

**A COMPARATIVE STUDY ON THE IMPACT OF LIFE
INSURANCE BETWEEN KOTAK LIFE INSURANCE PVT LTD
AND HDFC LIFE INSURANCE PVT LTD**

VEDASREE V

40410223



Master of Business Administration

SCHOOL OF MANAGEMENT STUDIES

SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited with Grade “ A ” by NAAC | 12B Status by UGC | Approved by AICTE

Jeppiaar Nagar, RAJIV GANDHI SALAI, CHENNAI - 600



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Jeppiaar Nagar, Rajiv Gandhi Salai, Chennai 600 119

SCHOOL OF BUSINESS ADMINISTRATION

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of VEDASREE V (40410223) who has done the Project work entitled “**A COMPARITIVE STUDY ON THE IMPACT OF LIFE INSURANCE BETWEEN KOTAK LIFE INSURANCE PVT LTD AND HDFC LIFE INSURANCE PVT LTD**” under my supervision from December 2020 to February 2021.

Dr. N KUMAR MBA, MHRM, M. Phil, TNSET, Ph.D.,

Internal Guide

Dr. BHUVANESWARI G.

Dean School of Business Administration

Submitted for Viva voice Examination held on_____.

Internal Examiner

External Examiner

DECLARATION

I **VEDASREE V 40410223**, hereby declare that the Project Report entitled “**A COMPARITIVE STUDY ON THE IMPACT OF LIFE INSURANCE BETWEEN KOTAK LIFE INSURANCE PVT LTD AND HDFC LIFE INSURANCE PVT LTD**” done by me under the guidance of Dr. N KUMAR.MBA, MHRM, M. Phil, TNSET, Ph.D., Assistant Professor, School of Business Administration is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:

PLACE: CHENNAI

NAME: VEDASREE V

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VEDASREE V

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ABSTRACT

Insurance is an arrangement under which people facing common risks come together and make their small contributions to the common fund. The aim of this research paper is to compare the level at which services are being well delivered given by the Kotak Mahindra and HDFC Life Insurance company and also the level of satisfaction of the insured. For this purpose, a descriptive type of research was carried out with a sample size of 150 respondents in Chennai city. Technique of random sampling was used to collect the data. The primary data was collected through a structured questionnaire. Collected data was tabulated and analyzed using various statistics tools like percentage analysis, chi square test and One way ANOVA. The findings of the study revealed that customers are satisfied with the aspect or information being provided by the insurance company. And it was also found that there is an association between the type of policy opted by the insured and its premium amount. The researcher suggests that Usage of modern technology will improve better customer service. When the needs of the customer is not met by the insurer, the customers are unhappy with a product as it either meets his immediate or future needs. The study concludes that professional category respondents have high perceptual level with regards to the financial credential of the company.

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CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION:

In the world of uncertainties, people face different types of risks in their daily lives. It is not possible for any reason, however cautious he may be, to avoid risks or to provide for them. It is also not feasible to predict all the risks and calamities that are in store for us.

- Many families are forced to live in penury due to untimely death of their sole bread winner.
- Many fishermen in coastal regions had lost their boats and nets in devastating tsunamis.
- Many motorists lose their limbs in accidents. Many students lose their precious lives in horrible road accidents.
- Many farmers lose their hard-earned money invested in crops that are damaged in incessant rains.
- Many people lose their properties and belongings in earthquakes.

Thus, floods, fires, tsunamis, wars, accidents, burglaries, diseases affect life and property of almost all the people living in the globe every year.

These risks cannot be eliminated altogether but can be reduced by taking certain precautionary measures. Although many of these risks can be reduced or lessened the unfortunate victims of these risks cannot bear the consequent suffering by them.

Someone has to bear the responsibility and these unfortunate persons on whom the loss has befallen should be relieved from the burden. So, there is a dire need for a device or machinery or institution to provide necessary help to them. Such a device is known as **“INSURANCE”**. The Institution providing such a help is called **“INSURER”** or the insurance company and the person for whom the protection is offered against the happening of the stated contingency is known as **“INSURED”** or **“POLICYHOLDER.”**

MEANING OF INSURANCE:

Insurance is an arrangement under which people facing common risks come together and make their small contributions to the common fund. While it may not be possible to say in advance, which person will suffer the losses, it is possible to work out how many persons on an average out of the group, may suffer losses.

When risk occurs, the loss is made good out of the common fund. In this way, each and every one share the risk. In fact, they share the loss by payment of premium which is calculated on the likelihood of loss.

DEFINITION OF INSURANCE:

Justice Tindal:

“Insurance is a contract in which a sum of money is paid by the insured in consideration of the insurer’s incurring the risk of paying a large sum upon a given contingency”.

D.H. Magee:

“Insurance is a plan by which large number of people associates themselves and transfer, to the shoulders of all, risks attached to individuals”.

Life insurance (or commonly **life assurance**, especially in the Commonwealth) is a contract between an insured (insurance policy holder) and an insurer or assurer, where the insurer promises to pay a designated beneficiary a sum of money (the "benefits") in exchange for a premium, upon the death of the insured person. Depending on the contract, other events such as terminal illness or critical illness can also trigger payment. The policy holder typically pays a premium, either regularly or as one lump sum. Other expenses (such as funeral expenses) can also be included in the benefits.

Life policies are legal contracts and the terms of the contract describe the limitations of the insured events. Specific exclusions are often written into the contract to limit the liability of the insurer; common examples are claims relating to suicide, fraud, war, riot, and civil commotion.

Life-based contracts tend to fall into two major categories:

- Protection policies – designed to provide a benefit, typically a lump sum payment, in the event of specified event. A common form of a protection policy design is term insurance.
- Investment policies – where the main objective is to facilitate the growth of capital by regular or single premiums. Common forms (in the U.S.) are whole life, universal life, and variable life policies.

1.2 INDUSTRY PROFILE:

Insurance began as a way of reducing the risk to traders, as early as 2000 BC in China and 1750 BC in [Babylon](#). An early form of life insurance dates to [Ancient Rome](#); "burial clubs" covered the cost of members' funeral expenses and assisted survivors financially.

[Amicable Society for a Perpetual Assurance Office](#), established in 1706, was the first life insurance company in the world.

Modern life insurance policies were established in the early 18th century. The first company to offer life insurance was the [Amicable Society for a Perpetual Assurance Office](#), founded in London in 1706 by [William Talbot](#) and Sir Thomas Alle. The first plan of life insurance was that each member paid a fixed annual payment per share on from one to three shares with consideration to age of the members being twelve to fifty-five. At the end of the year a portion of the "amicable contribution" was divided among the wives and children of deceased members and it was in proportion to the amount of shares the heirs owned. Amicable Society started with 2000 members.

The first [life table](#) was written by [Edmund Halley](#) in 1693, but it was only in the 1750s that the necessary mathematical and statistical tools were in place for the development of modern life insurance.

[James Dodson](#), a [mathematician](#) and actuary, tried to establish a new company that issued premiums aimed at correctly offsetting the risks of long term life assurance policies, after being refused admission to the [Amicable Life Assurance Society](#) because of his advanced age. He was unsuccessful in his attempts at procuring a charter from the [government](#) before his death in 1757.

His disciple, [Edward Rowe Mores](#), was finally able to establish the [Society for Equitable Assurances on Lives and Survivorship](#) in 1762. It was the world's first [mutual insurer](#) and it pioneered age based premiums based on [mortality rate](#) laying "the framework for scientific insurance practice and development and "the basis of modern life assurance upon which all life assurance schemes were subsequently based". Mores also specified that the chief official should be called an [actuary](#) - the earliest known reference to the position as a business concern. The first modern actuary was [William Morgan](#), who was appointed in 1775 and served until 1830. In 1776 the Society carried out the first actuarial valuation of liabilities and subsequently distributed the first [reversionary bonus](#) (1781) and [interim bonus](#) (1809) among its members. It also used regular valuations to balance competing interests. The Society sought to treat its members equitably and the Directors tried to ensure that the policyholders received a fair return on their respective investments. Premiums were regulated according to age, and anybody could be admitted regardless of their state of health and other circumstances.

FEATURES OF INSURANCE:

- **Contract:** insurance is a written agreement the insurer and the insured.
- **Consideration:** it is a contract under which the insurer, in a consideration called premium.
- **Co-operative Device:** it is a device under which a group of persons who agree to share the financial loss may be brought together voluntarily or through publicity of the agents.
- **Protection from financial risks:** it offers protection to those risks which can be measured in terms of money i.e., financial risks.

Life insurance players have started realizing that their business depends on customer service and customer satisfaction. This research, using confirmatory factor analyses, proposes a six-dimensional service-quality instrument consisting of 'assurance', 'personalized financial planning', 'competence', 'corporate image', 'tangibles and 'technology' in life insurance.

A causal model, using structural equation modeling, is suggested to investigate the effects of the proposed service quality instrument on customer satisfaction ('satisfaction with agents', 'satisfaction with functional services', 'satisfaction with

company' and finally with 'overall satisfaction'). The proposed framework attempts to provide a blueprint for appropriate course of action (by life insurance service providers) to create a base of satisfied customers through quality services.

AN OVERVIEW:

The life insurance industry like many other financial services industries is facing a rapidly changing market, new technologies, economic uncertainties, fierce competition and more demanding customers and the changing climate has presented an unprecedented set of challenges. Just like companies of other business domains, life insurance also considers their customers as the most important asset. However, the most critical issue is whether this customer orientation is reflected in their strategies.

Life insurance providers increasingly recognize that today's customers who insist on improvements in quality of services have many alternatives and, therefore, may more readily change providers if not satisfied. This is evident from the not so uncommon practice of 'policy lapses' readily embraced by dissatisfied policyholders. The decrease in customer loyalty has made management of service quality and customer satisfaction critically important factors for insurance players. The life insurance providers need to reconfigure their strategy and business to sustain or improve their competitive advantage, and for this they first need to consider how to create a satisfied customer base that will not be eroded even in the face of fierce competition.

For answering this fundamental question, these companies must realize the necessity of studying and understanding various antecedents of customer satisfaction. A number of studies in different fields confirmed that service quality is the antecedent towards customer satisfaction.

Therefore, the insurance players need to realize that business depends on client service and the satisfaction of the customer and therefore it is imperative for them to improve customer service quality.

Life Insurance can be termed as an agreement between the policy owner and the insurer, where the insurer for a consideration agrees to pay a sum of money upon

the occurrence of the insured individuals or individuals' death or other event, such as terminal illness, critical illness or maturity of the policy.

- Insurance in India can be traced back to the Vedas. For instance, yogakshema, the name of Life Insurance Corporation of India's corporate headquarters, is derived from the Rig Veda. Bombay Mutual Assurance Society, the first Indian life assurance society, was formed in 1870. Other companies like Oriental, Bharat and Empire of India were also set up in the 1870-90s.
- It was during the swadeshi movement in the early 20th century that insurance witnessed a big boom in India with several more companies being set up. By the mid-1950s, there were around 170 insurance companies and 80 provident fund societies in the country's life insurance scene. However, in the absence of regulatory systems, scams and irregularities were prevalent in most of these companies. As a result, the government decided to nationalize the life assurance business in India. The Life Insurance Corporation of India was set up in 1956 to take over around 250 life insurance companies.
- For years thereafter, insurance remained a monopoly of the public sector. The sector was finally opened up to private players in 2001. The Insurance Regulatory & Development Authority, an autonomous insurance regulator set up in 2000, has extensive powers to oversee the insurance business and regulate in a manner that will safeguard the interests of the insured.
- Protection
- Liquidity
- Tax Relief
- Money
- Sum assured is payable only in the event of death during the term. In case of survival, the contract comes to an end at the end of term. Term Life Insurance can be for period as long as 40 years and as short as 1 year. No refund of premium, non-participating policies, and Low premium as only death risk is covered.
- **Increasing Term Insurance:** Life insurance cover under this plan goes on increasing periodically over the term in a predetermined rate. (Riders)
Decreasing Term Insurance θ The sum assured decreases with the term of the

policy. Normally decreasing term assurance plan is taken out for mortgaged protection, under which outstanding loan amount decreases as time passes as also the sum assured.

