



# INDIAN LIFE UNDERWRITER

## इन्डियन लाइफ अन्डरराईटर

### LIFE INSURANCE AGENTS FEDERATION OF INDIA 1964

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(LIAFI 1964) HOUSE MAGAZINE

In pursuit of Education, Efficiency and Elevation of LIC Agents since 1964

## ICC MEETING AT CENTRAL OFFICE





इन्डियन लाइफ  
अन्डरराईटर

# Indian Life Underwriter

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\* Images of Some Important Events and Miscellaneous

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The views expressed in this publication are not necessarily those of the publishers' and the publisher do not accept any responsibility to the accuracy of effect of the published herein. Private circulation Only केवल सदस्यों के लिये

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### AN APPEAL TO THE ILU MEMBERS

All of you are requested to give your Correspondence Address, Contact No. and Email ID for faster communication and quick delivery of ILUs. Please extend your whole hearted cooperation by sending the valuable Opinion, Suggestions, Photo/Write-up of any Organisational Events. Any query regarding this matter, please write to us at [infoilu1964@gmail.com](mailto:infoilu1964@gmail.com)



## Social Media: The Necessary Evil!

Fellow professionals in the divine profession,

In today's digital age, social media has become an indispensable yet insidious part of our lives. With smartphones perpetually attached to our hands, we are compelled to constantly check WhatsApp, Telegram, Twitter, LinkedIn, Facebook, Instagram, and other platforms. The consequences are staggering.

Average daily social media usage is two hours and twenty-five minutes. (Source: Hootsuite's Digital 2024 report). Seventy-five percent of social media content is unnecessary and repetitive and is avoidable. India's working population of 662 million people (47% of Indian Population - McKinsey Report) spends approximately two hours daily, with only a quarter of that time being productive.

This translates to over 100 crore man-hours wasted daily, a massive opportunity cost for a developing nation like India. As responsible individuals, let us reassess our social media habits.

Let us all take Vow before posting anything on Social Media:

- Is this content necessary and useful to recipients?
- Has someone else already shared this information?
- Before accessing or forwarding, exercise due diligence to avoid unnecessary videos and graphics
- Group Admins are empowered and should consider deleting redundant or uncalled-for posts which all Admins should exercise unbiased.

Excessive social media use is also hazardous to Health. Fifty-four percent of users consider quitting due to mental health concerns. To mitigate these issues, let us make a conscious decision to:

1. Reduce social media usage by fifty percent
2. Minimize posting photographs and videos. Let there be 3 to 4 important pictures only for each event by email only and not 50 or 100 through WhatsApp etc as being posted by many of us.
3. Avoid posting duplicate content. Check what you wanted to post is not already posted by someone else in the same group.
4. Avoid posting irrelevant matter for our profession

5. Refrain from forwarding unnecessary content
6. Abandon group greetings viz Good Morning, Birthday or Festive Greetings etc..

As disciplined professionals of LIAFI 1964, let us pledge to optimize our social media presence in order to promote productivity, health and responsible communication and avoidance of unwanted message/image/Video forwarding more particularly in our professional groups.

I fervently request LIAFI 1964 President Mr Shyamal Chakraborty and also the Central Secretariat led by Sri S B Sreenivasa Chary, our Secretary General to formulate appropriate Social Media Policy for LIAFI 1964 and instruct all LIAFIANS to strictly adhere to it forthwith in the interest of the Organisation as well of its members.

With warm Greetings for the Festive Season,

**SURI SEETA RAM**

Chief Editor, Indian Life Underwriter.

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## **WHY USE ANANDA APP**

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# From President's Desk

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Dear Liafians

I feel very happy to address you through this message. The 75th Executive Committee meeting held in the holy city of Bhubaneswar was a grand success. I was very fortunate that all the great leaders like Shri B N Chary, Shri Singarapu Srinivas our past preside and our great Secretary General Shri S.B Sreenivasa Chary garu were present with me along with my zonal leaders and Divisional Leaders.

I was very happy to see most of our National leaders attending the meeting and actively giving their reports and messages. But i still feel that most national and zonal leaders are not actively contributing to the growth of our organization. We have to improve our primary membership and branch associations and Divisional councils have to take action in this matter and see that all agents in the branches are enrolled. Some zones have not conducted their EC meetings. The Respective councils have to actively work on all India basis to see that the messages of President and Secretary General reach all agents in the branch level.

IRDAI has issued product guidelines in March,2024 in which the surrender of policy were 2 and 3 years and within 3 months IRDAI has issued another circular reducing the surrender of policy to 1 year. When the Chairman of IRDAI changes, there are changes in policy conditions in the name of policy holders protection and Frequently insurance companies have to close policies and issue new policies due to the new regulations issued by the IRDAI. This is causing confusion to the insurance companies, agents and inconvenience to policyholders.. The persistence of policies is going down every year. With surrender after 1 year it will further reduce. In ULIP plans the lock in period is 5 years and in Conventional Plans the surrender is 1 year. Why is this discrimination towards conventional plans? This will cause the industry to suffer in the coming days as the persistence rate will further come down as policyholders will surrender their policies. These kinds of regulations will have adverse impacts on the insurance industry.

The Existing products were closed by the insurance companies as they do not comply with the Regulations in the New Master Circular and The new products launched by the Insurance Companies have massive changes to the commissions and this will harm the Agents.

All the Agents should get united, keep updating about the changes in the industry and become professional in their activities.

Jai LIAFI

**SHYAMAL CHAKRABORTY**

President - LIAFI 1964

# From Secretary General's Desk

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The restructuring of Agents' Commissions brought in by LIC and Simultaneous introduction of New Plans with effect from 1st October 2024 were sudden shock from two directions and have hurt the sentiments of Agents over the country. It is a fact that more than 96% of business for LIC is procured by Individual Agents year after year in spite of challenging competition and helped LIC retain Numero Uno Position over last 25 Yrs.

The commission rates were decided in the year 1938 and incorporated same in the section 40 of Insurance Act 1938. The Government of India has made an amendment to the Section 40 and deleted the Section 40(A) which relates to the rates of commission payable to the Insurance Agents. LIAFI-1964 strongly opposed on the consultation paper issued on elimination of upfront commission by Swaroop Committee.

The representatives of LIAFI-1964 have been invited by the two Parliamentary Standing Committees on Finance headed by Hon'ble Chairmen Sri Yeshwanth Sinha, the Then Union Finance Minister in 2010 and Sri Chandan Mitra in 2014 while amending the related sections of insurance Agents Commissions. We have explained to the Committees that transferring the very fundamental financial powers, which were with the Parliament for decades for very valid reasons to others, will raise scope to misuse of the same either by ignorance or under influence or deliberately which will be injurious to the Agents.

Subsequently, the powers were delegated to IRDAI through Insurance Laws (Amendment Act) 2015 to frame the regulations on payment of commission or remuneration or rewards to insurance Agents.

