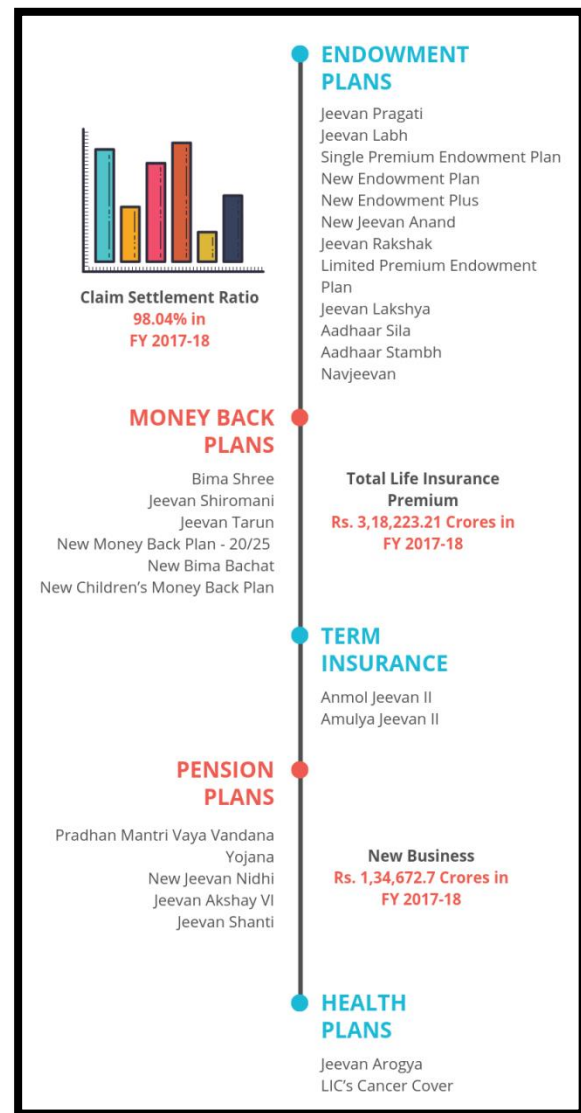
Role of LIC

LIC is the leading and most trusted insurance company of India. Spread the significance of life insurance broadly within side the rural regions and those belonging to socially and economically backward classes. The organization functions with a view of supplying such people with economic cover against death at an inexpensive cost.

As LIC of India is one of the oldest and biggest government-owned life insurance companies, it still is the dominant life insurer even within side the liberalized situation of the Indian insurance sector. For over years now, the organization is surpassing its very own past records. Here are few goals of the Life Insurance Corporation of India:

- The number one goal of LIC of India is to unfold the significance of life insurance broadly within side the rural regions and those belonging to socially and economically backward classes. The organization functions with a view of presenting such people with monetary cover against demise at an inexpensive cost.
- The organization strives tough to satisfy numerous life Insurance needs of the community by relying on the converting social and financial environment.
- The essential cognizance of the Life Insurance Corporation of India is to guard the interests of the life insurers and act as a trustee of their individual and collective capacities.

- Maximize the capacity of financial savings by presenting a numerous variety of life insurance merchandise to select from.
- LIC of India completely encourages the participation and involvement of its personnel and LIC sellers so that they work in the direction of reaching the targets of the organization.