- **Convertible term assurance policy** Under this plan a policyholder is entitled to exchange the term policy for an endowment insurance or a whole life policy. Conversion can be done at any time during the term except last 2 years. Level Term Life Insurance The sum assured throughout the term of the policy does not change.
- **Renewable Term Life Insurance** With renewable term insurance, the insurance company automatically allows you to renew your coverage after the term of the policy is over (generally 5 to 20 years). Endowment insurance plans is an investment-oriented plan which not only pays in the event of death but also in the event of survival at the end of the term. } Is a contract underwritten by a life insurance company to pay a Fixed term plus Accumulated profits that are declared annually? } Premium includes 2 elements -mortality element & investment element } Minimum age at entry: 12years } Maximum age at entry: 65years } Maximum age at maturity: 75years.
- **Joint Life Endowment Plan:** Under this plan, two lives can be insured under one contract. The sum assured is payable at the end of the endowment term or death of either of the two. Money Back Endowment Plan: In this plan, there is an additional advantage of receiving a certain amount of money at periodic intervals during the policy term.
- **Marriage Endowment Plan:** This plan has the specific condition that the sum assured is payable only after the expiry of the term even if death of the life assured takes place earlier. Educational Endowment Plan: These plans are specially designed to meet educational expense of children at a future date. If the insured parent dies before the date of maturity the installment is paid in lump sum with immediate effect which helps to meet the educational expenses.
- Whole life plans are another type of endowment plan, which cover death for an indefinite period. } When the policy holder dies, the face value of the policy, known as a death benefit, is paid to the person or persons named in the life insurance policy (the beneficiary or beneficiaries). } It can be with or without

profits. } If you cancel the policy after a certain amount of time has passed, the insurance company will surrender the cash value to you.

- 1. Ordinary Whole Life Plan: 0 This is a continuous premium payment plan. The insured pays premium throughout his life. It provides dual facility of protection plus savings. 2. Limited Payment Whole Life Plan: 0 It provides the same benefit as above but premiums are paid for a limited period. Premiums are sufficiently higher to cover the risk.
- Since last few years insurance companies have started offering risk cover plans like limited payment whole life, and endowment assurance plan from the age of 12 years and money back plan from age of 13 years (completed). } New plans have been specifically designed for children where the risk of the child starts much earlier say 7 years.
- Policies on the lives of children are taken out by other elders. After some time when the child becomes major and is competent to contract, the child may assume the ownership of the policy. The policy is then said to 'vest' in child. } The date on which this happens is called the 'testing date'. } The risk begins when the child attains 18 years of age. This is called the 'deferred date' and the period between the deferred date and the date of commencement of policy is called the 'deferred period'.
- It has emerged as one of the fastest growing insurance products. } It is a combination of an investment fund (such as mutual fund) and an insurance policy. } The premium amount is invested in the stock market and returns better income on the maturity period.
- Better for long-term investment option. } ULIPs generally provide higher returns as large portion of the funds are invested in equities. } There is also flexibility and the assured can choose levels and extent of cover needed. } There is also option of switching over from one fund to another if it does not seem to be profitable. } ULIPs can be classified as
 - Unit linked – equities, bonds, real estate & money market instruments
 - Equity linked – only in equities
 - Index linked – equity, bonds or money market instruments.
- Life insurance claim can arise either: } On the maturity of the policy – Maturity Claim } On death of the policy holder – Death Claim } Survival up to specified period during the term – Survival benefits.

- In case of Endowment type of Policies, amount is payable at the end of the policy period. } Discharge Form & Policy Document } On receipt of these two documents post-dated cheque is sent by post so as to reach the policyholder before the due date } The gross amount consists of Basic sum assured and bonus if any.
- Same as maturity claims, sum assured becomes payable on expiry of full term but on survival of the insured. } In policies like, money back plan for 15 years term, 1/4th of the sum assured becomes payable on the life assured on surviving 5 year, further 1/4th becomes payable after additional 5 years and rest balance at the end of 15 years.
- **2 Types:** θ Premature death claim – within 3 years θ Other claim – after 3 years
 } Intimation of death is to be given by a proper person in writing. 1. Original Policy Bond 2. Death Certificate 3. Proof of relationship with the deceased person in case of Accidental Death Post-mortem Report, FIR Copy, Final Police Report is also required.
- ⌘ Suicide or attempted suicide or intentional self-inflicted injury ⌘ Under influence of drugs or alcohol, narcotics or psychotropic substance not prescribed by a Medical Professional. ⌘ War, Invasion, Civil War, Riots, Revolution or any war like operation. ⌘ Criminal or unlawful act ⌘ Service in the military or police ⌘ Flying activity other than as a paying passenger. ⌘ Racing vehicle.
- An additional sum equal to the sum assured will be paid in monthly installments spread over 10 years. } Future premiums are waived } Max. Limit of additional benefit is 5,00,000 or 10,00,000 depending upon the insured.
- Pre-condition for granting such benefit is Disability should be solely and directly as a result of accidental injury. Disability must be permanent Injury and disability must occur before the insured attains 60 years of age.
- Tax benefit from Life Insurance Policies θ The Indian Income Tax Act, make buying insurance “cheaper” as well as an efficient investment for long term savings. On Premiums’ Section 80D of the Insurance Act is an effective way for the salaried person to reduce tax liability through life insurance policy. Investments in Life Insurance premium is subject to rebate. Premium: Paid by an individual in respect of: himself/herself, his/her spouse, and any of his/her children. Premium amount paid should not exceed 20% of the sum assured.

- **Health Related Riders:** Some of the critical illness, hospitalization cash and other health related riders attached to a Life Insurance policy may also be eligible for rebate under section 80D of the Insurance Act. This deduction is available to both Individuals & HUF. Rs.15,000 is the maximum amount deductible during the year for an individual as well as a senior citizen. Condition for applicability of deduction is that the premium must be paid by cheque in the previous year out of the income chargeable to tax.
- **Death Claims and Maturity Benefits:** Life Insurance Policies are under an EEE (Exempt-Exempt-Exempt) regime i.e., that the Premiums Paid, Income earned by the Investments, and payment of Maturity proceeds or claim are all exempt "E" from tax under section 10(10)(D) of the Income Tax Act. The only policies that are not eligible for exemption on payment on maturity or claim are Single Premium Policies or Policies where the sum assured was less than 5 times the Premium paid.
- **Ratings Of Insurance Companies in India - Top 5 Companies Market Share**
(2009) Market Share (2008) LIC 64% 74% ICICI Prudential Life Insurance Co Ltd 11.8% 8.93% SBI Life Insurance Co Ltd 15% 6.99% Bajaj Allianz Life Insurance Co Ltd 13.1% 7.36% Reliance Life Insurance Co Ltd 9.8% 2.96%.
- **How Much Life Insurance Coverage Should Be Purchased?**— The Rule of Thumb is- Coverage should equal to 6 to 10 times annual income.— The other Rule is- Coverage to cover his family consumption need.
- **Functions of an Actuary in Life Insurance Business**— Main function of an actuary in life insurance is to do assessment and valuation of mortality risk.— Due to medical advancement now the life span of an individual can be determined which reduce the uncertainty of death.— Due to which medical selection by the insurer is necessary and desirable both on the grounds of "actuarial fairness" i.e. charging premiums to different lives on the basis of their different levels of risk and for financial viability of the insurance company.
- **Current News in Life Insurance Sector**— Life insurance premium collection down by 22% -LIC premium collection down by 20.5% and 22 private life insurance premium down by 25%.— AUM of life insurer cross Rs. 15 lakh crore, due to rise in renewal premium which means that increasing number of policy holder are renewing their policies.

1.3 COMPANY PROFILE:

KOTAK MAHINDRA LIFE INSURANCE

Kotak Mahindra Life Insurance Company Limited is a private [life insurance](#) company in [India](#). The company was founded in 2001. It caters to 15 million customers and has 232 branches in around 167 cities and towns in India with 99,275 agents. Under the umbrella, the company offers various protection plans, savings and investment plans, child plans and retirement plans.

Kotak Mahindra Life Insurance Company Ltd. is one of the fastest growing insurance companies in India, covering over 34.8 million lives nationwide (as on 31st December 2021).

Kotak Life Insurance's products include rural plans, term plans, savings, children, retirement and investment plans at nominal premium rates to be affordable by individual investment requirements that can cater to their lifetime requirements and each insurance plan is designed to provide maximum protection in addition to benefits and keeping in mind the different sections of society. To facilitate the sale of its products the company has a network of branch offices distributed across country, individual agents, insurance agencies and offices, individual and firm brokers for claim settlements and these products are also available online through aggregators and the company website. The company currently has 32 products including 9 group products, 10 ULIPs & 18 rider options (as on 4 July 2016). Till 2020, it had more than 250 branches around 167 cities in India and more than 1,00,000 advisors. In the year 2020, company launched Kotak Health Shield, providing benefits like daily hospitalization cash benefit, waiver of premium on being diagnosed with minor conditions, and income benefit on being diagnosed with major conditions and forayed into comprehensive health insurance segment.

1.4 THE PROFIT AND LOSS ACCOUNT OF KOTAK MAHINDRA BANK PVT LTD FROM THE YEAR MARCH 2017- MARCH 2021

Kotak Mahindra Bank					
STAND- ALONE PROFIT & LOSS ACCOUNT			----- in Rs. Cr. ----- -----		
	Mar 21	Mar 20	Mar 19	Mar 18	Mar 17
	12 mths	12 mths	12 mths	12 mths	12 mths
INCOME					
Interest / Discount on Advances / Bills	18,589.08	20,999.24	18,371.25	14,727.95	13,402.10
Income from Investments	6,833.41	5,257.25	4,872.77	3,933.00	3,681.04
Interest on Balance with RBI and Other Inter- Bank funds	1,174.74	381.24	381.42	755.29	218.32
Others	243.05	291.89	317.76	332.25	397.47
Total Interest Earned	26,840.27	26,929.61	23,943.21	19,748.50	17,698.93
Other Income	5,459.19	5,372.11	4,604.03	4,052.21	3,477.16
Total Income	32,299.46	32,301.72	28,547.23	23,800.70	21,176.09
EXPENDITURE					
Interest Expended	11,500.62	13,429.95	12,684.25	10,216.81	9,572.78
Payments to and Provisions for Employees	3,765.40	3,911.12	3,183.61	2,950.23	2,768.53
Depreciation	366.77	371.95	366.92	302.69	290.66
Operating Expenses (excludes Employee Cost & Depreciation)	4,451.97	4,567.87	3,964.27	3,172.80	2,559.30
Total Operating Expenses	8,584.14	8,850.94	7,514.80	6,425.72	5,618.50
Provision Towards Income Tax	2,536.93	1,996.67	2,504.34	2,133.92	1,800.31
Provision Towards Deferred Tax	-198.78	-139.18	16.12	0	-63.74
Other Provisions and Contingencies	2,911.71	2,216.17	962.39	939.95	836.74
Total Provisions and Contingencies	5,249.86	4,073.66	3,482.85	3,073.87	2,573.31
Total Expenditure	25,334.62	26,354.54	23,681.90	19,716.40	17,764.59
Net Profit / Loss for The Year	6,964.84	5,947.18	4,865.33	4,084.30	3,411.50

Net Profit / Loss After EI & Prior Year Items	6,964.84	5,947.18	4,865.33	4,084.30	3,411.50
Profit / Loss Brought Forward	20,511.81	16,919.29	13,604.60	10,756.29	8,214.12
Total Profit / Loss available for Appropriations	27,476.65	22,866.47	18,469.93	14,840.59	11,625.62
APPROPRIATIONS					
Transfer To / From Statutory Reserve	1,741.21	1,486.80	1,216.34	1,021.08	852.88
Transfer To / From Special Reserve	110	80	40	55	55
Transfer To / From Capital Reserve	14.5	114.84	6.99	24	10.55
Transfer To / From Investment Reserve	0	-31.06	101.95	0	-48.49
Transfer To / From Revenue And Other Reserves	820.66	481.74	1.4	0	0
Equity Share Dividend	0	0	160.28	114.21	0.07
Preference Share Dividend	40.5	193.26	0	0	0
Tax On Dividend	0	29.09	23.68	21.7	-0.68
Balance Carried Over To Balance Sheet	24,749.78	20,511.81	16,919.29	13,604.60	10,756.29
Total Appropriations	27,476.65	22,866.47	18,469.93	14,840.59	11,625.62
OTHER INFORMATION					
EARNINGS PER SHARE					
Basic EPS (Rs.)	35.17	30.88	25.52	21.54	18.57
Diluted EPS (Rs.)	35.14	30.84	25.48	21.51	18.55
DIVIDEND PERCENTAGE					
Equity Dividend Rate (%)	18	0	16	14	12