IRDAI has invited the LIAFI-1964 while framing the Regulations related to commissions and also nominated one of the representatives to the five-man Sub Committee to examine the issues raised on the draft (Payment of commission or remuneration or reward to the insurance Agents and insurance intermediaries) Regulations 2016.

Unfortunately, IRDAI has sub-delegated the powers to Insurers instead of making the regulations themselves with regards to payment of Commission. We could not understand the intension of IRDAI, as to why it has requested the Govt to transfer such an important Financial Power to themselves, when they are not able to decide the rates of commissions payable to insurance Agents.

Accordingly, the New Regulations (payment of commission or remuneration or reward to insurance Agents and insurance intermediaries 2016) have been notified by the IRDAI with effect from 1st April 2017 and the Renewal Commissions maximum cap revised from 5% to 7.5%. But it was not implemented by LIC though there was a scope to increase the Renewal Commission.

IRDAI has once before attempted to reduce the FYC to 20% and increase the Renewal Commission to 10%. LIAFI 1964 along with all other Agents Organization under the banner of JAC strongly objected and went to the extent of demonstrating before the office of IRDAI. Subsequently, the powers to decide the commission rates were delegated by IRDAI to respective Insurers.

There is a provision in Insurance Laws (Amendment Act) 2015, that the Authority while making regulations shall take in to consideration the nature and tenure of the policy and in particular the interest of the Agents and other intermediaries concerned. But we have not expected this kind of restructuring of rates of commissions to Agents without any consideration or Concerns of Agents. At least, the representatives of Agents have not been taken in to confidence in taking such major decisions.

In the name of restructuring the Commission, reducing the commission on First year Premium is a massive discouraging factor for the Agents who are associated with LIC of India for decades. Although, the difference of commission is said to be adjusted in the 4th, 5th year renewal commissions and 2% bonus after payment of sixth year premium, subject to basic Sum Assurance under the policy is Rs 5 lakhs, yet the Small and Marginal Agents are at a significant loss both in view of delay in payment and quantum of amount.

Further, we are also surprised and shocked to note that more instructions regarding CLAW BACK of Paid Commissions from Agents shall be issued by Marketing Department, Central Office. This is absolutely unjust because any commission is released only after the payment of Premium by Policy Holder and that the commission component is inbuilt within the Premium. Thus, there is absolutely no loss to LIC on account of paid commission to Agents.

Certainly, the reduction of commission rates on first year Premium and Claw Back of commission from Agents not only harm the existing Agents but also paves way to lose Club Memberships and will have adverse impact on members of Elite Club, Corporate Club, Galaxy Club, Chairman Club, ZM Club, DM Club and BM Club, MDRT qualifiers as well as Chief Life Insurance Advisors (CLIA). Effectively, this leads to less remuneration for same or more work to Agents while all other classes are paid more and more year after year for same or less work.

It is proved that the Insurance Regulatory Development Authority could not keep up their responsibility in making efficient regulations for the payment of commissions to insurance Agents and Insurance intermediaries. The competent Authority simply washed their hands, shifted their liability and transferred powers to Insurers to decide the rates of commission. There is a need for the Parliament to relook in to this and take back the financial powers related to the huge payment of commissions worth of Rs 42000/- crores of 29.71 lakhs Agents of 27 life Insurance Companies across the Country.

**S B SREENIVASA CHARY**  
**Secretary General, LIAFI 1964**

# VETERAN'S VIEWS

BRIJ BHOOSHAN CHANDHOKE



Dear LIAFI 1964 Members

Greetings of the season.

On 17th August 2024, my dear friend Mr. Suri Seeta Ram, Chief Editor of our house magazine called and gave me a surprise by asking me to pen down something for the fellow members through INDIAN LIFE UNDERWRITER'.

What a coincident, on this day I am completing 55 years of my LIC Agency, yes on 18th August 1969 an insurance agent was born in me, I am sure my friend Mr. Suri would not have known this. I first thought of sharing my experiences of 55 years but on second thought I have decided to share with you all my readings during these 55 years. Experience shall be shared in future.

I recall February 2024 issue XXVIII vol.2 of INDIAN LIFE UNDERWRITER- I found on cover page a photograph taken on the occasion of Central Secretariat meeting held at Hyderabad, what a wonderful combination of Past/ Present and Future, a combination of leaders in FITIES, SIXTIES SEVENTIES and EIGHTIES.

55 years of professional and social experience came in the way and a thought came up that in such a combination and in a such a big National Organization different opinions and different thoughts are bound to come. What can be the solution / Where can be the solution? And Who has to find the solution? A very big and difficult question and I was searching the answer and I have come across a very beautiful write up by SUDHA MURTY which I would love to share with you all..

*MARRIAGE IS OFTEN TREATED AS A SECURITY MEASURE, AND WEDDING CEREMONIES SOCIAL EVENTS WHERE THE STATUS OF THE COUPLE IS ON DISPLAY. IT IS RARE TO COME ACROSS A COUPLE WHO UNDERSTAND THAT THEY ARE ON THE JOURNEY TOGETHER, SHARING THEIR JOYS AND SORROWS.*

**In an organization we should forget Status. Sharing each once joys and sorrows.**

*IF WE WANT TO BE HAPPY WE HAVE TO CHANGE OUR ATTITUDE AND NOT THE WORLD'S. THE WORLD IS FULL OF DIFFICULTIES AND UNFULFILLED DESIRES JUST AS THE EARTH IS FULL OF DUST AND MUD. IF YOU WANT YOU'RE TO KEEP YOUR FEET CLEAN IN THIS MUDDY WORLD, THERE ARE ONLY TWO SOLUTIONS. EITHER COVER THE ENTIRE EARTH OR WEAR A PAIR OF SANDALS.*

**In an organization members should try to change themselves for good as it is not possible to change the world.**

*HOSPITALITY MEANS MAKING A PERSON FEEL AT HOME, ALLOWING HIM/HER TO RELAX AND SHARING WHAT EVER WE HAVE WITHOUT MAKING ANYONE UNCOMFORTABLE. BUT WE SEEM TO HAVE FORGOTTEN THAT. FOR US*

HOSPITALITY MEANS PREPARING MASSES OF FOOD AND PILING UP THE GUEST'S PLATE WITH IT. AND IF HE/SHE REFUSES, WE GET ANNOYED AND JUMP TO CONCLUSIONS.

**In an organization make each other comfortable and enjoy the togetherness.**

EVERYONE HAS SECRETS. WE ALL HAVE FAULTS AND WE TRY TO HIDE. BUT THE PROBLEM ARISES WHEN WE DO NOT ACKNOWLEDGE THOSE TROUBLES AND FAULTS EVEN TO OURSELVES AND PRETEND TO BE WHAT WE ARE NOT. A PEACOCK LOOKS BEAUTIFUL WHEN IT DANCES BUT IT CANNOT SING. A CUCKOO IS DARK BUT HAS A GOLDEN VOICE THAT IS WHY A CUCKOO SHOULD NEVER DANCE AND A PEACOCK SHOULD NEVER TRY TO SING. WE CAN LIVE OUR LIVES IN HAPPINESS ONLY WHEN WE ACKNOWLEDGE OUR DIFFICULTIES AND FAILURES AND TRY TO OVERCOME THEM WITH OUR STRENGTH OF CHARACTER.