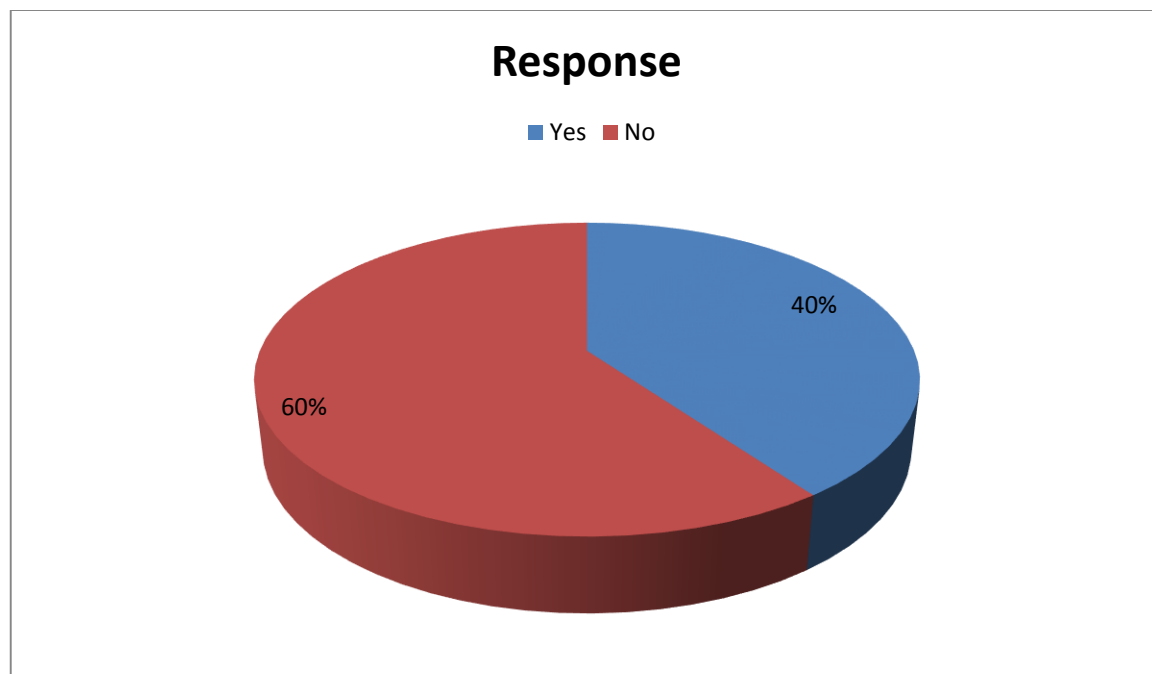


SURVEY

We conducted a survey on 50 people to learn about their psychology about the life insurance policies. Following are the questions and the responses of the people in percentage.

1. Do you have life insurance policy?

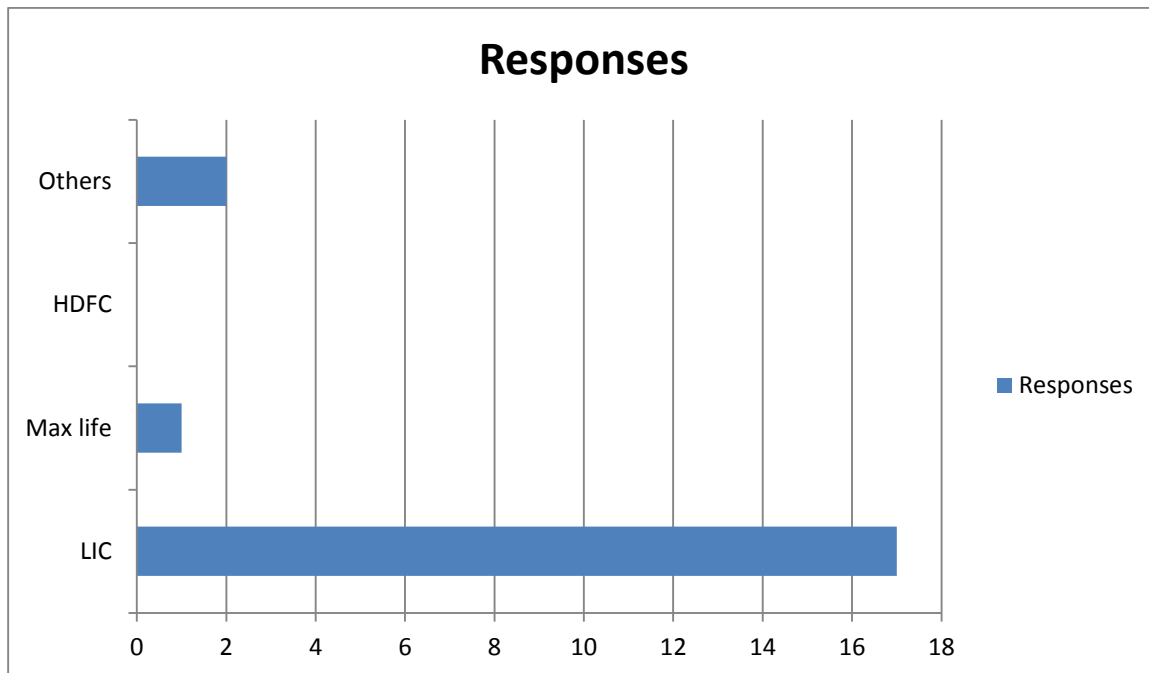
Options	Percentage(%)
Yes	40
No	60



Conclusion: Majority of surveyed people do not have any insurance policy, the possible reasons for which can be lack of knowledge.

