

**A**

**Project Report**

**A STUDY OF LIFE INSURANCE PRODUCTS OFFERED BY ICICI PRUDENTIAL  
WITH REFERENCE TO ULIP PLAN FOR NAGPUR REGION**

Submitted to

**G. S. College of Commerce & Economics, Nagpur**

**Affiliated to**

**Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur**

In partial fulfilment for the award of the degree of

**Bachelor of Business Administration**

Submitted by

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Under the Guidance of

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**G.S. College of Commerce & Economics, Nagpur**

**Academic Year 2023 – 24**



**G.S. College of Commerce & Economics, Nagpur**

**Academic Year 2023 – 24**



## **CERTIFICATE**

This is to certify that YASHIKA DHIMOLE has submitted the project report title **“A study of life insurance products offered by ICICI prudential with reference to ULIP plan for Nagpur region”** towards partial fulfilment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate. It is further certified that he has ingeniously completed his project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

Dr. Mahesh chopde

(Project Guide)

Dr. Afsar Sheikh

(Co-ordinator)

Place:

Date:

**G.S. College of Commerce & Economics, Nagpur**

**Academic Year 2023 – 24**



## **DECLARATION**

I here-by declare that the project with title **“A study of life insurance products offered by ICICI prudential with reference to ULIP plan for Nagpur region”** has been completed by me in partial fulfilment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

**-YASHIKA DHIMOLE**

Place:

Date:

**G.S. College of Commerce & Economics, Nagpur**

**Academic Year 2023 – 24**



## **ACKNOWLEDGEMENT**

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to Dr. PRAVEEN MUSTOOR Principal, G.S. College of Commerce & Economics, Nagpur. I am extremely thankful to my Project Guide DR. MAHESH CHOPDE for her guideline throughout the project. I tender my sincere regards to Coordinator, Dr. Afsar Sheikh for giving me outstanding guidance, enthusiastic suggestions and invaluable encouragement which helped me in the completion of the project. I will fail in my duty if I do not thank the non-Teaching staff of the college for their Co-operation. I would like to thank all those who helped me in making this project complete and successful.

**-YASHIKA DHIMOLE**

Place:

Date:

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# **INTRODUCTION**



Life insurance is a form of insurance that pays monetary proceeds upon the death of the insured covered in the policy. Essentially, a life insurance policy is a contract between the named insured and the insurance company wherein the insurance company agrees to pay an agreed upon sum of money to the insured's named beneficiary so long as the insured's premiums are current. With a large population and the untapped market area of this population insurance happens to be a very big opportunity in India. Today it stands as a business growing at the rate of 15-20% annually. Together with banking services, it adds about 7 percent to the country's GDP. In spite of all this growth statistics of the penetration of the insurance in the country is very poor. Nearly 80% of Indian populations are without life insurance cover and the health insurance. This is an indicator that growth potential for the insurance sector is immense in India. It was due to this immense growth that the regulations were introduced in the insurance sector and in continuation "Malhotra Committee" was constituted by the government in 1993 to examine the various aspects of the industry. The key element of the reform process was participation of overseas insurance companies with 26% capital. Creating a more competitive financial system suitable for the requirements of the economy was the main idea behind this reform. Since then, the insurance industry has gone through many changes. The liberalization of the industry the insurance industry has never looked back and today stand as one of the most competitive and exploring industry in India. The entry of the private players and the increased use of the new distribution are in the limelight today. The use of new distribution techniques and the IT tools has increased the scope of the industry in the longer run. Insurance is the business of providing protection against financial aspects of risk, such as those to property, life

health and legal liability. It is one method of a greater concept known as risk management – which is the need to manage uncertainty on account of exposure to loss, injury, disadvantage or destruction. Insurance is the method of spreading and transfer of risk. The fortunate many who are exposed to some or similar risk shares loss of the unfortunate. Insurance does not protect the assets but only compensates the economic or financial loss. In insurance the insured makes payment called “premiums” to an insurer, and in return is able to claim a payment from the insurer if the insured suffers a defined type of loss. This relationship is usually drawn up in a formal legal contract. Insurance companies also earn investment profits, because they have the use of the premium money from the time, they receive it until the time they need it to pay claims. This money is called the float. When the investments of float are successful, they may earn large profits, even if the insurance company pays out in claims every penny received as premiums. In fact, most insurance companies pay out more money than they receive in premiums. The excess amount that they pay to policyholders is the cost of float. An insurance company will profit if they invest the money at a greater return than their cost of float. An insurance contract or policy will set out in detail the exact circumstances under which a benefit payment will be made and the amount of the premiums.



## **Classification of insurance**

The insurance industry in India can broadly classified in two parts. They are.

**1) Life insurance.**

**2) Non-life (general) insurance.**

**1) Life insurance:**

Life insurance can be defined as “life insurance provides a sum of money if the person who is insured dies while the policy is in effect”. In 1818 British introduced to India, with the establishment of the oriental life insurance company in Calcutta. The first Indian owned Life Insurance Company; the Bombay mutual life assurance society was set up in 1870. the life insurance act, 1912 was the first statutory measure to regulate the life insurance business in India. In 1983, the earlier legislation was consolidated and amended by the insurance act, 1938, with comprehensive provisions for detailed effective control over insurance. The union government had opened the insurance sector for private participation in 1999, also allowing the private companies to have foreign equity up to 26%. Following the opening up of the insurance sector, 12 private sector companies have entered the life insurance business.

- Benefits of life insurance
  - Life insurance encourages saving and forces thrift.
  - It is superior to a traditional savings vehicle.
  - It helps to achieve the purpose of life assured.
  - It can be encashed and facilitates quick borrowing.
  - It provides valuable tax relief.
  - Thus, insurance is found to be very useful in the lives of the person both in short term and long term.
  