**In organization difficulties and failures are bound to come, each one should acknowledge his own and overcome them with strength of character**

**Text in Bold Italics are my views (BBC)**

**BRIJ BHOOSHAN CHANDHOKE**

Past Secretary General of LIAFI 1964

bbhooshan.insure@gmail.com

Average earnings per agent per month					
State Name		State Name		State Name	
Andaman & Nicobar Islands	20446	Kerala	12548	Telangana	14737
Andhra Pradesh	14709	Madhya Pradesh	11647	Tripura	15382
Arunachal Pradesh	19722	Maharashtra	14931	Uttarakhand	10561
Assam	14407	Manipur	14995	Uttar Pradesh	11887
Bihar	12767	Meghalaya	18188	West Bengal	13512
Chandigarh	11241	Mizoram	19282	<b>TOTAL</b>	<b>13535</b>
Chhattisgarh	14860	Nagaland	18704		
Goa	15044	Delhi	15169		
Gujarat	15556	Odisha	13221		
Haryana	13262	Puducherry	15644		
Himachal Pradesh	10328	Punjab	13373		
Jammu & Kashmir	13126	Rajasthan	13960		
Jharkhand	13388	Sikkim	18008		
Karnataka	13265	Tamil Nadu	13444		

# See the people, Solve the problem, Sell the policy (STP)

by Bharat Parekh, Nagpur, Maharashtra.



I joined this wonderful profession at a fairly young age of 18 and the journey since then has been truly amazing. I strongly believe that learning is a great gift. And this gift is not complete until it is passed on. I would like to share with you one idea that I and my entire team follow religiously till date called **STP**.

**STP** has helped me to practice success on daily basis, meet unknown prospects daily, prospect up and infuse more discipline into my daily activity. One of the earliest lessons that I learnt in our business was **to practice success on daily basis through STP**. There is neither magic nor secret formula to success. Success grows out of our struggles to overcome difficulties. Nobody achieves success in any field without hard work and discipline. In our business all success and future rewards will come as a result of accepting prospect and client rejection as part and parcel of our daily lives.

I followed a simple routine recommended by member of the MDRT, Mr. Mathew Benello called **STP. SEE THE PEOPLE, SOLVE THE PROBLEM, SELL THE POLICY**. I personalized this phrase. In the early years of my career I pasted it wherever I could see it, in my office, on my desk, in my wallet, in my bedroom and even on the mirror in my bathroom. It got deeply rooted in my mind.

1. **SEE THE PEOPLE:** I met as many people as I could every day. I increased my prospecting activity considerably and reaped the fruits of high level activity.
2. **SOLVE THE PROBLEM:** I was mentally prepared to face every kind of rejection or objection. If the client is given the choice of paying or not paying the premium, the client will not pay the premium. But if he is given the choice of having a problem and not having a problem, he would definitely want to avoid the problem.
3. **SELL THE POLICY:** The sale of a policy gave me a thrill that really cannot be described in words. I wanted to experience this thrill every day. I wanted to experience this thrill every day. I got addicted to this thrill. I wanted to make it happen again and again. I just could not have enough of it.

**Practicing STP on a daily basis helped me to increase my client base:** I had disciplined myself to meet at least ten prospects daily and tell them the life insurance story. When I qualified for the MDRT for the 1st time, I had a client base of around 300 families

which I expanded to 600 families to qualify for the COT, and then to 1,000 families to qualify for the TOT. Once you have a strong customer base they will give you business once every three years. If there is one important message that I wish you take away from this article it is to increase your customer base through practicing **STP**.

You can find this concept in **Chapter 5 “How I reached the Top of the Table and stayed there”** of my first book **“Adding more to life”**. In this book I have narrated my learning process along with simple and practical ideas that I adopted to reach the top, to share my learning experiences with my peers. It was truly fulfilling to hear the feed back of my peers, of how they followed the ideas shared in the book to achieve their goals and qualify for MDRT, COT and TOT. The new edition of my book is available with my updated Profile and coloured pictures of my journey; it is available on Amazon. You may also like to read my interview with BBC titled **“LIC: How the dead helped a salesman to become a star agent”**. (<https://www.bbc.com/news/world-asia-india-60727998>).

My journey as also STP, will not be complete without special mention about my Mentors who have helped me to grow both professionally and personally. Mr. L. T. Mulchandani, my Development Office and Mentor, currently CEO, Space Education and Training Academy, who moulded me like the potter moulds clay and helped me to learn the finer points of life insurance. The discipline he gave me in the early stages of my career has now become a habit. His contribution to my career is invaluable. Another important person who has made a significant contribution to my profession and to the performance of my team is Mr. R. Gopinath, CEO & MD, Gopast Centre for Learning Pvt. Ltd. He is a legend in the life insurance industry. His training programmes and workshops have helped me and my team to polish and improve our skills over the years. I will always be grateful to the LIC Fraternity for their constant guidance, support and encouragement over the years. It is with great joy and pride that I represent the LIC. My clients and prospects have also played the role of my mentors. Every interaction with them, be it acceptance or rejection has provided me with a unique learning experiences that has built my business and shaped by personality. Last but not the least, I wish to express my deep appreciation for the Life Insurance Agents Federation of India (LIAFI) for their good work in advocating the welfare of Life Insurance Agents across the country.

Thank you,

Stay Blessed.

# 75TH EC MEETING



Lighting of the Lamp



Sri Suri Seeta Ram Chief Editor ILU addressing the gathering



Secretary General addressng the gathering



Lady Agents Welcoming the Secretary General



President addressng the gathering



view of delegates



Sri Singarapu Srinivas  
Chairman  
Advisory Comm.



Sri Harbhajan Singh  
Zonal Secretary NZ



Sri Vanamali Srinivasan  
Zonal President SZ



Sri J Krishna Reddy  
Zonal President SCZ



Sri Kamlesh Sondia  
Zonal President WZ



Sri Puri Venkatesham  
Chairman Disciplinary comm.



Sri B N Chary  
Chairman Constitution Comm.