2. If yes, then in which company?

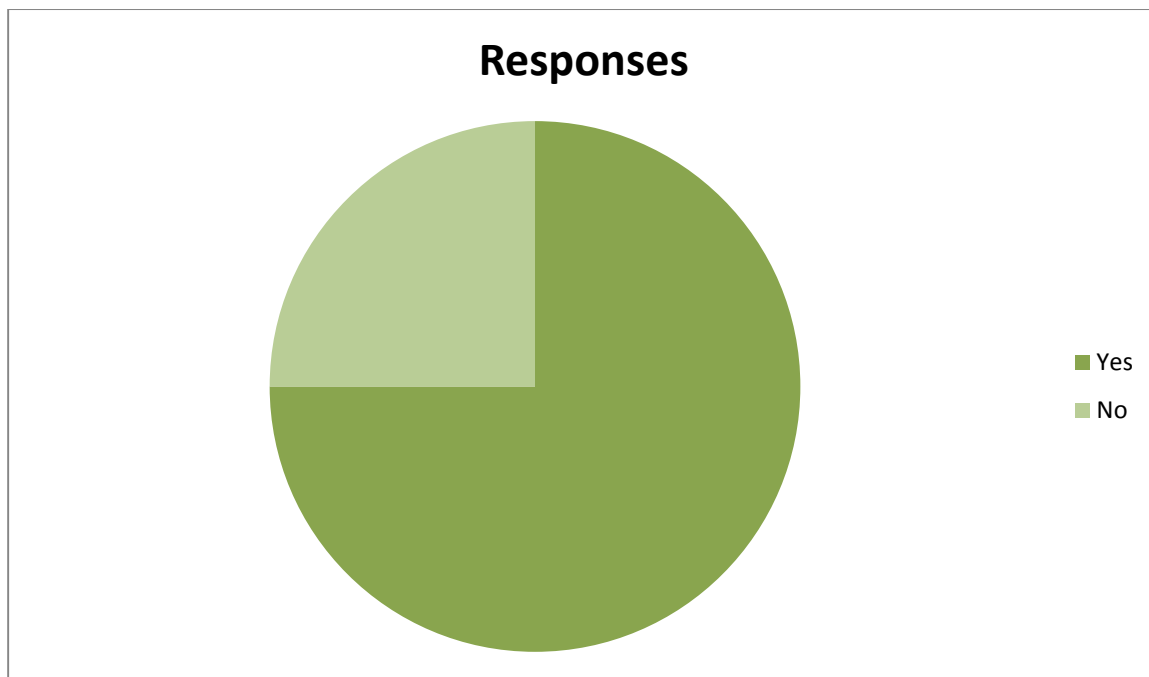
Options	No of Responses
LIC	17
Max life	01
HDFC	00
Others	02



Conclusion: Most number of surveyed people is insured under LIC policy, which shows us that people have trust on LIC policies.