1.5 BALANCE SHEET OF KOTAK MAHINDRA BANK PVT LTD FROM THE YEAR MARCH 2017- MARCH 2021

Kotak Mahindra Bank					
STAND- ALONE BALANCE SHEET			----- in Rs. Cr. ----- -----		
	Mar 21	Mar 21	Mar 20	Mar 20	Mar 19
	12 mths	12 mths	12 mths	12 mths	12 mths
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	990.92	990.92	956.52	956.52	954.38
Preference Share Capital	500	500	500	500	500
Total Share Capital	1,490.92	1,990.92	1,456.52	1,956.52	1,954.38
Reserves and Surplus	62,236.05	62,236.05	47,558.78	47,558.78	41,444.00
Total Reserves and Surplus	62,236.05	62,236.05	47,558.78	47,558.78	41,444.00
Employees Stock Options	2.16	2.16	2.87	2.87	2.07
Total Share Holders Funds	63,729.13	63,729.13	49,018.17	49,018.17	42,900.45
Deposits	280,100.05	280,100.04	262,820.52	262,820.52	225,880.36
Borrowings	23,650.65	23,650.65	37,993.31	37,993.31	32,248.29
Other Liabilities and Provisions	16,008.80	16,008.80	10,419.68	10,419.68	11,142.99
Total Capital and Liabilities	383,488.62	383,488.62	360,251.68	360,251.68	312,172.09
ASSETS					
Cash and Balances with Reserve Bank of India	12,493.61	12,493.61	9,505.05	9,505.05	10,877.52
Balances with Banks Money at Call and Short Notice	27,132.92	27,132.92	43,787.25	43,787.25	13,798.02
Investments	105,099.19	105,099.19	75,051.55	75,051.54	71,189.09
Advances	223,688.62	223,688.62	219,748.19	219,748.19	205,694.81
Fixed Assets	1,535.27	1,535.27	1,623.13	1,623.13	1,651.55

Other Assets	13,539.01	13,539.01	10,536.52	10,536.52	8,961.10
Total Assets	383,488.62	383,488.62	360,251.68	360,251.68	312,172.09
OTHER ADDITIONAL INFORMATION					
Number of Branches	1,604.00	0	1,600.00	0	0
Number of Employees	51,700.00	0	50,034.00	0	0
Capital Adequacy Ratios (%)	22.26	22.26	18	18	17
KEY PERFORMANCE INDICATORS					
Tier 1 (%)	21.38	0	17	0	0
Tier 2 (%)	0.88	0	1	0	0
ASSETS QUALITY					
Gross NPA	7,425.51	7,425.51	5,026.89	5,026.89	4,467.94
Gross NPA (%)	3	3	2	2	2
Net NPA	2,705.17	2,705.17	1,557.89	1,557.89	1,544.37
Net NPA (%)	1.21	1.21	0.71	1	1
Net NPA To Advances (%)	1	0	1	2	2
CONTINGENT LIABILITIES, COMMITMENTS					
Bills for Collection	41,272.80	0	39,518.98	0	0
Contingent Liabilities	193,106.99	0	187,277.36	0	0

HDFC LIFE INSURANCE

HDFC Life Insurance Company Ltd. ([d/b/a](#) HDFC Life) is a long-term [life insurance](#) provider with its headquarters in [Mumbai](#), offering individual and [group insurance](#) services and incorporated on 14 August 2000.

The company is a joint venture between [Housing Development Finance Corporation Ltd](#) (HDFC), one of India's leading housing finance institutions and [Abn](#), a global investment company. As on 31 March 2020, the promoters; HDFC Ltd. and Standard Life (Mauritius Holdings) 2006 Ltd. hold a 51.69% and 34.75% stake in HDFC Life respectively. The remaining equity is held by public shareholders.

HDFC Life's products include Protection, Pension, Savings, Investment, Health along with Children and Women plans. The company also provides an option of customizing the plans, by adding optional benefits called riders, at an additional price. The company has categorized its product portfolio covering five principal segments across the individual and group categories namely participating, non-participating protection term, non-participating protection health, other non-participating and unit-linked insurance products. The company currently has 37 retail and 11 group products, along with 6 optional rider benefits (as on 24 March 2020).

- Protection Plans – insurance plans that provide protection and financial stability to the family in case of any unforeseen events.
- Click2Protect life is their online term plan.
- Launched CSC Suraksha to be sold exclusively through the Common Services Centre network.
- Click2Invest is their online ULIP investment plan.
- Health Plan – offers financial security to meet health-related contingencies.
- Savings & Investment plans – These plans help in investment to achieve financial goals.
- Retirement plans – financial security for life post-retirement.
- Woman's plans – plans catering to different financial needs of women.
- Children's plans – plans meant to secure children's future.
- Rural & social Plans – meant specifically for rural customers.
- Click2Retire completed their Click2 portfolio.
- ULIP Investment with more funds.

1.6 THE PROFIT AND LOSS ACCOUNT OF HDFC LIFE INSURANCE PVT LTD FROM THE YEAR MARCH 2017- MARCH 2021

HDFC Life Insurance Company					
STAND- ALONE PROFIT AND LOSS ACCOUNT			----- in Rs. Cr. ----- -----		
	Mar 21	Mar 20	Mar 19	Mar 18	Mar 17
	12 mths	12 mths	12 mths	12 mths	12 mths
INCOME					
Revenue From Operations [Gross]	38,122.30	32,223.60	28,924.01	23,370.97	19,274.86
Revenue From Operations [Net]	38,122.30	32,223.60	28,924.01	23,370.97	19,274.86
Other Operating Revenues	33,325.14	-2,873.06	9,435.88	8,874.89	11,367.50
Total Operating Revenues	71,447.43	29,350.54	38,359.88	32,245.86	30,642.36
Other Income	441.95	367.26	505.09	281.48	138.92
Total Revenue	71,889.38	29,717.80	38,864.98	32,527.34	30,781.28
EXPENSES					
Employee Benefit Expenses	1,675.58	1,676.96	1,408.22	1,291.77	1,104.20
Finance Costs	18.41	17.01	13.44	10.76	9.06

Provsions and Contingencies	-225.85	765.27	100.29	-1.39	1.92
Depreciation And Amortisation Expenses	50.61	46.5	45.2	44.45	40.76
Other Expenses	68,635.19	25,971.26	35,864.12	29,962.59	28,397.92
Total Expenses	70,153.95	28,477.00	37,431.28	31,308.18	29,553.85
	Mar 21	Mar 20	Mar 19	Mar 18	Mar 17
	12 mths	12 mths	12 mths	12 mths	12 mths
Profit/Loss Before Exceptional and ExtraOrdinary Items And Tax	1,735.43	1,240.80	1,433.70	1,219.16	1,227.43
Profit/Loss Before Tax	1,735.43	1,240.80	1,433.70	1,219.16	1,227.43
Tax Expenses-Continued Operations					
Current Tax	267.78	165.51	13.09	17.74	173.99
Total Tax Expenses	267.78	165.51	13.09	17.74	173.99
Profit/Loss After Tax And Before ExtraOrdinary Items	1,467.65	1,075.29	1,420.61	1,201.42	1,053.44
Extraordinary Items	-107.55	219.97	-143.81	-92.41	-161.31
Profit/Loss From Continuing Operations	1,360.10	1,295.27	1,276.79	1,109.00	892.13
Profit/Loss For The Period	1,360.10	1,295.27	1,276.79	1,109.00	892.13
	Mar 21	Mar 20	Mar 19	Mar 18	Mar 17

	12 mths	12 mths	12 mths	12 mths	12 mths
OTHER ADDITIONAL INFORMATION					
EARNINGS PER SHARE					
Basic EPS (Rs.)	6.73	6.42	6.34	5.53	4.47
Diluted EPS (Rs.)	6.73	6.41	6.32	5.5	4.44
VALUE OF IMPORTED AND INDIGENIOUS RAW MATERIALS					
STORES, SPARES AND LOOSE TOOLS					
DIVIDEND AND DIVIDEND PERCENTAGE					
Equity Share Dividend	0	0	328.83	273.22	219.74
Tax On Dividend	0	0	67.59	55.62	44.73
Equity Dividend Rate (%)	20	0	16	14	11

1.7 BALANCE SHEET OF HDFC LIFE INSURANCE PVT LTD FROM THE YEAR MARCH 2017- MARCH 2021

HDFC Life Insurance Company					
STAND- ALONE BALANCE SHEET			----- in Rs. Cr. ----- -----		
	Mar 21	Mar 20	Mar 19	Mar 18	Mar 17
	12 mths	12 mths	12 mths	12 mths	12 mths
EQUITIES AND LIABILITIES					
SHAREHOLDER'S FUNDS					
Equity Share Capital	2,020.94	2,018.80	2,017.38	2,011.74	1,998.48
Total Share Capital	2,020.94	2,018.80	2,017.38	2,011.74	1,998.48
Reserves and Surplus	9,169.81	4,775.53	3,637.87	2,736.56	1,840.20
Total Reserves and Surplus	9,169.81	4,775.53	3,637.87	2,736.56	1,840.20
Total Shareholders' Funds	11,190.76	6,794.33	5,655.25	4,748.30	3,838.68
Equity Share Application Money	1.97	5.59	0.39	0.89	0
NON-CURRENT LIABILITIES					
Long Term Borrowings	600	0	0	0	0
Other Long-Term Liabilities	90,309.57	66,203.45	55,849.85	46,487.69	33,646.86
Long Term Provisions	70,963.52	54,182.08	63,377.41	54,598.19	53,800.48
Total Non-Current Liabilities	161,873.10	120,385.53	119,227.26	101,085.88	87,447.34
CURRENT LIABILITIES					
Other Current Liabilities	6,423.18	4,901.91	5,063.97	4,602.72	3,773.54
Short Term Provisions	78.94	75.02	58.49	43.67	46.55

Total Current Liabilities	6,502.12	4,976.93	5,122.46	4,646.39	3,820.10
Total Capital and Liabilities	179,567.95	132,162.38	130,005.36	110,481.46	95,106.12
ASSETS					
NON-CURRENT ASSETS					
Tangible Assets	326.76	321.71	323.11	336.13	336.83
Capital Work-In-Progress	13.39	8.41	10.19	5.28	16.09
Fixed Assets	340.15	330.13	333.3	341.4	352.92
Non-Current Investments	173,839.44	127,226.17	125,551.66	95,395.62	91,432.54
Long Term Loans and Advances	424.05	299.05	79.59	18.74	352.92
Other Non-Current Assets	0	0	0	795.24	0
Total Non-Current Assets	174,603.64	127,855.34	125,964.55	96,551.01	92,138.37
CURRENT ASSETS					
Current Investments	0	0	0	10,412.00	0
Cash And Cash Equivalents	1,035.56	679.87	1,239.82	1,108.47	796.5
Short Term Loans and Advances	3,928.75	3,627.17	2,800.99	2,409.98	2,171.25
Total Current Assets	4,964.31	4,307.04	4,040.81	13,930.45	2,967.75
Total Assets	179,567.95	132,162.38	130,005.36	110,481.46	95,106.12
OTHER ADDITIONAL INFORMATION					
CONTINGENT LIABILITIES, COMMITMENTS					
Contingent Liabilities	2,020.50	2,397.86	1,762.96	1,031.51	665.6
CIF VALUE OF IMPORTS					
EXPENDITURE IN FOREIGN EXCHANGE					
Expenditure In Foreign Currency	242.5	169.7	189.7	0	0
REMITTANCES IN FOREIGN CURRENCIES FOR DIVIDENDS					

Dividend Remittance in Foreign Currency	-	-	-	-	-
EARNINGS IN FOREIGN EXCHANGE					
FOB Value of Goods	-	-	-	-	-
Other Earnings	252.1	178.6	160.9	-	-
BONUS DETAILS					
Bonus Equity Share Capital	-	-	-	-	-
NON-CURRENT INVESTMENTS					
Non-Current Investments Quoted Market Value	-	-	-	-	-
Non-Current Investments Unquoted Book Value	-	-	-	-	-
CURRENT INVESTMENTS					
Current Investments Quoted Market Value	-	-	-	-	-
Current Investments Unquoted Book Value	-	-	-	-	-

1.8 NEED OF THE STUDY:

- The main need of the study is to compare the different life insurance policies provided by HDFC Life Insurance company and Kotak Mahindra Life Insurance company
- To ensure if the customers are satisfied with the number of services provided by HDFC Life Insurance company and Kotak Mahindra Life Insurance company
- This study also makes sure that the banks provide enough information on the new policies or products introduced.