- Fundamental principles of life insurance contract;
  - Principle of utmost good faith:
    - “A positive duty to voluntarily disclose, accurately and fully, all facts, material to the risk being proposed whether requested or not”.
  - Principle of insurable interest:
    - “Relationships with the subject matter (a person) which is recognized in law and gives legal right to insure that person”.

## 2) Non-life (general) Insurance:

Triton insurance co. ltd was the first general insurance company to be established in India in 1850, whose shares were mainly held by the British. The first general insurance company to be set up by an Indian was Indian mercantile insurance co. Ltd., which was stabilized in 1907. there emerged many a player on the Indian scene thereafter. The general insurance business was nationalized after the promulgation of General Insurance Corporation (GIC) OF India undertook the post-nationalization general insurance business. ICICI Prudential Life Insurance Company (ICICI Prudential Life) is a joint venture between ICICI Bank Ltd., India's largest private sector bank, and Prudential. ICICI Prudential Life was amongst the first private sector life insurance companies to begin operations in December 2000 after receiving approval from Insurance Regulatory Development Authority of India (IRDAI). ICICI Prudential Life's capital infused stands at Rs. 48.16 billion (as of March 31, 2015) with ICICI Bank Ltd. and Prudential holding 74% and 26% stake respectively. For the financial year 2015, the company garnered a total premium of Rs. 153.07 billion. The company has assets under management of Rs. 1001.83 billion as on March 31, 2015. For over a decade, ICICI Prudential Life has maintained its dominant position (on new business retail weighted basis) amongst private life insurers in the country, with an array of products to match the different life stage requirements of customer and enable them to achieve their long-term financial goals.

# COMPANY PROFILE



**ICICI Prudential Life Insurance Company Limited** ('the Company') a joint venture between ICICI Bank Limited and Prudential plc of UK was incorporated on July 20, 2000 as a company under the Companies Act, 1956 ('the Act'). The Company is licensed by the Insurance Regulatory and Development Authority ('IRDA') for carrying life insurance business in India.

ICICI Prudential Life Insurance Company is a joint venture between ICICI Bank, a premier financial powerhouse and prudential plc, a leading international financial services group headquartered in the United Kingdom (UK). The company brings together the local market expertise and financial strength of ICICI Bank and Prudential's International life insurance experience. The company was granted a certificate of Registration by the IRDA on November 24, 2000 and eighteen days later, issued its first policy on December 12. ICICI Prudential was amongst the first private sector insurance companies to begin operations in December 2000 after receiving approval from Insurance Regulatory Development Authority (IRDA).

From its early days, ICICI Prudential seemed to have the wherewithal for a large- scale business. By March 31, 2002, a little over a year since its launch, the company had issued 100,000 policies translating into premium income of approximately Rs. 1,200 million on a sum assured of over Rs.23 billion.

When the company began its operations, the need was to build a brand that was relatable to, symbolized trust and was easily recognized and understood. It launched a corporate campaign

ICICI Prudential also made using the theme of 'Sindoor' to epitomize protection, trust, togetherness and all that is Indian; endearing itself to the masses.

The success of the campaign, 'the calling card of the company' saw the brand awareness scores almost at par with its 40-year-old competitor. The theme of protection was also extended to subsequent product and category specific campaigns –from child plans to retirement solutions –which highlight how the company will be with its customers at every step of life.

From day one, the company has unflinchingly focused on being mass-market player, developing products, creating a distribution network and deploying resources that would further its goal. Apart from ramping up thoroughly training its advisors, the company has twelve 'Bancassurance' partners –the largest in the country. It swiftly revised and added to its initial range of products, pioneering market-linked products and pension plans, to offer customers the most flexible life insurance policies in the country. In February 2004, ICICI Prudential increased its capital base by Rs. 500 million, its ninth capital hike, bringing the total paid –up equity capital to Rs. 6,750 million. With the authorized capital of the company standing at Rs. 12 billion, ICICI Prudential continues to have the highest capital base amongst all life insurers in the country. The challenge ICICI Prudential now faces is to retain its top-notch position and continue to deliver the finest life insurance and pension solutions to its ever-growing customer base.

ICICI Prudential's equity base stands at Rs. 1185 crore with ICICI Bank and Prudential plc holding 74% and 26% stake respectively. For the year ended March 31, 2006, the company

garnered Rs.2, 412 crore of weighted new business premium and wrote 837,963 policies. The sum assured in force stands at Rs.45, 888 crore.

The company has a network of over 72,000 advisors; as well as 9 bancassurance partners and over 200 corporate agent and broker tie-ups. ICICI Prudential is also the only private life insurer in India to receive a National Insurer Financial Strength rating of AAA (Ind) from Fitch ratings.

The AAA rating is the highest credit rating, and is a clear assurance of ICICI Prudential's ability to meet its obligations to customers at the time of maturity or claims. For the past five years, ICICI Prudential has retained its position as the No.1 private insurer in the country, with a wide range of flexible products that meet the needs of the Indian customer at every step-in life. Beginning operations in December 2000, ICICI Prudential's success has been meteoric, becoming the number one private life insurer within months of launch. Today, it has one of the largest distribution networks amongst private life insurers in India, with branches in 54 cities.

The total number of policies issued stands at more than 780,000 with a total sum assured in excess of Rs.160 billion. ICICI Prudential closed the financial year ended march 31, 2004 with a total received premium income of Rs. 9.9 billion; up 135% last year's total premium income of Rs.4.20 billion. New business premium income shows a 106% growth at Rs. 7.5 billion, driven mainly by the company's range of unique unit-linked policies and pension plans.