Sri B Prabhakar Rao  
Chairman Political Affairs Comm



Sri Basudev Bhattacharya  
Chairman ODC



Sri Koutike Vittal  
Chairman CLIA



Honouring of Lady Leaders



Honouring Sri B N Chary Chairman Constitution comm



Sri Bidyut Ghosh Co-chairman Political Affairs Comm



Treasurers Group Photo with National Leaders



Nomination of New Office Bearers Sri P.J.Karekar & Sri G. Subramanyam Naidu



Honouring Sri Gyan Ranjan Mohanty & Sri Kishore chand

## CS EXTENDED MEETING AT HYD



## EC MEETING, GUWAHATI DC



## JORHAT DIVISIONAL COUNCIL EC MEETING



## WELCOME TO NEW CLUB MEMBERS OF KHARAGPUR DIVISION



## ICC MEETING JORHAT DIVISION



## LIAFI MEETING AT LIC BRANCH 11N DELHI



# 75th NATIONAL EC MEETING AT BHUBANESHWAR 26th - 27th June 2024



Sri Sudhakar Chaturvedi Secretary NCZ addressing the gathering



Sri Somanath Chowdhary Secretary EZ addressing the gathering



Sri Ajay Ittedwar Vice Chairman WZ addressing the gathering



Sri Dilip Patil Secretary SCZ addressing the gathering



Sri Narayan Reddy M Agents welfare & Development Comm. addressing the gathering



Sri C S Gujral Chairman Press & Publicity Comm. addressing the gathering



Bhubaneswar Divisional Council Leaders with SDM Special Guest at National EC Meeting



Sri S B Sreenivasa Chary, Sri Suri Seeta Ram,  
Sri D V Suresh Sri Karunanidhi met Sri P Srinivasan LUGI



Lighting of Lamp at Educational Seminar of  
Delhi Divisional Council - III

## KOUTIKE VITTAL ALL INDIA TOP CLIA HAS DONATED RS. 1,11,000/-



## GORAKHPUR DIVISION PADRAINA BRANCH MEETING



## NORTH CENTRAL ZONE



Sri Sudhakar Chaturvedi Secretary NCZ Honoured



NCZ Branch Meeting



D.K. Varma, President, Lucknow Division



Sri C.B. Pandey, North Central Zone President  
Ayodhya Division Council President Sri Veerendra Mishra and other leaders



Honouring Sri CB Pandey, President, NCZ



Past All India Vice President Sri Rohit Dhanani  
Office visited by LIAFI-1964 Leaders

## S/SRI R. GOPINATH, SBS CHARY & MA KHAN PRESIDENT CB2 AT EDUCATION SEMINAR



## CB 3 GENERAL BODY MEETING HYDERABAD DIVISION



## CB 16 GB MEETING HYDERABAD



# GADWAL GENERAL BODY MEETING, HYDERABAD DIVISION



Sri Gattu Rajaiah President & Sri P Ranga Rao Gen. Sec Karimnagar Division  
SCZ Met Union Minister of state Sri Bandi Sanjay



Sri Kadirappa Gen Sec & team of Kadapa Division Council met Smt Sabita Minister in Govt of AP



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# 75TH NATIONAL EC MEETING AT BHUBANESWAR 26-27th JUNE, 2024



Honouring the ILU Magazine, Sri Suri Seeta Ram, Chief Editor & Sri Udaya Bhanu, Sub Editor



Hyderabad Divisional Council PST'S Honouring.



New Division Council, Deharadun Sri Subhash Sangham,



New Division Council, Guwahati  
Sri Sunil Kumar Bora, President & Sri Phulen Gen. Secretary



Sri B. SRIRAM, Treasurer, All India, Presenting Accounts



Sri G Ashok, Mysore Divisional Council President  
Addressing the gathering



Sri Gyan Ranjan Mohanty, Chairman,  
Planning Comm. All India.



Sri Paramjit Singh, Secretary, Chandigarh Divisional Council  
Addressing the gathering



Sri Pradeep Kumar BV, Bangalore DO-1,  
Divisional Council President Addressing the gathering



Sri Subendu Pattanaik Secretary, ECZ



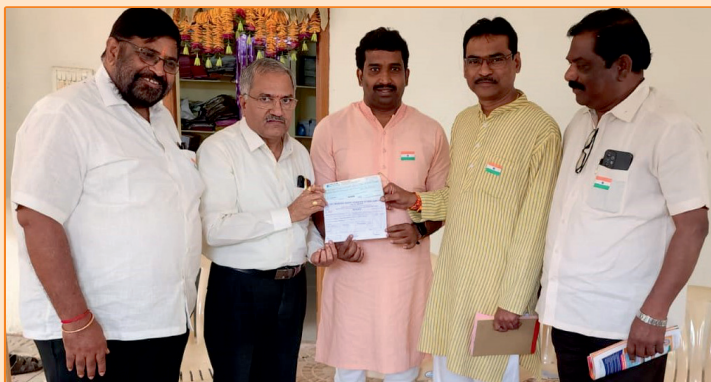
Sri Virupaksha, Bangalore, DO 2,  
Divisional Council President Addressing the gathering



Sri. Jayabharath Reddy, Kadapa Divisional Council President  
Addressing the gathering



National Executive Committee Meeting Delegates



Hyderabad Division Council President C. Venkat Reddy,  
Gen. Secretary Sudharshnam & Treasurer G. Seenaiah contributed highest  
primary memberships of 2700 Agents and occupied first rank in All India.



Meet the New Zonal Manager  
Sri Puneet Kumar, LIC of India, SCZ, Hyderabad.