1.9 OBJECTIVES OF THE STUDY:

- To compare the level at which services are being well delivered given by the Kotak Mahindra and HDFC Life Insurance company.
- To identify the main attributes of service quality in which customers are satisfied more in Insurance sector.
- To analyze the level of customer satisfaction towards Life Insurers.
- To offer suggestions to the insurance company based on the findings given by the policyholders.

1.10 SCOPE OF THE STUDY:

- The scope of the study is to analyze the service of life insurance policies provided by Kotak Mahindra and HDFC Life insurance.
- To analyze which bank's (KOTAK or HDFC) customers are satisfied with their relationship with Kotak and HDFC bank Pvt. Ltd.
- The study is focused primarily on analysis of various insurance avenues along with Health Insurance to study the consumer preference towards Health Insurance with reference to insurance policies
- The scope of the study is limited to the BRANCH OF HDFC and Kotak bank at Chennai city only.

1.11 LIMITATIONS:

- The study is confined for a specific period and hence the sample size is 150 only
- The study was conducted only within the available time frame (6 months)
- The survey is carried out is purely based on the opinion of the insurance policyholders which may vary from time to time
- The external factors which influence the insurance policyholders to go to the product are not analyzed in this research

CHAPTER 2

REVIEW OF LITERATURE

- G. T. Sharma (2010), It reaffirms the need to adapt Western research techniques for assessing service quality attributes to the sense of Indian life insurance. The study also found that customer satisfaction with agents, practical services, and the organization is influenced by service quality dimensions, which has an effect on overall satisfaction. While this study focuses on the life insurance industry in India, the findings and recommendations in this article can be applied to increase service quality and, as a result, customer satisfaction in other countries' life insurance industries.
- According to insurers, Farokhian.S.,Vazifehdus.H.,(2013), has clarified the factors affecting the insurance industry. Customer satisfaction and other measures and factors in the performance of insurance companies were described in the first report, which used the Servqual model (service quality factors). Finally, the most important factors were identified as access, customer response time, and confidence in customer satisfaction, and the most significant metrics of performance in the insurance industry were identified as knowing the customer, credit, insurance, and customer relationship.
- Kuhlemeyer, A. G., and Allen, H.G., (2014) investigate customer satisfaction in the purchase of life insurance products and compare satisfaction in a broker or agent aided transaction to satisfaction in a direct placement transaction without the use of a broker or agent. Consumer satisfaction with the life insurance policy, the provider, and the institution are all measured against benchmarks. Consumer satisfaction is influenced by factors such as confidence, competence, and product appropriateness, according to the report.

- Subashini R. (2016) examined that service quality and customer satisfaction in banks can be explored further to determine what approach banks use for different service quality and customer satisfaction over a sample period. Despite the fact that a number of studies have discovered inconsistencies in service quality and customer satisfaction and have attributed various explanations for service quality and customer satisfaction of foreign and public banks, no study has been able to resolve this problem.
- Dr.T.Unnamalai (2018) has analyzed the customer satisfaction and customer awareness about service rendered by the Life insurance corporation. Life insurance corporation of India competes other players in the market very aggressively with their human resource of agents because the policy holders are having more faith with agents.
- Maya Kannan said in his study that satisfaction level of policy holder towards insurance in Chennai City. Because of increasing awareness among individuals regarding their uncertainty of insurance. It's vital for insurance corporations to know the requisite of their client. The main aim of his study is to hold their client satisfaction towards LIC. This study supported primary knowledge that is collected through form among one hundred fifty policy holder in metropolis and knowledge were analyzed with multi selection applied math tools like proportion, chi-square and multivariate analysis analyses were used to establish the issue chargeable for client satisfaction towards LIC (Kannan, 2018).
- Damodar said in his study that settlement of return claims has like a reaction for a life insurance company which policy holder see the real image of insurance company. Insurance sector which fails to settle the claim, the satisfaction of policy holder or customer will definitely decrease the firm goodwill and discourage to continue or the repurchase of policy. The main purpose of the research is to study the awareness and satisfaction of policy holder or customers towards life insurance claim settlement in Nepal. Descriptive research methods were designed for analyzed. In the study. Sample 391 respondent agents for which stratified sampling were used. Primary data were collected through questionnaire method used specifically Likert scale. The collected data measured for the study through SPSS

software and MS Excel. This study tell that that government should attention or work for the awareness of life insurance for policy holders and make it compulsory for every citizen (Damodar, 2017).

- Antonio examined in his study that client or customer's satisfaction with insurance companies is usually seen because the key factor for success and long-run fight for insurance companies. The insurance trade is obtaining heaps of attention as client satisfaction. Within the situation of relationship promoting, client satisfaction is usually observed as a central determinant of client retention. The main purpose of this study is to develop an abstract basis for work the client retention method, with the employment of the ideas of client or policy holder's satisfaction and improve relationship quality. Client satisfaction could be a key metric for insurance firms to observe so as to determine that arras of their client service is robust and that areas would like improvement so as to keep up or increase their membership base (Antonio, 2017).
- Gregory research in his study that consumer or client satisfaction related with the purchases of life insurance policies or products and compares with satisfaction. Benchmarks are identified for consumer satisfaction with the life insurance product, the agent, and the institution. The research shows that trust, competence, and product appropriateness play an integral part in consumer satisfaction. Practicing financial planners can apply the implications of this study in their own practices, and future researchers can determine whether consumer satisfaction increases or decreases as distribution (Gregory, 2014).
- Masood H Siddiqui examined in his research that life insurance agent has started and identifying their business depends on better services and customer's satisfaction. This research using positive factor analyses, proposes six-dimensional service-quality instrument consisting of assurance, personalized financial planning, competence, corporate image, tangibles and technology in life insurance. A causal model was suggested to investigate the effects of the proposed service quality instrument on customer satisfaction with agents' satisfaction with functional services satisfaction with the company and finally with overall satisfaction. The suggested framework attempts to provide a plan for the

appropriate course of action by life insurance to create a base of satisfied customers through quality services (Siddiqui, 2010).

- Aswani Kevin, studied to determine the effects of different marketing strategies on the performance of insurance companies in Kenya. The data was collected from the marketing managers. About 43 self-administered questionnaires were distributed among the advertising managers. Organizational performance includes the actual output or results of an organization was measured against its actual outputs. In addition, the products available were not designed to meet for person who income level is low. According to the insurance industry report 2008 from AKI the perception of insurance in Kenya is very low at only 2.54% of Gross Domestic Product (GDP) compared to 2.57% in 2005. Insurance recorded a penetration ratio of 0.76% while that of general insurance was 1.78%. The penetration ratio reveals existing coverage and growth challenges for insurance market in a given country (Kevin, 2010).
- “Dr. Kamal” investigate in his study that the influence of service and products quality on Customer or client satisfaction of Jordan City Insurance Companies. The sample for this study contains the policy holders or client of Jordan insurance companies. These data were collected from local area people of insurance company located in several locations in Jordan. 233 questionnaire were backed with the response rate of 58.25%. The findings of the study have important insinuations for managers of Jordan Insurance Companies (Kamal, 2013).
- “Md. Shamsuzzaman “said in his study that Customers have specific opinions on their purchase or consumption expertise from a product or service. The study was created for a case of National life assurance Company restricted, Khulna Branch and therefore the objective was to seek out its customers’ satisfaction level still on offer important recommendations to enhance it. Quantitative survey technique was utilized by suggests that of a form. The questionnaires, designed queries associated with the client satisfaction components, were distributed among the shoppers and therefore the responses were collected anon. Finally, the result was shown and analyzed through graphical displays. The results of the analysis disclosed that current business ways of National life assurance Company, Khulna

branch don't seem to be taking part in positive impact on customers' satisfaction level. So, clients instructed that variety of actions ought to be taken to enhance customer service, employees coaching, technology application, service setting, and trait.

- Tripti Ghosh Sharma investigate in his study that liberalization of the financial institute has run to insurance companies functioning increasingly under competitive pressures (Shamsuzzaman, 2013). This study tries to develop a complete and reliable instrument to analyzed customers satisfaction and service quality in life-insurance industry. The resultant valid instrument involved of six dimensions: assurance, personalized monetary coming up with, competence, company image, tangibles and technology. more the results of analytical hierarchy method highlighted the priority areas of service instrument with assurance is that the best predictor, followed by ability and personalized monetary coming up with. The gap scores show that there's ample area for improvement all told the aspects associated with service quality. These results would facilitate the service managers to with efficiency allot attention and resources among these dimensions on the differential basis, in keeping with the client priorities. These findings may be remodeled into effective ways and actions for achieving competitive advantage through client satisfaction and retention (Sharma, 2010).
- Sandeep Chaudhary said in his study that Insurance companies play a very important role within the welfare of human well-being by providing protection to several individuals against life risks like unsure death or accident. Even the life assurance is quickest growing service sector in Bharat once privatization and increase. Therefore, it's become essential to check the shopping for pattern of the life assurance policies. This study examines the assorted factors that have an effect on the patron perception towards life assurance policy. Knowledge was collected with the assistance of structured form. The sample planted of a hundred respondents from Amritsar, Ludhiana and Chandigarh. The applied mathematics technique used for the analysis square measure descriptive and correlational analysis. the most finding of the study mirrored that their square measure six factors i.e., made-to-order and timely services, higher company name, effective service quality , client convenience , tangible advantages and healthy client

consumer relationship that influence the patron perception towards life insurance policies (Chaudhary, 2016).

- Dr. Shamsheer investigates in his study that economic performance of insurance firms is that the outcome or results of customer's satisfaction and their opinion on service quality of the insurance companies. This study was targeted on searching or finding client views towards service quality which provided by the life assurance firms to the customer. The primary data was collected from 139 respondents from Delhi NCR Region. The correlational analysis and correlation were applied for measuring the results. The study has found that there are four major factors that influence client perception of service quality, particularly responsiveness and assurance, convenience, tangible and fellow feeling. Only age of the respondents is found to be considerably connected with the client perception and demographic factors haven't any impact on it (Shamsher, 2014).
- Muhammad Farooq studied was designed to measure the people's attitude toward insurance companies. This study additionally explores why the people of Pakistan are unaware from these policies and unwilling to get the policy to secure their future and reducing risk. Additionally discover the important factors behind the relation of insurance sectors and client. The magnitude relation of policy holders in Pakistan was found therefore tiny once man of science compared to the developed countries. The statistics relating to insurance sectors defined very badly relation of policy holders even among developing countries. There are some ancient, cultural, and spiritual causes concerned behind the low rate of policy house owners in Pakistan. The analysis examines the behavior of employees of the insurance companies that there is barrier or communication gap by the community to get the policy. Such significant factors encompassing the entire study analyzed through the quantitative knowledge collected from the insurance firm employees, and policy holders in Faisalabad City (Farooq, 2015).

- Ubaid Ur Rehman investigate in their study that the market of life Insurance has obtained considerable development with respect to awareness about insurance, terrorism, target killing, and uncertainty in world. In 2014-15, the growth rate was 29% that showed life Insurance market has a key contribution in Pakistan's economy. The core rationale of this research is to investigate the services quality aspects and its influence on corporate customer's behavioral intentions. This research has two objectives first; determine the perceptions of corporate customers concerning the quality service of group life insurance. Second, is to study the response of customers or client with respect to several features of service or policies. About 218 responses from customers are gathered with the through questionnaires and by using simple random sampling method. The major antecedents 'of behavioral intentions are personalized competence and planning. Conversely, in this study, assurance is not found as a predictor of behavioral intention of corporate customers. This is first study in the perspective of group life insurance in Asia as well as in the context of developing country (Rehman, 2016).
- Muhammad Ibrar examined in his study that how to result of product stigmatization and marketing to a company growth has its performance. The insurance trade as a result of the expansion of this trade is principally tied to the success of fine product brands and marketing. However, the structure performance and increase in profit and revenue ought to be understood by the content. The study conjointly aims to point out focus. How to insurance trade result the performance of sale promotion and products stigmatization. Survey of insurance corporations is to be thought of however because of the big variety of the operators, the authors selected just one case sample of State life assurance that features a larger retail store and smart variety of branches nationwide. A complete of sixty field survey questionnaires were distributed whereas fourteen refined. The info collected and analyzed exploitation the chi-square methodology. Hence, our conclusions from findings show that product stigmatization and marketing have an effect on structure growth. By reviewing the various finding that the Sale promotion and products stigmatization. The contribution of this paper is to seem at a way to finding the resulted answer of sale promotion and products stigmatization to affect the performance of insurance sector (Ibrar, 2015).