The company's retail market share amongst private companies stood at 36%, making it clear leader in the segment. To add to its achievements, in the year 2003/04 it was adjudged Most

Trusted Private Life Insurer (Economic Times 'Most Trusted Brand Survey' by AC Nielsen ORG-MARG). It was also conferred the 'Outlook Money-Best Life Insurer' award for the second year running. The company is also proud to have won Silver at EFFIES 2003 for its 'Retire from work, not life' campaign. Notably, ICICI Prudential was also short-listed to the final round for its 'Sindoor campaign in EFFIES 2002.

ICICI Prudential's success is rooted in its philosophy to always offer the customer a choice. This has been the driving force behind its multi-channel distribution strategy, which includes advisors, banks, direct marketing and corporate agents. Infact, ICICI Prudential was the first life insurer to invest in multiple channels and offer the customer choice and access; thus, reducing dependency on any one channel, great strides in the retirement solutions and pensions market.

The Company's penetration of the retirement market was driven by the focused approach towards creating awareness through sustained campaign; 'Retire from work, not life'. Within six months, the campaign rewarded ICICI Prudential with an increased share of 23% of the total pensions market and 78% amongst private players.

ICICI Prudential has one of the largest distribution networks amongst private life insurers in India, having commenced operations in 132 cities and towns in India, stretching from Bhuj in the west to Guwahati in the east, and Jammu in the north to Trivandrum in the south.

The company has 9 bank partnerships for distribution, having agreements with ICICI Bank, Bank of India, Federal Bank, South Indian Bank, Lord Krishna Bank, and some co-operative



banks, as well as over 200 corporate agents and brokers, it has also tied up with NGOs, MFIs and corporates for the distribution of rural policies.

ICICI Prudential has recruited and trained more than 72,000 insurance advisors to interface with and advise customers. Further, it leverages its state-of-the-art IT infrastructure to provide superior quality of service to customers.

### **About the Promoters**

ICICI Bank (NYSE: IBN) is India's second largest bank with an asset base of Rs.2513.89 billion as on March 31, 2006. ICICI Bank provides a broad spectrum of financial services to individuals and companies. This includes mortgages, car and personal loans, credit and debit cards, corporate and agricultural finance. The Bank services a growing a customer base of more than 17 million customers through a multi-channel access network which includes over 620 branches and extension counters, 2200 ATMs, call centres and internet banking ([www.icicibank.com](http://www.icicibank.com))

**PRUDENTIAL** plc, established in London in 1848, through its business in the UK and Europe, the US and Asia, provides retail financial services products and services to more than 16 million customers, policy holder and unit holders worldwide. As of December 31, 2005, the company had over US\$ 400 billion in funds under management. Prudential has brought to market an integrated range of financial services products that now includes life assurance, pensions, mutual funds, banking, investment management and general insurance. In Asia, Prudential is the leading European life insurance company with a vast network of 23 life and

mutual fund operations in twelve countries –China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand and Vietnam.

### **Achievements**

Beginning operations in December 2000, ICICI Prudential's success has been meteoric, becoming the number one private life insurer within months of launch. Today, it has one of the largest distribution networks amongst private life insurers in India, with branches in 54 cities. The total number of policies issued stands at more than 780,000 with a total sum assured in excess of Rs.160 billion. ICICI Prudential closed the financial year ended march 31, 2004 with a total received premium income of Rs. 9.9 billion; up 135% last year's total premium income of Rs.4.20 billion. New business premium income shows a 106% growth at Rs. 7.5 billion, driven mainly by the company's range of unique unit-linked policies and pension plans. The company's retail market share amongst private companies stood at 36%, making it clear leader in the segment. To add to its achievements, in the year 2003/04 it was adjudged Most Trusted Private Life Insurer (Economic Times 'Most Trusted Brand Survey' by ACNielsen ORGMARG).

It was also conferred the 'Outlook Money-Best Life Insurer' award for the second year running. The company is also proud to have won Silver at EFFIES 2003 for its 'Retire from work, not life' campaign. Notably, ICICI Prudential was also short-listed to the final round for its 'Sindoor campaign in EFFIES 2002. In Keeping with its belief that a happy customer is the best endorsement, ICICI Prudential has embraced the 'SIX SIGMA' approach to quality, an

exercise that begins and ends with the customer from capturing his voice to measuring and responding to his experiences. This initiative is currently helping the company improve processes, turnaround times and customer satisfaction levels. Another Novel introduction is the ICICI Prudential Lifestyle Rewards Club, India's first rewards programme for Life Advisors; it allows ICICI Prudential Advisors to redeem points for items ranging from kitchenware to gold, white goods, and even international holidays.

### **Promotion**

ICICI Prudential is a case study in how advertising and marketing can play a vital role in reshaping an industry. It has demonstrated how an industry where the customer was nothing more than a policy number has changed to one where 'customer preference' rules the roost. Brand-building in a complex category like life insurance is an uphill and multi-faceted task. At the time of launching operations, the communications task was to build credibility, so as to give the customer the confidence that it was 'a company that could be trusted to invest funds with'. The aim was to encourage people to view insurance not as a compulsory tax saving instrument, but as a means to lead a worry-free, secure life and in the process, create the differentiator for brand ICICI Prudential.

The brand proposition for all the campaigns was reflected in the line: 'Suraksha: Zindagi Ke Har kadam par'. The campaign featured a significant competitive advantage, the sound financial backing and credentials of ICICI Prudential, and showcased products from different segments. The advertising idea was encapsulated in the symbol of protection –the 'Sindoor'.