## NEW LIFE MEMBERS PHOTOS



SHIVA KUMAR G.B



S SAI BABU



REKHA SETTY



RAJENDRA R BHENDE



PULIPATI RAMESH



NANJUNDAPPA .M



N VENKATARAMANI



N SWAMYNATHAN



MANOJ KUMAR



M CHENNAIAH



M RAJAGURU



LAKSHMI NARASAPPA



KALAIVANI SHIVAPATHAM



K.VENKATESWARA REDDY



GOUTHAM R



T P RAMESH



GANGADHARAPPA



G SURYANARAYANA



D GOVINDA MIRE



D CHELLAPILLAI



B RAMAKANT GUPTA



B GURUMOORTHY



ALLAM SRINIVASULU



AJOY D. BARLAWAR



A VISHWA PRASAD

## NEW LIFE MEMBERS PHOTOS



A P SAVITHA



VASANTA P KAKDE



Y V KRISHNA RAO



Y SRIRAMULU



D SUBRAMANI



SHIVA PRASAD



SHIVA KUMAR



SAVANDAIAH



S BALA RAJ



KRISHNAN PONNAIAH



KAMAL KISHORE SHARMA



GEETA DURYODHAN PATIL



G PRAVEEN KUMAR



RASHMI UCHIBAGALE



RAVI KUMAR. B



RANGA BHANU PRAKASH



RACHAMALLA KRISHNAIAH



NILKAMAL MOHANTY



NAGANNA



N THIPPE NARASAPPA



N GOWRISANKAR



M NARAYANA REDDY



M NAGARAJU

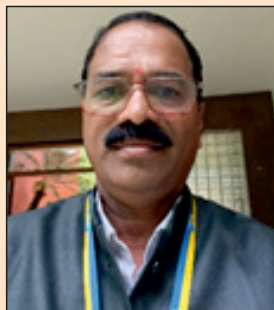


M L KALASE GOWDA



L V MAHADEVAIAH

## NEW LIFE MEMBERS PHOTOS



L MOHAN REDDY



K SREERAMULU



JAGRUTI S DEWANGAN



INDU



C VENKATAIAH



C RANGANATH RAO



C DEVARALLAPPA



BOORLA DAMODHAR



B S KRISHNA KUMAR



B NANDHA KUMAR



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SIDDARAJU C B



SHARAD SONTAKKE



SANJAY V BODHE



S OBUKONDAIAH



RANGA RAMULU



G V ASHOK



MALIPEDDA SHANKAR



RAMA RAO V



SHYAM PRASAD YADAV



SUNIL KUMAR BORA



PHULEN KALITA



NAGARAJA KAPPERA



MILON BASUMUTARY

## NEW LIFE MEMBERS PHOTOS



MAKBUL HUSSAIN



GEEDI THIRUPATHI



E HARISH KUMAR



CH SRINIVAS



C RAMAMUNI



Y JANIKI REDDY



A VIJAYA LAXMI



SATYAJIT MISRA



G. SUBRAMANYAM NAIDU



P ANJAN KUMAR



NIRAJ KUMAR



VIJAY KUMAR



K LOKANADHA NAIDU



K PADMANABHAM



AMITA



DEEP BHATTA



MANJU MEDHI



MANJU RAJKHOWA



SUJAN ROY



V RAVI



D ONNUR VALI



SHASHIKANT P SAWANT



K G D V SARMA



SREERAM BODDEPALLI



N RAJARETHINAM

# MAHILA SAMMELAN



Women agents participation in Mahila Sammelan of cb-12, Secunderabad Divisional Council



Mrs. E Hemalatha, 1 st Vice Chairperson All India, Mrs. A Vijaya Laxmi, Zonal-SCZ, Chair person, Mrs. Rani Padmaja Zonal-SCZ, Vice Chair person, Smt. Rajitha Reddy, Chair person, Women's Welfare Comm.



Honouring Women's Empowerment & Development Committee.



लाइफ इन्शुरन्स एजेंट्स' फेडरेशन ऑफ इंडिया १९६४  
**LIFE INSURANCE AGENTS' FEDERATION OF INDIA -1964**  
(LIAFI-1964) Reg. No. 1968/2018

Flat No 202, # 2-2-185/56/C/3, Sathya Sai Apartments,  
Baghamberpet, Hyderabad-500013. Mobile No 9490150009, 7981100995

**SHYAMAL CHAKRABORTY**

President  
Mobile: 9432495915  
Email: scshyamal@yahoo.com

**S B SREENIVASA CHARY**

Secretary General  
Mobile: 9490150009  
Email: charysbs@yahoo.co.in

To

Sri Narendra Damodaradas Modi Ji,  
Honourable Prime Minister,  
Government of India,  
New Delhi.

Date 8th August 2024

Most Respected Sir,

**GST on Insurance and its' impact**

The GST on Life Insurance and health Insurance has become a great impediment in extending the insurance coverage to the people of India and it is having adverse impact on policy holders as well as insurance intermediaries. This is also a discouraging factor for insurance penetration in the country.

**Current Scenario:** In India, the most popular savings instruments available are bank deposits, post office schemes, mutual funds and Insurance. Apparently all the above sectors are different from each other, for the common man, when it comes to his savings, he will compare the product from one sector to the product of the other sector. The market of insurance especially life insurance is a complex field. The products are more complex in comparison to other financial products. It is a very common scenario that when an insurance salesman goes to sell his product, majority of customers talk about returns rather than on death cover.

The GST on insurance premiums will reduce the net yield to the customer, making it less attractive when compared to Bank FDs, Post Office schemes and Mutual fund schemes.

The term insurance products which are core to the insurance companies are less than 10 % in terms of number of total sales and volume of total premium.

Insurance product is difficult to sell, as the awareness for insurance is still at the lower end and the existing GST made it even difficult to persuade the prospective customers. The industry has already impacted with existing agents leaving the profession and the new ones hesitant to join. This will lead to a classic case of negative economic cycle, wherein due to lack of sales and reduction in sales force, there will be a slump in the investible surplus generated by the insurance companies which may have a considerable impact on economy.

Website: [www.liafi.org](http://www.liafi.org)

**M.S. MURTHY**

Vice-President (H.Q. Hyderabad)  
9849003185  
malladi.murthy@yahoo.co.in

**SATINDER SINGH KALA**

Vice-President (H.Q. Delhi)  
9811460772  
satindersinghkala@gmail.com

**RATAN KUMAR CHANDA**

Vice-President (H.Q. Kolkata)  
9830148364  
ratanchandalic@gmail.com

**RAHUL ROHIT DHANANI**

Vice-President (H.Q. Mumbai)  
9820898801  
dhanani.lic@gmail.com

**B. SRIRAM**

Treasurer  
9490150055  
bsri\_ram@rediffmail.com



**लाइफ इन्शुरन्स एजेंट्स' फेडरेशन ऑफ इंडिया १९६४**  
**LIFE INSURANCE AGENTS' FEDERATION OF INDIA -1964**  
(LIAFI-1964) Reg. No. 1968/2018

Flat No 202, # 2-2-185/56/C/3, Sathya Sai Apartments,  
Baghamburpet, Hyderabad-500013. Mobile No 9490150009, 7981100995

**SHYAMAL CHAKRABORTY**

President  
Mobile: 9432495915  
Email: scshyamal@yahoo.com

**S B SREENIVASA CHARY**

Secretary General  
Mobile: 9490150009  
Email: charysbs@yahoo.co.in

-2-

Moreover, the insurance penetration (Ratio of premium to GDP)(USD) is at 3 % and the insurance density is at 70\$ (Ratio of premium (USD) to total population). The sector has reported consistent decrease in insurance penetration from 4.6 per cent in 2009 to 3% in 2022. These figures indicate that there are many pockets yet to be covered.

Insurance is seen as a social security measure by the Government. We opine that insurance products should be made more customer-friendly and agent-friendly so that Insurance products reach the last eligible individual in the country. In contrast, the existing GST rates on insurance premiums is an impediment to the Government's dream of all eligible individuals having insurance by 2047.

The contribution of the insurance industry to Indian economy and infrastructure building probably need not be over-emphasized. It has been the biggest contributor in many ways. The most of the policyholders belong to the lower/middle strata of society and hence the existing GST 18% on Life and Medical insurance is a burden to the middle and lower middle-class people of our country.

Keeping in view of the above reasons and to save the insurance industry, we the Life Insurance Agents Federation of India 1964, humbly request and pray to you Sir, to look into the matter and remove GST for Life Insurance and Health Insurance Products and please initiate necessary and favorable action in this regard.

We are looking forward to your positive response.

Thanking you.

Yours Faithfully

**S.B.SREENIVASA CHARY**  
Secretary General, LIAFI-1964

Copy to

The Honorable Union Finance Minister Mrs Nirmala Sitaraman garu for kind consideration  
The GST Council, Government of India for kind consideration and favorable orders.