- “Gloria A Fofe “investigate in her study that how-to efforts to get and live the social economic and demographic (SED) factors that area unit probably to influence of insurer in Ghana. 200 sample were selected to response semi-structured questionnaires. By employing a integrity political economy regression model for analysis, the results show these SED determinants area unit absolutely and considerably associated with insurance demand, except that of faith. This means that SED determinants with the exception of faith play major roles in influencing people’s call to subscribe insurance policies. Again, it absolutely was discovered that with the exception of faith, all the SED variables have sturdy positive relationship with insurance patronage in Ghana. With insurance policies, alternative challenges like lack of information on insurance policies, inadequate transparency of insurance policies, and problem in getting insurance claims, do deter folks from seizing insurance policies. Supported these outcomes and challenges, the study recommends that insurance firms develop selling ways that area unit client focused, by taking into thought the SED characteristics (Fofe, 2016).

CHAPTER 3

RESEARCH METHODOLOGY

The Research is the basic frame work (or) a plan for the study that guides collection of data and analysis of data. This is fact finding study. The information are collected from the individuals and analyzed with the help of different statistical tools to find the effectiveness of “life insurance policies from HDFC and Kotak Mahindra Life insurance.

3.1 RESEARCH DESIGN:

Research design is a framework or blue print for conducting the research project. It specifies the details of the procedures necessary for obtaining the information needed to structure and/or solve research problems. RD is taken this study is descriptive research.

3.2. SAMPLING TECHNIQUE

SIMPLE RANDOM SAMPLING:

Simple random sampling is defined as a sampling technique where every item in the population has an even chance and likelihood of being selected in the sample. Here the selection of items entirely depends on luck or probability, and therefore this sampling technique is also sometimes known as a method of chances. Simple random sampling is a fundamental sampling method and can easily be a component of a more complex sampling method. The main attribute of this sampling method is that every sample has the same probability of being chosen. They say that this method is theoretically simple to understand but difficult to implement practically.

3.3 SOURCES OF DATA

Market research requires two types of data i.e., secondary data and primary data. Primary data has been used abundantly for the study. Well-structured questionnaires were prepared & the survey was undertaken. Feedback for the display has been taken by asking questions & observation has also done to gather primary information.

There is also a use of secondary data, collected from the various journals, books, and websites & from company managers. The selection of respondents was accordingly

to be in a right place at a right time and so the sampling was quite easy to measure, evaluate and co-operative.

DATA COLLECTION:

- Primary data
- Secondary data

PRIMARY DATA:

Primary data was collected through survey and Personal interview. A structured questionnaire was prepared to collect relevant primary data from the policyholder of life insurance.

SECONDARY DATA:

Secondary data was collected from various published Books, Journals, Websites, Newspaper.

METHODS OF DATA COLLECTION:

- The questionnaire was distributed to the life insurance policyholder.
- Around 150 completed questionnaires were returned back to the researcher.

3.4. STRUCTURE OF THE QUESTIONNAIRE

The questionnaire consists of 25 questions and is divided into two parts. The first part consists of 5 questions which are demographic questions and the remaining 20 questions are structured questions.

STATISTICAL TOOL USED:

The data collection was carefully analyzed & processed. Statistical techniques such as

- Percentage of Analysis
- Weighted Average
- Chi square analysis
- One way ANOVA

3.5. HYPOTHESIS / ANALYTICAL TOOLS

ANOVA TEST

It helps you find out whether the differences between groups of data are statistically significant.

CHI-SQUARE TEST

It is a test that measures how a model compares to actual observed data.

WEIGHTED AVERAGE

A weighted average or mean is one where each item being averaged is multiplied by a number (weight) based on the item's relative importance, rather than treating each item equally. The weights or weightings are the equivalent of having that many similar items with the same value involved in the average. The result is summed and the total is divided by the sum of the weights.

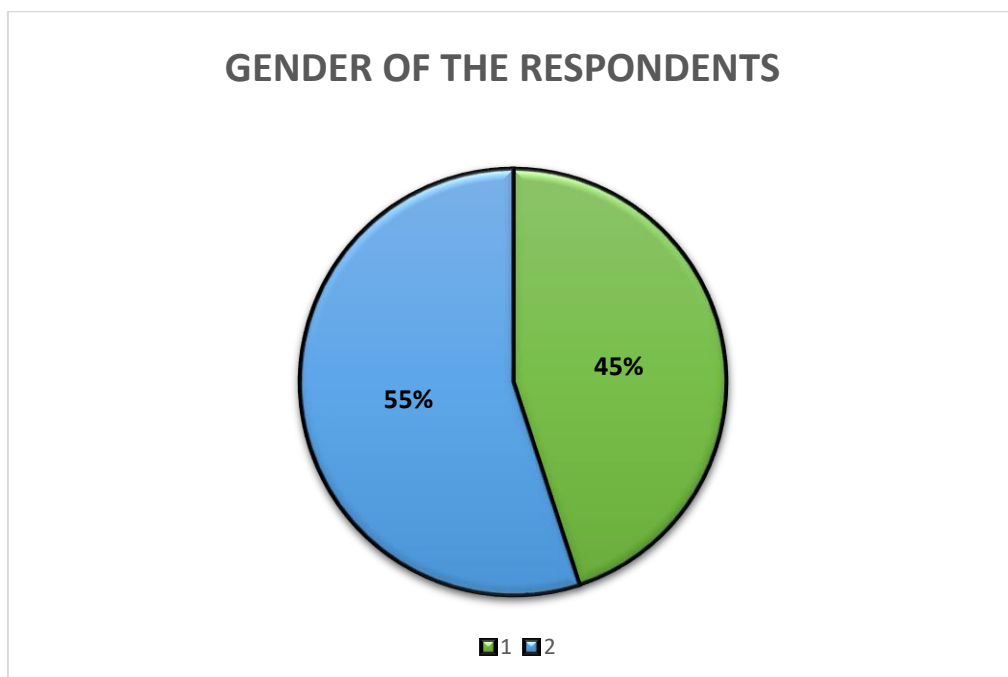
CHAPTER 4

4.1 DATA ANALYSIS AND INTERPRETATION

TABLE NO.1: GENDER WISE CALCULATIONS OF THE RESPONDENTS

Gender	Frequency	Percentage
Female	67	45%
Male	83	55%
Total	150	100%

CHART NO.1: GENDER WISE CALCULATIONS OF THE RESPONDENTS



INTERPRETATION:

From the above table, it is interpreted that 45% of the respondents are female and 55% of the respondents are male

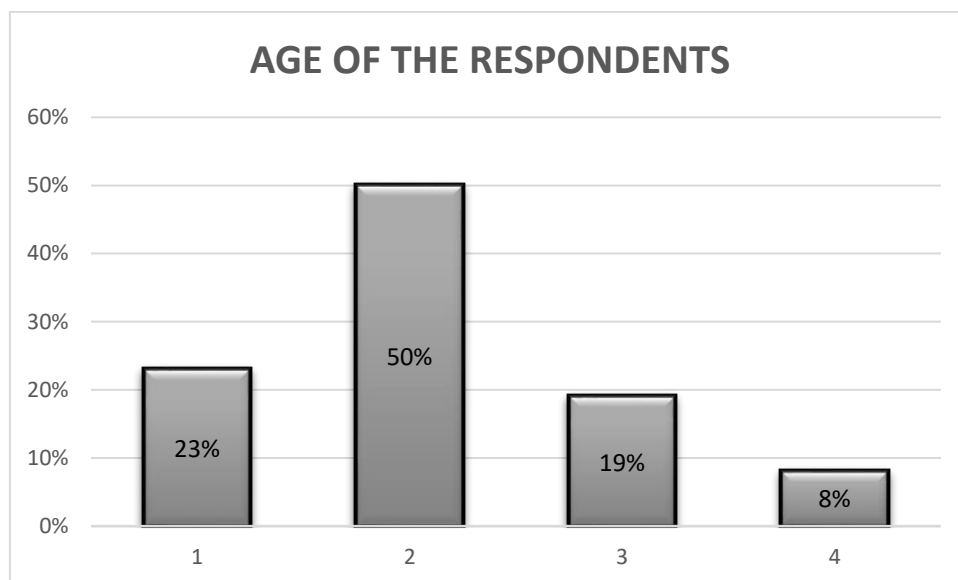
INFERENCE:

Majority (**55%**) of the respondents belongs to male category.

TABLE NO.2: AGE WISE CALCULATIONS OF THE RESPONDENTS

Age	Frequency	Percentage
Lessthan25	35	23%
26-35	75	50%
36-45	28	19%
46-Above	12	8%
Total	150	100%

CHART NO.2: AGE WISE CALCULATIONS OF THE RESPONDENTS



INTERPRETATION:

From the above table it is interpreted that 23% of the respondents belongs to less than 25, 50% of the respondents belongs to 26-35 category, 19% of the respondents belongs to 36-45 category, and 8% of the respondents belongs to 46 and above category.

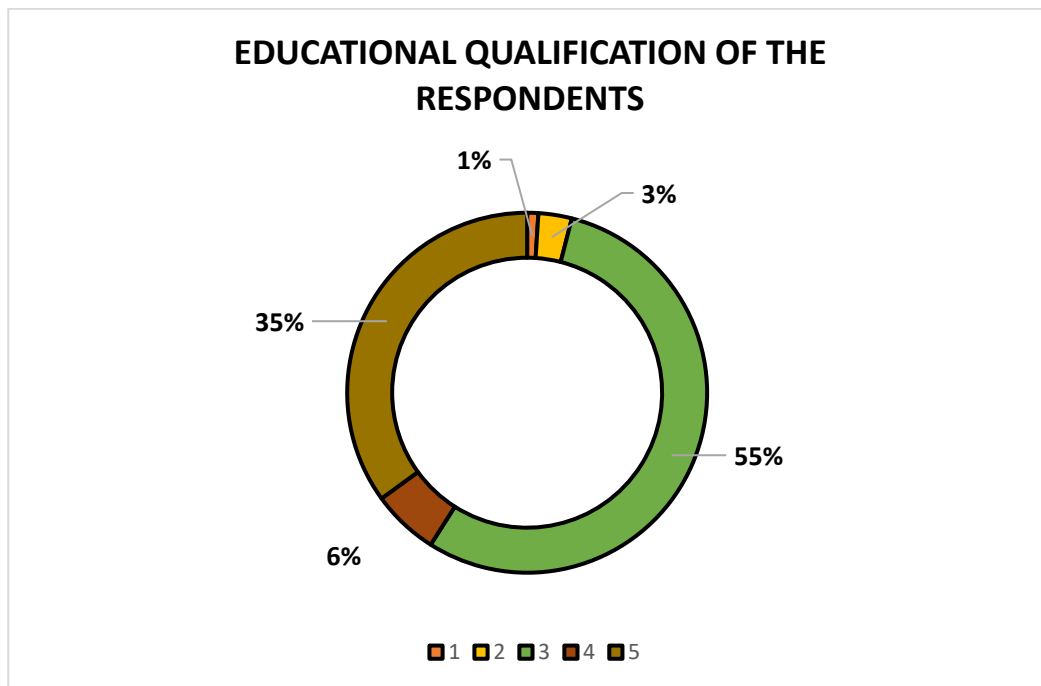
INFERENCE:

Majority (50%) of the respondents belongs to 26-35 category.

TABLE NO.3: EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

Educational Qualification	Frequency	Percentage
High school	2	1%
Others	5	3%
PG	83	55%
Professional	7	6%
UG	53	35%
Total	150	100%

CHART NO.3: EDUCATIONAL QUALIFICATION OF THE RESPONDENTS



INTERPRETATION:

From the above table it is interpreted that 1% of the respondents belongs to high school category, 3% of the respondents belongs to others category, 55% of the respondents belongs to PG category, 6% of the respondents belongs to professional category, and 35% of the respondents belongs to UG category.

