



# **JUST HOW MANY LIFE INSURANCE POLICIES DISCONTINUE ?**



**210 MN LIFE INSURANCE  
POLICYHOLDERS**

**329 MN INDIVIDUAL  
POLICIES**

**But very few get full  
benefits of their policies...**



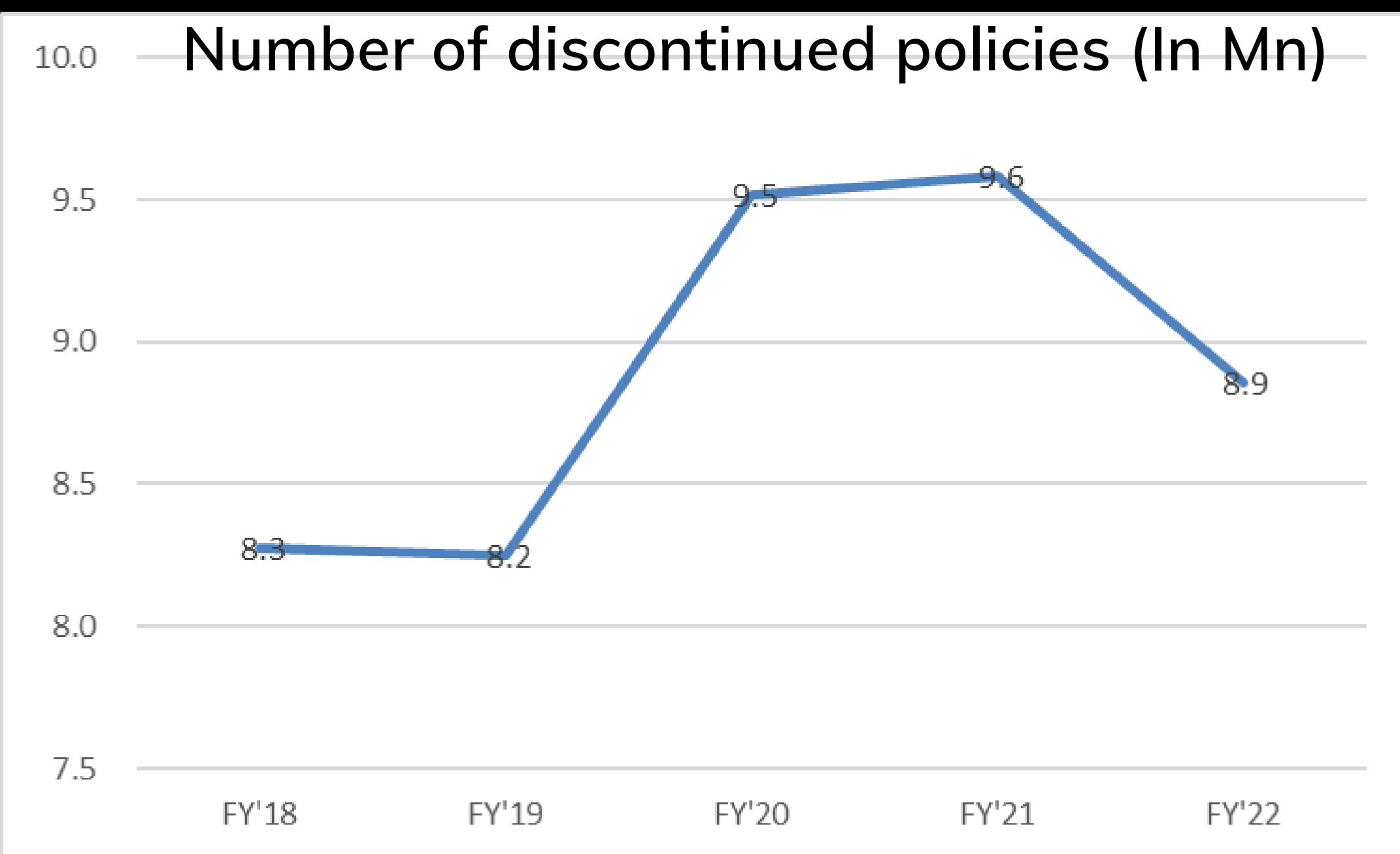
## **Why, you ask..**

- Life insurance policies are long term. Most require 10-12 years of premium payment (called premium payment term).
- Policyholders stop paying premiums and get reduced/zero benefits from their policies.
- Some policyholders "surrender" - losing out on long term benefits AND sometimes losing part of the capital invested.

## **How big is this problem?**

**A MASSIVE ONE...**

**9-10 MN PER YEAR IN  
NON-LINKED POLICIES  
ALONE**



LIC contributes to 80% of the lapses in non-linked policies for the industry!