Website: [www.liafi.org](http://www.liafi.org)

**M.S. MURTHY**

Vice-President (H.Q. Hyderabad)  
9849003185  
malladi.murthy@yahoo.co.in

**SATINDER SINGH KALA**

Vice-President (H.Q. Delhi)  
9811460772  
satindersinghkala@gmail.com

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9820898801  
dhanani.lic@gmail.com

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Treasurer  
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bsri\_ram@rediffmail.com

# **Extract of Standing Committee on finance**

## **STANDING COMMITTEE ON FINANCE (2023-2024)**

### **PERFORMANCE REVIEW AND REGULATION OF INSURANCE SECTOR**

#### **Reduce GST for health insurance and microinsurance products**

2.10 The Committee feel that there is a need to rationalize the GST rate on insurance products, especially health and term insurance, which is 18% at present. The high rate of GST results in a high premium burden, which acts as a deterrent to getting insurance policies. The Committee, with a view to make insurance more affordable, recommend that GST rates applicable to health insurance products, particularly retail policies for senior citizens and microinsurance policies (up to limits prescribed under PMJAY, presently Rs. 5 lakh), and term policies may be reduced.

#### **CUSTOMER PROTECTION**

##### **Repudiation of claims**

2.17 The Committee observes that due to the competition in the sector, some private companies are offering heavy discounts on premiums. Though the customers benefit from this, the claim settlement is being adversely impacted as insurance companies deliberately try to avoid settling claims. As the premium collected by the companies falls short, they have been resorting to repudiation/delay of large claims, particularly in Fire and other specialized areas, which leads to long and cumbersome legal battles. The Committee, therefore, recommend that there should be a provision for levying hefty penalties in such cases that can act as a deterrent. The Committee further desire that this should also be addressed in any new legislation being considered by the government.

#### **DISTRIBUTION NETWORK**

##### **Open Architecture for Agents**

2.5 The Committee note that, as per the Insurance Act of 1938, insurance agents can associate with one life, one non-life, and one health insurance company for the distribution of insurance business. However, the Committee, during deliberation on the subject, felt that in order to facilitate a larger outreach of insurance products and a stronger distribution infrastructure, Open Architecture for insurance agents is required. Open Architecture enables agents to associate with multiple insurance companies, resulting in higher insurance penetration while accelerating financial inclusion and lower distribution costs. It will also provide an equitable footing for the insurance agents vis-à-vis the insurance intermediaries. Also, customers would have access to more options at a competitive price. However, the Committee recommend extensive industry consultations on this matter to ensure that policies provide a level playing field to all players and do not unduly disadvantage incumbents. Additionally, any changes should be implemented over a period of time to enable all participants to prepare for these major changes.

## **Allow composite license for life and non-life insurance**

2.7 The Committee note that the Insurance Act, 1938, and the regulations of the Insurance Regulatory Development Authority of India do not allow composite licensing for an insurer to undertake life, general, or health insurance under one entity. However, the Committee are of the view that allowing composite licensing could provide further impetus to the insurance sector owing to its various benefits. It can cut costs and compliance hassles for insurers, as they can run different insurance lines under one roof. It can also offer customers more choice and value, such as a single policy that covers life, health, and savings. It can boost insurance reach and awareness in India, as customers can get all-in-one insurance from one provider, with lower premiums and easier claims. The Committee are aware that to enable composite licensing in India, the Government and the IRDAI are planning to bring amendments to the existing insurance legislation. However, there are some challenges and issues that need to be resolved, such as the capital and solvency requirements for the composite insurers, as they have to deal with different risks and returns from different types of insurance; the accounting and reporting standards for the composite insurers, as they have to keep separate funds and records for different types of insurance; etc. The Committee, therefore, recommend that the Government should hold deliberations with stakeholders to find solutions to these issues. They further recommend the Government to introduce a provision for composite licensing for insurance companies and make the related amendment in legislation at the earliest.

## **Actuarial**

2.8 Actuaries play an important role in the insurance sector as they are skilled in the risk analysis for different insurance products and provide support in designing and pricing of policies and financial modelling. The Actuaries Act, 2006 governs the profession of actuaries in India. As of now there are about 1000 actuaries including app. 600 Fellow Members of Institute of Actuaries of India which is too few given the projected growth of insurance sector. An enabling environment for the growth of actuarial profession in India should be created by building awareness in schools/colleges, encouraging more people to take the exam, coaching classes, and providing better career prospects. Further, as of now actuaries are used only in Insurance Sector, but their competence in financial modelling, risk analysis etc. could be used in government, banking, asset management, and other financial services sectors as well.

## **Motor Insurance Enforcement**

2.12 The Committee observe that, as per the Motor Vehicles Act, 1988, all vehicles that operate in any public space must have motor vehicle insurance coverage; however, its enforcement is an issue. The Committee also note that, as per the Motor Annual Report, 2019-20, of the Insurance Information Bureau of India (IIB), of the over 25.33 crore vehicles on the road in India as on 31st March 2020, the percentage of uninsured vehicles was nearly 56%. This indicates that a large number of vehicles (particularly commercial vehicles) are plying on the roads without any insurance cover, which poses a risk to the owners and third parties in case of accidents or damages. In particular, many innocent victims suffer due to accidents caused by commercial vehicles. There is no proper insurance coverage that can be identified after the accident and this often leads to local

communities shutting down traffic till appropriate compensation is provided. The Committee, therefore, recommend that, apart from taking other measures to enhance the compliance of motor vehicles, they should examine the implementation of E-Challan enforcement across states by leveraging data integration by IIB, mPrivahan, and National Informatics Centre data. Individual states should also report data on vehicle registrations and insurance coverage so that appropriate follow-up action can be identified. Financial institutions should also consider whether they should provide auto and commercial vehicles loans when they have proof of insurance coverage. IRDA and Reserve Bank of India should evaluate these requirements.

## **PUBLIC SECTOR INSURANCE COMPANIES**

### **Level Playing Field for Public Sector Companies**

2.14 The Committee find that at present, TDS on GST applies to insurance provided by the Public Sector Insurance Companies, whereas it doesn't apply to insurance offered by Private Sector Insurance Companies. The Committee also find that the Public Sector Insurance Companies have to mandatorily participate in government-run insurance schemes which impacts their profitability. The Committee with a view to ensure a level playing field, recommend that such provisions be uniformly applied to all players.

### **Delegation of Power**

2.15 During the deliberations on the subject, the Committee raised the issue of gratuity and term insurance for LIC agents, which had been proposed long before but were pending with the Ministry for approval. The Committee note with satisfaction that the said proposal has now been approved by the Ministry. The Committee believes that there is a need for a complete delegation of power by empowering the Board to deal with such matters. The Committee, therefore, desire that the government should expeditiously examine this issue and apprise the Committee of the outcome at the time of submitting action-taken notes.

## **CUSTOMER PROTECTION**

### **Repudiation of claims**

2.17 The Committee observe that due to the competition in the sector, some private companies are offering heavy discounts on premiums. Though the customers benefit from this, the claim settlement is being adversely impacted as insurance companies deliberately try to avoid settling claims. As the premium collected by the companies falls short, they have been resorting to repudiation/delay of large claims, particularly in Fire and other specialized areas, which leads to long and cumbersome legal battles. The Committee, therefore, recommend that there should be a provision for levying hefty penalties in such cases that can act as a deterrent. The Committee further desire that this should also be addressed in any new legislation being considered by the government.