This campaign contributed extensively to raising brand awareness and creating a distinctive identity for the company.

The Company recently tied up with the Forbes Six Sigma rated Dabbawalla organization in Mumbai for a direct marketing exercise. In a Unique effort to create awareness about a tax saving product, the company attached a creative of a bitten apple to Mumbai's ubiquitous lunchboxes. It worked wonderfully with Mumbai's office-goers and one that translated into substantial business for the company.

## **BRAND VALUES**

Market Research reveals that the values people associate with ICICI Prudential are, indeed, those that the company hopes to project: lifelong protection and value for money. The core value is protecting your loved ones, throughout life's ups and downs. It is a powerful proposition; one, which ICICI Prudential, is taking into the market place.

## **DISTRIBUTION SYSTEM**

### **Tied agency**

Tied Agency is the largest distribution channel of ICICI Prudential, comprising a large advisor force that targets various customer segments. The strength of tied agency lies in an aggressive strategy of expanding and procuring quality business. With focus on sales & people development, tied agency has emerged as a robust, predictable and sustainable business model.

## **Bancassurance and Alliances**

ICICI Prudential was a pioneer in offering life insurance solutions through banks and alliances. Within a short span of two years, and with nearly a large number of partners, B & A has emerged as a vital component of the company's sales and distribution strategy, contributing to approximately one third of company's total business. The business philosophy at B&A is to leverage distribution synergies with our partners and add value to its customers as well as the partners. Flexibility, adaptation and experimenting with new ideas are the hallmarks of this channel.

## **CUSTOMER SERVICE AND OPERATIONS**

The Operations department oils the work processes between the customer and the company to ensure consistent and quality service to the customer. To streamline the operations, the Operations department interfaces between the clients and the agents, the branches and the underwriters, and manages work processes. The Vision at Customer Service is to deliver 'World Class Service' at every opportunity. Units such as the 9 to 9 contact centre, Outbound Call Centre, Customer Care and Query Resolution Unit are all committed to providing effective solutions to over lakhs of customers across the country.

## **Information Technology**

The Information Technology function at ICICI Prudential is committed to enable business through the use of technology. It is segmented into 4 groups to enable highest levels of delivery to the customers: Life Asia Solutions Group that provides flexibility in designing better product offerings to end-users, the Solutions Group- Web that provides real-time information to customers and is responsible for customer relationship management, IT Architecture & Corporate Solutions Group is in charge of developing and maintaining a blueprint for the IT architecture for the enterprise as a whole. This team works as an in-house R&D Solution Group, exploring new technological initiatives and also caters to information needs of corporate functions in the organization. IT Infrastructure group is responsible for providing hardware, software, network services to the whole organization. This group runs the 'Digital Nervous System' of the Enterprise at the highest levels of efficiency and provide robust, scalable and highly available platform for deployment of business application.

## **Marketing**

The Marketing function at ICICI Prue covers an array of activities - brand and media management, channel support, direct marketing and corporate communications. The Brand and Communications team is in charge of advertising, consumer research, media planning & buying and Public Relations; that helps develop and nurture ICICI Prudential's corporate identity while effectively communicating its varied product offerings to the customer. Channel

marketing provides support to the sales force by streamlining the design and development of collaterals and sales tools across distribution channels. The Direct marketing team was set up to generate high quality leads for profitable business. The team achieves this through target database acquisition and communicating customized product information through e-mailers, telemarketing and innovative direct mailers.

### **Finance**

Finance function in ICICI Prudential is committed to create an infrastructure that is aligned to shareholder expectations. Finance basically comprises of four functions. Corporate Planning and MIS provide feedback on business strategies. This includes driving the budgeting process, providing strategic inputs for decision-making and management reporting and analysis. The Accounts function includes preparation and maintenance of financial records, funds management, and expense processing and treasury operations. Compliance ensures that every action is within the regulatory framework. This includes reviewing compliance requirements and supporting the ethical framework of ICICI Prue life. Internal audit provides assurance to the management over the organizations' control framework and includes process risk management, information security assessment and business continuity assessment.

**Human Resource**

The people strategy of ICICI Prudential is “To build a committed team with a culture of innovation, learning and growth. The Human Resource Function at ICICI Prudential drives the people strategy of the business. With its initial focus on operational excellence to deliver benefits and services to staff members, HR is now committed to building capability through state-of-the-art processes. A robust performance management system, compensation system and a segmented training architecture enable it to deliver value to the organization.

**Business Excellence**

The Business Excellence function is committed to building a quality mindset across the organization. ICICI Prudential is the first organization in the Insurance Industry that has adopted the Six Sigma Methodology for process efficiency and measurement. The team is also driving the Malcolm Baldrige framework across the organization, an intervention that examines management of key inputs for Business Excellence.



## **Bancassurance**

One of the most significant advances in the financial services sector over the past couple of years has been the growth of Bancassurance – which, in simplest terms, means the distribution of insurance products through a bank’s distribution channels. In other words, Bancassurance is a service which can fulfil both banking and insurance needs at the same time. Bancassurance as a concept first began in India with the opening up of the insurance industry to private sector participation in December 1999 which saw the entry of 20 new players - with 12 in the life insurance sector and 8 in the non-life sector. Bancassurance has also seen significant rise in other Asian markets. For example, Bancassurance accounted for 24% of new life insurance sales by ‘weighted’ premium income in Singapore in 2002. This is a significant increase on the equivalent 2001 statistic of 15% and is as a result of growth in significant bank- centric Bancassurance operations.

Although the concept of Bancassurance looks simple enough, it is far from that in real life practice. Legislative differences, consumer behaviour, impact of history and culture, product complexity, employee work culture and many such other factors have contributed to significant differences in results across countries.