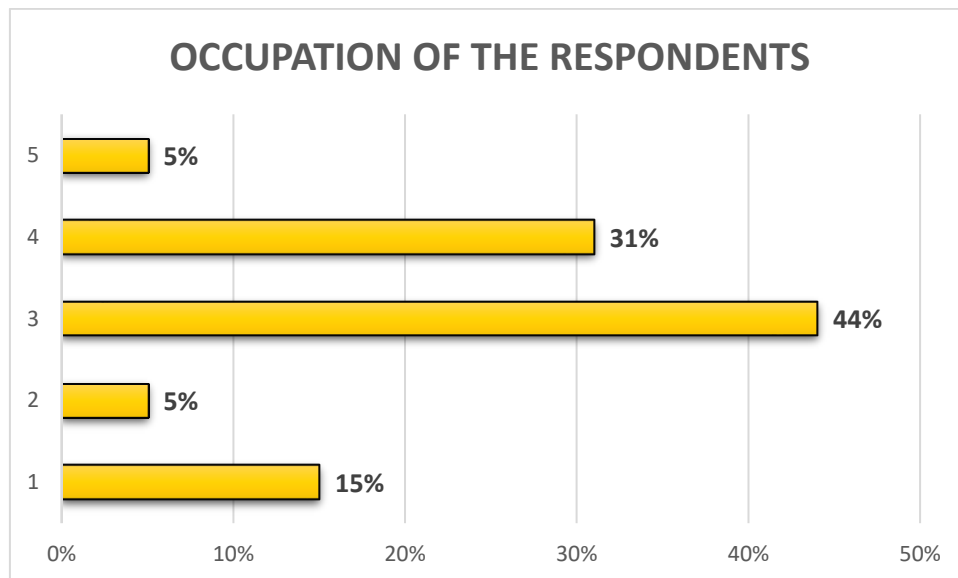
INFERENCE:

Majority (55%) of the respondents belongs to PG category.

TABLE NO.4: OCCUPATION OF THE RESPONDENTS

Occupation	Frequency	Percentage
Business	23	15%
Government	7	5%
Private	66	44%
Professional	46	31%
self	8	5%
Total	150	100%

CHART NO.4: OCCUPATION OF THE RESPONDENTS



INTERPRETATION:

From the above table it is interpreted that 15% of the respondents belongs to business category, 5% of the respondents belongs to government category, 44% of the respondents belongs to private category, 31% of the respondents belongs to 5% of the respondents belongs to self-category.

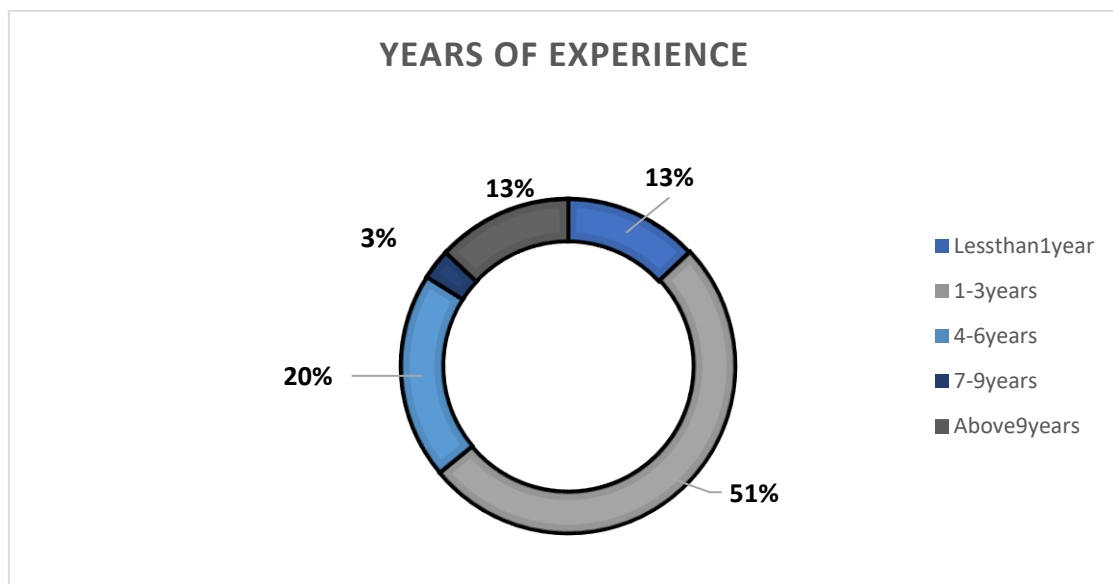
INFERENCE:

Majority (44%) of the respondents belongs to private category.

TABLE NO.5: RESPONDENT'S YEARS OF EXPERIENCE

Years of experience	Frequency	Percentage
Lessthan1year	20	13%
1-3years	76	51%
4-6years	30	20%
7-9years	5	3%
Above9years	19	13%
Total	150	100%

CHART NO.5: YEARS OF EXPERIENCE



INTERPRETATION:

From the above table it is interpreted that 13% of the respondents belongs to less than 1 year, 51% of the respondents belongs to 1-3 years category, 20% of the respondents belongs to 4-6 years, 3% of the respondents belongs to 7-9 years, 13% of the respondents belongs to above 9 years.

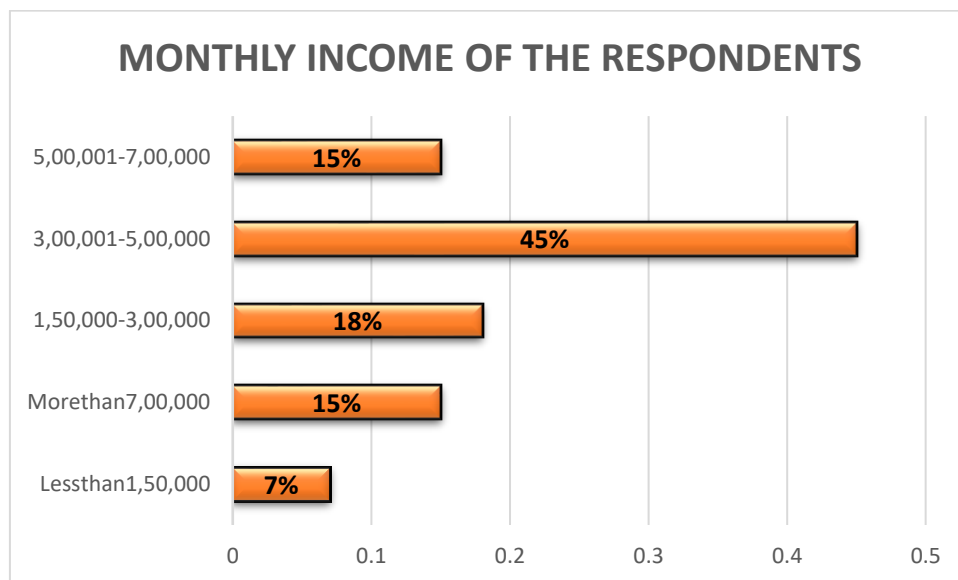
INFERENCE:

Majority (51%) of the respondents belongs to 1-3 years category.

TABLE NO.6: MONTHLY INCOME OF THE RESPONDENTS

Income (in Rs)	Frequency	Percentage
Lessthan1,50,000	10	7%
Morethan7,00,000	22	15%
1,50,000-3,00,000	28	18%
3,00,001-5,00,000	67	45%
5,00,001-7,00,000	23	15%
Total	150	100%

CHART NO.6: MONTHLY INCOME OF THE RESPONDENTS



INTERPRETATION:

From the above table it is interpreted that 7% of the respondents belongs to less than 1.50,000, 15% of the respondents belongs to more than 7,00,000, 18% of the respondents belongs to 1,50,000-3,00,000, 45% of the respondents belongs to 3,00,001-5,00,000 and 15% of the respondents belongs to 5,00,001-7,00,000.

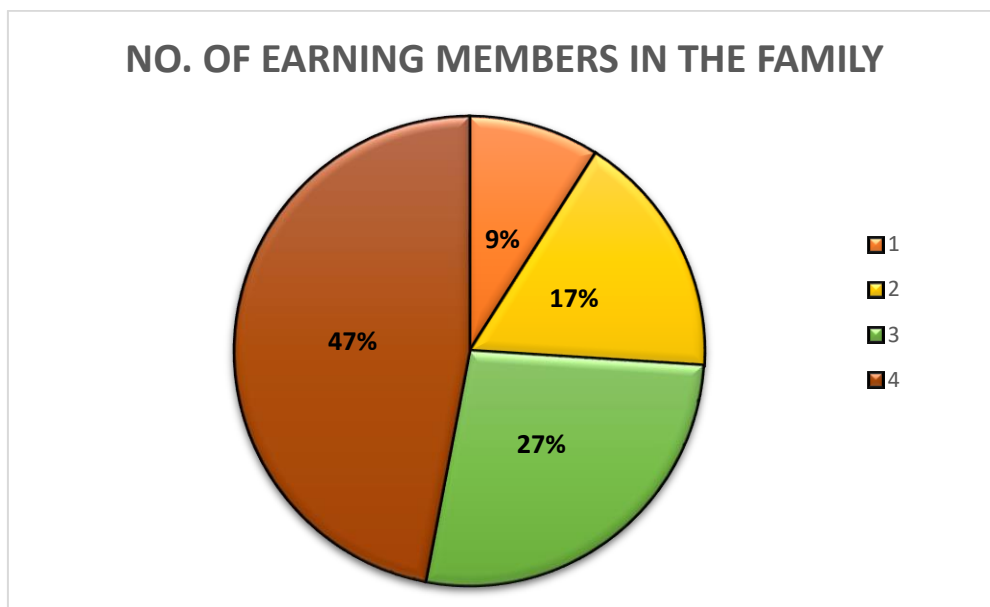
INFERENCE:

Majority (45%) of the respondents belongs to 3,00,001-5,00,000.

TABLE NO.7: NO. OF EARNING MEMBERS IN THE RESPONDENT'S FAMILY

No. of earning members	Frequency	Percentage
Morethan3	13	9%
Single	26	17%
Three	41	27%
Two	70	47%
Total	150	100%

CHART NO.7: NO. OF EARNING MEMBERS IN THE RESPONDENT'S FAMILY



INTERPRETATION:

From the above table it is interpreted that 9% of the respondents belongs to more than 3category, 17% of the respondents belongs to single category, 27% of the respondents belongs to three category, and 45% of the respondents belongs to two category.

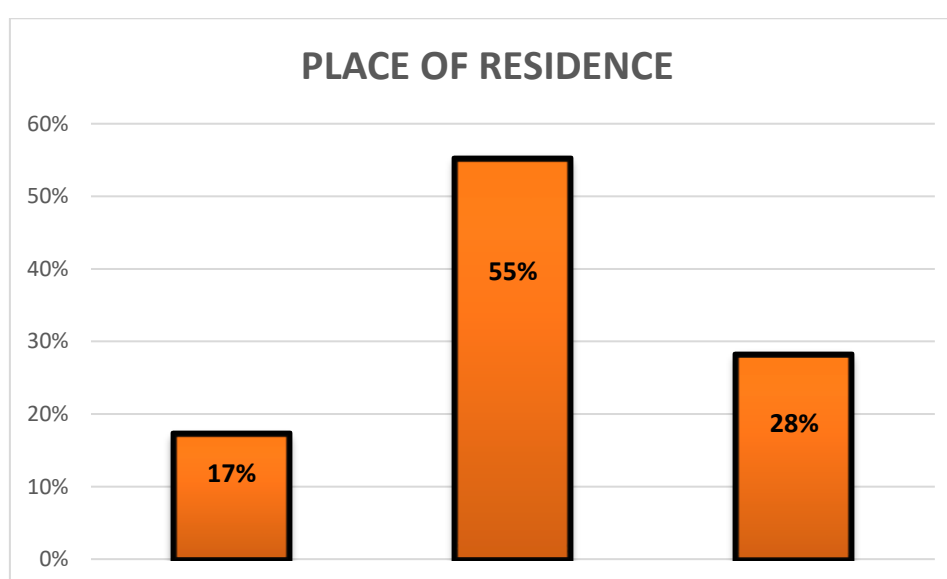
INFERENCE:

Majority (45%) of the respondents belongs to two category.

TABLE NO.8: RESPONDENT'S PLACE OF RESIDENCE

Place of residence	Frequency	Percentage
Rural	25	17%
Semi-urban	82	55%
Urban	43	28%
Total	150	100%

CHART NO.8: RESPONDENT'S PLACE OF RESIDENCE



INTERPRETATION:

From the above table it is interpreted that 17% of the respondents belongs to rural category, 55% of the respondents belongs to semi-urban category, and 28% of the respondents belongs to urban category.

INFERENCE:

Majority (55%) of the respondents belongs to semi-urban category.