### **Consumer-friendly ecosystem**

2.19 The Committee feel that there is a need to develop a consumer-friendly environment to alleviate their hardship in regard to the selection of appropriate and affordable policies;

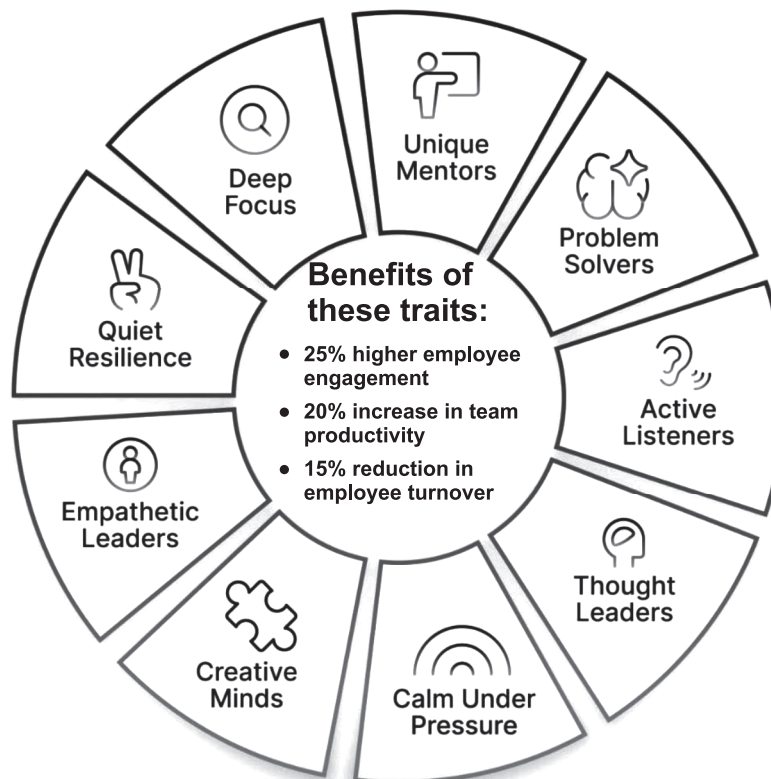
prevent them from various frauds and mal-practices such as mis-selling, misleading marketing practices, delay, and unfair denial of claims, and provide speedy and satisfactory grievance redressal. The Committee, therefore, recommend that the required steps be taken to improve customer experience and satisfaction by offering personalized and customized products, simplifying the application and claim processes, providing timely and transparent communication, and resolving grievances effectively with the aid of technology. The Committee are also of the opinion that creating a common platform for coordination and information sharing among various stakeholders, such as IRDAI, insurers, ombudsmen, consumer forums, and consumer associations, and establishing a single-window system for grievance registration and tracking across all channels, such as online, offline, etc., can go a long way in improving customer satisfaction. The Bima Sugam platform developed by IRDAI is therefore very much required. The Bima Sugam platform should be able to dramatically streamline policy discovery, policy purchase, premium payments, and claim settlements making it much easier for customers to find suitable insurance schemes. The Reserve Bank of India has instituted a formal ombudsperson system to deal with consumer grievances associated with banks and NBFCs. IRDA may also consider instituting a similar system to ensure high-quality customer service. IRDA may also want to establish a Consumer Charter for retail insurance coverage that is binding on the industry and elevates service levels.

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## 9 Qualities of Quiet People

“The most profound insights often come from the quietest voices.” - Warren Buffet



# NON- MEDICAL CHARTS

As on 14/10/2024

**Group I Plans:** 717, 736, 745, 749, 760, 771 & PWB Rider

(Withdrawn Plans 849, 852, 860, 863, 864, 865, 866, 869, 871, 916, 917, 935, 936, 945, 948 & PWB Rider)

**Group II Plans:** 714, 715 and 733 (Withdrawn Plans 914, 915, 920, 921 and 933)

**Maximum Limit under Combined Group I and II Plans:** Should not exceed limit of Group I Plans.

**Extended Limit with VMER :** Under Group I / II / Combination of Group I & II Plans

**Term & PWB Rider:** Allowed under NMP & NMS only. For Term Rider Applicable Group will be as per Base Plan.

## Non-Medical General

For Literate Male and Literate Female lives having own income & Literate Housewives

Age (NBD)	Sum Under Consideration (SUC)		
	Group I	Group II	With VMER*
18 to 35	12 lakhs	8 lakhs	12 lakhs
36 to 45	8 lakhs	5 lakhs	8 lakhs
46 to 50	5 lakhs	3 lakhs	5 lakhs
Major Students (18 to 30)	25 Lakhs	20 Lakhs	30 Lakhs
<i>*If Special reports are not required (as per Chart-II): Physical and Tele MER is also allowed as per limit of Medical Examiner as per Circular NB&amp;R/ 265 dated 14/09/2020</i>			

## NM-Preferred (Resident Indians/ NRIs & FNIOs) and Non-Medical Special (Resident Indians/ NRIs)

Age (NBD)	Sum Under Consideration (SUC)					
	Non- Medical Preferred for Resident Indians and NRIs & FNIOs of Group V Countries only. Qualification: Graduate /Post-Graduate or Professional Qualification. a) Employed - Minimum length of Service – 3 months and Salary above 10 lakhs. b) Self Employed / In Business / having Professional Income – Earned Income above 10 Lakhs for each of 3 Years. <b>Income Proof not Required Upto 25 lakhs TRSA</b>			Non- Medical Special for Resident Indians and NRIs of Group V Countries only. a) Employed in Govt / Semi Govt / Reputed Companies / Listed Companies etc, must be literate and annual salary above 2.50 lakhs Resident Indians – Min. length of Service – 3 months For NRIs – Min. Length of Service One year b) Professionals – Having Professional Income above 2.50 lakhs for each of 3 years. (upto Age 35- one year income allowed) c) Businessperson / Self Employed – Minimum Qualification – SSC and Earned Income of above 10 lakhs for each of 3 years. <b>Income Proof not Required Upto 25 lakhs TRSA</b>		
	Group I	Group II	With VMER*	Group I	Group II	With VMER*
18 to 35	50 Lakhs	30 Lakhs	100 lakhs	30 Lakhs	25 Lakhs	50 lakhs 30 lakhs
36 to 45	25 Lakhs	20 Lakhs	50 lakhs	20 Lakhs	15 Lakhs	30 lakhs 20 lakhs
46 to 50	13 Lakhs	10 lakhs	20 lakhs	10 Lakhs	8 Lakhs	15 lakhs 10 lakhs
<i>*If Special reports are not required (as per Chart-I): Physical and Tele MER is also allowed as per limit of Medical Examiner as per Circular NB&amp;R/265 dated 14/09/2020</i>						

## Non-Medical for Minors

Age (NBD)	SUC	Plans Allowed
0 to 9	40 lakhs	714, 717, 736, 745, 749, 760 & 771 (Withdrawn plans 849, 852, 860, 863, 865, 866, 914, 917, 932, 934, 935, 936, 945 & 948)
10 to 17	15 lakhs	714, 717, 736, 745, 749, 760 & 771 (Withdrawn Plans 849, 852, 860, 863, 865, 866, 914, 916, 917, 920, 921, 932, 934, 935, 936, 945 & 948)

# THE CONCEPT OF SURRENDER VALUES



"The concept of surrender values in life insurance is often misunderstood. Many policyholders expect to receive a full refund of their premiums when they surrender their policy, without realizing that this goes against the fundamental principles of insurance. Insurance, whether it is life or fire insurance, operates on the principle of averages, where a large pool of policyholders contributes to a common fund that is used to cover losses.

