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## **71% of uninsured Indians feel ‘Insurance’ is a critical lever for building ‘financial immunity’ - reveals SBI Life’s Financial Immunity Study 3.0**

*Almost half (47%) of insured individuals have surrendered their insurance policy in the last five years*

### **Key findings:**

- *Key concern of consumers has shifted from medical expenses to inflation and the rising cost of living*
- *Though 80% of the consumers think insurance is a key tool for achieving financial security, 94% either did not have insurance or were inadequately covered*
- *37% of consumers equate Financial Immunity with ‘having multiple sources of income’, and 41% claim that having a ‘secondary income’ can strengthen Financial Immunity*
- *52% of Indian households’ income allocation is focused on building Financial Immunity, by investing funds in savings, investments, life insurance, and health insurance schemes*
- *80% consumers rely solely on employer-provided insurance policies*

**India, 11th September 2023:** SBI Life Insurance, one of the most trusted private life insurers in the country, unveiled the third edition of their comprehensive consumer study – ‘**Financial Immunity Study (F.I.) 3.0**’ titled “**Demystifying the Consumer’s Illusions**”. The study delves deep into the minds of Indian consumers, unravelling the myths surrounding financial preparedness and revealing the common illusions that hinder their path to true financial security. SBI Life commissioned the study in collaboration with knowledge partner- **Deloitte**, reaching out to **5,000 respondents** across **41 cities** covering the length and breadth of India.

Amidst a world reshaped by unforeseen challenges, the study unveils a stark reality that the Indian consumer's perception of financial preparedness is often clouded by illusions that could have dire consequences leading them or their family members to have inadequate financial protection amidst life uncertainty. While 68% consumers believe that they are adequately insured, **only a meager 6% of insured consumers in fact have sufficient insurance coverage.**

However, there is still a reason for hope, as a promising **71% of uninsured respondents** believe that **insurance is an absolute necessity** to achieve ‘Financial Immunity’. Additionally, an overwhelming 83% of individuals who are insured recognize the critical nature of insurance in achieving financial resilience, reveals SBI Life’s Financial Immunity Study 3.0.

Taking the concept of Financial Immunity to the masses, SBI Life has also launched a free to use ‘**Financial Immunity Calculator**’ which captures consumers' profiles and current financial assets to provide personalized assessment of their Financial Immunity Score. The score acts as a reminder that preparing today fortifies the foundation for tomorrow. The 'Financial Immunity Calculator' also provides valuable suggestions on how individuals can bridge identified gaps in their financial preparedness.

Click on the link to calculate your financial immunity score: [Financial Immunity Calculator](#)

Speaking on the launch of Financial Immunity Study 3.0, **Mr. Mahesh Kumar Sharma, MD & CEO, of SBI Life Insurance** said, *“At SBI Life Insurance, our vision has always been to liberate individuals to pursue their dreams, by securing the needs & aspirations of their loved ones. With our latest initiative the 'Financial Immunity Study 3.0,' conducted in collaboration with Deloitte, we continue to take meaningful strides towards achieving this purpose of liberating individuals by demystifying the illusions that cloud the true understanding of financial preparedness of Indian consumers. Our aim is to empower individuals with knowledge, tools, and solutions that will fortify their financial foundations and ensure their peace of mind in an uncertain world.”*

**He further** added, *“The findings underscore a critical need for a paradigm shift in how we perceive financial preparedness. It's a matter of great concern that 80% of consumers acknowledge insurance's pivotal role in financial security, yet a staggering 94% remain inadequately covered. This stark contrast between perception and reality drives our mission's urgency. The study is more than just a report; it's a call to action. We believe that every individual deserves the opportunity to build resilience against life's uncertainties. Together, we can bridge the gap between perception and reality, and truly empower individuals to achieve 'Financial Immunity’.”*