WEIGHTED AVERAGE MEAN

QUESTION:

Particulars	SA	A	N	DA	SDA	Total
Sale promotion techniques/ Advertisements illustrate all the material facts regarding the products/ policy.	0	71	77	2	0	150
Company officials provide regular information about new products/policies and services	35	91	22	2	0	150
More frequent interaction by company officials to learn about customer needs, wants, ideas and complaints	36	75	39	0	0	150
My life insurance company provides a variety of financial products that meets all of my financial needs	39	73	38	0	0	150
My life insurance company handles all claims and paperwork efficiently and effectively	34	89	25	0	2	150
I plan to change life insurance companies in the near future.	16	28	60	40	6	150

SOLUTION:

Particulars	SA	A	N	DA	SDA	Total	Weighted mean	Rank
Sale promotion techniques/ Advertisements illustrate all the material facts regarding the products/ policy.	0	284	231	4	0	519	34.60	5
Company officials provide regular information about new products/policies and services	175	364	66	4	0	609	40.60	1
More frequent interaction by company officials to learn about customer needs, wants, ideas and complaints	180	300	117	0	0	597	39.80	4
My life insurance company provides a variety of financial products that meets all of my financial needs	195	292	114	0	0	601	40.07	3
My life insurance company handles all claims and paperwork efficiently and effectively	170	356	75	0	2	603	40.20	2
I plan to change life insurance companies in the near future.	80	112	180	80	6	458	30.53	6

INFERENCE:

The weight age for different level of satisfaction have been assigned i.e., 5 for strongly agree, 4 for agree, 3 for neutral, 2 for disagree and 1 for strongly disagree. Based on the weight age, the mean value for each aspect was calculated. The computed weighted average mean values have been ranked from 1 to 6. The highest mean value for “officials providing regular information about the products” is ranked as one. Since high weight age is given for highly satisfied. Hence they agree to that fact. Secondly, the mean value for handles all claims effectively and efficiently is higher hence ranked as 2 and ranks from 3 to 6 have been allotted accordingly based on mean values.

4.3 CHI- SQUARE TEST:

Policy preferred by policyholders feel secured * How is the Premium Amount to be paid in Insurance Plans of Kotak Life Insurance/ HDFC life insurance?

Null Hypothesis (H_0): There is no relationship between type of policy and the premium amount paid.

Alternate Hypothesis (H_1): There is a relationship between type of policy and the premium amount paid.

premium * policy Crosstabulation

Count

premium * policy Crosstabulation

		policy				Total
		Child plans	Pension plans	Protection plans	Savings plans	
premium	Average	0	6	13	8	27
	Highly Satisfied	6	4	15	6	31
	Satisfied	5	27	35	25	92
	Total	11	37	63	39	150

Count

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.762(a)	6	.047
Likelihood Ratio	13.227	6	.040
N of Valid Cases	150		

a 2 cells (16.7%) have expected count less than 5. The minimum expected count is 1.98.

INFERENCE:

Since the computed value **(0.047)** is less than level of significance (0.05), the null hypothesis is rejected and alternate hypothesis is accepted. Therefore, there is a relationship between type of policy and the premium amount paid.

4.4 ONE WAY ANOVA

Insurance company in which you have taken the policy * Opinion about investment in Kotak Life Insurance/ HDFC life insurance?

H₀: There is no difference between the reason for choosing and opinion about their choice of life insurance company.

H₁: There is a difference between the reason for choosing and opinion about their choice of life insurance company.

DESCRIPTIVES

Reason								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Generating income	87	2.5862	1.45116	.15558	2.2769	2.8955	1.00	5.00
Growth	63	2.5873	1.29060	.16260	2.2623	2.9123	1.00	5.00
Total	150	2.5867	1.38150	.11280	2.3638	2.8096	1.00	5.00

	Sum of Squares	D O F	Mean Square	F	Sig.
Between Groups	2.420	2	.807	.791	.503
Within Groups	77.530	147	1.020		
Total	79.950	149			

Calculated value: 0.503 significant value: 0.05

INFERENCE:

Since the table value is greater than the significant value (0.05) so we accept null hypothesis and reject alternate hypothesis. Therefore, there is no difference between the reason for choosing and opinion about their choice of life insurance company.

CHAPTER 5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 FINDINGS OF THE STUDY:

- Majority (**55%**) of the respondents belongs to male category.
- Majority (50%) of the respondents belongs to 26-35 category.
- Majority (55%) of the respondents belongs to PG category.
- Majority (44%) of the respondents belongs to private category.
- Majority (51%) of the respondents belongs to 1-3 years category.
- Majority (45%) of the respondents belongs to 3,00,001-5,00,000
- Majority (45%) of the respondents belongs to two category.
- Majority (55%) of the respondents belongs to semi-urban category.
- The weight age for different level of satisfaction have been assigned i.e., 5 for strongly agree, 4 for agree, 3 for neutral, 2 for disagree and 1 for strongly disagree. Based on the weight age, the mean value for each aspect was calculated. The computed weighted average mean values have been ranked from 1 to 6. The highest mean value for “officials providing regular information about the products” is ranked as one. Since high weight age is given for highly satisfied. Hence they agree to that fact. Secondly, the mean value for handles all claims effectively and efficiently is higher hence ranked as 2 and ranks from 3 to 6 have been allotted accordingly based on mean values.
- Since the computed value (**0.047**) is less than level of significance (0.05), the null hypothesis is rejected and alternate hypothesis is accepted. Therefore, there is a relationship between type of policy and the premium amount paid.
- Since the table value is greater than the significant value (0.05) so we accept null hypothesis and reject alternate hypothesis. Therefore, there is no difference between the reason for choosing and opinion about their choice of life insurance company.

5.2 SUGGESTIONS:

Life Insurance has to take initiatives to convert satisfied customers into highly satisfied customers. These initiatives shall be on:

1. Usage of modern technology for better customer service. All the operating office must be installed with touch screen facility for accessing information instantly while entering the contract number or fill the personal details.
2. Improving the physical appearance of the policy document. Instead of giving loose leaf's, must be provide all the documents in a booklet form.
3. Improving regular service activities like remainder of premium due, premium collection, change of address, issue of new policy documents. In addition to that appoint a person for collecting renewals in the convenient time of the policyholders.
4. Improving the behavior of employees towards the customer centric approach for providing better service. It may starts from the procurement of the policies to settlement of those insurance policies.
5. The company can provide self-service facilities like customer portal which is already been implemented, in the form of customer life line option. But it must be informed to the policyholders properly. Customer call centers number and toll-free numbers must be enabled.
6. The company must provide the necessary information and guidelines on future service requirements like revival, surrender, loans and change of nomination, assignment, foreclosure and claim forms.
7. The company can intimate the policyholders about the launch of new products through sending SMS, business letter and providing information to their mail-id.

5.3 CONCLUSION

“Empowering everyone live their dreams” is the corporate vision of life insurance. Knowledge is complex. It is responsibility of insurance companies to develop expertise and to provide customer with insurance knowledge.

Operating office should be in a position to advice the prospect as to what is the best choice for him in the given circumstances. Mis-selling is very common in insurance industry. This occurs when, perhaps, to earn a much higher commission rate. Agents do not assess the needs of the customer properly which recommending products.

Sometimes agents or advisor misrepresent facts by promising unrealistic returns to customers, or even provide incorrect information on product features.

As a result, the customer is unhappy and saddled with a product that does not meet either his immediate or future needs. Rebating has been an unfortunate practice in every variety of financial products in India.

From the above findings clearly states that professional category respondents have high perceptual level with regards to the financial credential of the company, most of the respondents have high perceptual level in servicing aspect of timely reminder of dues, most of the respondents have high satisfaction level of claim admissibility and claim settlement and salaried class responsibility mostly satisfied for taking insurance as a tax exemption tool.

This research study further provide better scope for doing research study in the areas of perceived service quality in life insurance industry, innovative products based on perception of the clients.

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ANNEXURE:

A. Personal data

1. NAME
2. MALE/ FEMALE
 - a. MALE
 - b. FEMALE
3. CURRENT AGE (YEARS)
 - a. LESS THAN 25
 - b. 6-35
 - c. 36-45
 - d. 46-ABOVE
4. EDUCATIONAL BACKGROUND
 - a. HIGH SCHOOL
 - b. BACHELOR'S DEGREE
 - c. MASTER'S DEGREE
 - d. PROFESSIONAL
 - e. OTHERS
5. OCCUPATION
 - a. GOVERNMENT
 - b. PROFESSIONAL
 - c. PRIVATE
 - d. BUSINESS
 - e. SELF EMPLOYED

6. EXPERIENCE

- a. LESS THAN 1 YEAR
- b. 1-3
- c. 4-6
- d. 7-9
- e. ABOVE 9 YEARS

7. INCOME PER ANNUM (RUPEES):

- a. LESS THAN 1,50,000
- b. 1,50,000 - 3,00,000
- c. 3,00,001 - 5,00,000
- d. 5,00,001 - 7,00,000
- e. MORE THAN 7,00,000

8. NUMBER OF PERSONS EARNING IN THE FAMILY:

- a. SINGLE
- b. TWO
- c. THREE
- d. MORE THAN THREE

9. PLACE OF RESIDENCE:

- a. RURAL
- b. SEMI-URBAN
- c. URBAN

10.INSURANCE COMPANY IN WHICH YOU HAVE TAKEN THE POLICY

- a. KOTAK MAHINDRA LIFE INSURANCE
- b. HDFC LIFE INSURANCE

11.POLICY PREFERRED BY POLICYHOLDERS FEEL SECURED

- a. CHILD PLANS
- b. PENSION PLANS
- c. PROTECTION PLANS
- d. SAVINGS PLANS

12. REASONS FOR INVESTING IN INSURANCE PLANS OF KOTAK LIFE INSURANCE/ HDFC LIFE INSURANCE?

- a. RETURNS
- b. SCHEMES ARE GOOD
- c. RECOMMENDED BY FAMILY & FRIENDS
- d. NEEDS TO SAVE TAX
- e. OFFERS MULTIPLE BENEFITS LIKE INVESTMENT+ INSURANCE +TAX SAVING

13. WHAT DO YOU FEEL AFTER INVESTING IN INSURANCE PLANS OF KOTAK LIFE INSURANCE/ HDFC LIFE INSURANCE?

- a. GOOD
- b. AVERAGELY SATISFIED WITH THE INVESTMENT DECISION
- c. CHEATED

14. HOW IS THE PREMIUM AMOUNT TO BE PAID IN INSURANCE PLANS OF KOTAK LIFE INSURANCE/ HDFC LIFE INSURANCE?

- a. HIGHLY SATISFACTORY
- b. SATISFACTORY
- c. NEUTRAL
- d. DISSATISFACTORY
- e. HIGHLY DISSATISFACTORY

15. OPINION ABOUT INVESTMENT IN KOTAK LIFE INSURANCE/ HDFC LIFE INSURANCE?

- a. GROWTH IN INVESTMENT IN LONG TERM
- b. GENERATING CURRENT INCOME
- c. GENERATING CURRENT INCOME AND GROWTH IN INVESTMENT