In life insurance, the probability of death increases with age, but premiums are typically levelled to ensure that the insurer has enough funds to pay claims as they arise. This means that in the early years of a policy, the premiums exceed the actual risk, creating a reserve fund. As the policyholder continues to pay premiums, this reserve fund grows, and it is used to cover the increasing risk of death as the policyholder ages.

If a policyholder decides to surrender their policy, they are entitled to a share of this reserve fund, which is known as the surrender value. However, it is important to note that the surrender value is typically much less than the total premiums paid, as the fund is only formed from the balance left over after claims and expenses have been paid.

In essence, the surrender value represents the policyholder's share of the reserve fund, which has been built up over time through their premium payments. While it is understandable that policyholders may feel that they should receive a full refund of their premiums, the reality is that the insurer has already incurred expenses and liabilities in providing coverage, and the surrender value is a fair reflection of the policyholder's share of the reserve fund.

It is worth noting that the surrender value is calculated based on the insurer's actuarial tables and takes into account factors such as the policyholder's age, the term of the policy, and the premiums paid to date. The insurer may also offer a surrender value that is lower than the policyholder's expectations, as they need to balance the interests of all policyholders and ensure that they have sufficient funds to meet future claims.

In conclusion, while the concept of surrender values can be complex, it is important for policyholders to understand that it is not a simple matter of receiving a full refund of their premiums. The surrender value represents a fair share of the reserve fund, taking into account the policyholder's contributions and the insurer's liabilities. By understanding how surrender values work, policyholders can make informed decisions about their insurance coverage and avoid unrealistic expectations."

**Harish Desai**  
Ex development officer  
Mumbai  
Content coach  
9029429906

# STEPS TO SELLING BIG POLICIES EASILY



Selling a large insurance policy requires a strategic approach that blends product knowledge, relationship-building, and an understanding of the client's needs and financial goals. The size and complexity of big insurance policies often necessitate a more consultative sales process compared to smaller policies. Here, we explore the key steps and strategies involved in selling a substantial insurance policy successfully.

## 1. Understanding the Product and the Market:

A fundamental step in selling a big insurance policy is having a thorough understanding of the product. This includes not only the technical aspects of the policy, such as coverage details, exclusions, and premium structures, but also how these elements compare to other products in the market. Knowledge of market trends, competitor offerings and the economic environment will enable the salesperson to position the product effectively. Being well informed also instills confidence in the client, who needs assurance that they are making a sound financial decision. And in today's era where half knowledge is available online, we as an agent have to play very important role. So have a mentor and be upto date in your knowledge.

## 2. Identifying and Qualifying Prospects:

We have been taught that Everyone is our Prospect. But I have a strong statement here that - Not everyone is a suitable candidate for a large insurance policy. Therefore, it is crucial to identify and qualify potential clients who have the financial capacity and need for such a policy. This often involves targeting high-net-worth individuals, businesses or entities that require substantial coverage. Using a strategic approach to prospecting ensures that efforts are focused on clients who are more likely to see the value in a big insurance policy. Use Zaubra Corp or Google Maps to find HNI prospects near your area.

## 3. Building Relationships and Trust:

Trust is a cornerstone in selling any insurance policy, but it is especially critical with large policies. The decision to purchase a substantial policy often involves a significant financial commitment and clients need to feel confident in the advisor's integrity and expertise. Building trust involves consistent communication, demonstrating a genuine interest in the client's needs, providing honest and transparent information. Relationship building is a long-term effort and being available to answer questions and address concerns.

## 4. Conducting a Needs Analysis:

A comprehensive needs analysis is essential for understanding what the client truly requires from an insurance policy. This process involves asking probing questions to uncover the client's financial goals, risk tolerance and any existing coverage gaps. By understanding these aspects, the salesperson can tailor their approach and recommend a policy that aligns with the client's specific needs.

## **5. Presenting a Customized Solution:**

Once the client's needs are understood, the next step is to present a tailored solution. This involves explaining how the proposed insurance policy addresses the identified needs and provides value. The presentation should focus on the benefits, showing how the policy can provide peace of mind, financial security and protection against unforeseen risks.

HNI like to keep things simple - They are more concerned about how much they have to invest & what will be the returns in one page. Our Jeevan Utsav & ULIP plans will be able to address all needs.

## **6. Handling Objections and Closing the Sale:**

Handling objections effectively is critical in the sales process. Objections might include concerns about cost, coverage or returns. The salesperson should be prepared to address these objections with factual information and reassurance. A strong close involves summarizing the key points, reiterating the benefits and clearly outlining the next steps. Being confident and assertive in closing can help reassure the client that they are making the right decision.

## **7. Providing After-sales Support :**

After the sale, providing exceptional customer service and ongoing support is crucial. This includes regular policy reviews, updates on any changes that might affect coverage and being available to answer questions or concerns. Ongoing support helps in maintaining trust and ensures the client remains satisfied with their decision, which can lead to referrals and repeat business.

In conclusion, selling a big insurance policy is a process that requires knowledge, patience and a client-centered approach. By understanding the product, identifying the right prospects, building trust and offering tailored solutions, sales professionals can effectively meet the needs of their clients and achieve success in selling large insurance policies.

All the best & remember that LIC is our company and we have to make it stronger by selling more policies.

**Rahul Rohit Dhanani**

TOT & Corporate Club Member

Vice President LIAFi - 1964 ( HQ Mumbai)

Country Chair MDRT India - 2023-24

## ICC MEETING AT CENTRAL OFFICE



Life time achievement award given to Sri Subhash Mishra, Past All India President LIAFI-1964 by WZ



Life time achievement award given to Sri Gopinath Terkar, Past Zonal President by WZ



Honouring the team of Bhubaneshwar Divisional Leaders, Zonal Leaders and National Leaders of ECZ



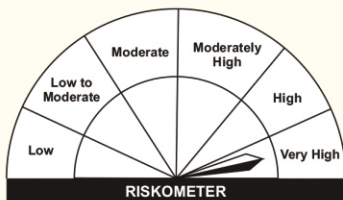
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- Risk – Very High

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them. The change in Risk-o-meter will be evaluated on a monthly basis. For Scheme related details, including updation in Riskometer (if any) may please be referred on our website: [www.licmf.com](http://www.licmf.com)

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