3. Are you satisfied with services provided by your Insurance Company?

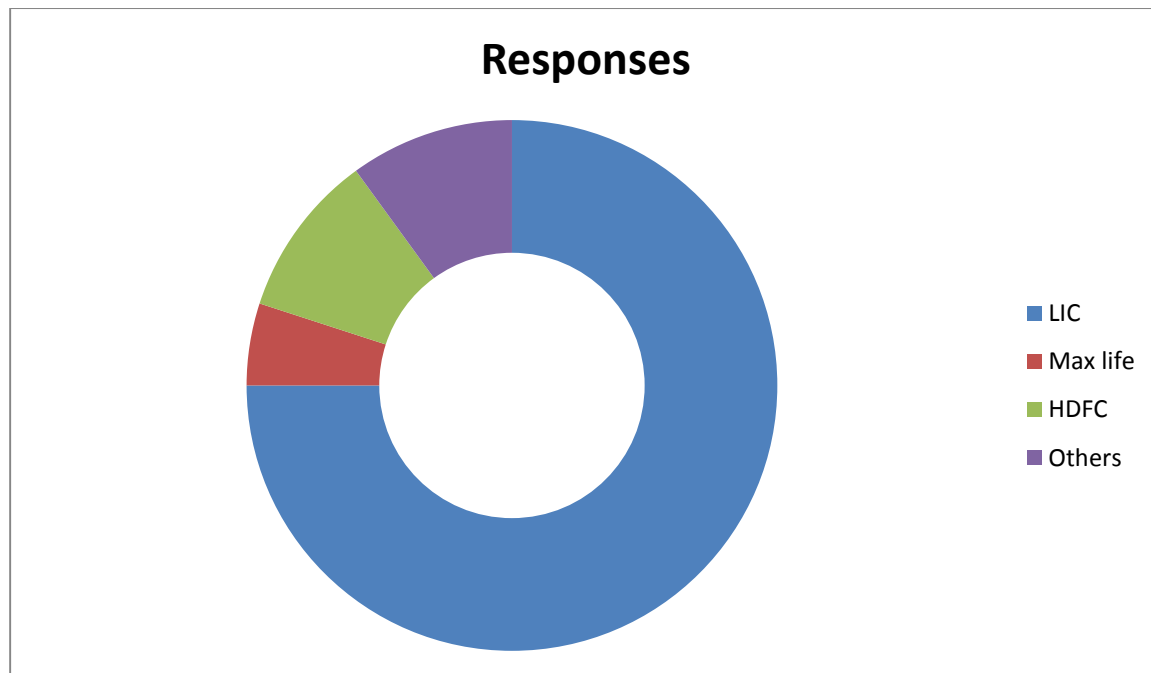
Options	Responses
Yes	15
No	5



Conclusion: 75% people are satisfied with their insurance agencies.

4 According to you, who have played a major role in the field of Life Insurance Company?

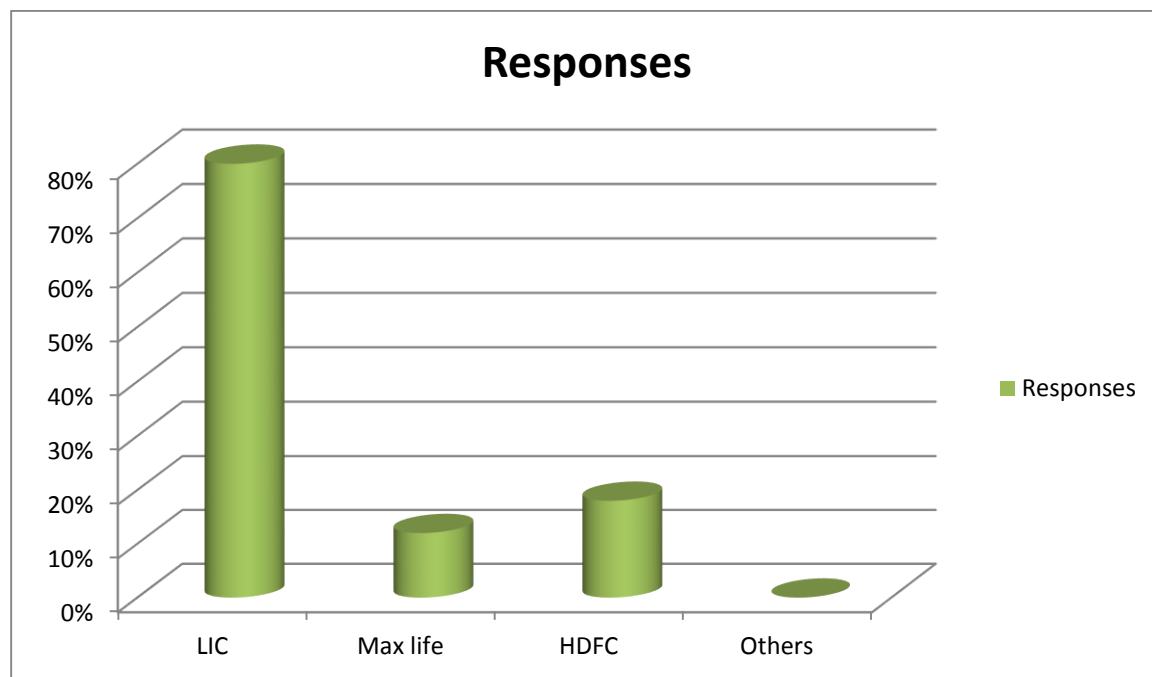
Options	Percentage (%)
LIC	75
Max life	5
HDFC	10
Others	10



Conclusion: 75% of the people believe that LIC plays a major role in the field of life insurance Companies.