For example, in France and Spain 60% to 80% of life insurance products are sold through bank branches compared to 10% in UK and USA.

## **Bancassurance Models**

Globally we have 4 kinds of Bancassurance business models:

- Distribution alliance between the insurance company and the bank
- JV between the two
- Merger between bank and insurer
- Bank builds or buys own insurance products

Most of the Bancassurance operations in India fall into the first model, which in a way is quite a prudent decision. The Indian Bancassurance scene as of now looks as promising as perilous, being a vast, unexplored and uncharted expanse. As banks are quite risk averse, it is but natural for them to withhold from making any long-term commitment, which would be quite costly if the Bancassurance business runs into trouble. In terms of the present regulatory framework, one bank can tie-up with only one life and one non-life insurer, while insurers have the choice to tie-up with any number of banks. We also have examples of joint ventures between the bank and insurer such as SBI Life and ICICI Prudential.

## **Stages in Policy Issuance**

### **1) Proposal**

A Proposal Stage is the First stage before the policy is issued at COPS. At this stage, the application form is received by COPS, but it is pending for issuance due to further clarifications required from the customer.

### **2) Login**

A proposal which is complete i.e., duly filled with all necessary documents attached to it & accepted by the Branch ops, is called a Login

### **3) Reject**

An application gets rejected at the Branch Ops level due to necessary details not filled in the form or necessary documents not submitted is a Reject. It is then sent back to the Advisor for completion.

### **4) Issuance**

Issuance means a policy that is issued to the Customer by Central Ops.

**5) Decline Status**

When a customer refuses to take a policy post login but before Issuance is called a Decline

**6) Cancellation**

When the cheque given by the customer bounces, it amounts to cancellation of the policy.

**7) Lapse**

A policy for which the Customer fails to pay subsequent premiums is a Lapsed Policy.

**8) Freelook**

Post issuance of the policy, the policyholder has the option to turn down the policy within 15 days from the date of issuance. This period of 15 days is called Freelook Period.

**9) Surrender:**

When a customer wants to discontinue with the policy

# **PRODUCT PROFILE**



**ULIP** is an insurance product that combines insurance and investment benefits in a single plan.

**ULIP, or Unit Linked Insurance Plan,** offers life cover` which is a major benefit over the traditional wealth creation tools. It not only helps your money grow but also protects your loved ones' future from life's unexpected turns.

The investment component of ULIPs allows investors to invest money in the asset classes and funds of their choice – equity, debt, and balanced. On surviving the term of the ULIP, the policyholder receives the maturity value and can use the money for various financial goals. In addition to this, the life insurance component of a ULIP offers a death benefit in the unfortunate event of the policyholder's demise during the term.

In such cases, the nominee is paid the entire sum assured amount even if the investment value of the plan is lower.

Premiums paid for ULIP plans is eligible for deduction up to ₹ 1.5 lakh per annum under Section 80C of the Income Tax Act, 1961. The maturity proceeds of the ULIP are also tax-free~ subject to conditions prescribed under Section 10(10D) of the Income Tax Act,1961. If the ULIP investor dies during the term of the ULIP he/she will be entitled to the death benefit specified in the ULIP policy and the amount received on death is also tax-free~ subject to the conditions specified under Section 10(10D) of The Income Tax Act 1961. Switching between funds under ULIP policies are also tax-free~.

You will have flexibility and control of your money through the following ways:

- Fund Switch – An option to move your money between equity, balanced and debt funds
- Premium Redirection – An option to invest your future premium in a different fund of your choice
- Partial Withdrawal – An option that allows you to withdraw a part of your money
- Top-up – An option to invest additional money to your existing savings

# **RESEARCH STUDY**



## **NEED OF STUDY**

- This study helps to understand life insurance product -ULIP by ICICI PRUDENTIAL in Nagpur city
- This research will help to understand how ICICI PRUDENTIAL LIFE INSURANCE COMPANY is unique than other insurance companies.

## **OBJECTIVES OF STUDY**

- To analyze ULIP plan offered by ICICI prudential with reference to Nagpur city.
- To know the public interest towards the ULIP plan offered by ICICI prudential
- To identify the customer satisfaction while purchasing ULIP plan from ICICI prudential

## **LIMITATIONS OF STUDY**

- Only limited sample size had been considered for the research and therefore, the conclusions drawn based on this may not be a reflection of the entire plan
- The dynamic nature of financial market can make it challenging to make long term projections for ULIPs, potentially affecting the reliability of certain assumptions.
- Understanding and predicting customer behavior regarding ULIPs might be limited, as it depends on various factors such as age, gender, and individual preference.

## **RESEARCH DESIGN**

Research Design is the conceptual structure within which research is conducted. It constitutes the blueprint for collection, measurement and analysis of data. The design used for carrying out this research is **Descriptive**.

**DATA TYPE:** In this research the type of data collection is

- \_ Primary data
- \_ Secondary data

**DATA SOURCE:** The sources of collection of primary data are:

- \_ Questionnaire

## **HYPOTHESIS**

H0 – PEOPLE ARE NOT AWARE ABOUT THE ULIP PLAN OFFERED BY ICICI PRUDENTIAL

H1 –PEOPLE ARE AWARE ABOUT THE ULIP PLAN OFFERED BY ICICI PRUDENTIAL

# **RESEARCH METHODOLOGY**

Research methodology is the systematic process used to design, conduct, and analyse research. It involves the overall strategy and plan for investigating a particular topic or problem, including the selection of research methods, data collection techniques, and data analysis procedures. A well-defined research methodology ensures the reliability and validity of the research findings.