**Soumya Dwibedi, Partner, Consulting, Deloitte India** stated, *“As we introduce the 'Financial Immunity Study (F.I.) 3.0' we are delighted to contribute to this pivotal consumer study in collaboration with SBI Life Insurance. The findings reveal that a significant proportion of insurable consumers either lack insurance coverage or have inadequate protection, but living in an illusion of financial immunity highlighting a substantial gap between reality and perception. The study also highlights the key myths that aid this perception, underscoring the importance of raising awareness and providing targeted messaging, which aligns with IRDAI's mission of achieving universal insurance coverage by 2047, a crucial step toward ensuring the long-term well-being of our citizens”.*

*“The insights of the study accentuates the need for a mindset shift reflecting how with both Life and Health coverage, consumers can be financially empowered. It underpins the fact that insurance isn't just a financial tool but is a powerful means to fulfill dreams and aspirations of millions across the deeper pockets of our country. To achieve this noble goal, there is a need for the ecosystem to collaborate and help India create a future where financial immunity is a reality for every Indian citizen,”* **he added.**

Further, the highlight of the report is the **revelation of five pervasive consumer illusions** that have marred true financial preparedness; overcoming these misconceptions can illuminate the path to a financially immune future:

***Illusion 1: "Merely owning an insurance policy guarantees adequate protection"***

- 68% consumers are living in an illusion having sufficient insurance coverage but the matter of fact is that only 6% are sufficiently insured under their current insurance policies
- In reality, 94% consumers are either underinsured or uninsured

***Illusion 2: "Investments in financial instruments provide better security than insurance"***

- In reality, 80% consumers believe insurance is an absolute necessity for financial immunity & 71% of the uninsured consumers feel insurance is a critical lever in building financial immunity

***Illusion 3: "Insurance policies can be forfeited in the event of fund shortage"***

- About 50% consumers revealed a tendency to prematurely surrender their policies
- But in reality, insurance policies can act as collateral for loans in time of need

***Illusion 4: "Owning assets and savings is a replacement for Life Insurance"***

- In reality, 62% consumers are not confident in their savings for the future
- Traditional investments like fixed deposits and savings are favoured by Indian households, but they offer different advantages compared to insurance policies

***Illusion 5: "Employer-provided insurance cover is sufficient"***

- 96% of employees covered solely under their employer provided insurance are underinsured
- In reality, employed provided insurance policies may not always be sufficient, depending on individuals growing needs

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**About SBI Life Insurance**

SBI Life Insurance ('SBI Life' / 'The Company'), one of the most trusted life insurance companies in India, was incorporated in October 2000 and is registered with the Insurance Regulatory and Development Authority of India (IRDAI) in March 2001.

Serving millions of families across India, SBI Life's diverse range of products caters to individuals as well as group customers through Protection, Pension, Savings and Health solutions.

Driven by 'Customer-First' approach, SBI Life places great emphasis on maintaining world class operating efficiency and providing hassle-free claim settlement experience to its customers by following high ethical standards of service. Additionally, SBI Life is committed to enhance digital experiences for its customers, distributors and employees alike.

SBI Life strives to make insurance accessible to all, with its extensive presence across the country through its 996 offices, 22,015 employees, a large and productive individual agent network of about 222,822 agents, 68 corporate

agents and 14 bancassurance partners with more than 39,000 partner branches, 133 brokers and other insurance marketing firms.

In addition to doing what's right for the customers, the company is also committed to provide a healthy and flexible work environment for its employees to excel personally and professionally.

SBI Life strongly encourages a culture of giving back to the society and has made substantial contribution in the areas of child education, healthcare, disaster relief and environmental upgrade. In 2022-23, the Company touched over 1.1 lakh direct beneficiaries through various CSR interventions.

Listed on the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'), the company has an authorized capital of Rs. 20.0 billion and a paid up capital of Rs.10.0 billion. The AuM is Rs. 3,282.8 billion.

For more information, please visit our website-[www.sbilife.co.in](http://www.sbilife.co.in) and connect with us on Facebook, Twitter, YouTube, Instagram, and LinkedIn.

(Numbers & data mentioned above are for the period ended June 30, 2023)

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