5 Which Insurance companies have been successful to make strong public base by advertisement?

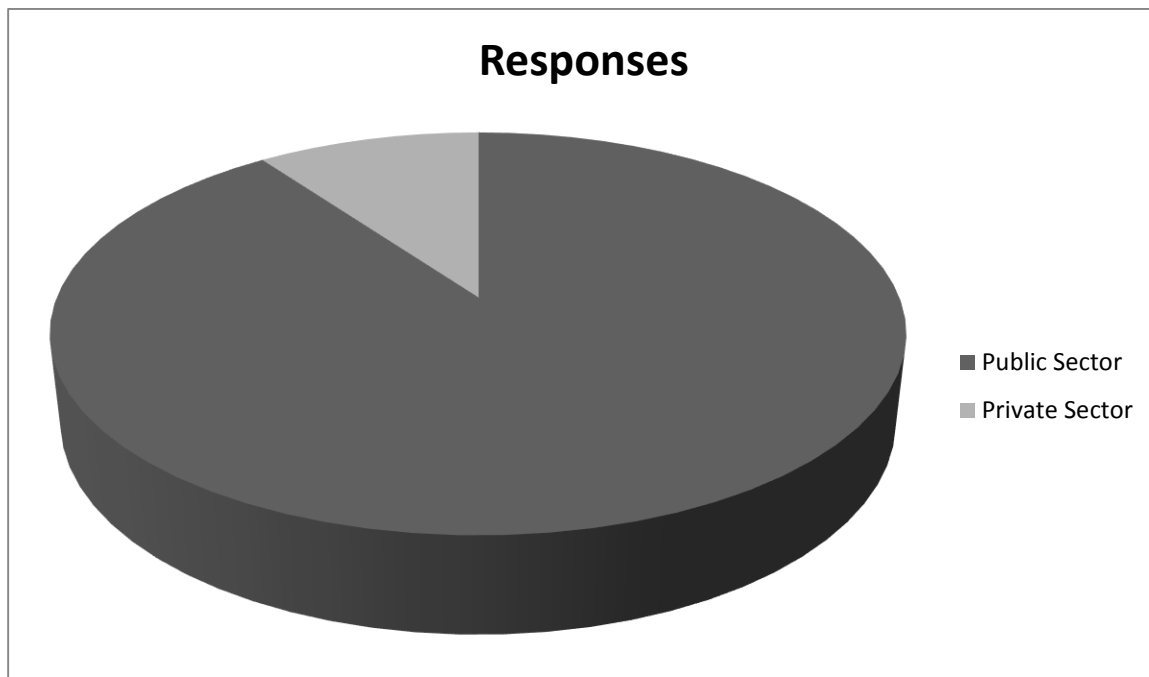
Options	Percentage (%)
LIC	80
Max life	12
HDFC	18
Others	-



Conclusion: According to the survey, most of the people believe that LIC has been successful to make strong public base by advertisement.

6. Which sector is better to invest in Life Insurance Company?

Options	Responses	Percentage (%)
Public Sector	45	90
Private Sector	5	10



Conclusion: 90% of people think that public Sector Is Better To Invest in Life Insurance Company.

Conclusion

After overhauling all the scenario that boosted some of private Companies related to multinational within side the Insurance Sector to provide befitting opposition to the mounted behemoth LIC in public sector, we come at the belief that :

- I. There may be very tough competition among the private insurance corporations on the extent of latest fashion of advertising to full a chief part of Customers.
- II. LIC isn't always left in the back in the current race of ads.
- III. The access of the private players in the Insurance Sector has accelerated the product section to fulfill the one-of-a-kind degree of the requirement of the clients. It has introduced more preference to the clients.
- IV. Private insurers have limited attain to the clients
- V. LIC has massive marketplace and organization grip on its conventional clients and monopoly of life insurance products.
- VI. Bank assurance - that lets in life insurers to leverage at the hazard product thru financial institution network, was adopted by private players.

But LIC now no longer left in the back as choosing up majority stake within side the organization Bank and massive equity stake within side the Oriental Bank of Commerce. IRDA is likewise playing very comprehensive function with the aid of using regulating norms mandating to private players on this sector that will increase the self-assurance degree of the clients to the private players.

REFERENCES

WEBSITES - <https://licindia.in/>
<https://www.thecapitalbox.com/>

SOFTWARE & TOOLS

- Google Forms
- Microsoft Office
- LinkedIn
- Instagram

APPENDICES

1. Do you have life insurance policy?

☐ Yes

☐ No

2. If yes, then in which company?

☐ LIC

☐ Max life

☐ HDFC

☐ Others

3. Are you satisfied with services provided by your Insurance Company?

☐ Yes

☐ No



4. According to you, who have played a major role in the field of Life Insurance Company?

- ☐ LIC
- ☐ Max life
- ☐ HDFC
- ☐ Others

5. Which Insurance companies have been successful to make strong public base by advertisement?

- ☐ LIC
- ☐ Max life
- ☐ HDFC
- ☐ Others

5. Which Insurance companies have been successful to make strong public base by advertisement?

- ☐ LIC
- ☐ Max life
- ☐ HDFC
- ☐ Others

6. Which sector is better to invest in Life Insurance Company?

- ☐ Public Sector
- ☐ Private Sector

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