### **What is Data Collection?**

Data collection is the procedure of collecting, measuring, and analysing accurate insights for research using standard validated techniques. Put simply, data collection is the process of gathering information for a specific purpose. It can be used to answer research questions, make informed business decisions, or improve products and services. To collect data, we must first identify what information we need and how we will collect it. We can also evaluate a hypothesis based on collected data. In most cases, data collection is the primary and most important step for research. The approach to data collection is different for different fields of study, depending on the required information

### **Types of data used:**

Here, we have used both Primary and Secondary Data while conducting research.

### **What is primary data?**

Primary data is the data collected directly by the researchers from main sources through interviews, surveys, experiments, etc. primary data are usually collected from the source –where the data originally originated from and are regarded as the best kind of data in research.

In this project questionnaire method for survey is used for collection of primary data.

### **What is Secondary Data?**

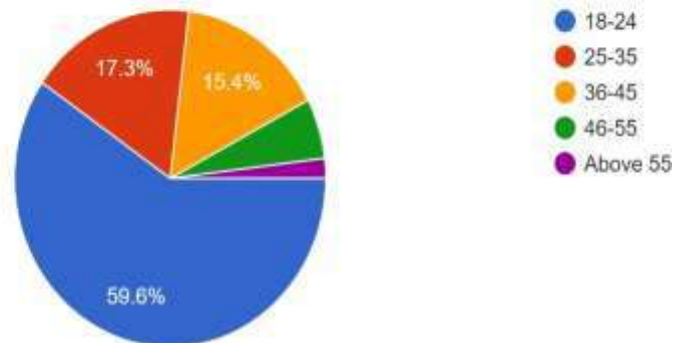
Secondary data is the data that have been already collected by and readily available from other sources. Such data are cheaper and more quickly obtainable than the primary data and also may be available when primary data cannot be obtained at all. Here various websites mainly including official website of ICICI life insurance are being referred for secondary data.



# **DATA ANALYSIS & INTERPRETATION**

**Q.1 Age**

Age  
52 responses



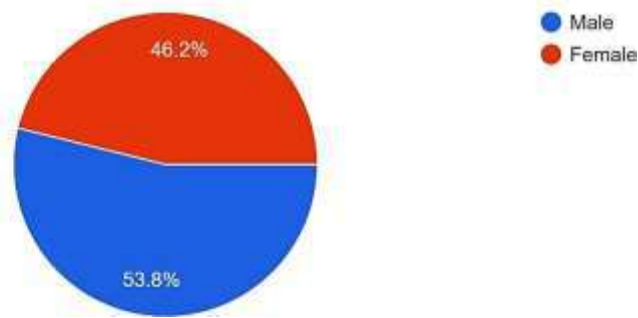
Total respondents =52	Age
31	18-24
9	25-35
8	36-45
3	46-55
1	Above 55

**INTERPRETATION**

In the above research total respondents were 52 from which 31 are between age 18-24 9 are between age 25-35, 8 are between age 36-45, 3 between age 46-55 and 1 are from age above 55, that is the maximum are from the age between 18-24.

## Q.2 Gender

Gender  
52 responses



Total respondent	Male	Female
52	28	24

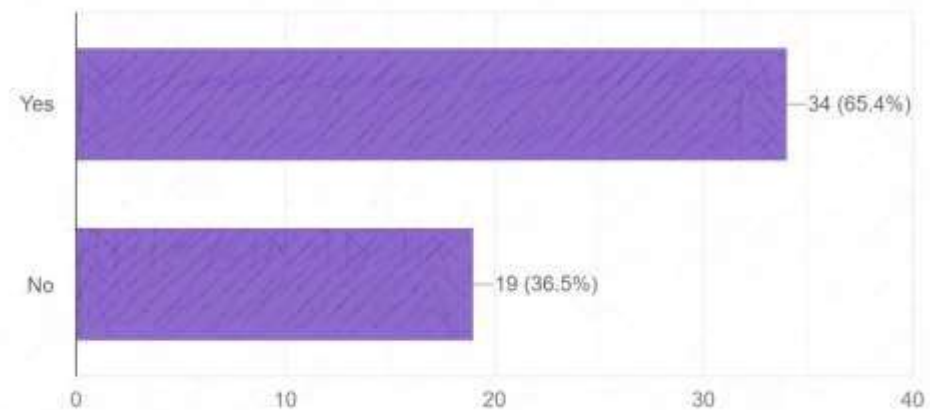
### INTERPRETATION

From the above figure we understand that out of the total respondents 46.2% respondents are female and 53.8% respondents were male, as the sample size is of 52 respondents' total number of females are 24 and total number of males are 28, hence the number of male respondents is more than the number of female respondents.

### Q.3 Do you know about ULIP (unit linked insurance plan)?

Do you know about ULIP UNIT (LINKED INSURANCE PLAN)

52 responses:



Total respondents	Yes	No
52	34	19

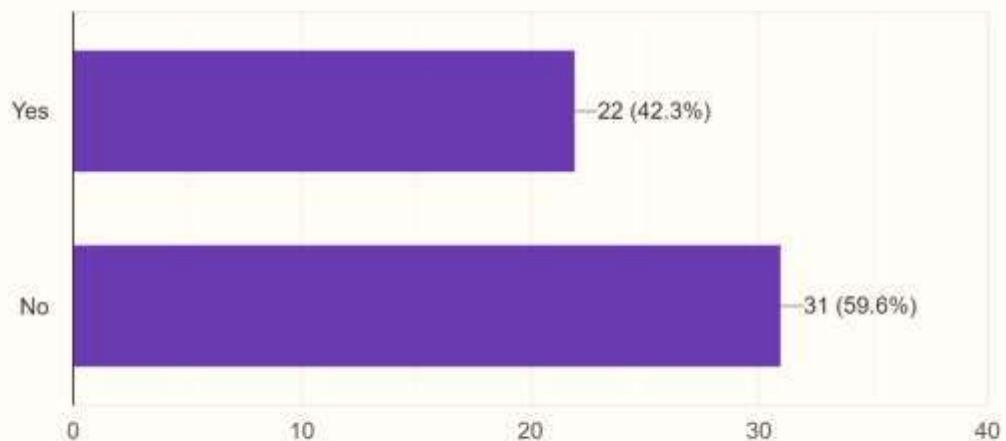
### INTERPRETATION

From the figure we can understand that out of the total respondents 65.4% of respondents knows about the ULIP and 36.5% of respondents does not know about the ULIP. As the total number of respondents are 52, the number of respondents aware about the ULIP are 34 and the number of respondents who does not know about the ULIP are 19.

**Q.4 Have you bought ULIP?**

Have you bought ULIP ?

52 responses

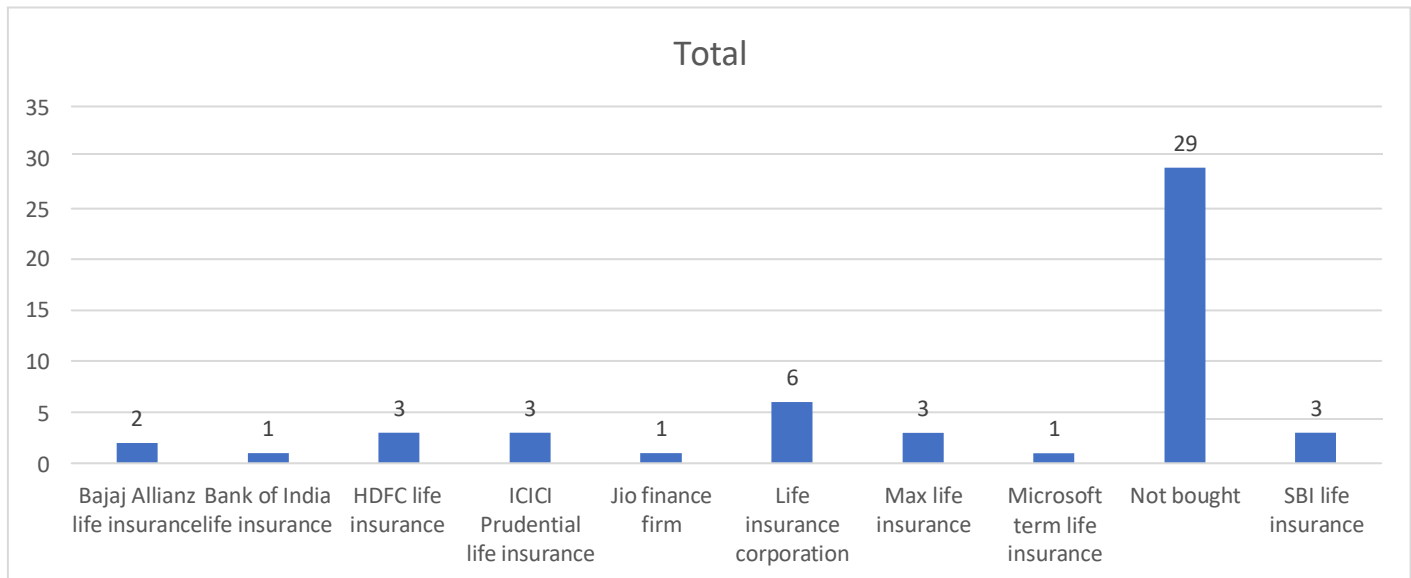


Total respondents	Yes	No
52	22	31

**INTERPRETATION**

From the above figure we come to know that out of the total respondents 42.3% of respondents had bought the ULIP, while 59.6% of respondents does not buy the ULIP. As the number of total respondents are 52 the number of respondents who has ULIP are 22 and the number of respondents who does not have ULIP are 31.