**UNIT LINKED DISCONTINUANCE IS  
OVER & ABOVE THIS !!!**

*Includes lapses, paid-ups, and forfeitures excl.variable insurance plans*

# IMPACT - LOSS OF LIFE COVER



**INR 7.4 TN IN FY'22**

*(PART OF IT ACTUALLY, AS SOME  
POLICIES STILL RETAIN PART LIFE  
COVER)*

***JUST FOR REFERENCE...***

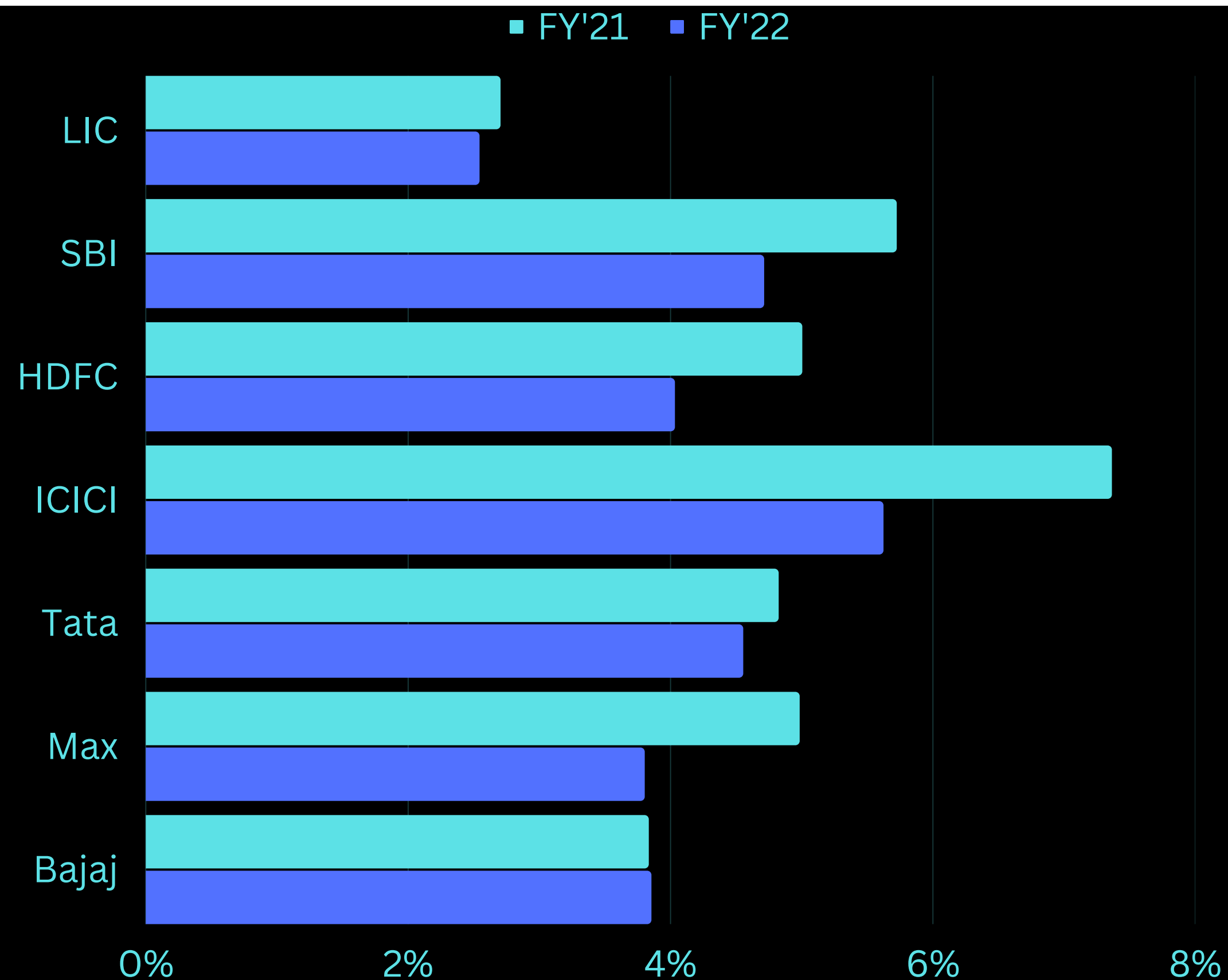
**INR 21.3 TN WAS TOTAL  
SUM ASSURED OF NEW  
INDIVIDUAL POLICIES  
WRITTEN IN THE YEAR**



contributes to 60% of the  
Sum Assured loss !

*Includes lapses, paid-ups, and forfeitures excl.variable  
insurance plans*

# LAPSE RATIOS (BY # OF POLICIES)



- LIC lapse ratios (aggregated across cohorts) is **lower than pvt.** insurers
- Lapse ratios in non-linked businesss show an **improving trend** across top insurers

*Includes lapses, paid-ups, and forfeitures excl.variable insurance plans*



VALUENABLE IS WORKING WITH LIFE INSURERS IN INDIA, WITH OUR PLATFORM DESIGNED TO IMPROVE THEIR CUSTOMER RETENTION METRICS.

WE ENVISION TO BE THE RISK SHARING PARTNERS FOR LIFE INSURERS WHEN IT COMES TO RENEWALS & RETENTION WITH OUR INTERESTS ALIGNED WITH EACH POLICYHOLDER WE HELP RETAIN

**REACH US @**

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