16. SALE PROMOTION TECHNIQUES/ ADVERTISEMENTS ILLUSTRATE ALL THE MATERIAL FACTS REGARDING THE PRODUCTS/ POLICY.

- a. AGREE
- b. NEUTRAL
- c. DISAGREE

17. COMPANY OFFICIALS PROVIDE REGULAR INFORMATION ABOUT NEW PRODUCTS/POLICIES AND SERVICES

- a. STRONGLY AGREE
- b. AGREE
- c. NEUTRAL
- d. DISAGREE
- e. STRONGLY DISAGREE

18. MORE FREQUENT INTERACTION BY COMPANY OFFICIALS TO LEARN ABOUT CUSTOMER NEEDS, WANTS, IDEAS AND COMPLAINTS

- a. STRONGLY AGREE
- b. AGREE
- c. NEUTRAL
- d. DISAGREE
- e. STRONGLY DISAGREE

19. LOAN PROCESS AND INTEREST RATES FOR POLICY HOLDER

- a. HIGHLY SATISFIED
- b. SATISFIED
- c. NEUTRAL
- d. DISSATISFIED
- e. HIGHLY DISSATISFIED

20. COMPANY'S ATTITUDE IN ISSUING LOANS AGAINST INSURANCE POLICY

- a. HIGHLY SATISFIED
- b. SATISFIED
- c. NEUTRAL
- d. DISSATISFIED
- e. HIGHLY DISSATISFIED

21. MY LIFE INSURANCE COMPANY PROVIDES A VARIETY OF FINANCIAL PRODUCTS THAT MEETS ALL OF MY FINANCIAL NEEDS.

- a. STRONGLY AGREE
- b. AGREE
- c. NEUTRAL
- d. DISAGREE
- e. STRONGLY DISAGREE

22. MY LIFE INSURANCE COMPANY HANDLES ALL CLAIMS AND PAPERWORK EFFICIENTLY AND EFFECTIVELY.

- a. STRONGLY AGREE
- b. AGREE
- c. NEUTRAL
- d. DISAGREE
- e. STRONGLY DISAGREE

23. I PLAN TO CHANGE LIFE INSURANCE COMPANIES IN THE NEAR FUTURE.

- a. STRONGLY AGREE
- b. AGREE
- c. NEUTRAL
- d. DISAGREE
- e. STRONGLY DISAGREE

24. OVERALL SATISFACTION WITH THE INSURANCE PROVIDER

- a. HIGHLY SATISFIED
- b. SATISFIED
- c. NEUTRAL
- d. DISSATISFIED
- e. HIGHLY DISSATISFIED

25. RECOMMENDATIONS AND SUGGESTIONS IF ANY:

ANNEXURE 2: ARTICLE

A COMPARATIVE STUDY ON THE IMPACT OF LIFE INSURANCE BETWEEN KOTAK LIFE INSURANCE PVT LTD AND HDFC LIFE INSURANCE PVT LTD

MS. VEDASREE B.COM., M.BA.,

School of Management Studies, Sathyabama
Institute Science and Technology

Chennai Tamil Nadu, South India

Dr. N KUMAR.MBA, MHRM, M. Phil,
TNSET, Ph.D.,

Assistant Professor, Sathyabama Institute
Science and Technology

Chennai, Tamil Nadu, South
India

ABSTRACT

Insurance is an arrangement under which people facing common risks come together and make their small contributions to the common fund. The aim of this research paper is to compare the level at which services are being well delivered given by the Kotak Mahindra and HDFC Life Insurance company and also the level of satisfaction of the insured. For this purpose, a descriptive type of research was carried out with a sample size of 150 respondents in Chennai city. Technique of random sampling was used to collect the data. The primary data was collected through a structured questionnaire. Collected data was tabulated and analysed using various statistics tools like percentage analysis, chi square test and One way ANOVA. The findings of the study revealed that customers are satisfied with the aspect or information being provided by the insurance company. And it was also found that there is an association between the type of policy opted by the insured and its premium amount. The researcher

suggests that Usage of modern technology will improve better customer service. When the needs of the customer are not met by the insurer, the customers are unhappy with a product as it either meets his immediate or future needs. The study concludes that professional category respondents have high perception level with regards to the financial credential of the company.

I. INTRODUCTION

Insurance is an arrangement under which people facing common risks come together and make their small contributions to the common fund. While it may not be possible to say in advance, which person will suffer the losses, it is possible to work out how many persons on an average out of the group, may suffer losses. When risk occurs, the loss is made good out of the common fund. In this way, each and every one shares the risk. In fact, they share the loss by payment of premium which is calculated on the likelihood of loss. Modern life insurance policies were established in the early 18th century. The first company to offer life insurance was the Amicable Society for a Perpetual Assurance Office, founded in London in 1706 by William Talbot and Sir Thomas Alle The first plan of life insurance was that each member paid a fixed annual payment per share on from one to three shares with consideration to age of the members being twelve to fifty-five. At the end of the year a portion of the "amicable contribution" was divided among the wives and children of deceased members and it was in proportion to the amount of shares the heirs owned. Amicable Society started with 2000 members.

KOTAK MAHINDRA LIFE INSURANCE

Kotak Mahindra Life Insurance Company Limited is a private life insurance company in India. The company was founded in 2001. It

caters to 15 million customers and has 232 branches in around 167 cities and towns in India with 99,275 agents. Under the umbrella, the company offers various protection plans, savings and investment plans, child plans and retirement plans. Kotak Life Insurance's products include rural plans, term plans, savings, children, retirement and investment plans at nominal premium rates to be affordable by individual investment requirements that can cater to their lifetime requirements and each insurance plan is designed to provide maximum protection in addition to benefits and keeping in mind the different sections of society.

HDFC LIFE INSURANCE

HDFC Life Insurance Company Ltd. (d/b/a HDFC Life) is a long-term life insurance provider with its headquarters in Mumbai, offering individual and group insurance services and incorporated on 14 August 2000. HDFC Life's products include Protection, Pension, Savings, Investment, Health along with Children and Women plans. The company also provides an option of customizing the plans, by adding optional benefits called riders, at an additional price. The company has categorized its product portfolio covering five principal segments across the individual and group categories namely participating, non-participating protection term, non-participating protection health, other non-participating and unit-linked insurance products.

II. OBJECTIVES OF THE STUDY

- To compare the level at which services are being well delivered given by the Kotak Mahindra and HDFC Life Insurance company.
- To identify the main attributes of service quality in which customers are satisfied more in Insurance sector.
- To analyze the level of customer satisfaction towards Life Insurers.
- To offer suggestions to the insurance company based on the findings given by the policyholders.

III. REVIEW OF LITERATURE

- G. T. Sharma (2010), It reaffirms the need to adapt Western research techniques for assessing service quality attributes to the sense of Indian life insurance. The study also found that customer satisfaction with agents, practical services, and the organization is influenced by service quality dimensions, which has an effect on overall satisfaction. While this study focuses on the life insurance industry in India, the findings and recommendations in this article can be applied to increase service quality and, as a result, customer satisfaction in other countries' life insurance industries.
- According to insurers, Farokhian.S.,Vazifehdus.H.,(2013), has clarified the factors affecting the insurance industry. Customer satisfaction and other measures and factors in the performance of insurance companies were described in the first report, which used the Servqual model (service quality factors). Finally, the most important factors were identified as access, customer response time, and confidence in customer satisfaction, and the most significant metrics of performance in the insurance industry were identified as knowing the customer, credit, insurance, and customer relationship.
- Kuhlemeyer, A. G., and Allen, H.G., (2014) investigate customer satisfaction in the purchase of life insurance products and compare satisfaction in a broker or agent aided transaction to satisfaction in a direct placement transaction without the use of a broker or agent. Consumer satisfaction with the life insurance policy, the provider, and the institution are all

measured against benchmarks. Consumer satisfaction is influenced by factors such as confidence, competence, and product appropriateness, according to the report.

- Subashini R. (2016) examined that service quality and customer satisfaction in banks can be explored further to determine what approach banks use for different service quality and customer satisfaction over a sample period. Despite the fact that a number of studies have discovered inconsistencies in service quality and customer satisfaction and have attributed various explanations for service quality and customer satisfaction of foreign and public banks, no study has been able to resolve this problem.
- Dr.T.Unnamalai (2018) has analyzed the customer satisfaction and customer awareness about service rendered by the Life insurance corporation. Life insurance corporation of India competes other plays in the market very aggressively with their human resource of agents because the police holders are having more faith with agents.

IV. RESEARCH METHODOLOGY

Research design is a framework or blue print for conducting the research project. It specifies the details of the procedures necessary for obtaining the information needed to structure and/or solve research problems. RD is taken this study is descriptive research.

SIMPLE RANDOM SAMPLING:

Simple random sampling is defined as a sampling technique where every item in the population has an even chance and likelihood of being selected in the sample. Here the selection of items entirely depends on luck or probability, and therefore this sampling technique is also sometimes known as a method of

chances. Simple random sampling is a fundamental sampling method and can easily be a component of a more complex sampling method. The main attribute of this sampling method is that every sample has the same probability of being chosen. They say that this method is theoretically simple to understand but difficult to implement practically.

HYPOTHESIS / ANALYTICAL TOOLS

CHI-SQUARE TEST

It is a test that measures how a model compares to actual observed data.

Policy preferred by policyholders feel secured *
How is the Premium Amount to be paid in Insurance Plans of Kotak Life Insurance/ HDFC life insurance?

Null Hypothesis (H₀): There is no relationship between type of policy and the premium amount paid.

Alternate Hypothesis (H₁): There is a relationship between type of policy and the amount paid

premium * policy Crosstabulation

Count
premium * policy Crosstabulation

		policy				Total
		Child plans	Pension plans	Protection plans	Savings plans	
premium	Average	0	6	13	8	27
	Highly Satisfied	6	4	15	6	31
	Satisfied	5	27	35	25	92
	Total	11	37	63	39	150

Count
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.762(a)	6	.047
Likelihood Ratio	13.227	6	.040
N of Valid Cases	150		

a. 2 cells (16.7%) have expected count less than 5. The minimum expected count is 1.98.

INFERENCE:

Since the computed value (**0.047**) is less than level of significance (0.05), the null hypothesis is rejected and alternate hypothesis is accepted. Therefore, there is a relationship between type of policy and the premium amount paid.

2. ONE WAY ANOVA TEST

Insurance company in which you have taken the policy * Opinion about investment in Kotak Life Insurance/ HDFC life insurance?

H₀: There is no difference between the reason for choosing and opinion about their choice of life insurance company.

H₁: There is a difference between the reason for choosing and opinion about their choice of life insurance company.

DESCRIPTIVES

Reason

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
General Insurance	87	2.5862	1.45116	.15558	2.2769	2.8955	1.00	5.00
Growth	63	2.5873	1.29060	.16260	2.2623	2.9123	1.00	5.00
Total	150	2.5867	1.38150	.11280	2.3638	2.8096	1.00	5.00

	Sum of Squares	D O F	Mean Square	F	Sig.
Between Groups	2.420	2	.807	.791	.503
Within Groups	77.530	147	1.020		
Total	79.950	149			

Calculated value: 0.503 significant value: 0.05

INFERENCE:

Since the table value is greater than the significant value (0.05) so we accept null hypothesis and reject alternate hypothesis. Therefore, there is no difference between the reason for choosing and opinion about their choice of life insurance company.

3. WEIGHTED AVERAGE MEAN

WEIGHTED AVERAGE MEAN

QUESTION:

Particulars	SA	A	N	DA	SDA	Total
Sale promotion techniques/ Advertisements illustrate all the material facts regarding the products/ policy.	0	71	77	2	0	150
Company officials provide regular information about new products/policies and services	35	91	22	2	0	150
More frequent interaction by company officials to learn about customer needs, wants, ideas and complaints	36	75	39	0	0	150
My life insurance company provides a variety of financial products that meets all of my financial needs	39	73	38	0	0	150
My life insurance company handles all claims and paperwork efficiently and effectively	34	89	25	0	2	150
I plan to change life insurance companies in the near future.	16	28	60	40	6	150

SOLUTION:

Particulars	SA	A	N	DA	SDA	Total	Weighted mean	Rank
Sale promotion techniques/ Advertisements illustrate all the material facts regarding the products/ policy.	0	284	231	4	0	519	34.60	5
Company officials provide regular information about new products/policies and services	175	364	66	4	0	609	40.60	1
More frequent interaction by company officials to learn about customer needs, wants, ideas and complaints	180	300	117	0	0	597	39.80	4
My life insurance company provides a variety of financial products that meets all of my financial needs	195	292	114	0	0	601	40.07	3
My life insurance company handles all claims and paperwork efficiently and effectively	170	356	75	0	2	603	40.20	2
I plan to change life insurance companies in the near future.	80	112	180	80	6	458	30.53	6

INFERENCE:

The weight age for different level of satisfaction have been assigned i.e., 5 for strongly agree, 4 for agree, 3 for neutral, 2 for disagree and 1 for strongly disagree. Based on the weight age, the mean value for each aspect was calculated. The computed weighted average mean values have been ranked from 1 to 6. The highest mean value for “officials providing regular information about the products” is ranked as one. Since high weight age

is given for highly satisfied. Hence they agree to that fact. Secondly, the mean value for handles all claims effectively and efficiently is higher hence ranked as 2 and ranks from 3 to 6 have been allotted accordingly based on mean values.

V. SUGGESTIONS

1. Usage of modern technology for better customer service. All the operating office must be installed with touch screen facility for accessing information instantly while entering the contract number or fill the personal details.
2. Improving the physical appearance of the policy document. Instead of giving loose leaf's, must be provide all the documents in a booklet form.
3. The company must provide the necessary information and guidelines on future service requirements like revival, surrender, loans and change of nomination, assignment, foreclosure and claim forms.
4. The company can intimate the policyholders about the launch of new products through sending SMS, business letter and providing information to their mail-id.

VI. CONCLUSION

“Empowering everyone live their dreams” is the corporate vision of life insurance. Knowledge is complex. It is responsibility of insurance companies to develop expertise and to provide customer with insurance knowledge. From the above findings clearly states that professional category respondents have high perception level with regards to the financial credential of the company, most of the respondents have high perception level in servicing aspect of timely reminder of dues, most of the respondents have high satisfaction level of claim admissibility and claim settlement and salaried class responsibility mostly satisfied for taking insurance as a tax exemption tool. This research study further

provides better scope for doing research study in the areas of perceived service quality in life insurance industry, innovative products based on perception of the clients.

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