### Q.5 If yes then from which life insurance company?

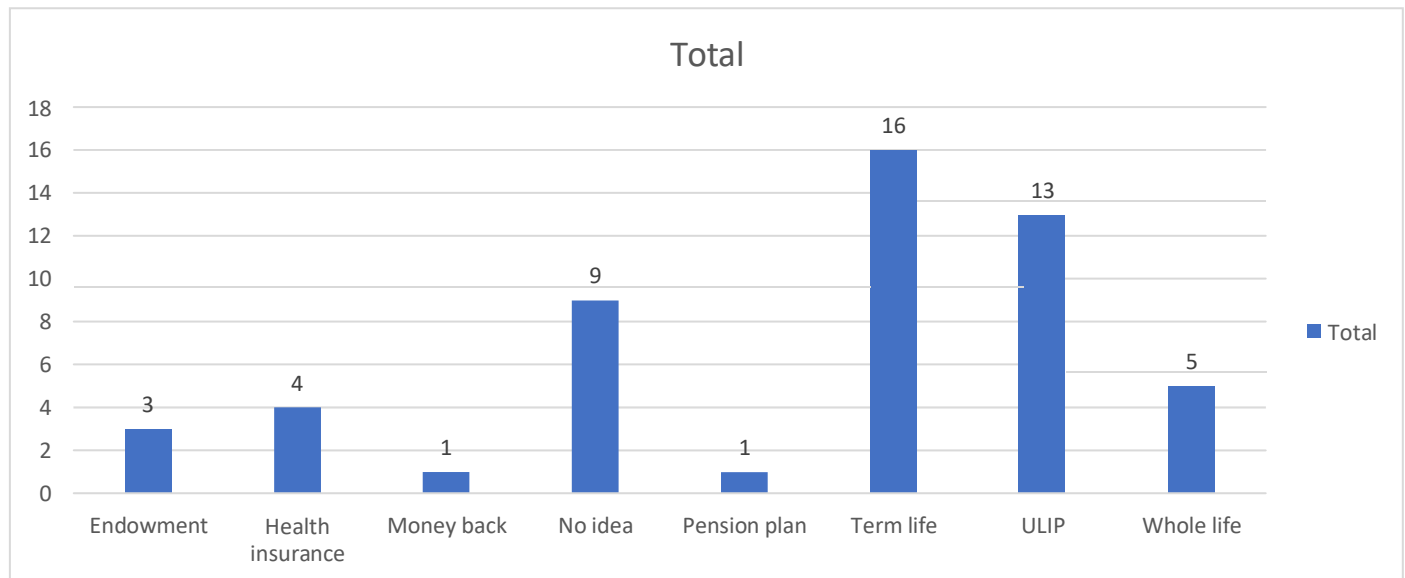


Respondents	Insurance company
3	ICICI Prudential life insurance
2	Bajaj Allianz life insurance
3	SBI life insurance
3	Max life insurance
6	Life insurance corporation
1	Bank of India life insurance
3	HDFC life insurance
1	Jio finance firm
1	Microsoft term life insurance
29	Not bought
<b>Total – 52</b>	

**INTERPRETATION**

From the above figure we can understand that out of the total respondents 29 respondents does not bought the ULIP plan from any life insurance company, 1 respondent bought ULIP from Microsoft term life insurance company, 1 respondent bought ULIP from jio finance firm , 3 respondents bought ULIP from HDFC life insurance, 1 respondent bought ULIP from bank of India life insurance, 6 respondents bought ULIP from life insurance corporation, 3 respondents bought ULIP from max life insurance, 3 respondents bought ULIP from SBI life insurance, 2 respondents bought ULIP from Bajaj Allianz life insurance, and 3 respondents bought ULIP from ICICI prudential life insurance.

### Q.6 Which life insurance plan you prefer the most?



Respondents	Insurance plan
13	ULIP
3	Endowment
16	Term life
4	Health insurance
5	Whole life
1	Money back
1	Pension plan
9	No idea
<b>Total= 52</b>	



**INTERPRETATION**

From the above figure we can understand that out of the 52 respondent, 13 respondents prefer ULIP plan, 3 respondents prefer endowment plan, 16 respondents prefer term life insurance plan, 4 respondents prefer health insurance plan, 5 respondents prefer whole life insurance plan, 1 respondent prefer money back plan, 1 respondent prefer pension plan, and other 9 respondent don't have any idea about which insurance plan is to be taken by them. So, we can understand that out of the total respondent majority of respondents prefer term life insurance plan.

## **FINDINGS**

- According to data that has been collected majority of the respondents are from age between 18-24.
- The number of male respondents is greater than the number of female respondents.
- Out of the total respondent majority of the people are aware about the ULIP plan.
- From the research we can conclude that most of the respondents does not have ULIP plan with them.
- ICICI Prudential life insurance, Bajaj Allianz life insurance, SBI life insurance, Max life insurance, Life insurance corporation, Bank of India life insurance, HDFC life insurance, Jio finance firm and Microsoft term life insurance is some life insurance companies which respondents prefer for buying ULIP plan, in which majority of the respondents prefer buying ULIP from life insurance corporation.
- ULIP(unit linked insurance plan), endowment plan, term life insurance plan, health insurance, whole life insurance plan, money back policy, pension plan are some of the life insurance plan preferred by the total respondents, out of which majority of respondents prefer term life insurance plan.

## **CONCLUSION**

In conclusion, the research project on the study of life insurance products offered by ICICI Prudential, with specific reference to ULIP plans in the Nagpur region, has provided valuable insights. Through comprehensive analysis and evaluation, it has been observed that ICICI Prudential offers a diverse range of ULIP plans tailored to meet the varying needs and preferences of customers in Nagpur. These plans offer a combination of life cover and investment opportunities, providing financial security and wealth accumulation benefits. The research highlights the importance of understanding the features, benefits, and associated costs of ULIP plans before making informed decisions. Additionally, it underscores the significance of considering individual financial goals, risk appetite, and market conditions when selecting an appropriate ULIP plan. Overall, this research contributes to enhancing consumer awareness and facilitating informed decision-making in the realm of life insurance and investment planning in the Nagpur region.

## **SUGGESTION**

- In case of ICICI Prudential, to get more perception of the respondents, ICICI has to launch more attractive policies.
- It has to offer value addition for the proposed policies.
- The company must publish their data widely through various medias, about its products and schemes.
- The promotional efforts should be made with the help of the Agent. So that it can easily reach the prospective buyers of Insurance.
- Premium advice should be sent periodically and the mode of premium payment should be convenient from the insured point of view.

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# QUESTIONNAIRE

## Untitled form

Awareness about ULIP (unit linked insurance plan)

\* Indicates required question

1. Name \*

\_\_\_\_\_

2. Age \*

Mark only one oval.

18-24

25-35

36-45

46-55

Above 55

3. Gender \*

Mark only one oval.

Male

Female

4. Do you know about ULIP UNIT (LINKED INSURANCE PLAN) \*

Tick all that apply.

Yes

No

5. Have you bought ULIP ? \*

*Tick all that apply.*

Yes

No

6. If yes than from which life insurance company? \*

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7. Which life insurance plan you prefer the most? \*

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